



Southeast's got Agriculture

While not the largest employing industry in Southeast Minnesota, Agriculture nonetheless plays a role in the region's economy. As shown in Figure 1, there are three main sub-sectors in the Agriculture industry sector – Crop Production, Animal Production and Aquaculture, and Support Activities for Agriculture and Forestry. While all three of these sectors have seen overall job growth over the last 10 years, the highest numeric growth was seen in Animal Production and Aquaculture, which saw an increase of 466 jobs, while Support Activities for Agriculture and Forestry saw the largest

percent change with a jump of 52.2 percent (see Figure 1).

Of these three industry sub-sectors, the largest portion of Agriculture jobs are in Animal Production and Aquaculture, which makes up 68.4 percent of the region's jobs in Agriculture, Forestry, Fishing, and Hunting, with 2,106 jobs in 205 firms. Crop Production makes up 21.7 percent of these jobs in 109 firms, and Support Activities for Agriculture and Forestry makes up the remaining 9.1 percent in 65 firms. Animal Production and Aquaculture also accounts for the highest percentage of the total payroll at 68.4 percent, but Crop Production has the

highest average weekly wages with \$674 weekly. Interestingly, Crop Production saw a general decline from 2011 to 2014 before beginning to grow again whereas Animal Production and Aquaculture and Support Activities continued to grow through 2015 before starting to decline (see Figure 1).

These three industry sub-sectors can be broken down even further with the largest portion of Crop Production being Greenhouse, Nursery, and Floriculture Production followed closely by Oilseed and Grain Farming. The greatest number of Animal Production and Aquaculture jobs are in Cattle

Features:

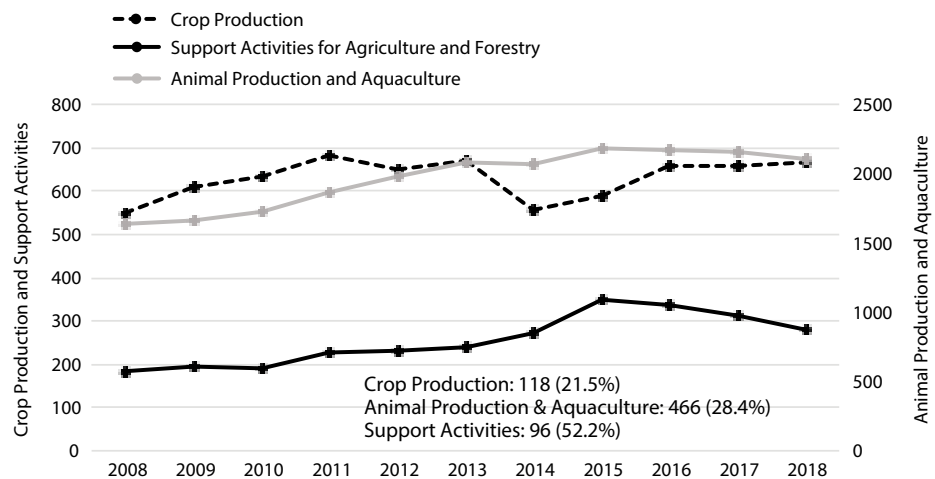
Location Patterns of Restaurants

NAICS Snapshots

In this issue:

- 1 Regional Spotlight
- 5 By the Numbers
- 6 Local Area Unemployment Statistics
- 8 Industrial Analysis
- 10 Regional Analysis
- 11 Current Employment Statistics
- 14 Economic Indicators
- 16 What's Going On?

Figure 1. Agriculture Job Trends, Southeast Minnesota, 2008-2018



Source: DEED Quarterly Census of Employment and Wages

Table 1. Agriculture Industry Employment Statistics, Southeast Minnesota, 2018 Annual Averages

Industry	2018 Jobs	2018 Percent of Agriculture Jobs	2018 Firms	2018 Total Payroll	2018 Average Annual Wage
Total, All Industries	244,297	—	12,552	\$12,771,390,831	\$52,260
Agriculture, Forestry, Fishing, and Hunting	3,078	100.0%	392	\$104,442,870	\$33,904
Crop Production	668	21.7%	109	\$23,522,263	\$35,048
Oilseed and Grain Farming	217	7.0%	55	\$8,161,868	\$37,388
Vegetable and Melon Farming	114	3.7%	13	\$3,220,141	\$27,924
Fruit and Tree Nut Farming	55	1.8%	8	\$1,245,500	\$23,972
Greenhouse, Nursery, and Floriculture Production	231	7.5%	19	\$8,958,016	\$39,052
Other Crop Farming	50	1.6%	14	\$1,936,738	\$39,104
Animal Production and Aquaculture	2,106	68.4%	205	\$71,708,312	\$34,060
Cattle Ranching and Farming	1,328	43.1%	126	\$39,052,602	\$29,380
Hog and Pig Farming*	529	17.2%	52	\$22,720,060	\$42,952
Poultry and Egg Production	137	4.5%	7	\$6,333,001	\$46,488
Animal Aquaculture	16	0.5%	2	\$939,043	\$59,644
Support Activities for Agriculture and Forestry	280	9.1%	65	\$8,415,597	\$30,004
Support Activities for Crop Production	162	5.3%	31	\$5,153,038	\$31,720
Support Activities for Animal Production	103	3.3%	29	\$2,851,807	\$27,612

*A hog is a pig that weighs over 120 pounds (www.livescience.com)
Source: DEED Quarterly Census of Employment and Wages

Table 2. Southeast Minnesota Agriculture Occupations and Wages, 1st Quarter 2019

Occupation	Employment	Wage Percentiles					Typical Education Requirement in MN
		10th	25th	Median	75th	90th	
Total, All Occupations	241,540	\$10.93	\$13.54	\$19.28	\$30.26	\$43.76	N/A
Farming, Fishing, and Forestry Occupations	280	\$12.54	\$14.35	\$17.70	\$23.29	\$30.02	N/A
Supervisors/Managers of Farming, Fishing, and Forestry Workers	20	\$22.93	\$27.08	\$33.13	\$37.78	\$40.56	High School/Equivalent
Agricultural Inspectors	10	\$21.63	\$21.64	\$26.61	\$31.67	\$38.42	Associate's
Graders and Sorters, Agricultural Products	N/A	\$12.90	\$14.32	\$19.13	\$25.23	\$28.56	High School/Equivalent
Agricultural Equipment Operators	140	\$13.49	\$14.86	\$18.18	\$23.50	\$29.38	High School/Equivalent
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	70	\$10.10	\$11.58	\$14.58	\$18.46	\$21.34	High School/Equivalent

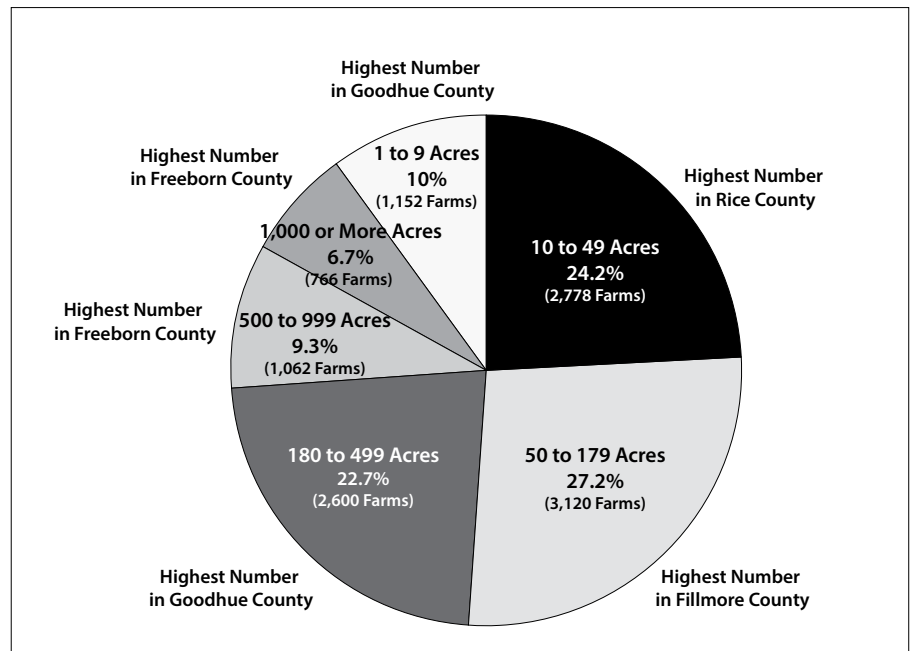
Source: DEED Occupational Employment Statistics and Educational Requirements for Occupations

Ranching and Farming. Support Activities for Crop Production make up the largest segment of the Support Activities jobs. Southeast Minnesota has almost 20 percent of the Animal Production and Aquaculture jobs in the state, including 28 percent of the state’s Cattle Ranching jobs and 16.1 percent of the jobs in Hog and Pig Farming. The region also makes up 18.6 percent of the Fruit and Tree Nut Farming and 12 percent of the Vegetable and Melon Farming jobs in the state.

According to DEED’s Occupational Employment Statistics data, employment in Farming, Fishing, and Forestry rests at 280. This does not agree with the total in Table 2 which is QCEW data. QCEW counts each person working at an agricultural business as being in Agriculture. The OES program counts only those who have actual agricultural occupation titles and therefore leaves out occupations like truck drivers and bookkeepers. Half of the OES employment is agricultural equipment operators while another quarter of the employment is farmworkers and laborers for crops or in nurseries and greenhouses. Median hourly wages range from \$14.58 for those working as crop, nursery, and greenhouse farmworkers and laborers to \$33.13 for supervisors, while 90th percentile wages range from \$21.34 to \$40.56 for these same two occupations. Among these occupations, all but one require only a high school diploma or equivalent; agricultural inspectors require an associate’s degree. It appears that short-term on-the-job training is most relevant for these occupations rather than formal education according to DEED’s Occupations in Demand data.

Data from the United States Department of Agriculture’s (USDA) Census of Agriculture are a better fit than data from the Quarterly Census of Employment and Wages when analyzing number of farms in Southeast Minnesota because QCEW data omit family farms since they are usually not covered by unemployment insurance. According to the USDA a farm is defined as “any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold, during the year.” According to the USDA’s National Agricultural Statistics Service (NASS) 2017 Census of Agriculture, there were 11,478 farms in Southeast Minnesota. The largest number of farms were located in Goodhue County (1,461) followed

Figure 2. Percent of Farms by Size, Southeast Minnesota, 2017



Source: USDA Census of Agriculture

Table 3. 2007-2017 Change in Number of Farms by County, Southeast MN

County	2007	2017	Numeric Change	Percent Change
Fillmore	1,667	1,401	-266	-16.0%
Rice	1,494	1,242	-252	-16.9%
Olmsted	1,384	1,139	-245	-17.7%
Steele	934	746	-188	-20.1%
Goodhue	1,644	1,461	-183	-11.1%
Freeborn	1,257	1,076	-181	-14.4%
Winona	1,203	1,034	-169	-14.0%
Wabasha	976	809	-167	-17.1%
Houston	1,041	891	-150	-14.4%
Dodge	723	611	-112	-15.5%
Mower	1,088	1,068	-20	-1.8%
Southeast MN	13,411	11,478	-1,933	-14.4%

Source: USDA 2007 and 2017 Census of Agriculture

by Fillmore (1,401), Rice (1,242), and Olmsted (1,139) counties, while Freeborn, Mower, and Winona Counties all had over 1,000 farms (see Table 3).

Overall, the Southeast Region saw about 10 percent of its farms having 1 to 9 acres while almost one-quarter ranged from 10 to 49 acres. The largest percentage of

the region’s farms were those between 50 to 179 acres, and an additional 22.7 were between 180 to 499 acres. The remaining 15 percent of the region’s farms were larger farms of 500 acres or more, including 6.7 percent that were 1,000 acres or more (see Figure 2).

Each individual county experienced a

loss of farms from 2007 to 2017, for an overall loss of over 1,930 farms in the region, a loss of 14.4 percent. The largest county-level numeric losses were seen in Fillmore (266), Rice (252), and Olmsted (245) Counties, while Mower County saw the smallest decrease in the number of farms with a loss of 20. However, the highest farm loss percentages were seen in Steele (20.1 percent), Olmsted (17.7 percent), and Wabasha (17.1 percent) (see Table 3).

Based on acreage, the largest loss was of farms between 50 and 179 acres, which dropped by over 1,000 farms (24.5 percent) from 2007 to 2017, followed by a loss of 653 farms (20.1 percent) between 180 and 499 acres and 537 fewer farms (16.2 percent) between 10 and 49 acres and just over 100 fewer farms from 500 to 999 acres. Overall, farm losses totaled 2,305 while smaller gains were seen in

farms 1 to 9 acres and 1,000 acres or more equaled only 372, leaving a net loss of 1,933 farms (see Table 4). This increase in small and large farms appears to be a national trend¹, and the increase in smaller farms may be the result of “more small fruit and vegetable operations”² while the increase in large farms may be attributed to “inflation of farm product prices over time”.²

Despite the drop in the number of farms there are still current job openings in the region. According to DEED’s Job Vacancy Survey there are currently 718 job openings for agricultural workers, which is by far the highest the region has seen. Previous highs have been 131 during the fourth quarter of 2001 and 114 in the fourth quarter of 2017, so demand is at an all-time high. These current openings have a median wage of \$18.71 per hour. Unfortunately, two-thirds of these

openings are part-time while one-third are temporary or seasonal, which may not be ideal for jobseekers looking for full-time and/or year-round employment. In addition, one-third of the job vacancies require post-secondary education while only 1 percent require one or more years’ experience (see Table 5).

This change in the agriculture industry appears to be the result of several factors such as an aging of farmworkers³, the use of more and/or better technology¹, and changes in market prices¹, just to name a few. Nonetheless, agriculture will continue to play its part in the Southeast Region’s economy with a projected need to fill 44 new jobs and 178 job openings caused by labor force exits from 2016 to 2026.

by Mark Schultz

Table 4. Changes in Farm Numbers by Acreage, Southeast MN, 2007 to 2017

	2007 Estimate	2017 Estimate	Numeric Change	Percent Change
1 to 9 Acres	879	1,152	273	31.1%
10 to 49 Acres	3,315	2,778	-537	-16.2%
50 to 179 Acres	4,134	3,120	-1,014	-24.5%
180 to 499 Acres	3,253	2,600	-653	-20.1%
500 to 999 Acres	1,163	1,062	-101	-8.7%
1,000 Acres or More	667	766	99	14.8%

Source: USDA 2007 and 2017 Census of Agriculture

Table 5. Job Vacancies in Agriculture, 4th Qtr. 2018

Occupation	Vacancies	Percent Part-Time	Percent Temporary or Seasonal	Percent Requires Post-Secondary Education	Percent Requires 1+ Years Experience	Median Wage Offer
Agricultural Workers	718	66%	33%	33%	1%	\$18.72

Source: DEED Job Vacancy Survey

¹Guta, Michael (2019, May 3). Small Farms on the Rise in the U.S., But It’s Not All Good News. Retrieved from <https://smallbiztrends.com/2019/05/2017-census-of-agriculture.html>
²McDonald, James M. and Robert A. Hope (2017, March 6). Large Family Farms Continue to Dominate U.S. Agricultural Production. Retrieved from www.ers.usda.gov/amber-waves/2017/march/large-family-farms-continue-to-dominate-us-agricultural-production/.
³Farm News Media; USDA (2019, April 11). Ag Census Confirms Farmers are Getting Older, Bigger or Smaller. Retrieved from www.michfb.com/MI/Farm-News/Ag-Census-confirms-farmers-are-getting-older-bigger-or-smaller/

Current State of the Minnesota Economy

It is important to see a general snapshot of the health of the Minnesota economy by looking at the unemployment statistics. With these statistics we can compare the U.S. and Minnesota. Minnesota has a much larger Labor Force Participation Rate at 70% versus the U.S. at 63.6%. Minnesota's Unemployment Rate is also .6% lower than the U.S. (see Table 1).

Table 1. Minnesota Unemployment Statistics, July 2019

Geography	Labor Force	Labor Force Participation Rate	Employment	Employment to Population Ratio	Unemployment	Unemployment Rate
U.S.	164,941,000	63.6%	158,385,000	61.1%	6,556,000	4%
Minnesota	3,107,031	70%	3,002,476	67.7%	104,555	3.4%

Note: U.S. rates and data are not seasonally adjusted. MN rates and data are seasonally adjusted.
Source: DEED Local Area Unemployment Statistics (LAUS). Seasonally Adjusted.

Most Numerous Occupations

Another important thing to consider is which specific jobs are most numerous in Minnesota by 6-digit SOC code. In Table 2 we see the occupations that employ the most people. It is important to think about these occupations, because public policy decisions and the changing economy will most likely impact these people based on how many there are.

Table 2. Largest 6-Digit SOC Code Occupations by Total Employment in Minnesota, 1st Quarter 2019

SOC Code	SOC Title	Total Employment
25-XXXX	Teachers, which includes 25-1011 to 25-2059	105,870
41-2031	Retail Salespersons	87,430
39-9021	Personal and Home Care Aides	75,830
29-1141	Registered Nurses	69,000
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	66,060
41-2011	Cashiers	65,840

Source: DEED Occupational Employment Statistics (OES)

Largest Impact Industries

It is also important to think about which type of jobs had the largest overall impact on Minnesotans. This can be accomplished by looking at the largest increases in Total Wages paid out by different 3-digit NAICS industries from 2011 to 2018. This shows us what industries increased the combination of their employment and wages the most, thus having the most impact on Minnesotans over time. In Table 3 we see the Total increase in Wages paid out in Professional, Scientific, and Technical Service (541) was \$5.6 billion, which is the largest increase of any 3-digit NAICS industry.

Table 3. Largest Percent Increases by Industry in Minnesota from 2011 to 2018

Industry (NAICS)	Number of Jobs 2018	Number of Firms 2018	Total Wages Paid 2018	Average Annual Wage 2018
Total, All Industries	2,881,140	175,211	\$167,150,000,000	\$58,032
	11%	6%	34%	21%
Professional, Scientific, and Technical Service (541)	163,394	22,225	\$15,471,603,215	\$94,640
	27%	17%	57%	24%
Ambulatory Health Care Services (621)	156,836	7,721	\$11,732,317,563	\$74,776
	24%	11%	43%	15%
Educational Services (611)	230,907	4,275	\$11,586,261,270	\$50,180
	7%	7%	26%	18%
Management of Companies and Enterprises (551)	81,229	1,471	\$10,339,222,898	\$127,400
	12%	19%	30%	16%
Merchant Wholesalers, Durable Goods (423)	74,113	6,996	\$6,190,694,730	\$83,512
	23%	30%	58%	29%

Source: DEED Quarterly Census of Employment and Wages (QCEW)

by Derek Teed

Labor Force Estimates

County/ Area

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Jul	Jun	Jul	Jul	Jun	Jul	Jul	Jun	Jul	Jul	Jun	Jul
	2019	2019	2018	2019	2019	2018	2019	2019	2018	2019	2019	2018
United States ('000s)												
(Seasonally adjusted)	163,351	162,981	162,245	157,288	157,005	155,965	6,063	5,975	6,280	3.7%	3.7%	3.9%
(Unadjusted)	164,941	164,120	163,734	158,385	157,828	157,004	6,556	6,292	6,730	4.0	3.8	4.1
Minnesota												
(Seasonally adjusted)	3,107,031	3,100,632	3,067,761	3,002,476	2,997,078	2,981,796	104,555	103,554	85,965	3.4	3.3	2.8
(Unadjusted)	3,155,615	3,132,805	3,100,442	3,051,377	3,026,755	3,017,308	104,238	106,050	83,134	3.3	3.4	2.7
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	2,051,095	2,033,390	2,046,192	1,986,624	1,967,103	1,992,284	64,471	66,287	53,908	3.1	3.3	2.6
Duluth-Superior MSA	145,134	143,857	145,090	139,200	137,873	139,922	5,934	5,984	5,168	4.1	4.2	3.6
Rochester MSA	129,424	127,784	124,476	125,801	123,991	121,641	3,623	3,793	2,835	2.8	3.0	2.3
St. Cloud MSA	114,515	113,528	113,570	111,042	109,842	110,642	3,473	3,686	2,928	3.0	3.2	2.6
Mankato-N Mankato MSA	61,086	61,730	61,312	59,298	59,827	59,905	1,788	1,903	1,407	2.9	3.1	2.3
Fargo-Moorhead MSA	139,312	138,143	138,045	139,312	134,712	135,057	139,312	3,431	2,988	2.2	2.5	2.2
Grand Forks MSA	54,301	54,914	54,312	52,722	53,146	52,773	1,579	1,768	1,539	2.9	3.2	2.8
Region One	47,417	47,809	46,651	45,432	45,830	44,980	1,985	1,979	1,671	4.2	4.1	3.6
Kittson	2,445	2,446	2,368	2,350	2,356	2,297	95	90	71	3.9	3.7	3.0
Marshall	5,503	5,602	5,398	5,283	5,381	5,178	220	221	220	4.0	3.9	4.1
Norman	3,549	3,524	3,495	3,379	3,352	3,340	170	172	155	4.8	4.9	4.4
Pennington	8,845	8,991	8,645	8,566	8,701	8,416	279	290	229	3.2	3.2	2.6
Polk	16,885	16,964	16,647	16,107	16,170	15,971	778	794	676	4.6	4.7	4.1
Red Lake	2,244	2,265	2,205	2,146	2,165	2,114	98	100	91	4.4	4.4	4.1
Roseau	7,946	8,017	7,893	7,601	7,705	7,664	345	312	229	4.3	3.9	2.9
Region Two	44,915	44,637	43,768	42,983	42,651	42,102	1,932	1,986	1,666	4.3	4.4	3.8
Beltrami	24,879	24,744	24,240	23,885	23,712	23,382	994	1,032	858	4.0	4.2	3.5
Clearwater	4,516	4,530	4,428	4,235	4,237	4,176	281	293	252	6.2	6.5	5.7
Hubbard	10,679	10,494	10,374	10,243	10,048	10,011	436	446	363	4.1	4.3	3.5
Lake of the Woods	2,528	2,527	2,445	2,405	2,415	2,345	123	112	100	4.9	4.4	4.1
Mahnomen	2,313	2,342	2,281	2,215	2,239	2,188	98	103	93	4.2	4.4	4.1
Region Three	167,408	166,032	163,775	160,071	158,647	157,833	7,337	7,385	5,942	4.4	4.4	3.6
Aitkin	7,330	7,360	7,203	6,976	7,017	6,918	354	343	285	4.8	4.7	4.0
Carlton	17,969	17,763	17,569	17,216	17,018	16,961	753	745	608	4.2	4.2	3.5
Cook	3,471	3,241	3,410	3,362	3,129	3,344	109	112	66	3.1	3.5	1.9
Itasca	22,746	22,729	22,013	21,469	21,456	21,023	1,277	1,273	990	5.6	5.6	4.5
Koochiching	6,241	6,242	6,094	5,812	5,822	5,722	429	420	372	6.9	6.7	6.1
Lake	5,839	5,749	5,817	5,649	5,538	5,678	190	211	139	3.3	3.7	2.4
St. Louis	103,812	102,948	101,669	99,587	98,667	98,187	4,225	4,281	3,482	4.1	4.2	3.4
City of Duluth	46,627	46,286	45,794	45,090	44,673	44,456	1,537	1,613	1,338	3.3	3.5	2.9
Balance of St. Louis County	57,185	56,662	55,875	54,497	53,994	53,731	2,688	2,668	2,144	4.7	4.7	3.8
Region Four	132,707	131,667	129,610	128,263	127,331	126,315	4,444	4,336	3,295	3.3	3.3	2.5
Becker	19,325	19,411	18,962	18,649	18,731	18,437	676	680	525	3.5	3.5	2.8
Clay	36,379	36,168	35,665	35,240	34,975	34,711	1,139	1,193	954	3.1	3.3	2.7
Douglas	21,853	21,549	21,432	21,229	20,896	20,954	624	653	478	2.9	3.0	2.2
Grant	3,436	3,432	3,327	3,302	3,303	3,215	134	129	112	3.9	3.8	3.4
Otter Tail	33,663	33,145	32,720	32,332	32,014	31,881	1,331	1,131	839	4.0	3.4	2.6
Pope	6,817	6,813	6,562	6,615	6,618	6,437	202	195	125	3.0	2.9	1.9
Stevens	5,671	5,621	5,568	5,524	5,463	5,457	147	158	111	2.6	2.8	2.0
Traverse	1,850	1,853	1,771	1,791	1,789	1,731	59	64	40	3.2	3.5	2.3
Wilkin	3,713	3,675	3,603	3,581	3,542	3,492	132	133	111	3.6	3.6	3.1
Region Five	87,811	87,284	85,665	84,441	84,004	83,042	3,370	3,280	2,623	3.8	3.8	3.1
Cass	15,650	15,389	15,244	15,019	14,746	14,707	631	643	537	4.0	4.2	3.5
Crow Wing	33,878	33,974	33,396	32,748	32,775	32,470	1,130	1,199	926	3.3	3.5	2.8
Morrison	18,084	17,924	17,583	17,408	17,283	17,048	676	641	535	3.7	3.6	3.0
Todd	14,106	13,952	13,631	13,584	13,454	13,230	522	498	401	3.7	3.6	2.9
Wadena	6,093	6,045	5,811	5,682	5,746	5,587	411	299	224	6.7	4.9	3.9
Region Six East	68,207	68,033	66,784	65,876	65,667	64,982	2,331	2,366	1,802	3.4	3.5	2.7
Kandiyohi	25,774	25,730	25,021	24,958	24,908	24,406	816	822	615	3.2	3.2	2.5
McLeod	19,855	19,788	19,703	19,159	19,081	19,200	696	707	503	3.5	3.6	2.6
Meeker	13,475	13,437	13,340	13,046	12,977	12,973	429	460	367	3.2	3.4	2.8
Renville	9,103	9,078	8,720	8,713	8,701	8,403	390	377	317	4.3	4.2	3.6

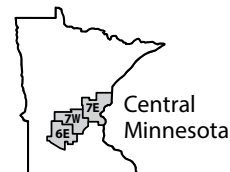
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development,
Local Area Unemployment Statistics, and North Dakota Job Service, 2019.

Labor Force Estimates

County/ Area

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Jul 2019	Jun 2019	Jul 2018	Jul 2019	Jun 2019	Jul 2018	Jul 2019	Jun 2019	Jul 2018	Jul 2019	Jun 2019	Jul 2018
Region Six West	24,300	24,310	23,571	23,322	23,427	22,865	978	883	706	4.0%	3.6%	3.0%
Big Stone	2,646	2,614	2,587	2,564	2,530	2,515	82	84	72	3.1	3.2	2.8
Chippewa	7,126	7,186	6,867	6,833	6,918	6,671	293	268	196	4.1	3.7	2.9
Lac Qui Parle	3,568	3,657	3,565	3,439	3,526	3,428	129	131	137	3.6	3.6	3.8
Swift	5,344	5,225	5,160	5,090	5,050	5,001	254	175	159	4.8	3.3	3.1
Yellow Medicine	5,616	5,628	5,392	5,396	5,403	5,250	220	225	142	3.9	4.0	2.6
Region Seven East	88,971	88,243	87,675	85,685	84,902	84,994	3,286	3,341	2,681	3.7	3.8	3.1
Chisago	30,382	30,035	29,905	29,354	28,978	29,075	1,028	1,057	830	3.4	3.5	2.8
Isanti	21,524	21,302	21,231	20,784	20,567	20,598	740	735	633	3.4	3.5	3.0
Kanabec	9,017	9,030	8,858	8,659	8,660	8,539	358	370	319	4.0	4.1	3.6
Mille Lacs	12,992	12,836	12,765	12,472	12,310	12,348	520	526	417	4.0	4.1	3.3
Pine	15,056	15,040	14,916	14,416	14,387	14,434	640	653	482	4.3	4.3	3.2
Region Seven West	243,623	241,464	238,629	236,245	233,689	232,591	7,378	7,775	6,038	3.0	3.2	2.5
Benton	22,166	21,955	21,549	21,463	21,224	20,980	703	731	569	3.2	3.3	2.6
Sherburne	52,728	52,340	51,995	51,068	50,598	50,631	1,660	1,742	1,364	3.1	3.3	2.6
Stearns	92,349	91,573	89,799	89,579	88,618	87,539	2,770	2,955	2,260	3.0	3.2	2.5
Wright	76,380	75,596	75,286	74,135	73,249	73,441	2,245	2,347	1,845	2.9	3.1	2.5
Region Eight	66,735	66,499	64,784	64,276	64,236	62,909	2,459	2,263	1,875	3.7	3.4	2.9
Cottonwood	6,205	6,262	5,840	5,869	6,009	5,551	336	253	289	5.4	4.0	4.9
Jackson	6,167	5,945	5,939	5,779	5,674	5,725	388	271	214	6.3	4.6	3.6
Lincoln	3,483	3,407	3,353	3,377	3,296	3,281	106	111	72	3.0	3.3	2.1
Lyon	15,030	15,180	14,636	14,524	14,658	14,223	506	522	413	3.4	3.4	2.8
Murray	5,103	5,100	4,939	4,922	4,941	4,812	181	159	127	3.5	3.1	2.6
Nobles	11,620	11,511	11,388	11,237	11,134	11,093	383	377	295	3.3	3.3	2.6
Pipestone	5,308	5,285	5,138	5,167	5,140	5,044	141	145	94	2.7	2.7	1.8
Redwood	7,909	7,882	7,751	7,623	7,600	7,502	286	282	249	3.6	3.6	3.2
Rock	5,910	5,927	5,800	5,778	5,784	5,678	132	143	122	2.2	2.4	2.1
Region Nine	135,404	135,309	132,352	130,830	130,645	128,910	4,574	4,664	3,442	3.4	3.4	2.6
Blue Earth	40,219	40,715	39,263	39,012	39,422	38,316	1,207	1,293	947	3.0	3.2	2.4
Brown	15,024	14,971	14,634	14,538	14,488	14,228	486	483	406	3.2	3.2	2.8
Faribault	7,313	7,285	7,144	7,023	6,979	6,951	290	306	193	4.0	4.2	2.7
Le Sueur	16,287	16,067	16,020	15,750	15,502	15,567	537	565	453	3.3	3.5	2.8
Martin	10,975	10,733	10,615	10,383	10,251	10,292	592	482	323	5.4	4.5	3.0
Nicollet	20,867	21,015	20,315	20,286	20,405	19,898	581	610	417	2.8	2.9	2.1
Sibley	8,855	8,678	8,618	8,578	8,375	8,422	277	303	196	3.1	3.5	2.3
Waseca	9,053	9,031	9,092	8,715	8,671	8,791	338	360	301	3.7	4.0	3.3
Watsonwan	6,811	6,814	6,651	6,545	6,552	6,445	266	262	206	3.9	3.8	3.1
Region Ten	292,102	290,765	286,088	283,115	281,517	279,068	8,987	9,248	7,020	3.1	3.2	2.5
Dodge	12,455	12,259	12,082	12,060	11,852	11,781	395	407	301	3.2	3.3	2.5
Fillmore	12,195	11,925	11,812	11,852	11,566	11,541	343	359	271	2.8	3.0	2.3
Freeborn	16,293	16,477	16,251	15,712	15,889	15,800	581	588	451	3.6	3.6	2.8
Goodhue	27,679	27,439	27,041	26,817	26,564	26,360	862	875	681	3.1	3.2	2.5
Houston	10,717	10,574	10,420	10,411	10,253	10,188	306	321	232	2.9	3.0	2.2
Mower	20,740	20,923	20,371	20,094	20,259	19,840	646	664	531	3.1	3.2	2.6
Olmsted	91,740	90,857	89,328	89,254	88,234	87,477	2,486	2,623	1,851	2.7	2.9	2.1
City of Rochester	67,908	67,267	65,039	66,034	65,279	63,665	1,874	1,988	1,374	2.8	3.0	2.1
Rice	37,707	38,014	36,940	36,448	36,738	35,931	1,259	1,276	1,009	3.3	3.4	2.7
Steele	20,560	20,657	20,554	19,814	19,929	19,961	746	728	593	3.6	3.5	2.9
Wabasha	13,034	12,743	12,639	12,635	12,339	12,312	399	404	327	3.1	3.2	2.6
Winona	28,982	28,897	28,650	28,018	27,894	27,877	964	1,003	773	3.3	3.5	2.7
Region Eleven	1,756,010	1,740,751	1,731,087	1,700,839	1,684,210	1,686,716	55,171	56,541	44,371	3.1	3.2	2.6
Anoka	201,133	199,679	198,399	194,830	193,088	193,238	6,303	6,591	5,161	3.1	3.3	2.6
Carver	59,522	58,900	58,539	57,735	57,071	57,189	1,787	1,829	1,350	3.0	3.1	2.3
Dakota	245,801	243,975	242,255	238,146	236,099	236,223	7,655	7,876	6,032	3.1	3.2	2.5
Hennepin	722,855	715,664	712,632	699,993	692,640	694,155	22,862	23,024	18,477	3.2	3.2	2.6
City of Bloomington	47,970	47,415	47,194	46,288	45,802	45,902	1,682	1,613	1,292	3.5	3.4	2.7
City of Minneapolis	248,158	245,792	245,690	240,123	237,601	238,991	8,035	8,191	6,699	3.2	3.3	2.7
Ramsey	296,614	294,000	292,399	286,741	283,888	284,358	9,873	10,112	8,041	3.3	3.4	2.8
City of St. Paul	162,821	161,397	162,320	157,230	155,666	157,577	5,591	5,731	4,743	3.4	3.6	2.9
Scott	84,736	84,099	83,586	82,341	81,580	81,661	2,395	2,519	1,925	2.8	3.0	2.3
Washington	145,349	144,434	143,277	141,053	139,844	139,892	4,296	4,590	3,385	3.0	3.2	2.4



Industrial Analysis

Overview

Employment in Minnesota was off by 1,300 (0.0 percent) in July on a seasonally-adjusted basis. The job losses came primarily from private services providers, who lost 3,300 jobs (0.2 percent). Goods producers added 1,600 jobs (0.3 percent) while public sector employers added 400 jobs (0.1 percent). On the year the state added 15,525 jobs (0.5 percent). Annual growth has been positive for five consecutive months since it dipped briefly into the red in February. Goods producers and services providers both added jobs over the year.

Mining and Logging

Employment in the Mining and Logging supersector was flat in July, holding steady at 6,800 jobs. It has not moved from that level since February, when it temporarily dropped to 6,700. Over the year employment in Mining and Logging is up.

Construction

Construction led all supersectors in both real and proportional seasonally adjusted growth in July, posting a gain of 1,200 jobs (1.2 percent). It was the supersector's third consecutive month of job growth. Over the year Construction employers added 8,622 jobs (6.3 percent), the highest proportional job growth of any supersector. The annual growth was primarily concentrated in the Specialty Trade

Contractors component sector, which added 9,206 jobs (10.6 percent). Construction of Buildings added 450 jobs (1.5 percent) while Heavy and Civil Engineering Construction lost 1,034 jobs (5 percent).

Manufacturing

Job growth in the Manufacturing supersector was flat in July. Durable Goods manufacturers added 200 jobs (0.1 percent) while Non-Durable Goods manufacturers lost 200 (0.2 percent). On the year the supersector lost 255 jobs (0.1 percent), dipping back into negative job growth after briefly returning to positive growth in June. Durable Goods added 524 jobs (0.3 percent) while Non-Durable Goods lost 789 (0.7 percent).

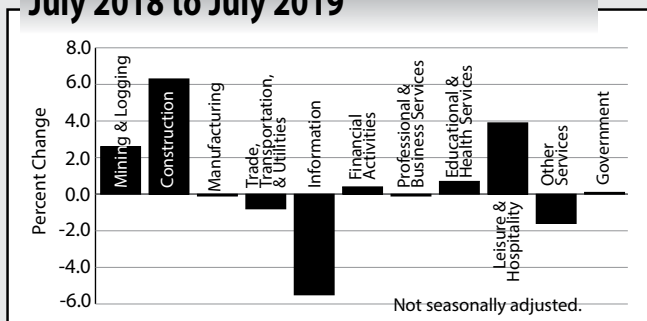
Trade, Transportation, and Utilities

Trade, Transportation, and Utilities employment was up by 200 (0.1 percent) in July. June's preliminary estimates were revised downward from 534,100 to 532,700, turning a loss of 300 jobs into a loss of 1,700. July's increase was driven by 800 new jobs (0.3 percent) in Retail Trade as the other two component sectors lost jobs. On the year the supersector lost 4,105 jobs (0.8 percent). Retail Trade lost 2,270 jobs (0.8 percent) on the year, and Transportation, Warehousing, and Utilities lost 2,153 (2 percent). The supersector has posted consistent over-the-year job losses in every month since December.

Information

Employment in the Information supersector was down by 200 (0.4 percent) in July. The supersector has not seen positive over-the-month growth in any month in 2019. For the 12 months ending in July Information employers shed 2,735 jobs (5.5 percent). Telecommunications employment was off by 886 (7.2 percent).

MN Employment Growth July 2018 to July 2019



Source: Department of Employment and Economic Development, Current Employment Statistics, 2019.

*Over-the-year data are not seasonally adjusted because of small changes in seasonal adjustment factors from year to year. Also, there is no seasonality in over-the-year changes.

Financial Activities

The Financial Activities supersector held steady at 185,500 jobs in July. Finance and Insurance added 600 jobs (0.4 percent) while Real Estate and Rental and Leasing lost 600 (1.7 percent). Over the year the supersector added 664 jobs (0.4 percent). Finance and Insurance added 1,479 jobs (1 percent), but Real Estate and Rental and Leasing lost 815 (2.2 percent).

Professional and Business Services

Employment in Professional and Business Services was mostly flat in July, off by 100 jobs (0.0 percent). Administrative and Support and Waste Management and Remediation Services lost 1,300 jobs (1 percent) while Professional, Scientific, and Technical Services added 900 jobs (0.5 percent), and Management of Companies and Enterprises added 300 (0.4 percent). Employment behaved similarly on an over-the-year basis, as relatively static estimates at the supersector level (down by 551 jobs or 0.1 percent) were the result of larger conflicting movements among component sectors. Professional, Scientific, and Technical Services added 3,792 jobs (2.3 percent), and Management of Companies and Enterprises added 637 (0.8 percent). Those gains were erased by the loss of 4,980 jobs (3.6 percent) in Administrative and Support and Waste Management and Remediation Services which was once again dragged down by declines in Employment Services which was off by 9,177 jobs (15.9 percent). This was the largest over-the-year loss in Employment Services since March of 2011.

Educational and Health Services

Employers in Educational and Health Services added 1,000 jobs (0.2 percent) in July. It was the fourth straight month of job gains for the supersector. Educational Services employment was up by 900 (1.3 percent), and Health Care and Social Assistance was up 100 (0.0 percent). On the year the supersector added 3,772 jobs (0.7 percent). Educational Services added 5,367 jobs (9.2 percent) while its counterpart, Health Care and Social Assistance, lost 1,595 (0.3 percent).

Leisure and Hospitality

Leisure and Hospitality employment saw steep over-the-month declines in July as employers shed 3,000 jobs (1.1 percent), the largest monthly job loss in any supersector. Accommodation and Food Services was off by 2,000 jobs (0.9 percent), giving back all of the June increase while Arts, Entertainment, and Recreation lost 1,000 jobs (2.2 percent), its fourth consecutive month of declines. On the year the supersector added 11,302 jobs (3.9 percent), the largest real job increase of any supersector in the state. All of that growth came from Accommodation and Food Services (up 11,754 or 4.9 percent) as Arts, Entertainment, and Recreation was off by 452 (0.8 percent).

Other Services

Employment in the Other Services supersector was down by 1,200 (1 percent) in July after adding 1,300 jobs in June. Annually the supersector lost 1,859 jobs (1.6 percent) with all three component sectors contributing to the job loss.

Government

Government employers added 400 jobs (0.1 percent) in July, as State employers added 200 jobs (0.2 percent) while Federal and Local employers each added 100 (0.3 and 0.0 percent, respectively). Over the year Government employers added 487 jobs (0.1 percent). As was the case with the monthly estimates, all three levels of Government saw modest job growth.

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	Jul 2019	Jun 2019	May 2019
Total Nonagricultural	2,962.4	2,963.7	2,960.4
Goods-Producing	458.8	457.2	456.0
Mining and Logging	6.8	6.8	6.8
Construction	131.1	129.5	129.2
Manufacturing	320.9	320.9	320.0
Service-Providing	2,503.6	2,506.5	2,504.4
Trade, Transportation, and Utilities	532.9	532.7	534.4
Information	46.9	47.1	47.5
Financial Activities	185.5	185.5	184.2
Professional and Business Services	377.9	378.0	379.3
Educational and Health Services	544.3	543.3	541.8
Leisure and Hospitality	275.9	278.9	277.8
Other Services	113.8	115.0	113.7
Government	426.4	426.0	425.7

Source: Department of Employment and Economic Development
Current Employment Statistics, 2019.

Regional Analysis

Minneapolis-St. Paul-Bloomington Metropolitan Statistical Area (MSA)

The Minneapolis-St. Paul-Bloomington MSA lost 12,379 jobs (0.6 percent) in July. Declines are common in July, and metro area job growth actually beat the statewide -0.8 percent over the month change. The area's job losses were largely concentrated in the Government supersector which shed 13,584 jobs (5.5 percent), with almost all of that decline coming from the Local Government component (down 15,467 or 9.3 percent). Drilling deeper, that loss came entirely from Educational Services, which lost 16,009 jobs (17.6 percent) as schools let out for the summer. When we remove Government employers from the equation, the metro area actually gained jobs on the month, with notable growth coming in Mining, Logging, and Construction (up 1,776 or 1.9 percent) and Trade, Transportation, and Utilities (up 1,895, 0.5 percent). Annually the metro area added 2,879 jobs (0.1 percent). This was the weakest over-the-year job growth of any MSA entirely in Minnesota. The only MSA in Minnesota to lose jobs on the year was Grand Forks-East Grand Forks. Mining, Logging, and Construction added 3,994 jobs (4.4 percent), the largest proportional growth in the area. The Information supersector lost 2.4 percent (919 jobs), the largest proportional decline, and Educational and Health Services lost 3,316 jobs (1 percent), the largest real job loss. In all, six of the 10 published supersectors in the area lost jobs on the year.

Duluth-Superior MSA

The Duluth-Superior MSA lost 943 jobs (0.7 percent) in July, as schools in the area let out for the summer, and Government employment dropped by 1,967 (7.7 percent). Seven of 10 supersectors added jobs,

with Leisure and Hospitality up 417 (2.6 percent) and Mining, Logging, and Construction adding 322 (2.9 percent). Over the year the Duluth area added 1,008 jobs (0.7 percent). Mining, Logging, and Construction continued to drive the growth, adding 1,158 jobs (11.5 percent). Leisure and Hospitality added 428 (2.7 percent). On the other side Trade, Transportation, and Utilities lost the most jobs on the year, off by 485 (2 percent), with most of that loss coming from the component Retail Sales sector. The long-struggling Information supersector had the largest proportional decline in Duluth, off by 4.4 percent (58 jobs).

Rochester MSA

The Rochester MSA lost 629 jobs (0.5 percent) in July. This was the lowest proportional over-the-month job loss of any MSA primarily in Minnesota. No MSAs added jobs, and employment in the state was off by 0.8 percent. Government employers lost 606 jobs (4.5 percent), and Educational and Health Services lost 680 (1.3 percent). Manufacturing added 434 jobs (3.8 percent). On the year the Rochester area added 1,686 jobs (1.4 percent). Manufacturing led the way, adding 674 jobs or 6.1 percent, the largest real and proportional gain in the area. Educational and Health Services added 406 jobs (0.8 percent), and Mining, Logging, and Construction added 214 (4.1 percent). Leisure and Hospitality employment was off by 101 jobs (0.8 percent).

St. Cloud MSA

The Saint Cloud MSA lost 855 jobs (0.8 percent) in July. Government employers lost 1,150 jobs (7.7 percent). Mining, Logging, and Construction employment was up by 176 (2.1 percent). On the year the MSA add-

ed 1,647 jobs (1.5 percent). It was the largest over-the-year increase of any MSA that is primarily in Minnesota. The gains were driven by the addition of 889 jobs (11.4 percent) in Mining, Logging, and Construction and 727 (3.4 percent) in Educational and Health Services. The largest proportional decline came in Leisure and Hospitality which was off by 3 percent or 261 jobs.

Mankato-North Mankato MSA

The Mankato-North Mankato MSA lost 1,776 jobs (3 percent) in July. It was the largest over-the-year decline of any MSA entirely in the state although Grand Forks-East Grand Forks was higher. Government was the only published series to lose jobs, off by 1,935 (19.3 percent) as schools let out for the summer. Annually the MSA added 541 jobs (1 percent). Private sector employers added 406 jobs (0.8 percent) while public sector employers added 135 (1.7 percent).

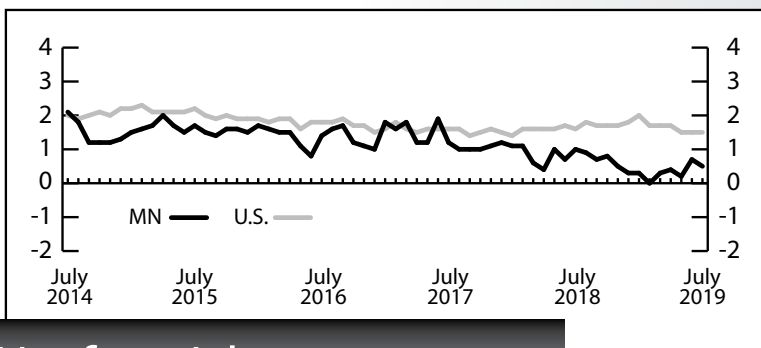
Fargo-Moorhead MSA

The Fargo-Moorhead MSA lost 1,764 jobs (1.2 percent) in July. As was the case across the state, Government employment led the declines, off by 2,393 jobs (12.8 percent), as schools in the area let out for the summer. Mining, Logging, and Construction employment was up by 514 (5.5 percent). Over the year the MSA added 865 jobs (0.6 percent). Educational and Health Services added 914 jobs (3.7 percent), and Professional and Business Services added 640 (3.9 percent).

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA lost 2,127 jobs (3.8 percent) in July. This was the largest over-the-month decline of any published MSA in Minnesota. The only published supersectors to add jobs were Mining, Logging, and Construction (up by 78 or 2.4 percent) and Information (up by 3 or 0.6 percent). Over the year the MSA lost 446 jobs (0.8 percent). It was once again the only MSA in the state to lose jobs on the year. Trade, Transportation, and Utilities was off by 383 (3.5 percent) thanks to the loss of 452 jobs (6.4 percent) in Retail Trade. Government employers shed 389 jobs (3.3 percent), primarily at the state level.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2019; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2019.



Total Nonfarm Jobs U.S. and MN over-the-year percent change

by Nick Dobbins

Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

Note: State, regional and local estimates from past months (for all tables pages 11-13) may be revised from figures previously published.

Industry	Jobs* (Thousands)			Percent Change: From**		Production Workers Hours and Earnings					
	Jul	Jun	Jul	Jun	Jul	Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	2019	2019	2018	2019	2018	Jun	Jul	Jun	Jul	Jun	Jul
TOTAL NONFARM WAGE AND SALARY	2,996.3	3,019.0	2,980.8	-0.8%	0.5%	-	-	-	-	-	-
GOODS-PRODUCING	479.1	474.2	470.5	1.0	1.8	-	-	-	-	-	-
Mining, Logging, and Construction	152.5	148.4	143.7	2.8	6.1	-	-	-	-	-	-
Mining and Logging	7.2	7.1	7.0	1.2	2.6	-	-	-	-	-	-
Construction	145.4	141.3	136.7	2.8	6.3	-	-	-	-	-	-
Specialty Trade Contractors	96.1	93.6	86.9	2.7	10.6	\$1,240.35	\$1,288.19	38.2	39.6	\$32.47	\$32.53
Manufacturing	326.5	325.7	326.8	0.2	-0.1	937.58	873.99	40.8	40.5	22.98	21.58
Durable Goods	208.3	207.9	207.8	0.2	0.3	978.07	924.34	40.2	40.9	24.33	22.60
Wood Product Manufacturing	12.2	12.2	12.0	0.6	1.9	-	-	-	-	-	-
Fabricated Metal Production	44.6	44.5	44.2	0.2	0.9	-	-	-	-	-	-
Machinery Manufacturing	34.9	34.9	34.2	-0.2	1.9	-	-	-	-	-	-
Computer and Electronic Product	46.9	46.7	46.2	0.5	1.6	-	-	-	-	-	-
Navigational, Measuring, Electromedical and Control	27.5	27.4	27.2	0.3	1.1	-	-	-	-	-	-
Transportation Equipment	11.1	11.1	11.0	-0.3	0.8	-	-	-	-	-	-
Medical Equipment and Supplies Manufacturing	16.5	16.5	16.1	0.2	2.5	-	-	-	-	-	-
Nondurable Goods	118.2	117.9	119.0	0.3	-0.7	869.03	793.61	41.7	39.9	20.84	19.89
Food Manufacturing	47.6	47.2	48.2	0.9	-1.3	-	-	-	-	-	-
SERVICE-PROVIDING	2,517.2	2,544.8	2,510.2	-1.1	0.3	-	-	-	-	-	-
Trade, Transportation, and Utilities	535.8	535.2	539.9	0.1	-0.8	-	-	-	-	-	-
Wholesale Trade	132.8	132.0	132.5	0.6	0.2	1,094.90	1,059.22	39.8	39.1	27.51	27.09
Retail Trade	300.0	298.7	302.3	0.5	-0.8	457.56	478.34	27.9	29.6	16.40	16.16
Motor Vehicle and Parts	37.0	37.0	36.5	-0.2	1.3	-	-	-	-	-	-
Building Material and Garden Equipment	28.6	29.0	28.4	-1.6	0.5	-	-	-	-	-	-
Food and Beverage Stores	58.3	57.7	57.0	1.1	2.2	-	-	-	-	-	-
Gasoline Stations	26.5	26.3	26.4	0.5	0.4	-	-	-	-	-	-
General Merchandise Stores	58.9	57.8	61.6	1.9	-4.4	410.64	419.53	29.0	30.6	14.16	13.71
Transportation, Warehouse, Utilities	102.9	104.6	105.1	-1.6	-2.0	-	-	-	-	-	-
Transportation and Warehousing	90.5	92.1	92.7	-1.8	-2.4	756.97	762.60	32.6	32.8	23.22	23.25
Information	47.0	47.3	49.7	-0.7	-5.5	-	-	-	-	-	-
Publishing Industries	18.7	18.6	19.3	0.2	-3.1	-	-	-	-	-	-
Telecommunications	11.5	11.6	12.4	-0.7	-7.2	-	-	-	-	-	-
Financial Activities	187.6	186.9	186.9	0.4	0.4	-	-	-	-	-	-
Finance and Insurance	151.9	150.9	150.4	0.7	1.0	1,160.32	1,221.32	37.0	37.8	31.36	32.31
Credit Intermediation	65.7	65.0	65.0	1.0	1.0	815.00	801.59	36.4	37.9	22.39	21.15
Securities, Commodity Contracts, and Other	20.6	20.4	20.6	1.0	-0.2	-	-	-	-	-	-
Insurance Carriers and Related	65.6	65.4	64.8	0.3	1.3	-	-	-	-	-	-
Real Estate and Rental and Leasing	35.7	36.0	36.5	-0.8	-2.2	-	-	-	-	-	-
Professional and Business Services	383.2	383.0	383.7	0.0	-0.1	-	-	-	-	-	-
Professional, Scientific, and Technical Services	167.9	166.1	164.1	1.1	2.3	-	-	-	-	-	-
Legal Services	18.5	18.5	18.4	0.1	0.7	-	-	-	-	-	-
Accounting, Tax Preparation	14.9	14.4	14.5	3.1	2.6	-	-	-	-	-	-
Computer Systems Design	35.0	35.5	37.4	-1.2	-6.2	-	-	-	-	-	-
Management of Companies and Enterprises	83.1	83.0	82.4	0.0	0.8	-	-	-	-	-	-
Administrative and Support Services	132.2	133.9	137.2	-1.2	-3.6	-	-	-	-	-	-
Educational and Health Services	542.3	544.0	538.5	-0.3	0.7	-	-	-	-	-	-
Educational Services	63.7	67.2	58.3	-5.3	9.2	-	-	-	-	-	-
Health Care and Social Assistance	478.6	476.8	480.2	0.4	-0.3	-	-	-	-	-	-
Ambulatory Health Care	158.9	157.7	158.0	0.8	0.5	1,130.90	1,291.11	33.9	36.7	33.36	35.18
Offices of Physicians	76.2	76.0	75.3	0.3	1.3	-	-	-	-	-	-
Hospitals	116.4	116.8	114.9	-0.3	1.3	-	-	-	-	-	-
Nursing and Residential Care Facilities	107.1	107.0	109.4	0.1	-2.2	526.95	495.36	28.3	28.8	18.62	17.20
Social Assistance	96.2	95.4	97.8	0.9	-1.6	-	-	-	-	-	-
Leisure and Hospitality	303.0	303.4	291.7	-0.1	3.9	-	-	-	-	-	-
Arts, Entertainment, and Recreation	53.0	53.4	53.4	-0.8	-0.8	-	-	-	-	-	-
Accommodation and Food Services	250.0	250.0	238.3	0.0	4.9	-	-	-	-	-	-
Food Services and Drinking Places	217.0	217.0	205.3	0.0	5.7	306.29	284.34	21.6	21.0	14.18	13.54
Other Services	114.3	115.7	116.1	-1.2	-1.6	-	-	-	-	-	-
Religious, Grantmaking, Civic, Professional Organizations	64.3	65.5	64.9	-2.0	-0.9	-	-	-	-	-	-
Government	404.2	429.3	403.7	-5.9	0.1	-	-	-	-	-	-
Federal Government	32.4	32.3	32.2	0.1	0.4	-	-	-	-	-	-
State Government	93.1	92.2	92.9	1.0	0.3	-	-	-	-	-	-
State Government Education	50.6	49.6	51.4	2.0	-1.7	-	-	-	-	-	-
Local Government	278.7	304.8	278.6	-8.6	0.0	-	-	-	-	-	-
Local Government Education	122.2	148.8	122.4	-17.9	-0.1	-	-	-	-	-	-

Note: Not all industry subgroups are shown for every major industry category.

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2019.

Employer Survey of Twin Cities Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

Note: State, regional and local estimates from past months (for all tables pages 11-13) may be revised from figures previously published.

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018	Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
						Jul 2019	Jul 2018	Jul 2019	Jul 2018	Jul 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	2,029.7	2,042.1	2,026.8	-0.6%	0.1%	-	-	-	-	-	-
GOODS-PRODUCING	298.4	296.1	292.5	0.8	2.0	-	-	-	-	-	-
Mining, Logging, and Construction	94.6	92.8	90.6	1.9	4.4	-	-	-	-	-	-
Construction of Buildings	19.6	19.3	19.4	1.7	1.4	-	-	-	-	-	-
Specialty Trade Contractors	61.2	60.1	59.9	1.9	2.2	\$1,338.26	\$1,322.77	38.6	\$38.7	\$34.67	
Manufacturing	203.8	203.3	201.9	0.3	0.9	976.87	914.30	40.4	41.0	24.18	
Durable Goods	140.1	140.0	137.7	0.0	1.8	1,017.11	956.51	39.7	41.3	25.62	
Fabricated Metal Production	31.0	30.9	30.6	0.2	1.2	-	-	-	-	-	-
Machinery Manufacturing	20.8	20.8	20.7	-0.3	0.3	-	-	-	-	-	-
Computer and Electronic Product	38.2	38.0	37.6	0.5	1.7	-	-	-	-	-	-
Navigational, Measuring, Electromedical and Control	25.7	25.6	25.4	0.3	1.2	-	-	-	-	-	-
Medical Equipment and Supplies Manufacturing	15.7	15.6	15.3	0.3	2.7	-	-	-	-	-	-
Nondurable Goods	63.7	63.2	64.3	0.7	-0.9	899.59	833.09	41.9	40.5	21.47	
Food Manufacturing	14.9	14.7	15.3	1.5	-2.6	-	-	-	-	-	-
Printing and Related	13.6	13.5	13.9	0.3	-2.4	-	-	-	-	-	-
SERVICE-PROVIDING	1,731.3	1,746.0	1,734.3	-0.8	-0.2	-	-	-	-	-	-
Trade, Transportation, and Utilities	362.5	360.6	363.2	0.5	-0.2	-	-	-	-	-	-
Wholesale Trade	95.8	94.9	95.6	0.9	0.1	1,190.38	1,038.34	39.6	38.4	30.06	
Merchant Wholesalers - Durable Goods	56.5	56.1	55.4	0.8	2.0	-	-	-	-	-	-
Merchant Wholesalers - Nondurable Goods	32.3	32.2	32.6	0.1	-1.0	-	-	-	-	-	-
Retail Trade	192.8	191.6	193.6	0.6	-0.5	485.17	509.93	29.0	30.7	16.73	
Food and Beverage Stores	36.3	35.9	36.0	1.1	0.8	-	-	-	-	-	-
General Merchandise Stores	38.7	37.9	39.2	2.3	-1.0	399.03	407.18	28.2	30.5	14.15	
Transportation, Warehouse, Utilities	73.9	74.1	73.9	-0.2	0.0	-	-	-	-	-	-
Utilities	7.6	7.6	7.5	0.0	0.6	-	-	-	-	-	-
Transportation and Warehousing	66.4	66.5	66.4	-0.2	0.0	926.31	797.06	38.5	34.7	24.06	
Information	37.2	37.1	38.1	0.3	-2.4	-	-	-	-	-	-
Publishing Industries	15.4	15.3	15.7	0.5	-1.8	-	-	-	-	-	-
Telecommunications	7.3	7.4	8.0	-1.0	-8.6	-	-	-	-	-	-
Financial Activities	152.1	152.0	152.0	0.1	0.1	-	-	-	-	-	-
Finance and Insurance	123.2	122.7	122.8	0.3	0.3	1,277.45	1,248.91	37.2	37.8	34.34	
Credit Intermediation	49.1	48.9	49.0	0.4	0.1	-	-	-	-	-	-
Securities, Commodity Contracts, and Other	18.1	18.0	18.6	0.4	-2.4	-	-	-	-	-	-
Insurance Carriers and Related	56.0	55.8	55.3	0.3	1.3	-	-	-	-	-	-
Real Estate and Rental and Leasing	29.0	29.3	29.2	-1.0	-0.9	-	-	-	-	-	-
Professional and Business Services	329.1	330.6	329.8	-0.5	-0.2	-	-	-	-	-	-
Professional, Scientific, and Technical Services	147.3	146.4	144.4	0.6	2.0	-	-	-	-	-	-
Legal Services	15.9	15.9	15.8	0.2	0.8	-	-	-	-	-	-
Architectural, Engineering, and Related	20.8	20.5	19.8	1.1	4.6	-	-	-	-	-	-
Computer Systems Design	32.6	33.1	34.3	-1.3	-5.0	-	-	-	-	-	-
Management of Companies and Enterprises	76.7	76.7	75.6	0.0	1.4	-	-	-	-	-	-
Administrative and Support Services	105.1	107.5	109.8	-2.2	-4.2	-	-	-	-	-	-
Employment Services	43.4	44.4	48.6	-2.4	-10.8	-	-	-	-	-	-
Educational and Health Services	331.0	330.6	334.3	0.1	-1.0	-	-	-	-	-	-
Educational Services	41.9	44.3	39.9	-5.3	5.0	-	-	-	-	-	-
Health Care and Social Assistance	289.1	286.3	294.4	1.0	-1.8	-	-	-	-	-	-
Ambulatory Health Care	92.7	91.4	93.9	1.4	-1.2	-	-	-	-	-	-
Hospitals	69.1	69.1	67.9	-0.1	1.7	-	-	-	-	-	-
Nursing and Residential Care Facilities	58.3	57.8	60.2	0.8	-3.2	-	-	-	-	-	-
Social Assistance	69.0	67.9	72.4	1.6	-4.7	-	-	-	-	-	-
Leisure and Hospitality	204.0	205.1	199.8	-0.5	2.1	-	-	-	-	-	-
Arts, Entertainment, and Recreation	40.2	40.8	41.4	-1.5	-3.1	-	-	-	-	-	-
Accommodation and Food Services	163.8	164.3	158.4	-0.3	3.5	337.10	313.88	22.7	22.5	14.85	
Food Services and Drinking Places	147.2	147.5	142.8	-0.2	3.1	330.18	308.22	22.4	22.0	14.74	
Other Services	80.6	81.6	80.7	-1.3	-0.1	-	-	-	-	-	-
Repair and Maintenance	15.1	15.1	14.9	-0.6	1.0	-	-	-	-	-	-
Religious, Grantmaking, Civic, Professional Organizations	43.0	43.7	43.6	-1.7	-1.3	-	-	-	-	-	-
Government	234.8	248.4	236.4	-5.5	-0.7	-	-	-	-	-	-
Federal Government	21.4	21.4	21.4	-0.1	-0.2	-	-	-	-	-	-
State Government	61.7	59.8	61.8	3.2	-0.2	-	-	-	-	-	-
State Government Education	33.3	31.3	34.3	6.3	-2.9	-	-	-	-	-	-
Local Government	151.7	167.1	153.1	-9.3	-0.9	-	-	-	-	-	-
Local Government Education	74.7	90.8	75.9	-17.6	-1.5	-	-	-	-	-	-

Note: Not all industry subgroups are shown for every major industry category.

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2019.

Employer Survey

Industry

TOTAL NONFARM WAGE AND SALARY

GOODS-PRODUCING

Mining, Logging, and Construction
Manufacturing

SERVICE-PROVIDING

Trade, Transportation, and Utilities
Wholesale Trade
Retail Trade
Transportation, Warehouse, Utilities
Information
Financial Activities
Professional and Business Services
Educational and Health Services
Leisure and Hospitality
Other Services
Government

Duluth-Superior MSA

Jobs % Chg. From

	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	137,267	138,210	136,259	-0.7%	0.7%
GOODS-PRODUCING	19,254	18,892	18,058	1.9	6.6
Mining, Logging, and Construction	11,254	10,932	10,096	2.9	11.5
Manufacturing	8,000	7,960	7,962	0.5	0.5
SERVICE-PROVIDING	118,013	119,318	118,201	-1.1	-0.2
Trade, Transportation, and Utilities	24,355	24,145	24,840	0.9	-2.0
Wholesale Trade	3,263	3,251	3,266	0.4	-0.1
Retail Trade	14,591	14,434	15,184	1.1	-3.9
Transportation, Warehouse, Utilities	6,501	6,460	6,390	0.6	1.7
Information	1,246	1,258	1,304	-1.0	-4.4
Financial Activities	5,534	5,525	5,718	0.2	-3.2
Professional and Business Services	8,271	8,209	7,950	0.8	4.0
Educational and Health Services	31,532	31,509	31,723	0.1	-0.6
Leisure and Hospitality	16,552	16,135	16,124	2.6	2.7
Other Services	6,687	6,725	6,744	-0.6	-0.8
Government	23,836	25,812	23,798	-7.7	0.2

Rochester MSA

Jobs % Chg. From

	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	126,210	126,839	124,524	-0.5%	1.4%
GOODS-PRODUCING	17,214	16,689	16,326	3.1	5.4
Mining, Logging, and Construction	5,433	5,342	5,219	1.7	4.1
Manufacturing	11,781	11,347	11,107	3.8	6.1
SERVICE-PROVIDING	108,996	110,150	108,198	-1.0	0.7
Trade, Transportation, and Utilities	18,247	18,111	18,062	0.8	1.0
Wholesale Trade	2,889	2,888	2,939	0.0	-1.7
Retail Trade	12,814	12,667	12,481	1.2	2.7
Transportation, Warehouse, Utilities	2,544	2,556	2,642	-0.5	-3.7
Information	1,616	1,620	1,697	-0.2	-4.8
Financial Activities	2,798	2,763	2,835	1.3	-1.3
Professional and Business Services	6,368	6,394	6,122	-0.4	4.0
Educational and Health Services	51,324	52,004	50,918	-1.3	0.8
Leisure and Hospitality	11,984	11,998	12,085	-0.1	-0.8
Other Services	3,835	3,830	3,812	0.1	0.6
Government	12,824	13,430	12,667	-4.5	1.2

Employer Survey

Industry

TOTAL NONFARM WAGE AND SALARY

GOODS-PRODUCING

Mining, Logging, and Construction
Manufacturing

SERVICE-PROVIDING

Trade, Transportation, and Utilities
Wholesale Trade
Retail Trade
Transportation, Warehouse, Utilities
Information
Financial Activities
Professional and Business Services
Educational and Health Services
Leisure and Hospitality
Other Services
Government

St. Cloud MSA

Jobs % Chg. From

	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	110,738	111,593	109,091	-0.8%	1.5%
GOODS-PRODUCING	24,645	24,407	23,300	1.0	5.8
Mining, Logging, and Construction	8,662	8,486	7,773	2.1	11.4
Manufacturing	15,983	15,921	15,527	0.4	2.9
SERVICE-PROVIDING	86,093	87,186	85,791	-1.3	0.4
Trade, Transportation, and Utilities	22,475	22,441	22,803	0.2	-1.4
Wholesale Trade	5,204	5,225	5,180	-0.4	0.5
Retail Trade	13,054	13,033	13,681	0.2	-4.6
Transportation, Warehouse, Utilities	4,217	4,183	3,942	0.8	7.0
Information	1,293	1,281	1,380	0.9	-6.3
Financial Activities	5,393	5,336	5,286	1.1	2.0
Professional and Business Services	8,771	8,839	8,735	-0.8	0.4
Educational and Health Services	22,174	22,069	21,447	0.5	3.4
Leisure and Hospitality	8,391	8,480	8,652	-1.0	-3.0
Other Services	3,900	3,894	3,886	0.2	0.4
Government	13,696	14,846	13,602	-7.7	0.7

Mankato MSA

Jobs % Chg. From

	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	56,695	58,471	56,154	-3.0%	1.0%
GOODS-PRODUCING	10,903	10,813	10,607	0.8	2.8
Mining, Logging, and Construction	--	--	--	--	--
Manufacturing	--	--	--	--	--
SERVICE-PROVIDING	45,792	47,658	45,547	-3.9	0.5
Trade, Transportation, and Utilities	--	--	--	--	--
Wholesale Trade	--	--	--	--	--
Retail Trade	--	--	--	--	--
Transportation, Warehouse, Utilities	--	--	--	--	--
Information	--	--	--	--	--
Financial Activities	--	--	--	--	--
Professional and Business Services	--	--	--	--	--
Educational and Health Services	--	--	--	--	--
Leisure and Hospitality	--	--	--	--	--
Other Services	--	--	--	--	--
Government	8,085	10,020	7,950	-19.3	1.7

Employer Survey

Industry

TOTAL NONFARM WAGE AND SALARY

GOODS-PRODUCING

Mining, Logging, and Construction
Manufacturing

SERVICE-PROVIDING

Trade, Transportation, and Utilities
Wholesale Trade
Retail Trade
Transportation, Warehouse, Utilities
Information
Financial Activities
Professional and Business Services
Educational and Health Services
Leisure and Hospitality
Other Services
Government

Fargo-Moorhead MSA

Jobs % Chg. From

	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	141,310	143,074	140,445	-1.2%	0.6%
GOODS-PRODUCING	20,215	19,749	20,053	2.4	0.8
Mining, Logging, and Construction	9,920	9,406	9,769	5.5	1.6
Manufacturing	10,295	10,343	10,284	-0.5	0.1
SERVICE-PROVIDING	121,095	123,325	120,392	-1.8	0.6
Trade, Transportation, and Utilities	29,595	29,596	30,024	0.0	-1.4
Wholesale Trade	9,060	9,049	8,920	0.1	1.6
Retail Trade	14,683	14,644	15,470	0.3	-5.1
Transportation, Warehouse, Utilities	5,852	5,903	5,634	-0.9	3.9
Information	3,080	3,050	3,020	1.0	2.0
Financial Activities	10,689	10,716	11,093	-0.3	-3.6
Professional and Business Services	16,808	16,880	16,168	-0.4	4.0
Educational and Health Services	25,522	25,218	24,608	1.2	3.7
Leisure and Hospitality	14,146	14,208	14,495	-0.4	-2.4
Other Services	4,960	4,969	4,943	-0.2	0.3
Government	16,295	18,688	16,041	-12.8	1.6

Grand Forks-East Grand Forks MSA

Jobs % Chg. From

	Jul 2019	Jun 2019	Jul 2018	Jun 2019	Jul 2018
TOTAL NONFARM WAGE AND SALARY	53,311	55,438	53,757	-3.8%	-0.8%
GOODS-PRODUCING	7,771	7,702	7,553	0.9	2.9
Mining, Logging, and Construction	3,370	3,292	3,382	2.4	-0.4
Manufacturing	4,401	4,410	4,171	-0.2	5.5
SERVICE-PROVIDING	45,540	47,736	46,204	-4.6	-1.4
Trade, Transportation, and Utilities	10,634	10,685	11,017	-0.5	-3.5
Wholesale Trade	1,929	1,947	1,877	-0.9	2.8
Retail Trade	6,612	6,612	7,064	0.0	-6.4
Transportation, Warehouse, Utilities	2,093	2,126	2,076	-1.6	0.8
Information	540	537	560	0.6	-3.6
Financial Activities	2,006	2,034	1,979	-1.4	1.4
Professional and Business Services	3,549	3,562	3,385	-0.4	4.8
Educational and Health Services	9,813	9,831	9,604	-0.2	2.2
Leisure and Hospitality	5,851	5,893	6,014	-0.7	-2.7
Other Services	1,867	1,893	1,976	-1.4	-5.5
Government	11,280	13,301	11,669	-15.2	-3.3

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2019.

Minnesota Economic Indicators

Highlights

The **Minnesota Index**, after showing some signs of life during the previous two months, declined 0.1 percent to 138.5 in July. The index inched down as average weekly manufacturing hours dropped, wage and salary employment declined, and the state's unemployment rate ticked up to 3.4 percent. The U.S. Index increased 0.2 percent in July after a 0.1 percent gain in June.

July's reading was 0.7 percent higher than a year ago which is the lowest over-the-year gain since February 2010 when the state's economy was just beginning to pick up from the Great Recession. The U.S. index was up 2.7 percent over the same period. Minnesota's index has historically averaged 2.7 percent over-the-year compared to the 1.7 percent average through the first seven months of 2019. The state's labor shortage is most likely restraining Minnesota's economic growth rate, but the uptick in the state's unemployment rate from 2.8 percent in October 2018 to 3.4 percent in July 2019 is inconsistent with the notion that employers can't find anybody to fill their job vacancies.

Adjusted Wage and Salary Employment declined in July by 1,300 jobs. Minnesota's seasonally adjusted wage and salary employment was up only 1,300 through July. Minnesota added an average of 18,600 during the first seven months of the year between 2011 and 2018. Job growth was cut in half last year, falling from 1.3 percent in 2017 to 0.7 percent in 2018. It now

appears that job growth might be cut in half again for the second year in a row, falling to around 0.3 percent on an average annual basis.

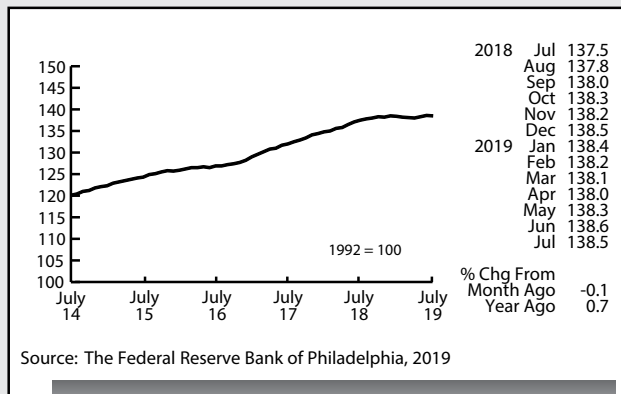
The private sector cut 1,700 jobs while the public sector added 400 jobs in July. Goods-producing employment increased for the fifth month in a row, expanding payrolls by 1,600, but service-providing employment slipped in July by 2,900 jobs on an over-the-year basis. Service-providing employment was down over the year for only the second time since 2010. Construction and Educational and Health Services added the most jobs while job cutbacks were highest in Leisure and Hospitality and in Other Services.

Help-Wanted Ads bounced back in July, increasing 3.4 percent to 147,800, the second highest total in the 14-year history of online help-wanted ads. Online job postings nationally decreased by 0.2 percent in July. Minnesota's share of U.S. online help-wanted ads rose to 2.8 percent while its share of U.S. wage and salary employment remained at 2.0 percent. Labor demand in Minnesota, as measured by online help-wanted ads, continues to remain elevated even as the number of unemployed workers in the state increases.

Minnesota's **Purchasing Managers' Index (PMI)** dipped for the second straight month to 51.7, the lowest reading in two and a half years. The other two comparable indices also slipped in July with the Mid-America Business Index tailing off to 52.0

and the Institute of Supply Management's national PMI sliding to 51.2. Manufacturing activity has been slowing across the U.S. and Minnesota for almost a year now. Most analysts are blaming the ongoing trade wars for most of the manufacturing woes.

Adjusted average weekly **Manufacturing**



Source: The Federal Reserve Bank of Philadelphia, 2019

Minnesota Index

Hours, after surging during the previous two months, slipped slightly in July to 41.2 hours. The recent uptick in factory workweek is inconsistent with a slowdown in manufacturing. Average weekly **Manufacturing Earnings**, adjusted for inflation and seasonality, rose for the sixth consecutive month to another all-time high of \$947.66. Minnesota's average weekly manufacturing earnings, after falling below the U.S. average over the last four years, has topped the U.S. average during the last three months.

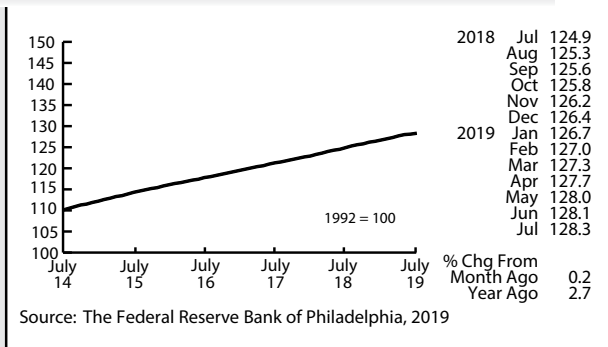
The **Minnesota Leading Index**, after climbing for three consecutive months, dropped in July to 0.4. The 37-year monthly average is 1.4, so the 0.4 reading suggests that Minnesota's economic growth through the rest of the year will be significantly below the historical rate.

Residential Building Permits inched up in July to 2,112 which is exactly the monthly average for the 39-year data set. Minnesota home building permits accounted for 2.0 percent of all U.S. home building permits issued last year. Minnesota's share of nationwide permits is up slightly to 2.2 percent over the first seven months of 2019.

Adjusted **Initial Claims for Unemployment Benefits (UB)** inched up for the second month in July to 16,335. There is no sign of any recession on the horizon in recent initial claims levels. There has been a slight uptick in over-the-year claims level, but the increase is well below the increases that occurred during the past few recessions.

by Dave Senf

United States Index

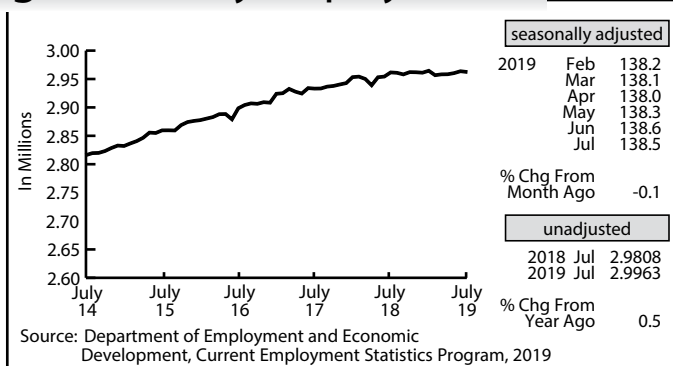


Source: The Federal Reserve Bank of Philadelphia, 2019

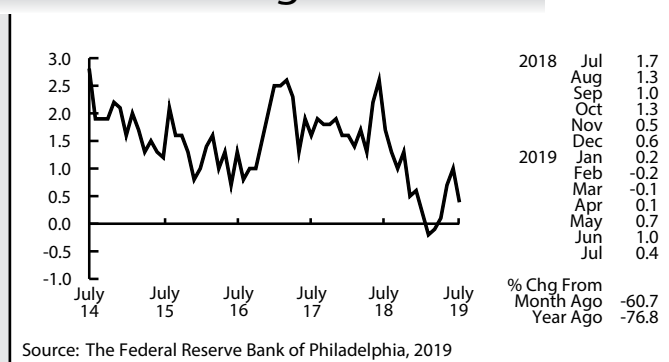
Note: All data except for Minnesota's PMI have been seasonally adjusted. See the feature article in the Minnesota Employment Review, May 2010, for more information on the Minnesota Index.

Minnesota Economic Indicators

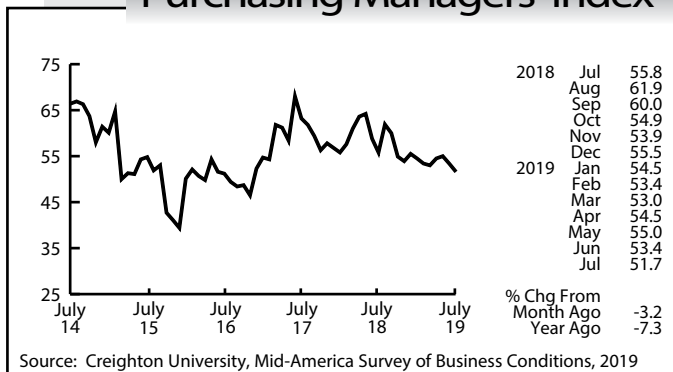
Wage and Salary Employment



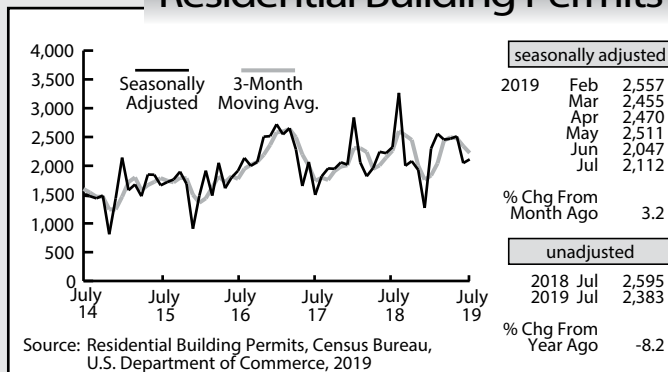
Minnesota Leading Index



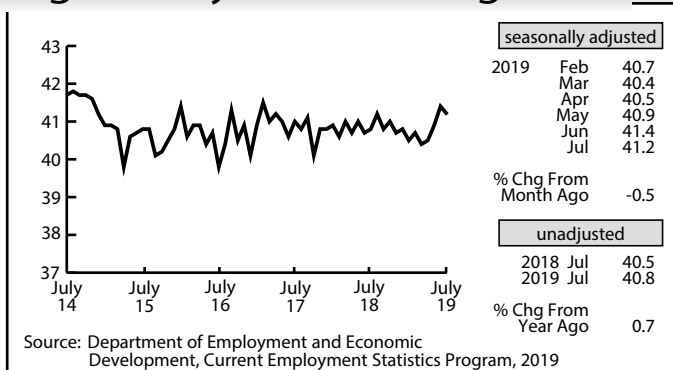
Purchasing Managers' Index



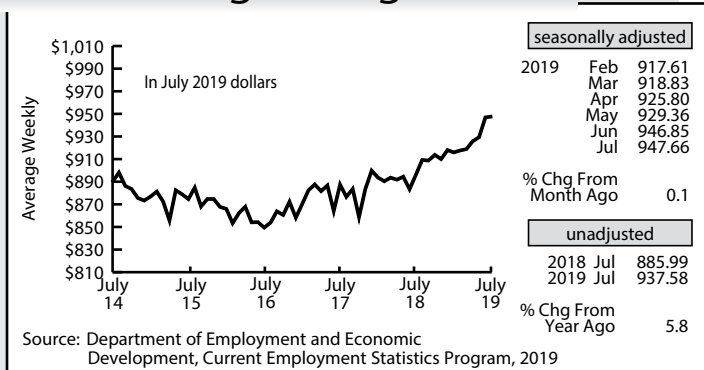
Residential Building Permits



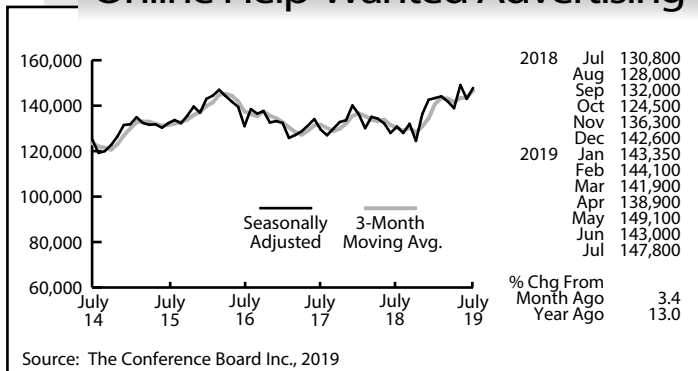
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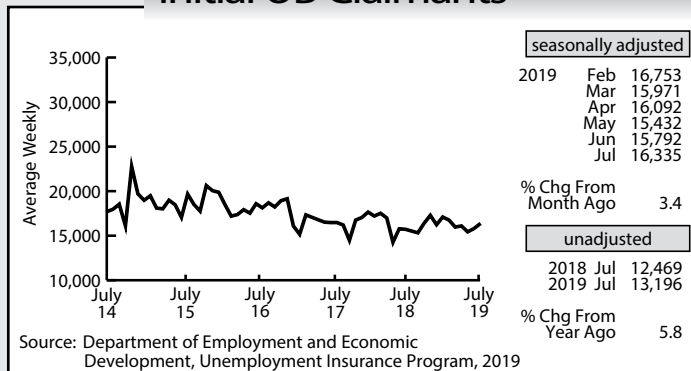
Manufacturing Earnings



Online Help-Wanted Advertising



Initial UB Claimants



Review

Minnesota Employment



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Labor Market Information Office

1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351
651.259.7400 (voice)
1.888.234.1114 (toll free)
651.296.3900 (TTY)
1.800.657.3973 (TTY toll free)
e-mail :
DEED.lmi@state.mn.us
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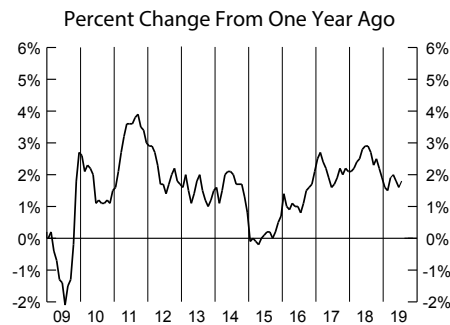
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U.S. Consumer Price Index for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in July on a seasonally adjusted basis after rising 0.1 percent in June the U.S. Bureau of Labor Statistics reported today. Increases in the indices for gasoline and shelter were the major factors in the increase. The energy index rose in July as the gasoline and electricity indices increased, though the natural gas index declined.

The all items index increased 1.8 percent for the 12 months ending July. The food index rose 1.8 percent over the last year while the energy index declined 2.0 percent.



For more information
on the U.S. CPI
or the semi-annual
Minneapolis-St. Paul CPI, call:
651.259.7384
or toll free 1.888.234.1114.

What's Going On?

Throughout October Minnesota manufacturers are opening their doors to the public and especially students interested in learning what it's like to work in a modern facility. Find out more about tours in your area at **Dream It. Do It. Minnesota.** Manufacturing jobs tend to be high-quality jobs that pay well. The average manufacturing job paid \$67,098 in 2018 – 15 percent higher than the typical job in Minnesota. Minnesota has nearly 322,000 jobs in manufacturing, with a total payroll of \$21.6 billion.

Website: www.tourofmanufacturingmn.com/find-an-event/

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Editor in Chief:

Carol Walsh

Editor:

M. B. Hummel

Technical Editor:
Noah Aitoumeziane

Statistics:

Nick Dobbins

Writers:

*Nick Dobbins
Bettsy Hjelseth
Amanda Rohrer
Mark Schultz
Dave Senf
Derek Teed*

Graphics/Layout: and Website Preparation:

Mary Moe

Commissioner:

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Location Patterns of Restaurants



Restaurants play a unique role in our economy and culture. They are both a support service for other industries, such as recreation or office workers, and an attraction in themselves. While food is the stated product, sometimes they're selling atmosphere or novelty or an experience as well. Difficult hours and high turnover rates mean the available workforce is a major factor in restaurant success. The need to meet code requirements for a commercial kitchen ties them more tightly to certain locations and increases the barriers to entry for new establishments, which means they can be slow to respond to trends. But what are those historical trends, and how are they changing? Where do restaurants locate, and how do they respond to demand? How are Minnesota restaurants different from other states or nationally? The topic is worth a deep look.

What is a restaurant?

The North American Industry Classification System (NAICS) is the coding system used to assign industries to businesses. It spans Agriculture to Public Administration and can either be used broadly or with very narrow definitions. Restaurants – food-serving

establishments open to the public – fall mostly within the broad sector 72: Accommodation and Food Services. The specific establishment types within that include the following:

Bars (NAICS 722410) – Sell mostly alcohol

Full Service Restaurants (NAICS 722511) – Where waitstaff come to tables to take orders

Limited-Service Restaurants (NAICS 722513) – Where food is ordered at a counter

Cafeterias, Grill Buffets, and Buffets (NAICS 722514) – Where food is self-service

Snack and Nonalcoholic Beverage Bars (NAICS 722515) – Coffee shops and smoothie or pretzel shops

Breweries (NAICS 312120) – Beer manufacturers

There are some additional industries that are not included.

Mobile Food Services (NAICS 722320) – This includes hot dog stands, fair stalls, and food trucks

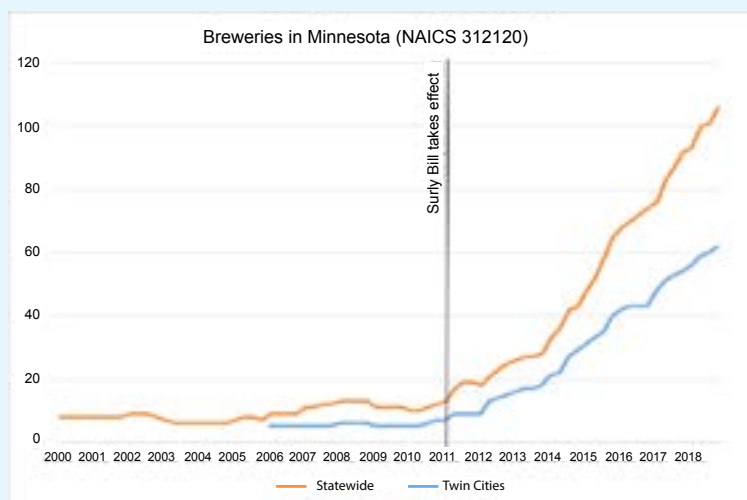
Caterers (NAICS 722320) – Businesses that provide food for events rather than at their own location

Assigning these codes is not always clear-cut, and local trends or laws may limit the types of establishments and how they're described. Furthermore, eating establishments that are part of another business (a cafeteria provided by an employer or a restaurant in a zoo) may be treated as its own establishment in the data or may not, depending on the legal and accounting structures of the establishments in question. Particularly with the excluded NAICS codes (food trucks and caterers), many restaurants perform these services. The business is coded to its "primary" activity, but there are different ways to determine that. If a business has a physical restaurant but pulls in more money from the catering work, which is the primary activity? If a business started as a food truck and has greater visibility and brand loyalty at events but opens a restaurant of the same name, which is the primary activity? States have rules and priorities for making these decisions, but since each state handles the industrial coding of establishments within its borders, there may be inconsistencies across states or through time.

The primary dataset that looks at industries and the businesses within them is the Quarterly Census of Employment and Wages (QCEW). It starts with the universe of unemployment insurance covered employment and administrative records from it, then is reviewed and edited to ensure that employer-submitted data are accurate. This is a state-federal cooperative program where states all adhere to the same federal standard methods and definitions, but work is done at the state level. Industry coding of the QCEW universe is very good overall, but this analysis uses very granular data, and in evaluating the output there are many valid reasons why a specific establishment may not be included. Understanding these reasons helps give context to the data and their interpretation.

Why is a manufacturing industry (Breweries - 312120) included?

In 2011 the Surly Bill took effect, allowing breweries to serve beer directly to customers. In the chart below you see the total count of breweries since 2000 statewide and in the Twin Cities metro – they were largely stable in the first decade of the 2000s, but since the passage of the bill have skyrocketed. Given how many breweries have been founded since that activity was allowed, it stands to reason that a core part of their business model is directly serving customers and makes it likely that most breweries are presently serving alcohol in addition to making it. Although breweries often rely on outside vendors for food sales, they now fulfill the same kind of social role that restaurants do in Minnesota.



National Context

Nationwide restaurants and bars (the NAICS codes described above) make up 9.1 percent of employment and 6.2 percent of establishments. While the percent of restaurant establishments varies from 8.8 percent in Puerto Rico to 4.9 percent in California, employment percent in restaurants is remarkably consistent across states. The mix of types of restaurants can vary more significantly.

Location Quotients

Location Quotient is a measure of industry concentration – the ratio of industry employment to overall employment in a region is compared to the ratio of the same industry to overall employment in a larger (usually U.S. total) region. A Location Quotient of 1 means a normal distribution of businesses, under 1 is an unusual lack of businesses, and over 1 is a higher than typical concentration.

In Chart 1 below the yellow box indicates the zone of normalcy – when Location

Quotients are between 0.5 and 1.5, the distribution is not very different than nationally. All states have a restaurant Location Quotient that's close to 1 and falls within this box, but for bars it's different. Only a few states have abnormally low Location Quotients, and many of them are states with historically restrictive liquor laws in the South or Utah. The outliers at the high end tend to be midwest and western states with lower population and more rural areas. Minnesota is not an outlier, but with a Location Quotient of 1.38 it's much like its neighbors. The dotted blue line shows the relationship between the two – its downward slope indicates that states with more bars typically have fewer restaurants and vice versa.

Percent of Total

Although Location Quotients are useful for understanding the national norms, restaurants and eating and drinking establishments is a large category, and the mix of the business types within it also varies from state to state and by degree of urbanization. For this reason, it's also helpful to consider the proportion of each establishment type

within a region. In Chart 2 below this mix of establishment types is laid out in more detail.

The federal government defines different types of areas for analytical purposes. The most common is Metropolitan Statistical Areas (MSAs). Counties that meet population thresholds and nearby ones that send a significant number of commuters are combined into county-based urban areas for many federal reporting purposes. Below we compare several different and sometimes overlapping areas. MSA uses current federal definitions to define urban counties roughly; "rural" is used to describe counties not in MSAs. Minnesota publishes the same data for smaller county-based planning regions, one of which is the Seven County Twin Cities area.

States with a lot of bars tend to be more rural. States with a lot of limited service restaurants tend to have low incomes, Maryland excepted. Grills and Cafeterias are also prevalent in low-income states. Coffee and snack shops tend to be well-represented in affluent states. Full service restaurants are both prevalent in non-MSA counties and in the highest income states. Looking at the top ranked states by percent full-service therefore can be mixed in results.

Minnesota overall has a slightly lower percent of total restaurants than the U.S., and the metro has a slightly lower percent of total restaurants than the MSA total, but near enough that both could be considered average. The percent of restaurant establishments that are bars is slightly low in the metro, but high statewide, suggesting that our rural areas are like the other rural midwest and western states that have a high proportion of bars. Income in Minnesota is somewhat higher than average and with less of an urban/rural gap than nationwide. However, despite those two factors which correlate with prevalence of full-service restaurants nationwide, both the metro and the state as a whole have somewhat high limited service restaurant proportions and lower than typical full-service restaurant proportions. Perhaps this has to do with endemic introversion which leads Minnesotans to avoid social interaction, but could also have to do with the expense of employees. Minnesota is the only midwestern state that requires that tipped workers receive the full minimum wage. Of the seven states that have

that requirement most are on the West coast and border one another. Four have lower median incomes than the national average and two, Alaska and Washington, have high proportions of full-service restaurants. More recently the proportion may be tied to increasing local minimum wage laws in the urban core. Minneapolis and Saint Paul have both passed legislation requiring a \$15 minimum wage by 2022. While not yet in effect, the climate that made that possible may also have favored less human intensive restaurants. Because Minnesota and the metro in particular differs from the surrounding economy the impact may be more noticeable.

In keeping with its higher incomes, Grills and Cafeterias make up an average or low share of Minnesota restaurants. Similarly, Snack and Beverage bars are prevalent in the metro, although a

Chart 1. Location Quotients - Bars Versus Restaurants

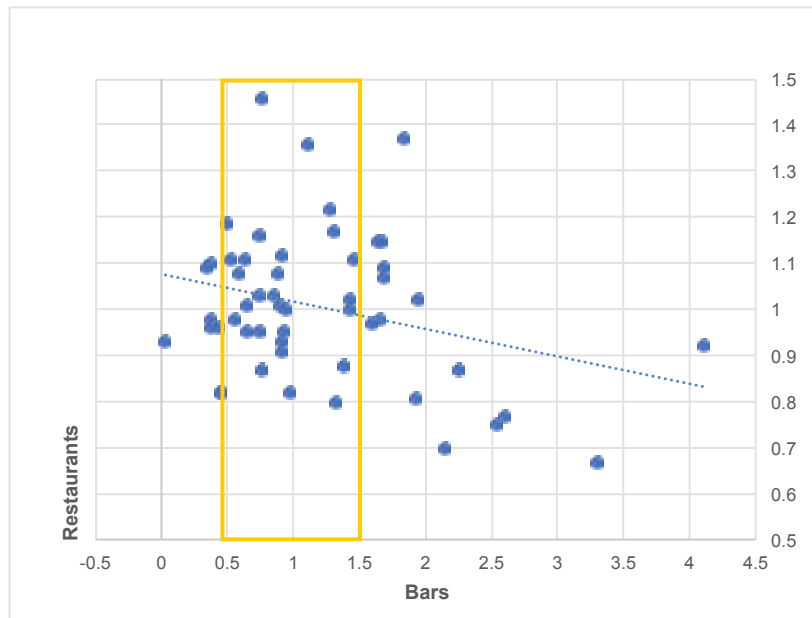


Chart 2

	Restaurant Percent Of Total	Percent of Restaurants					Restaurants Per Thousand	Per Capita Income
		Bars	Full Service	Limited Service	Buffets	Snacks		
U.S. TOTAL	6.2%	7.8%	40.8%	40.1%	1.1%	10.2%	1.88	50,392
MSA	6.6%	7.3%	40.4%	40.6%	1.0%	10.7%	1.90	53,539
Non-MSA	4.7%	10.6%	42.8%	37.5%	1.7%	7.4%	1.88	40,889
Minnesota								
7-County Metro	6.5%	6.7%	37.1%	44.4%	1.0%	10.9%	1.74	53,182
Balance of State	5.8%	11.7%	38.8%	40.3%	0.8%	8.4%	1.77	53,043
Top 3 by Percent Bars								
North Dakota	5.6%	27.7%	31.7%	29.5%	1.2%	9.9%	2.23	54,643
Wisconsin	7.3%	25.9%	37.2%	29.3%	0.7%	6.8%	2.11	47,850
Montana	5.8%	23.0%	38.6%	26.6%	0.6%	11.2%	2.69	43,907
Top 3 by Percent Limited Service								
Alabama	6.8%	3.9%	35.0%	52.8%	2.6%	5.7%	1.68	39,976
Mississippi	6.6%	2.5%	35.7%	51.7%	3.3%	6.9%	1.54	36,346
Maryland	6.2%	5.8%	32.8%	50.5%	0.8%	10.1%	1.76	59,524
Top 3 by Percent Grills and Cafeterias (includes Mississippi, above)								
Puerto Rico	8.8%	3.9%	27.2%	50.1%	11.1%	7.7%	1.09	NA
West Virginia	6.8%	10.3%	36.3%	44.0%	3.3%	6.0%	1.73	37,924
Top 3 by Percent Coffee and Snack Shops								
Alaska	6.8%	13.2%	38.9%	29.7%	0.7%	17.6%	1.84	56,042
Washington	6.2%	8.1%	41.7%	32.5%	0.5%	17.2%	2.11	56,283
Rhode Island	7.3%	10.5%	41.4%	31.6%	0.3%	16.1%	2.56	51,503
Top 5 States by Per Capita Income								
District of Columbia	5.7%	7.6%	43.7%	37.5%	1.5%	9.8%	3.26	76,986
Connecticut	6.5%	4.7%	45.7%	34.5%	0.8%	14.4%	2.12	70,121
Massachusetts	5.8%	5.4%	41.4%	36.7%	0.4%	16.0%	2.14	65,890
New Jersey	6.6%	6.2%	42.2%	38.3%	0.6%	12.7%	1.92	62,554
New York	7.6%	7.8%	43.7%	36.7%	0.5%	11.3%	2.39	60,991

little under-represented statewide. In terms of number of establishments, both Minnesota as a whole and the Twin Cities have fewer restaurants per thousand residents than the U.S. as a whole – 1.74 compared to 1.9 in the metros and 1.77 compared to 1.88 in the U.S. as a whole. Minnesotans are more likely to be lured out of their caves for alcohol and favor a more casual atmosphere than is dominant nationally. Tastes for snack bars and not for buffets is in keeping with higher than national average income levels.

Regional context

While there has been some growth in the number of restaurant establishments, the 2007 recession took a significant toll and only in the past couple of years have restaurant establishments recovered to their pre-recession highs. In Chart 3 the right (statewide) scale is twice the left (metro only) scale. In 2000 the number of restaurant establishments in the Seven-County Metro was almost exactly half of the state total, but by 2005 growth in the metro was faster than in the state as a whole. Since the recession the state trend closely matches that of the metro (which follows, since more than half of the state businesses are in the metro), but since the recession the pace of restaurant growth has been greater in the metro than statewide.

Restaurants Per Capita in Minnesota Cities

It's clear that population and population density play a significant roll in the viability of an eating establishment, both in terms of the market for their product and for the workforce and physical resources needed to operate (see Chart 4).

In Minnesota overall there are 1.77 restaurants per thousand people. The Seven-County Metro, which makes up more than half those people, is approximately similar at 1.74 per thousand people. Minneapolis and Duluth are much higher, at 2.66 per thousand and 2.36 per thousand, respectively. The lowest geographic type is suburban - the balance of counties less Minneapolis and Saint Paul for the Seven-County Metro - at only 1.57 restaurants per thousand people.

But urban and rural are not so easily defined. There are different kinds of

Chart 3. Restaurant Establishments in Minnesota

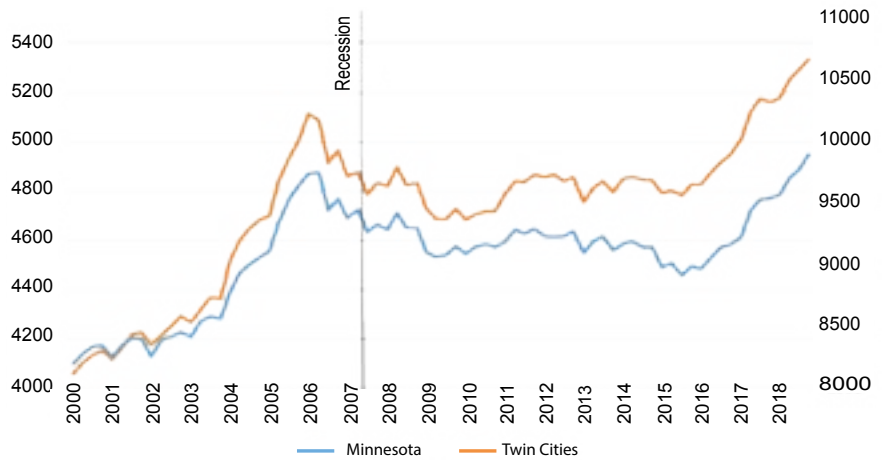


Chart 4. Restaurants per Thousand Residents, 2018

	Indicator
Minnesota	1.77
Seven County	1.74
Minneapolis	2.66
Saint Paul	1.79
Suburban	1.57
Non Metro	1.80
Duluth	2.36

communities – bedroom communities near the metro can be very different than a city of a similar size and density that's far from other population centers. The physical size of a city is wildly inconsistent across the state, and there are physical barriers such as rivers, lakes, and highways that make some areas more isolated than distance alone.

Of the 88 cities with populations over 1000 people (population from ACS five-year, 2013-2017; restaurant counts from QCEW 2018 Q2) where restaurants per thousand people was below 1, 69.3 percent (61 towns) were suburbs to major (MSA) cities. As suburbs, they are in close proximity to other towns and population centers.

Examining the outliers (cities with more than 4.5 restaurants per thousand residents), some trends become apparent. Many of the communities are near natural amenities regarded as tourist destinations. The top cities by restaurants per thousand are in Chart 5.

Outside the suburbs where overall population density is lower, most cities

with populations over 1000 have higher than average restaurants per capita. This is likely caused by their status as a draw for nearby rural residents. Interestingly, the three biggest cities (Minneapolis, Saint Paul, and Duluth) all have restaurant concentrations higher than or comparable to the state overall, but are not nearly as high as smaller out-state towns.

Clusters

Restaurants are destinations or locate near destinations. In rural areas this means tourist towns and areas with other shopping or recreational opportunities. Within urban areas "destination" is more granular. In an urban center the tourist destinations (theaters, museums, regional parks, shopping) tend to be intermingled with high-density residential areas. City boundaries don't restrict the pull of a destination, and the overall volume of people is much higher. Sometimes what makes an area a destination is not just the amenity, but also the available pathways to it – train lines and bike trails may attract a different kind of

Map 1. Restaurants per Thousand Residents, 2018

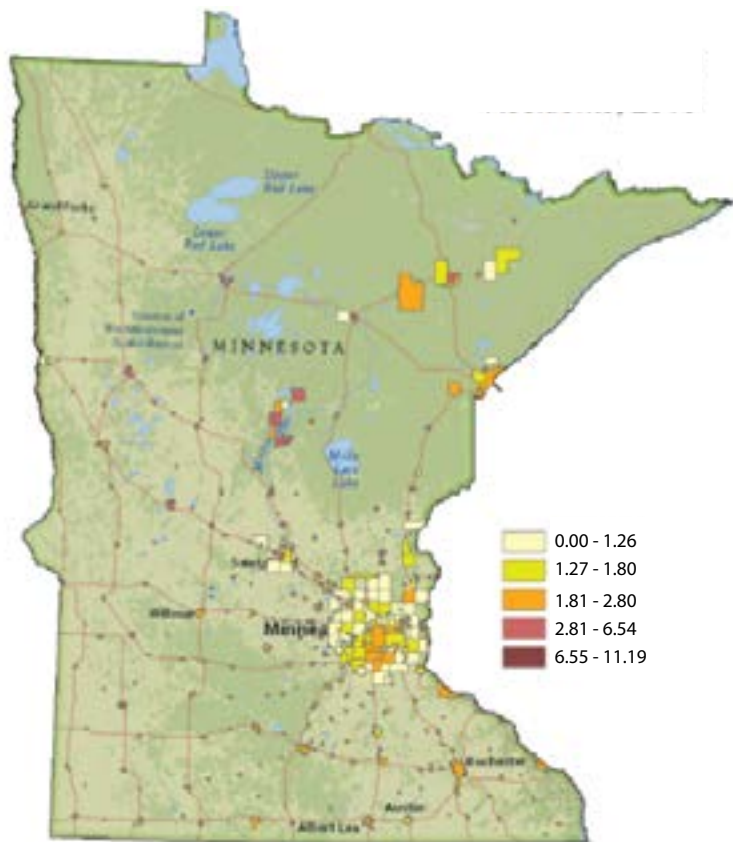


Chart 5. Top Cities by Restaurants per Thousand Residents, 2018,

Cities have minimum population 1000, more than 4.5 restaurants per thousand

City	Population	Restaurants per Thousand
Grand Marais	1340	11.19
Excelsior	2345	8.96
Rice	1377	7.26
Long Lake	1831	7.10
Falcon Heights	5617	6.23
Wayzata	4592	6.10
Parkers Prairie	1003	5.98
Taylors Falls	1024	5.86
Crosslake	2277	5.71
Lexington	2029	5.42
Ely	3356	5.36
Nisswa	2054	5.36
Roseau	2660	5.26
Park Rapids	4214	5.22
Winthrop	1367	5.12
Pine City	3127	5.12
Warroad	1796	5.01
Slayton	1997	5.01
Aitkin	2001	5.00
New London	1403	4.99
Wabasha	2477	4.84
Richmond	1452	4.82
Milaca	2914	4.80
Lake Shore	1050	4.76
Hinckley	1925	4.68
Waite Park	7718	4.66

Notes: Blue are Brainerd area, Green are Lake Minnetonka area, Yellow are on the Duluth-Minneapolis corridor, Orange are tourist towns

customer than shopping malls. The prevalence and use of alternate modes of transport may also create different kinds of barriers. A highway between suburbs is a connection, but a highway between a downtown and a neighborhood may be an insurmountable obstacle to a pedestrian.

Instead of relying on existing political boundaries to summarize economic features of restaurants, then, we have to look at the geographic features themselves. Retail clusters – clusters of customer-facing businesses, as defined by proximity to each other – are the approach used to identify these non-political or administrative districts.

Restaurants have high barriers to entry. (Here's a University of Minnesota Extension guide to commercial kitchens: http://misadocuments.info/Commercial_Kitchen_Guide.pdf) Kitchen prices are high, real estate prices are high, the business is risky, and so financing is difficult or unavailable, forcing owners to shoulder the burden. Further, small businesses don't have the services or (possibly) the skills of market

analysts to help them choose locations or determine a fair purchase price for a property. Regulations vary, sometimes widely, between municipalities, and even an experienced small restaurateur may not be able to apply prior lessons to a current situation. The business itself has operating challenges – managing supply of perishables, menus, marketing, staffing. Because of these challenges, restaurants have an incentive to locate in retail clusters. Other businesses have an established customer base, appropriate food preparation facilities may already exist, and there's more concrete and less speculative information available about the available market. Locating near other businesses reduces risk. If other businesses are successful, it's likely that there is sufficient traffic and market demand and employees. It can serve as a proxy when specific data and analysis are not available. Zoning issues may also be at play – existing businesses are in areas zoned for commercial use, or sometimes a non-conforming use can be grandfathered in even when the structure changes hands.

Methodology

This analysis uses second quarter 2018 Minnesota Quarterly Census of Employment and Wages (QCEW) data. Second quarter includes somewhat seasonal establishments like those in parks and with patios as a major draw, but excludes state fair vendors which are often open only in August. The purpose is to capture institutions that residents recognize and rely on.

To define shopping and restaurant districts we took all establishments coded to any of the restaurant NAICS (7224,7225,312120) along with establishments in retail trade, entertainment, post offices, photo copy

shops, and other businesses that tend to be customer-facing and assigned a buffer of 280 feet to accommodate urban blocks of 500+ feet. Those buffer zones were merged where they touched to approximate retail districts that would feel cohesive and walkable. The rationale was that having additional businesses within the line of sight would spur shoppers on and feel connected as a destination. Restaurant characteristics can be summarized by the size and density of these regions, rather than political boundaries.

What is a cluster?

In dense urban areas retail clusters can become very large. In suburban areas these tend to be shopping malls, clusters of gas stations and retail, or strip malls. Statewide 78.8 percent of retail and restaurant establishments as defined above fall within clusters. In other words, they're within 560 feet of at least one other customer-facing establishment. The regions where this is least likely to be true are rural – 72.9 percent of retail

and restaurant establishments outside Duluth and the Seven County Metro are in clusters. Because of the different structure of the built environment of rural communities – more reliance on wider highways as main streets, presence of drainage ditches that may push business further from the road, lower land costs that make larger lot sizes the norm, as well as technical challenges that make placement of the specific point of the address more difficult on rural roads – there are likely to be clusters that simply fall outside the threshold for this study, but there are also lower barriers to entry, such as licensing requirements or specialized buildings, for many types of businesses making it feasible to run them out of homes or otherwise not locate near other establishments (see Chart 6).

The greater overall density of the urban core means that there are more clusters in the cities (in Minneapolis 91.3 percent are in clusters, Saint Paul is 88.2 percent, Duluth is 86.3 percent) while the suburban Seven County Metro (not in Minneapolis or Saint Paul) is

similar to the state total at 81.2 percent of customer-facing businesses in clusters.

Restaurants seem to be more dependent on clusters than other types of retail (see Chart 7). Statewide, 85.6 percent of restaurants are in clusters of two or more customer-facing businesses, while only 76.4 percent of non-restaurant retail establishments were in clusters. In Duluth the gap was largest, with 95.7 percent of restaurants in clusters and only 83.0 percent of retail establishments in clusters. In all regions restaurants were more commonly in clusters than retail, and degree of density was greater where population density was greater.

Retail clusters are clearly important to the location decisions of restaurants, signifying the availability of potential customers. What role does the size of those clusters play? Are there diverging patterns in urban core, suburbs, and non-metro areas? Do the demographics of the locality make a difference? Can the size of the cluster predict the size of the restaurant? Do different types of restaurants rely more heavily on clusters?

Chart 6. Percent of Establishments in Clusters, 2018 Q2

	<i>Restaurant</i>	<i>Retail</i>	<i>Overall</i>
Seven County Metro	91.1%	80.6%	83.5%
Minneapolis	93.7%	89.9%	91.3%
Suburbs	90.3%	78.2%	81.2%
Saint Paul	91.4%	86.5%	88.2%
Duluth	95.7%	71.9%	73.5%
Non Metro	77.6%	82.9%	86.3%
Statewide Total	85.5%	71.3%	72.9%

Cluster Patterns and Distribution

Saint Paul's retail clusters are linear, except for downtown which caters to office workers.

Minneapolis has more density overall, but also more clumping, which results in multi-street districts.

Inner-ring suburbs also have linear retail districts, while further out clusters become small clumps thanks to street configuration.

Chart 7. Percent of Restaurants in Clusters by NAICS, 2018 Q2

	<i>312120 Breweries</i>	<i>722410 Drinking places, alcoholic beverages</i>	<i>722511 Full-service restaurants</i>	<i>722513 Limited- service restaurants</i>	<i>722514 Cafeterias, grill buffets, and buffets</i>	<i>722515 Snack and nonalcoholic beverage bars</i>	<i>Total</i>
Seven County	76.8%	85.6%	93.3%	95.0%	75.7%	95.6%	91.1%
Minneapolis	95.5%	92.1%	96.2%	95.6%	83.3%	94.4%	93.7%
Suburban	62.5%	83.8%	91.6%	94.9%	73.1%	95.3%	90.3%
SaintPaul	70.0%	80.0%	96.4%	94.7%	80.0%	100.0%	91.4%
Duluth	100.0%	96.8%	98.7%	94.2%	100.0%	100.0%	95.7%
Non Metro	71.0%	69.5%	73.5%	88.3%	56.5%	92.3%	77.6%
Total	75.6%	74.9%	84.3%	92.4%	69.8%	94.8%	85.5%

The maps are meant to give a sense of what areas hit the thresholds of a cluster and to help readers visualize 560 feet on a map. The overall patterns are important to understand, but the coming analysis groups clusters by size instead of looking at specific individual clusters. The colors indicate the size of the cluster as described below.

White - Category A: 1 Restaurant

Blue - Category B: 2-5 Restaurants

Green - Category C: 6-15 Restaurants

Yellow - Category D: 16-50 Restaurants

Brick - Category E: 51+ Restaurants

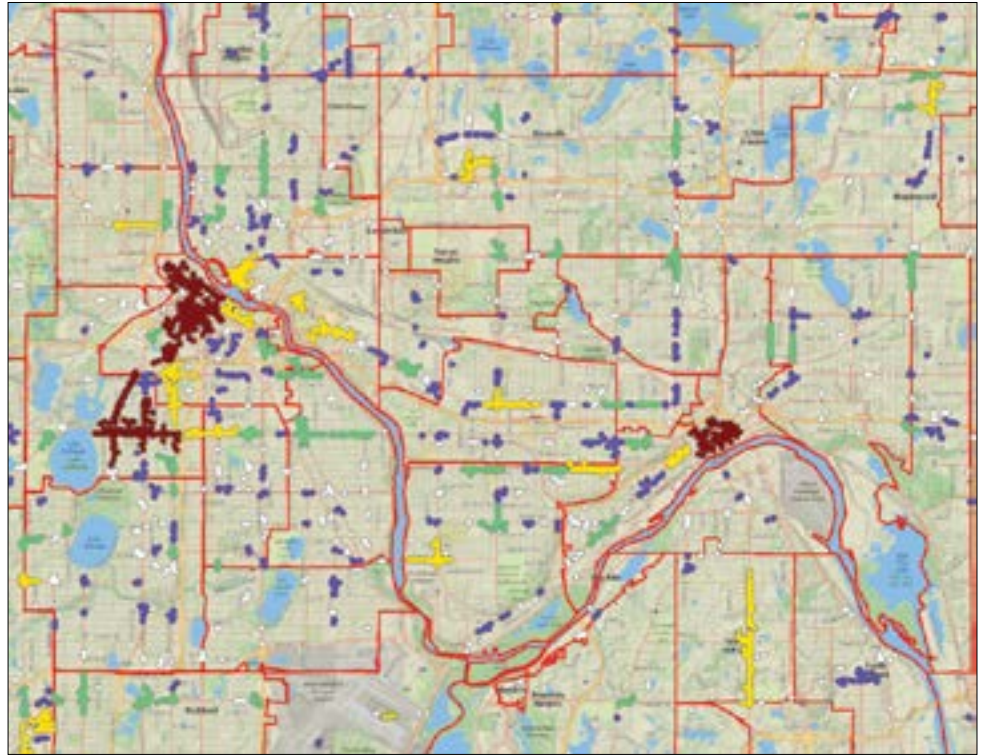
Here in Minneapolis and Saint Paul the largest districts are familiar – the downtowns and Uptown. Streets that tend to be dining destination are also easily spotted – Lake St, Summit/Grand, University, and West Seventh. Most of the campuses and some heavily trafficked intersections are also mid-sized clusters. Clusters even in inner ring suburbs and North Minneapolis already drop off in frequency and density, though, and the pattern intensifies further out (see Map 2).

This view of Duluth illustrates a long stretch of road that may be regarded by residents as a general commercial road, but because it's a highway rather than an urban street the buffer threshold has split it into several smaller regions. Wide cross streets and large front-of-building parking lots that are common outside the urban core take up a lot of space. But perceptions of space can vary, too. From a methodology standpoint, selecting a threshold that makes sense both with development patterns and perceptions and that can be applied statewide is a challenge; this distance – 280 feet – minimizes obvious failings but can't eliminate them all (see Map 3).

Cluster Size

Overall, 24.8 percent of restaurants are in a cluster where they are the only restaurant. A restaurant can be in a cluster with other retail and no other restaurants. This is driven by the non-metro category, where 35.3 percent of restaurants were alone in their cluster (see Chart 8). In more urban areas fewer than 15 percent were the only restaurant in their cluster. Category B was largely around 30 percent except for Minneapolis and Duluth which had larger clusters.

Map 2. Minneapolis and St. Paul



Map 3. Duluth

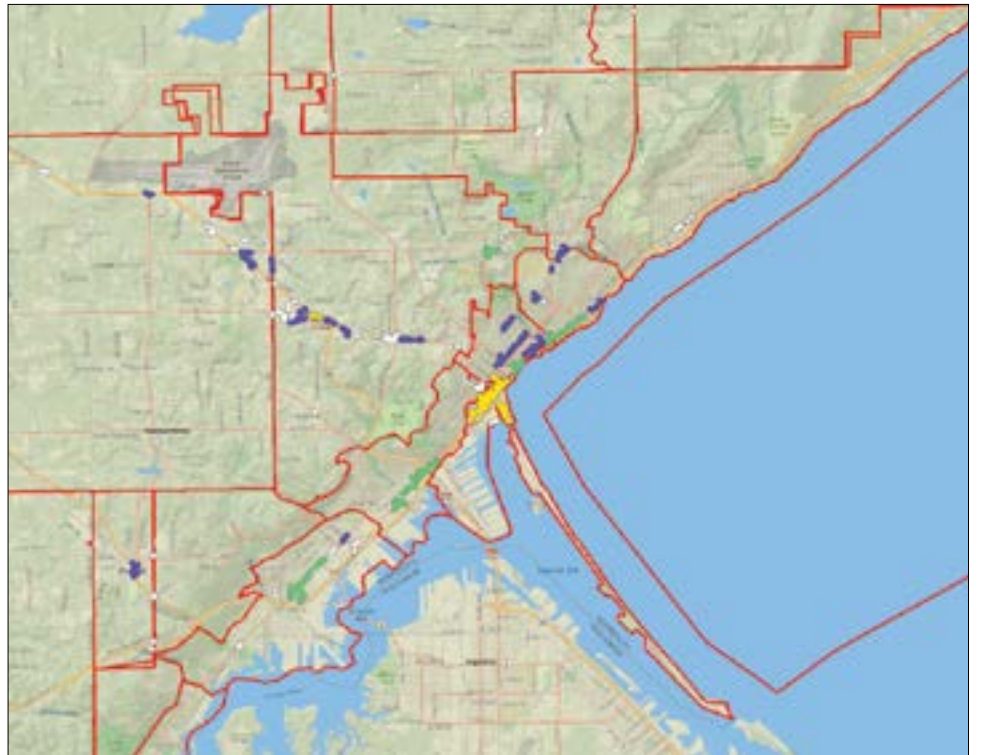


Chart 8. Proportion of Restaurants in Cluster Category

	A	B	C	D	E
Seven County	15.9%	29.1%	26.9%	17.8%	10.4%
Minneapolis	10.9%	14.6%	16.3%	23.3%	34.9%
Saint Paul	14.9%	28.2%	25.0%	16.3%	15.5%
Not Seven County	35.3%	32.3%	21.1%	9.9%	1.3%
Duluth	12.4%	22.8%	28.7%	36.1%	0.0%
Total	24.8%	30.6%	24.2%	14.1%	6.2%

Restaurant Size

There's not a lot of size of restaurant variability across geographies of clusters. Duluth and metro restaurants have the highest employment, Minneapolis and Saint Paul have average numbers of employees, and non-metro areas are smallest. Large clusters tend to have slightly larger restaurants. However, employees are not necessarily a good measure of size. The number of employees is the total number of individuals who received a paycheck from the company – non-urban areas may have more full-time workers and therefore serve the same number of customers with fewer overall employees.

Wages

Wages are highest in the Twin Cities and in large clusters. Since this is total payroll divided by number of workers, that's a pretty good sign that bigger is more prosperous.

Brewery wages are higher in all regions and more consistent between regions. Manufacturing in general pays better than food service, so this may reflect the employees primarily involved in brewing rather than the wages paid to servers at this kind of establishment. Bars and coffee shops pay the worst, but bars have much greater regional variation in pay, with Twin Cities workers earning more. This might have something to do with tip reporting. Full service pays well (tips), as do buffets.

Limited-service is primarily metro. Bars are more prevalent outside the metro, probably because there are fewer location restrictions. Minneapolis has the most full-service restaurants while suburbs have the least. The proportions are

reversed for limited-service restaurants. For both types Saint Paul is in line with the state total. Cafeterias/buffets are rare and snack bars are suburban.

Restaurant Type

Breweries (312120) are relatively uncommon but mostly exist in cities Minneapolis, Saint Paul, and Duluth. Bars (722410) are most common outside cities but are more common in big cities than in suburbs, particularly Duluth. Full-service restaurants (722511) are rural and in Minneapolis although Duluth is trying to catch up. Saint Paul wins limited-service (722513) with the suburbs following closely. Cafeterias (722514) are uncommon but more common in Duluth. Snack Bars (722515) are evenly distributed in populated non-rural areas.

Industry Mix

Cafeterias/buffets are most likely to be alone or in small clusters, followed by bars, which are more likely than cafeterias to be in small or mid-sized clusters. Snack bars and breweries are most likely to be in large clusters, but snack bars more so, probably thanks to their prevalence in malls.

Minneapolis has by far the greatest share of employment in large clusters, probably because it has two and most other areas do not. The types of establishments in those large clusters are numerically mostly full and limited service restaurants but proportionally Bars and Snack Bars are over-represented.

St. Paul has many small clusters, and proportionally more limited-service restaurants. Bars are more likely to be in neighborhoods with a larger share in small clusters.

Rural non-metro areas have significantly more bars than cities and nearly half stand alone away from other eating establishments. Nearly 40 percent of full-service restaurants are also outside clusters.

Although Duluth doesn't have any truly large clusters, a larger proportion of its eating establishments across all types are located in its largest clusters. Duluth's share of bars is more like non-metro areas, but their locations tend to be in clusters more like the largest cities. All of Duluth's breweries are in mid-sized clusters, suggesting that they are truly social rather than industrial establishments.¹

Conclusion

Minneapolis' downtown is unique in the state, but Duluth is similarly polarized in terms of having a few massive commercial districts and then restaurant-desolate residential areas. Saint Paul is much more likely to have lonely neighborhood restaurants, a pattern that's similar to the suburbs, but much denser overall.

Restaurant clusters in many parts of the state are really more like heavily commercial streets – thoroughfares with businesses alongside residential areas. Perhaps this is a result of zoning or street configuration.

by Amanda Rohrer

¹For more charts see online publication.

Minnesota Industry Snapshot

NAICS 921

Executive, Legislative, and Other General Government Support

This subsector is the first of the Public Administration industry sector. It includes government executives, legislative bodies, public finance, and general government support. Executive includes the offices of the president, state governors, city mayors, and executive advisory commissions. Legislative bodies include Congress, state legislatures, and advisory and study legislative commissions. Public finance includes government entities involved in public finance, taxation, and monetary policy. General government support includes those offices where the executive and legislative are combined, American Indian and Alaska Native Tribal Governments, and government entities that provide general support, such as personnel services and election boards.

Table 1. Executive, Legislative, and Other General Government Support Employment in Minnesota, 2018

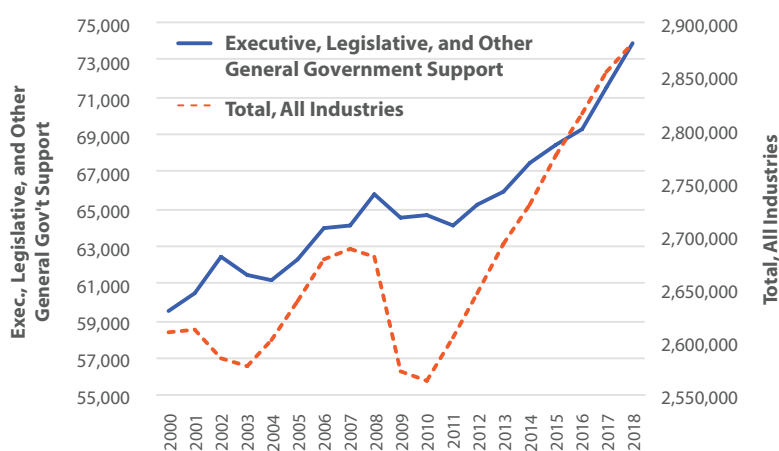
Industry	Number of Firms	Number of Jobs	Federal Government Share	State Government Share	Local Government Share	Average Annual Wage
Total Government Employment	6,856	384,614	8.3%	21.2%	70.5%	\$55,120
Public Administration	3,382	134,418	8.3%	23.3%	68.3%	\$58,136
Exec, Legislative, and Other Gov't Support	1,473	73,876	1.5%	7.9%	90.6%	\$51,636

Source: DEED Quarterly Census of Employment and Wages (QCEW)

Trends

Local government holds the largest share of employment by far in the Executive, Legislative, and Other General Government Support subsector at 90.6 percent of total government share. In comparison, total government employment at the local level holds 70.5 percent of the total share. The average annual wage for workers in this subsector is \$51,636 per year, which is \$20,736 more than the cost of living for a single person in Minnesota between the ages of 19 and 50 with no children. Since 2000, Minnesota employment in Executive, Legislative, and Other General Support has had a 24.1 percent increase, compared to employment in all industries which had a 10.4 percent increase. The number of establishments in 2000 in Executive, Legislative, and Other General Government Support was 1,438, which increased slightly to 1,473 establishments in 2018. This represents a 2.4 percent increase. In comparison, the number of establishments in all industries increased from 156,083 to 175,424, a 12.4 percent increase, from 2000 to 2018.

Figure 1. Executive, Legislative, and Other General Government Support in Minnesota



Source: DEED QCEW

Minnesota Industry Snapshot

NAICS 332

Fabricated Metal Production Manufacturing

Looking to transform metal into an end product using forging, stamping, bending, forming, machining, welding, or assembling? Fabricated Metal Production Manufacturing is the industry in which you'll work. A company can do one of these processes or a combination. This industry does not create machinery, computers, electronics, and metal furniture, or treat metals and metal formed products fabricated elsewhere.

Table 1. Fabricated Metal Production Manufacturing - Top Employing Occupations

Occupation	Employment	Median Wage	2016-2026 Employment Change	
			Numeric	Percent
Machinists	12,870	\$24.35	711	5.5%
Welders, Cutters, Solderers, and Brazers	9,410	\$21.66	655	6.8%
Team and All Other Assemblers	32,050	\$16.38	N/A	N/A
First-Line Supervisors of Production and Operating Workers	11,780	\$30.58	357	3.0%
Cutting, Punching and Press Machine Setters, Operators, and Tenders, Metal and Plastic	5,610	\$21.10	-340	-4.0%
Computer-Controlled Machine Tool Operators, Metal and Plastic	3,310	\$21.68	193	4.3%
Inspectors, Testers, Sorters, Samplers, and Weighers	10,090	\$20.16	-1,056	-11.4%
Helpers – Production Workers	8,400	\$14.59	1,593	14.8%
General and Operations Managers	46,440	\$45.84	3,220	7.4%
Structural Metal Fabricators and Fitters	800	\$20.57	-140	-13.7%

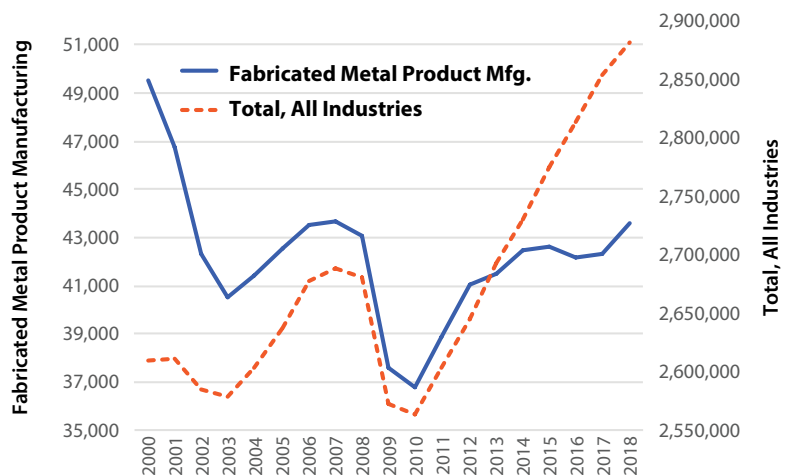
Source: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

Trends

Other than management positions, machinists are the highest paid top employing occupation in Metal Production Manufacturing. These employees make a median wage of \$24.35 an hour which is \$9.49 more than the cost of living for a single person in Minnesota between the ages of 19 and 50 with no children. Machinist employment in this subsector is expected to grow by 5.5 percent or 711 additional jobs from 2016 to 2026.

Employees in Fabricated Metal Production Manufacturing working in the Metro Area receive the highest annual average wage of \$65,156, while those working in Northwest Minnesota receive the lowest annual average wage at \$49,348 per year. Since 2010, Minnesota has seen an increase of 18.5 percent for jobs in Fabricated Metal Production Manufacturing. Of the 6,819 added jobs, 50.9 percent were in the Metro Area (3,471 jobs). Central Minnesota also added 26.6 percent (1,811) of the total.

Figure 1. Fabricated Metal Product Manufacturing in Minnesota



Source: DEED QCEW

Minnesota Industry Snapshot

NAICS 445

Food and Beverage Stores

Need to stop by a grocery store to buy some something to cook for dinner? Companies that use freezers and refrigerators to hold food and beverage merchandise fall under the Food and Beverage Stores subsector. Regulating authorities keep these companies accountable so that the merchandise is stored properly and kept sanitary. Convenience stores, meat markets, liquor stores, and baked goods stores are just a few of the many types of establishments that belong in this industry.

Table 1. Food and Beverage Stores - Top Employing Occupations

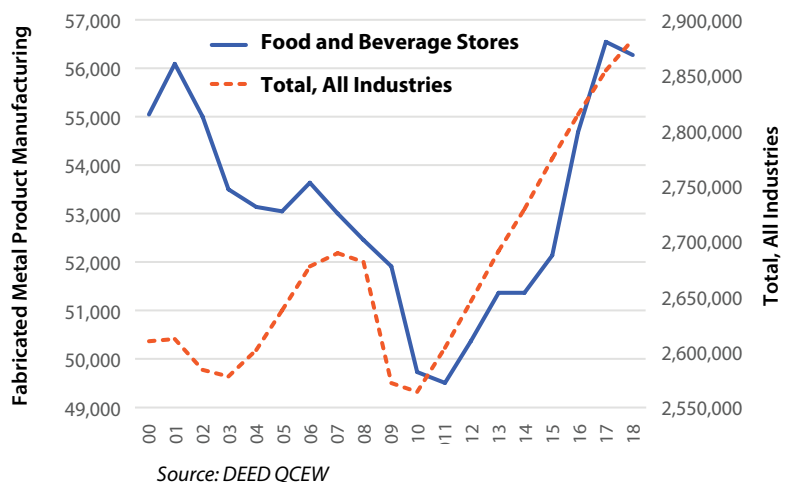
Occupation	Employment	Median Wage	2016-2026 Employment Change	
			Numeric	Percent
Cashiers	65,840	\$11.72	-260	-.4%
Stock Clerk and Order Fillers	35,190	\$13.80	1,153	3.4%
Food Preparation Workers	8,670	\$12.98	371	3.9%
First-Line Supervisors of Retail Sales Workers	20,360	\$20.02	650	2.6%
Retail Salespersons	87,430	\$12.38	-852	-1.0%
Packers and Packagers, Hand	10,250	\$13.09	-60	-.5%
Combined Food Preparation and Serving Workers, Including Fast Food	66,060	\$11.57	7,983	12.0%
Butchers and Meat Cutters	2,050	\$17.65	168	6.8%
Customer Service Representatives	58,710	\$18.55	396	.7%
Bakers	2,510	\$14.44	137	4.6%

Source: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

Trends

In 2000 the Food and Beverages Stores subsector had 55,063 statewide jobs. In 2018 it slightly increased to 56,291 statewide jobs, a 2.2 percent increase. The subsector saw its lowest employment numbers in 2011 at 49,508 after which it started to recover from the Great Recession. The 2016 to 2026 employment change projections expect combined food preparation and serving workers, including fast food to see an increase of 7,983 jobs which is a 12.0 percent increase. The median wage for these employees is \$11.57 per hour which is \$3.29 hour less than the cost of living in Minnesota for a single person between the ages of 19 and 50 with no children. Cashiers, retail salespersons, and hand packers and packagers are all projected to lose a small percentage of jobs by 2026 from an increase in automation. Most of the top employing jobs in this subsector require no formal education.

Figure 1. Food and Beverage Employment in Minnesota



Minnesota Industry Snapshot

NAICS 311

Food Manufacturing

The Food Manufacturing subsector transforms livestock and agricultural products into food. The raw materials used are animals or fruits and vegetables. The products made are sold to wholesalers or retailers where consumers then purchase them. Retail bakeries as well as establishments that produce candy products that are not immediately consumed also belong in this subsector. This industry includes everything from animal food and dairy product manufacturing to seafood product preparation and packaging.

Table 1. Food Manufacturing - Top Employing Occupations

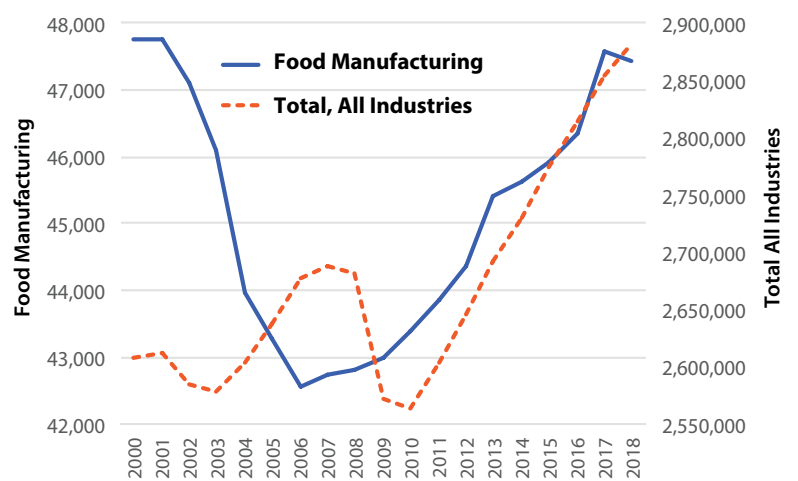
Occupation	Employment	Median Wage	2016-2026 Employment Change	
			Numeric	Percent
Packaging and Filling Machine Operators and Tenders	10,320	\$17.02	159	1.5%
Meat, Poultry, and Fish Cutters and Trimmers	5,060	\$15.42	89	2%
Food Batchmakers	4,680	\$16.73	112	2.4%
Slaughterers and Meat Packers	4,140	\$15.69	106	1.9%
Packers and Packagers, Hand	10,250	\$13.09	-60	-0.5%
Laborers and Freight, Stock, and Material Movers, Hand	43,790	\$16.56	2,134	5.5%
Helpers-Production Workers	8,400	\$14.60	1,593	14.8%
Bakers	2,510	\$14.44	137	4.6%
First-Line Supervisors of Production and Operating Workers	11,780	\$30.58	357	3.0%
Industrial Truck and Tractor Operators	6,450	\$19.94	766	7.5%

Sources: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

Trends

The lowest paid but top employing occupation in the Food Manufacturing industry is packers and packagers, hand. There are a total of 10,250 in the state, and these employees make a median wage of \$13.09 which is \$1.77 less than the cost of living for a single person in Minnesota between the ages of 19 and 50 with no children. This occupation’s employment is projected to decrease by 0.5 percent by 2026, making it the only top employing occupation in this subsector projected to lose employment by 2026. All areas of the state except for Northeast Minnesota have a large concentration of Food Manufacturing employment. Southwest Minnesota, Southeast Minnesota, and the Metro Area hold the largest share of these employees, a total of 68.7 percent of total statewide employment. All areas except for Northeast Minnesota saw an increase in Food Manufacturing employment from 2010 to 2018.

Figure 1. Food Manufacturing in Minnesota



Source: DEED QCEW

by Betsy Hjelseth