

July 2024 Employment Analysis

(Embargoed until 9:30 am Thursday, August 15, 2024)

Over-the-Month Overview

- Minnesota's unemployment rate increased to 3.2% in July 2024, three-tenths of a percentage point higher than the prior month. Nationally, over the month, the unemployment rate ticked up two-tenths of a percentage point to 4.3%.
- Minnesota's labor force decreased by 2,196 people over the month to 3,094,553 people. The number of employed decreased by 8,444 workers, and the number of unemployed increased by 6,248 people. The labor force participation rate remained at 67.8%, same as prior month.
- Minnesota lost 1,100 jobs in the last month on a seasonally adjusted basis, translating to 0.0% change. The private sector lost 600 jobs, also 0.0% change. The U.S. total nonfarm employment increased by 114,000 jobs, or 0.1%. The U.S. private sector gained 97,000 jobs, also up 0.1%.
- Three supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Education and Health Services gained 4,300 jobs, up 0.7%
 - Other Services gained 1,100 jobs, up 1.0%
 - Professional & Business Services gained 600 jobs, up 0.2%
- Two supersectors did not change over the month:
 - Mining & Logging
 - Manufacturing
- Six supersectors lost jobs over the month:
 - Trade, Transportation and Utilities lost 2,400 jobs, down 0.5%
 - Leisure and Hospitality lost 2,000 jobs, down 0.7%
 - Financial Activities lost 1,100 jobs, down 0.6%
 - Construction lost 900 jobs, down 0.7%
 - Government lost 500 jobs, down 0.1%
 - Information lost 200 jobs, down 0.5%
- Minnesota lost 414,500 jobs from February through April 2020 and has since recovered 431,200 jobs as of July 2024, which brings Minnesota to 100.6% of the number of jobs prior to the Pandemic Recession on a seasonally adjusted basis. The private sector lost 384,100 jobs from February through April 2020 and has regained 391,100 jobs as of July, or 100.3% recovered.
- Calculating seasonally adjusted 2-month job change, Minnesota lost 1,600 jobs in March-May, down 0.05%; lost 13,800 jobs in April-June, down 0.46%; and lost 8,600 jobs in May-July, down 0.28%. Nationally, the U.S. grew 0.2% in all the same periods.

Over-the-Year Job Growth

- Minnesota gained 29,218 payroll jobs, up 1.0%, over the year. The private sector gained 9,571 jobs, up 0.4% over the year.
- Four supersectors posted positive annual growth in Minnesota:
 - Education and Health Services gained 38,926 jobs, up 7.0% for Minnesota, outpacing the national rate of 3.9%. Growth was strong in all subsectors.
 - Government gained 19,647 jobs, up 4.9%, again outpacing the U.S. growth rate of 2.4%. Growth was healthy across all subsectors.
 - Leisure and Hospitality gained 2,624 jobs, up 0.9%. This supersector’s slower growth is due to decline in Arts, Entertainment, and Recreation (-1.3%) and Accommodation (-2.0%) subsectors. Nationally, this supersector grew 1.5%.
 - Other Services gained 2,458 jobs, up 2.1%. All subsectors posted growth in Minnesota. Nationally, this supersector grew 1.4%.
- Seven supersectors lost jobs over the year in Minnesota:
 - Professional & Business Services lost 16,473 jobs, down 4.2%, while the U.S. grew 0.6%. The declines were in Management of Companies and Enterprises (-2.3%), Employment Services (-12.2%), and Services to Buildings and Dwellings (-8.1%).
 - Manufacturing lost 6,096 jobs, down 1.8%. All subsectors experienced decline in Minnesota except for Food Manufacturing (2.8%). The U.S. Manufacturing supersector grew 0.1%.
 - Financial Activities lost 5,048 jobs over the year, down 2.6%, while the U.S. grew 0.2%. Losses happened in all subsectors.
 - Construction lost 2,394 jobs, down 1.6%. All subsectors experienced loss in Minnesota except Building Equipment Contractors (0.5%). The U.S. Construction supersector grew 3.0%.
 - Trade, Transportation, and Utilities lost 2,209 jobs, down 0.4%. Retail Trade declined 0.2% and Wholesale Trade declined 1.6%, while Transportation, Warehousing, and Utilities grew 0.4%. Nationally, this supersector grew 0.8%.
 - Information lost 2,164 jobs, down 4.8%. All subsectors saw decline in Minnesota. The U.S. experienced smaller decline in this supersector, down 0.8%.
 - Mining and Logging lost 53 jobs, down 0.8% in Minnesota. The U.S. also declined in this supersector, down 1.8%.
- Overall U.S. employment grew 1.6% over the year with the private sector up 1.4%. All supersectors grew except Information & Mining and Logging.

July Over the Year (OTY) Employment Growth by Industry Sector Not Seasonally Adjusted			
Industry Supersector	MN OTY Job Change	MN OTY Growth Rate (%)	US OTY Growth Rate (%)
Total	29,218	1.0	1.6
Private	9,571	0.4	1.4
Mining & Logging	-53	-0.8	-1.8

Construction	-2,394	-1.6	3.0
Manufacturing	-6,096	-1.8	0.1
Trade, Transportation & Utilities	-2,209	-0.4	0.8
Information	-2,164	-4.8	-0.8
Financial Activities	-5,048	-2.6	0.2
Professional & Business Services	-16,473	-4.2	0.6
Education & Health Services	38,926	7.0	3.9
Leisure & Hospitality	2,624	0.9	1.5
Other Services	2,458	2.1	1.4
Government	19,647	4.9	2.4

Wage and Hour Data

- Average hourly wages for all private sector workers increased 14 cents to \$37.51 in July 2024 over the month. Over the year average hourly earnings increased \$1.42, up 3.9%.
 - For the U.S., private sector wages decreased 6 cents over the month and grew 4.6% over the year.
 - The CPI inflation index for all urban consumers rose 2.9% over the year in July.
- At 33.0 hours per week, Minnesota’s July average work week decreased six-tenths of an hour over the month. Over-the-year it decreased one hour.
 - Nationally, the average work week also decreased six-tenths of an hour over the month to 34.1 hours. Likewise, over-the-year, it decreased six-tenths of an hour.

Unemployment Data

- Over the month, the unemployment rate increased three-tenths of a percentage point to 3.2% in July on a seasonally adjusted basis. The number of employed decreased by 8,444 workers, and the number of unemployed increased 6,248. The employment to population ratio ticked down two-tenths of a percentage point to 65.6% from the prior month.
- The labor force decreased 2,196 people over the month, totaling 3,094,553 people in July. The labor force participation rate remained at 67.8%. Minnesota’s labor force was 37,015 people fewer than in February 2020 when the participation rate was at 70%.
- Nationally, over the month, the unemployment rate ticked up two-tenths of a percentage point to 4.3% and the employment to population ratio dropped one-tenth of a percentage point to 60.0%. The labor force participation rate increased one-tenth of a percentage point to 62.7% over the month.

Industry Details

Mining and Logging: Employment growth in Mining and Logging was flat over the month (OTM) in July, holding at a seasonally adjusted 6,600 jobs after adding 100 jobs in June. Over the year (OTY), employers in Mining and Logging lost 53 jobs, or 0.8%. This was better than the national loss of 1.8%, though it was also worse than the June statewide rate of -0.5%.

Construction: Construction employers lost 900 jobs (0.7%) OTM in July, on a seasonally adjusted basis. It was the first monthly decline for the supersector since February, when they lost 1,800 jobs. In the intervening months Construction employers added a total of 4,300 jobs. On an annual basis, employment in Construction was off by 2,394 jobs (1.6%). Every published component lost jobs on the year, with the exception of Building Equipment Contractors, which added 208 jobs (0.5%). Specialty Trade Contractors lost 1,606 jobs (1.7%), with losses driven primarily by the Foundation, Structure, and Building Exterior Contractors component sector, which lost 1,493 jobs, or 8.3%.

Manufacturing: Employment in Manufacturing was flat in July, holding at a seasonally adjusted 319,200 jobs. Durable Goods Manufacturing added 100 jobs (0.0%) while Non-Durable Goods Manufacturing lost 100 jobs (0.1%). It was the first month without seasonally adjusted declines for the supersector since April, when it added 1,100 jobs. On an annual basis, Manufacturing employers lost 6,096 jobs (1.8%). Durable Goods Manufacturing lost 5,631 jobs (2.6%), and Non-Durable Goods Manufacturing lost 465 jobs (0.4%), despite the addition of 1,352 jobs, or 2.8%, in Food Manufacturing, it's only published component sector.

Trade, Transportation, and Utilities: The Trade, Transportation and Utilities supersector lost 2,400 jobs (0.5%) over the month in July. All three component sectors lost jobs on the month, with the largest real and proportional declines coming in Wholesale Trade, which shed 1,300 jobs, or 1%. Over the year, the supersector lost 2,209 jobs (0.4%), the third month of annual declines for Trade, Transportation and Utilities. Wholesale Trade lost 2,142 jobs (1.6%) and Retail Trade lost 544 (0.2%), while Transportation, Warehousing and Utilities added 477 jobs, or 0.4%.

Information: Employment in Information was down by 200 (0.5%) OTM in July. It was the second consecutive month of declines, and the fourth job loss in seven months of 2024. The current seasonally adjusted employment of 42,100 is the supersector's lowest level since January of 2021. Over the year, Information employers lost 2,164 jobs, or 4.8%. It was the largest annual proportional job loss of any supersector in the state for the long-declining supersector.

Financial Activities: Financial Activities employment was down by 1,100 (0.6%) OTM in July. Finance and Insurance lost 700 jobs (0.5%) and Real Estate and Rental and Leasing lost 400 jobs (1.1%). Over the year, employment in Financial Activities was down by 5,048, or 2.6%. Finance and Insurance was down 4,406 (2.8%) and Real Estate and Rental and Leasing was down 642, or 1.8%. Annual growth in the supersector has been mostly static for the year, moving between -2.4% and -2.9% OTY in every month of 2024.

Professional and Business Services: Employment in Professional and Business Services was up by 600 (0.2%) OTM in July. Management of Companies and Enterprise added 1,000 jobs (1.2%) and Professional, Scientific and Technical Services added 400 jobs (0.2%), while Administrative and Support and Waste Management and Remediation Services lost 800 jobs (0.7%). Over the year, the supersector lost 16,473 jobs, or 4.2%. It was the largest real job loss of any supersector in the state. The declines were driven by Administrative and Support and Waste Management, which lost 15,312 jobs (11.7%) due in part to the loss of 6,493 (12.2%) in Employment Services. Management of Companies lost 2,075 jobs (2.3%) on the year, while Professional, Scientific and Technical Services added 914 jobs (0.5%).

Education and Health Services: Employment in Education and Health Services was up 4,300, or 0.7%, OTM in July. It was the largest real job growth of any supersector in the state. Educational Services added 700 jobs (0.9%) and Health Care and Social Assistance added 3,600 jobs (0.7%). The supersector has added jobs in 21 consecutive months dating back to November of 2022. Over the year, Education and Health Services added 38,926 jobs, or 7%. It was the largest real and proportional growth of any supersector in Minnesota. Education and Health Services was up 6,709 (11%) and Health Care and Social Assistance added 32,217 jobs, or 6.5%. Every published component of the supersector added jobs on the year.

Leisure and Hospitality: Leisure and Hospitality employers lost 2,000 jobs (0.7%) OTM in July. It was the second consecutive month of job losses following three months of employment growth. Arts, Entertainment and Recreation added 100 jobs (0.2%), while Accommodation and Food Services lost 2,100 jobs (0.9%). Over the year, Leisure and Hospitality employers added 2,624 jobs (0.9%). The supersector has posted positive annual growth consistently since April of 2021. Accommodation and Food Services added 3,322 jobs (1.4%), while Arts, Entertainment and Recreation lost 698 jobs (1.3%).

Other Services: Employment in Other Services was up 1,100 (1%) OTM in July. It was the first monthly growth for the supersector since February, though seasonally adjusted employment is up overall in 2024. Over the year, Other Services employers added 2,458 jobs, or 2.1%, outpacing the national growth of 1.4%. Religious, Grantmaking, Civic and Professional Organizations added 1,470 jobs (2.3%) and Personal and Laundry Services added 810 jobs (2.9%).

Government: Government employment was off by 500 (0.1%) OTM in July. Federal and State level employers each added 100 jobs (up 0.3% and 0.1%, respectively) while Local Government employers lost 700 jobs (0.2%) on the month. Over the year, Government employers added 19,647 jobs, or 4.9%, outpacing the national growth of 2.4%. Every level of Government added jobs on the year. Federal employers were up 693 (2.1%), State was up 4,220 (4.5%) and Local Government was up 14,734 (5.4%). The non-education sectors at both the State and Local levels outperformed their education employment counterparts.

Over-the-Year Job Growth by MSAs

July data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	2,126	0.1
Duluth-Superior MN-WI MSA	-1,253	-0.9
Rochester MSA	5,868	4.7
St. Cloud MSA	1,600	1.5
Mankato MSA	1,124	2
Fargo-Moorhead ND-MN MSA (June)	3,300	2.2
Grand Forks-East Grand Forks ND-MN MSA (June)	900	1.7
La Crosse-Onalaska WI-MN (June)	1,800	2.3

**Labor Market Information Office
MN Department of Employment and Economic Development
August 15, 2024**