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Department of Employment and Economic Development

Minnesota Employment Review

Review ONLINE

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December 2013 Data...January 2014 Issue

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Geographic and Industry Mobility of New Nursing Grads

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Mining for Growth

High Paying Mining Jobs Anchor the Northeastern Minnesota Labor Market

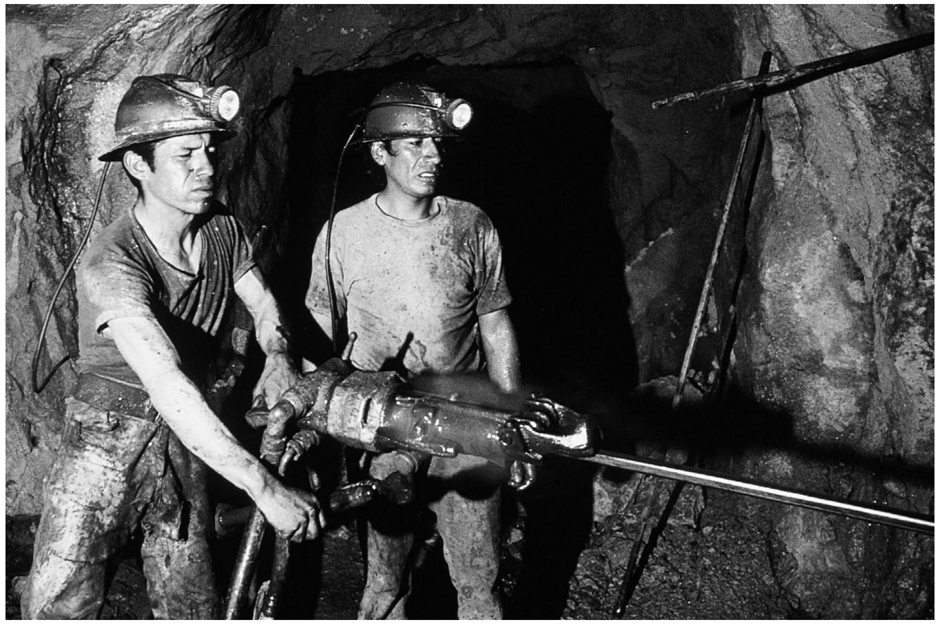
It's no secret that Mining is a critical industry to the economy of Northeastern Minnesota which is home to the Iron Range after all. Sitting atop vast deposits of iron ore and precious metals and strategically located near the Port of Duluth, the region has been able to develop the highly specialized infrastructure and workforce needed to take advantage of these rich natural resources. Just how specialized has Northeastern Minnesota's Mining industry become? One way to measure this is with a location quotient (LQ) — a measurement of an industry's concentration or specialization in a region relative to another region, the U.S. in this case. The LQ is simply the ratio of an industry's share of local employment to the industry's share of the national employment. Location quotients greater than one indicate a high concentration or specialization within a region. With a location quotient of 5.7, Northeast Minnesota's Mining sector is highly specialized, and Northeastern Minnesota has truly become a national leader in the Mining industry.

Employment

Mining is an industry that is highly sensitive to fluctuations in the business cycle. The sector was already in decline when the country slid into recession between March and November of 2001. According to QCEW data, 1,321 mining jobs were lost between 2000 and 2001. When the 2001 recession hit, the Mining sector lost an additional 427 jobs and continued losing jobs until 2004 when mining employment finally posted gains, growing by 68 jobs. In 2008 it appeared that the Mining sector was in the midst of a nice recovery with employment in the sector having grown to 3,925 jobs, but of course the country again slid into recession. This affected Mining sector employment numbers that plummeted to 3,048, the lowest levels of the past decade.

Since the recovery began in mid-2009, employment in the Mining sector has once again started to recover, growing at a rate of 48.9% between 2009 and 2012 and posting positive job growth every year during that period. By 2012 Mining sector employment in Northeast Minnesota had grown to 4,539 jobs, more mining jobs

Regional Spotlight NORTHEAST MINNESOTA



than at any time since 2000 (see Chart 1). Employment growth in the Mining sector has already outpaced DEED's 2010-2020 projections, which estimated that the sector would grow by 12.4% to 4,316 jobs by 2020.

Wages

The 4,539 mining jobs in Northeast Minnesota in 2012 represented about 3.2% of all employment in the region. However, the $393 million in mining sector wages that year represented a robust 7.3% of all wages paid. Clearly, with an average weekly wage of $1,666, the Mining sector is home to some of the highest paying jobs in the region, followed closely by Utilities ($1,632), Management of Companies and Enterprises ($1,318), and Professional, Scientific, and Technical Services ($1,080). Since 2009, total wages paid in the sector have increased by 91.6% from $205,098,802 to $392,971,418. The dramatic increase is tied in part to increased total employment numbers as well as a 31.2% increase in the average weekly wage (see Chart 1).

Occupations

The Mining sector is home to a wide range of occupations, with the majority classified as Installation, Maintenance, and Repair Occupations, Transportation and Material Moving Occupations, Production Occupations, and Construction and Extraction Occupations. Across the board, occupations found in the Mining Sector pay more when compared to other industry sectors. The median wage for occupations in the Mining sector is, on average, 27.4% more than the median wage for the same occupations in other industries. The most notable difference is found in Office and Administrative Support Occupations which has an industry wide median wage of $14.89 per hour, while the same jobs when found in the Mining sector pay a median wage of $25.71 per hour, a difference of 72.7% (see Table 1). Other occupations with impressive differences include Transportation and Material Moving Occupations, with a median wage in the Mining sector of $28.34 per hour compared to $22.70 for all industries, a difference of 42.1%, and Production Occupations, which pays a median wage of $26.45 an hour in the Mining sector, 37.3% higher than the median production occupation wage for all industries.

Hiring Outlook

As the previous data demonstrates, employment in the Mining sector has seen impressive growth in recent years and jobs in the sector pay very well, but are there any opportunities out there for current job seekers? According to DEED's Job Vacancy Survey data, there were 17 vacancies in the Mining sector in the second quarter of 2013, a job vacancy rate of 0.4%. This is well below the overall job vacancy rate of 3.8% and indicates that, as of mid-2013, mining employment was at or near maximum levels.

With that said, there are several projects in the region that are currently in various phases of approval and development that could impact Mining sector hiring in the future. Indian steel producer Essar is in the process of constructing an open pit mine and taconite plant near Nashwauk on the site of the old Butler Taconite plant which shut down in the 1980's. Canadian mine development company PolyMet is currently undergoing the supplemental environmental impact statement draft review process and could begin the permitting phase for its proposed copper and nickel mine at the old LTV plant near Aurora in the coming year. Additionally, Cliff's North Shore Mining recently announced it will be reopening two shuttered pellet production lines at its Silver Bay plant because of increased demand. If all of these projects go forward, it could have a significant impact on Mining sector employment in the coming years.

Projections

The Mining sector and key mining related occupations are projected to see significant growth in Northeastern Minnesota. According to DEED's employment projections, between 2010 and 2020 the Mining sector was projected to grow by 12.4% from 3,389 jobs in 2010 to 4,316 jobs in 2020. As previously mentioned, the Mining sector as a whole has already surpassed these projected growth numbers, and many mining related occupations have outpaced projections as well. Of the 17 occupations common to the Mining sector included in Table 2, seven have already surpassed projected 2020 employment levels, while several of the others are getting very close (see Table 2).

Chart 1: Mining Employment and Total Wages 2000-2012

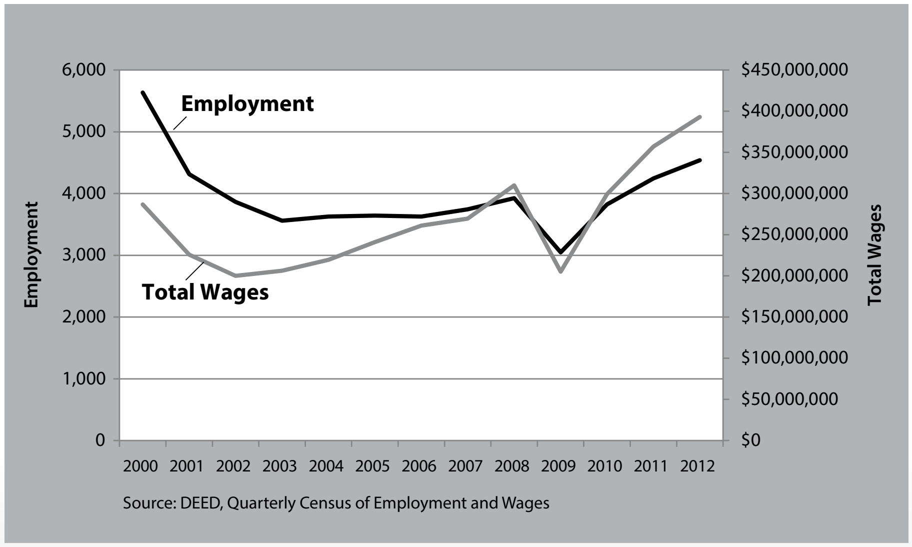


Table 1: Occupational Employment and Wages: Mining vs. All Industries

SOC	Occupation	NE MN Mining Employment	Median Wage All Industries	Median Wage Mining	Percent Difference
49-0000	Installation, Maintenance, and Repair	1,100	$22.70	$28.34	24.8%
52-0000	Transportation and Material Moving	970	$16.33	$23.21	42.1%
51-0000	Production	930	$19.27	$26.45	37.3%
47-0000	Construction and Extraction	740	$25.48	$28.79	13.0%
43-0000	Office and Administrative Support	350	$14.89	$25.71	72.7%
17-0000	Architecture and Engineers	270	$31.70	$34.86	10.0%
11-0000	Management	180	$37.01	$47.43	28.2%
45-0000	Farming, Fishing, and Forestry	170	$17.51	$17.99	2.7%
13-0000	Business and Financial Operations	110	$25.43	$29.30	15.2%
15-0000	Computer and Mathematical	10	$28.11	$33.73	20.0%
29-0000	Healthcare Practitioners and Technical	10	$29.50	$39.79	34.9%

Source: DEED, Occupational Employment and Wages

Table 2: 2010-2020 Employment Oultook

SOC	Occupation	EDR3 Employment 2012	Projected Employment 2020	Percent Change 2010-2020	Numeric Change 2010-2020	Replacement Openings 2010-2020	Total Openings 2010-2020
11-1021	General and Operations Managers	1,580	1,371	2.9%	39	250	290
	Transportation, Storage, and Distribution Managers	80	89	3.5%	3	20	20
	Managers, All Others	420	824	12.1%	89	160	250
17-2071	Electrical Engineers	170	177	9.3%	15	40	60
17-2081	Environmental Engineers	40	41	17.1%	6	10	20
17-2112	Industrial Engineers	180	177	13.5%	21	30	50
17-2141	Mechanical Engineers	200	182	16.7%	26	50	80
17-2151	Mining and Geological Engineers	40	30	7.1%	2	10	10
47-4023	Construction Equipment Operators	980	904	15.5%	121	180	300
49-3042	Mobile Heavy Equipment Mechanics	900	688	12.6%	77	160	240
49-9041	Industrial Machinery Mechanics	780	801	28.4%	177	120	300
51-1011	First-Line Supervisors of Production and Operating Workers	520	619	4.9%	29	80	110
51-4051	Machinists	310	353	14.6%	45	60	100
51-4121	Welders	490	506	20.5%	86	110	200
51-9021	Crushing, Grinding, and Polishing Machine Setters, Operators, and Tenders	160	187	10.0%	17	50	70
51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers	240	186	9.4%	16	40	60
53-3032	Truck Drivers, Heavy and Tractor Trailer	1,730	2,227	19.1%	357	370	730

Source: DEED, 2010-2020 Employment Outlook, Occupational Employment and Wages

Conclusion

For a region that is eager for high paying jobs, a healthy Mining sector is important to the Northeastern Minnesota economy. As Iron Range residents know all too well, Mining is susceptible to swings in the global economy, but since the Great Recession ended in 2009, times have been good. Mining sector employment has grown by 48.9% over the past four years, and wages have shown a similar upward swing. While current vacancies indicate that hiring may have peaked for the moment, new projects with the potential to come online in the coming years could lead to continued employment growth in the industry, and that would be welcome news.

by Jan Saxhaug
Labor Market Information
Minnesota Department of Employment and Economic Development

Featuring the QCEW

The Labor Market Information (LMI) office in the Minnesota Department of Employment and Economic Development (DEED) in conjunction with the federal Bureau of Labor Statistics (BLS) generates quarterly counts of employment and wages by industry classification, using the North American Industrial Classification System (NAICS), at the national, state, county, and local jurisdiction level. These data are compiled using Minnesota's Unemployment Insurance (UI) database which covers approximately 97 percent of statewide employment and are considered a census of all jobs reported by employers covered under the UI program. While the data published on DEED's website is published back to 2000, the Quarterly Census of Employment and Wages (QCEW) program has been collecting data for the past 72 years.

The QCEW provides the best available employment counts for the state and particularly the smaller communities within it. But as with any form of public data gathering, methods of collection and dissemination of QCEW data have evolved over time. A brief history of the evolution of QCEW data:

In 1936 the Minnesota state legislature created the Unemployment Insurance Program, effectively establishing through a payroll tax system a reserve fund to benefit persons unemployed through no fault of their own. This set the foundation for collecting employment and unemployment data. A covered employer was defined then as any who providing employment for eight or more individuals (one of which must be employed within the corporate limits of a city) for 20 different although not necessarily consecutive weeks within the calendar year.

In 1941 statistics began to be collected from the program under the auspices and funding of the Department of Labor. Then and for many subsequent years, the report was known as the ES-202. The Standard Industrial Classification (SIC) manual, created in 1937 by the U.S. Census to classify industries at a four-digit industry level, was used nationally to create comparable data for all states. This system was modified several times over the years to reflect changes in the economy.

In 1959 UI coverage changed to employers with four or more employees in towns with a population fewer than 10,000, defined as "outside the corporate limits of a city, village, or borough", as determined by the most recent U.S. Census. For employers within a community of 10,000 or more, coverage remained unchanged with one employee. In 1971, however, delineations of coverage based on population was dropped entirely and changed to one or more at any firm in Minnesota.

Coverage extended to nonprofit organizations with a 501(C)3 exemption from the I.R.S. in 1972. In 1974 coverage extended to state and local government employees. But other changes were in store as well — most notably, Minnesota added community codes to each location reported down to the level of unorganized territories and thus laid the groundwork for QCEW data as we know it today where it identifies industry-level employment both public and private aggregated to specific communities.

The most recent changes to the ES-202 was a 1997 coding system change to define industry by the six digit NAICS system in order to ensure full data compatibility with Canada and Mexico. In 2002 the name of the ES-202 was informally changed to QCEW.

by Brent Pearson

Labor Force Estimates

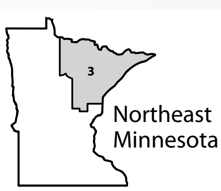
Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2014.

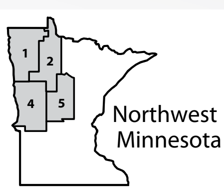
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Dec 2013	Nov 2013	Dec 2012	Dec 2013	Nov 2013	Dec 2012	Dec 2013	Nov 2013	Dec 2012	Dec 2013	Nov 2013	Dec 2012
United States ('000s)												
(Seasonally adjusted)	154,937	155,284	155,511	144,586	144,443	143,305	10,351	10,841	12,206	6.7%	7.0%	7.8%
(Unadjusted)	154,408	155,046	154,904	144,423	144,775	143,060	9,984	10,271	11,844	6.5	6.6	7.6
Minnesota												
(Seasonally adjusted)	2,971,572	2,965,982	2,977,783	2,834,248	2,828,347	2,816,131	137,324	137,635	161,652	4.6	4.6	5.4
(Unadjusted)	2,936,358	2,970,009	2,962,246	2,825,408	2,846,444	2,800,812	137,950	123,565	161,434	4.7	4.2	5.4
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,870,263	1,875,029	1,858,152	1,790,025	1,800,355	1,762,494	80,238	74,674	95,658	4.3	4.0	5.1
Duluth-Superior MSA	144,340	144,822	144,093	135,795	137,002	134,652	8,545	7,820	9,441	5.9	5.4	6.6
Rochester MSA	103,879	104,047	104,165	99,909	100,480	99,590	3,970	3,567	4,575	3.8	3.4	4.4
St. Cloud MSA	108,181	108,674	108,510	102,976	104,287	102,321	5,205	4,387	6,189	4.8	4.0	5.7
Mankato-N Mankato MSA	57,578	58,080	57,993	55,523	56,268	55,446	2,055	1,812	2,547	3.6	3.1	4.4
Fargo-Moorhead MSA	117,176	117,344	118,466	113,657	114,363	114,045	3,519	2,981	4,421	3.0	2.5	3.7
Grand Forks MSA	53,349	53,847	54,100	51,491	52,237	51,876	1,858	1,610	2,224	3.5	3.0	4.1
Region One	**51,098**	**51,052**	**51,491**	**48,540**	**48,980**	**48,542**	**2,558**	**2,072**	**2,949**	**5.0**	**4.1**	**5.7**
Kittson	2,680	2,658	2,718	2,567	2,562	2,590	113	96	128	4.2	3.6	4.7
Marshall	5,458	5,413	5,578	5,033	5,097	5,091	425	316	487	7.8	5.8	8.7
Norman	3,660	3,601	3,703	3,474	3,457	3,494	186	144	209	5.1	4.0	5.6
Pennington	9,394	9,418	9,529	8,885	9,055	8,931	509	363	598	5.4	3.9	6.3
Polk	18,681	18,753	18,598	17,819	18,015	17,612	862	738	986	4.6	3.9	5.3
Red Lake	2,362	2,414	2,403	2,242	2,293	2,254	120	121	149	5.1	5.0	6.2
Roseau	8,863	8,795	8,962	8,520	8,501	8,570	343	294	392	3.9	3.3	4.4
Region Two	**39,546**	**39,528**	**40,256**	**36,611**	**37,020**	**36,925**	**2,935**	**2,508**	**3,331**	**7.4**	**6.3**	**8.3**
Beltrami	21,772	21,937	22,143	20,338	20,696	20,514	1,434	1,241	1,629	6.6	5.7	7.4
Clearwater	4,142	4,089	4,217	3,634	3,699	3,680	508	390	537	12.3	9.5	12.7
Hubbard	8,897	8,939	9,063	8,176	8,306	8,228	721	633	835	8.1	7.1	9.2
Lake of the Woods	2,308	2,145	2,368	2,173	2,010	2,200	135	135	168	5.8	6.3	7.1
Mahnomen	2,427	2,418	2,465	2,290	2,309	2,303	137	109	162	5.6	4.5	6.6
Region Three	**166,993**	**167,621**	**167,450**	**156,418**	**157,920**	**155,894**	**10,575**	**9,701**	**11,556**	**6.3**	**5.8**	**6.9**
Aitkin	7,170	7,189	7,221	6,626	6,724	6,635	544	465	586	7.6	6.5	8.1
Carlton	17,722	17,668	17,724	16,637	16,797	16,533	1,085	871	1,191	6.1	4.9	6.7
Cook	2,958	2,937	2,982	2,767	2,782	2,785	191	155	197	6.5	5.3	6.6
Itasca	23,059	23,096	23,320	21,431	21,617	21,534	1,628	1,479	1,786	7.1	6.4	7.7
Koochiching	6,554	6,514	6,547	5,936	5,909	5,975	618	605	572	9.4	9.3	8.7
Lake	6,000	6,132	6,061	5,670	5,808	5,694	330	324	367	5.5	5.3	6.1
St. Louis	103,530	104,085	103,595	97,351	98,283	96,738	6,179	5,802	6,857	6.0	5.6	6.6
City of Duluth	45,285	45,534	45,407	43,018	43,430	42,747	2,267	2,104	2,660	5.0	4.6	5.9
Balance of St. Louis County	58,245	58,551	58,188	54,333	54,853	53,991	3,912	3,698	4,197	6.7	6.3	7.2
Region Four	**125,478**	**125,444**	**126,441**	**119,735**	**120,888**	**119,808**	**5,743**	**4,556**	**6,633**	**4.6**	**3.6**	**5.2**
Becker	17,507	17,514	17,746	16,487	16,729	16,643	1,020	785	1,103	5.8	4.5	6.2
Clay	35,479	35,316	35,206	34,169	34,255	33,592	1,310	1,061	1,614	3.7	3.0	4.6
Douglas	20,512	20,558	20,750	19,655	19,837	19,732	857	721	1,018	4.2	3.5	4.9
Grant	3,260	3,254	3,332	3,076	3,120	3,108	184	134	224	5.6	4.1	6.7
Otter Tail	30,130	30,129	30,468	28,465	28,827	28,585	1,665	1,302	1,883	5.5	4.3	6.2
Pope	6,520	6,538	6,637	6,237	6,321	6,349	283	217	288	4.3	3.3	4.3
Stevens	6,559	6,602	6,715	6,356	6,445	6,478	203	157	237	3.1	2.4	3.5
Traverse	1,657	1,648	1,697	1,580	1,587	1,615	77	61	82	4.6	3.7	4.8
Wilkin	3,854	3,885	3,890	3,710	3,767	3,706	144	118	184	3.7	3.0	4.7
Region Five	**80,514**	**80,824**	**81,669**	**74,441**	**75,711**	**74,930**	**6,073**	**5,113**	**6,739**	**7.5**	**6.3**	**8.3**
Cass	13,255	13,303	13,447	12,041	12,289	12,122	1,214	1,014	1,325	9.2	7.6	9.9
Crow Wing	31,309	31,660	31,762	28,929	29,527	29,124	2,380	2,133	2,638	7.6	6.7	8.3
Morrison	17,306	17,277	17,554	15,994	16,261	16,068	1,312	1,016	1,486	7.6	5.9	8.5
Todd	12,410	12,330	12,569	11,676	11,761	11,761	734	569	808	5.9	4.6	6.4
Wadena	6,234	6,254	6,337	5,801	5,873	5,855	433	381	482	6.9	6.1	7.6
Region Six East	**63,124**	**63,029**	**64,102**	**59,779**	**60,330**	**60,132**	**3,345**	**2,699**	**3,970**	**5.3**	**4.3**	**6.2**
Kandiyohi	23,823	23,822	24,151	22,681	22,940	22,897	1,142	882	1,254	4.8	3.7	5.2
McLeod	18,802	18,819	19,117	17,799	17,944	17,800	1,003	875	1,317	5.3	4.6	6.9
Meeker	12,322	12,289	12,493	11,620	11,741	11,637	702	548	856	5.7	4.5	6.9
Renville	8,177	8,099	8,341	7,679	7,705	7,798	498	394	543	6.1	4.9	6.5

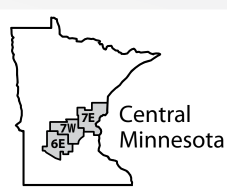
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

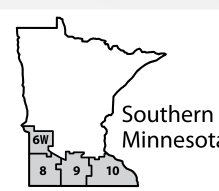
Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2014.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Dec 2013	Nov 2013	Dec 2012	Dec 2013	Nov 2013	Dec 2012	Dec 2013	Nov 2013	Dec 2012	Dec 2013	Nov 2013	Dec 2012
Region Six West	**24,984**	**25,051**	**25,417**	**23,799**	**24,136**	**24,063**	**1,185**	**915**	**1,354**	**4.7%**	**3.7%**	**5.3%**
Big Stone	2,797	2,828	2,826	2,664	2,738	2,679	133	90	147	4.8	3.2	5.2
Chippewa	7,337	7,341	7,452	7,007	7,076	7,061	330	265	391	4.5	3.6	5.2
Lac Qui Parle	4,130	4,165	4,153	3,933	4,018	3,980	197	147	173	4.8	3.5	4.2
Swift	5,077	5,115	5,223	4,810	4,897	4,874	267	218	349	5.3	4.3	6.7
Yellow Medicine	5,643	5,602	5,763	5,385	5,407	5,469	258	195	294	4.6	3.5	5.1
Region Seven East	**84,932**	**84,306**	**84,957**	**79,031**	**79,779**	**78,262**	**5,901**	**4,527**	**6,695**	**6.9**	**5.4**	**7.9**
Chisago	29,074	28,796	28,796	27,339	27,501	26,932	1,735	1,295	1,864	6.0	4.5	6.5
Isanti	21,003	20,823	21,002	19,799	19,916	19,504	1,204	907	1,498	5.7	4.4	7.1
Kanabec	8,016	7,988	8,109	7,223	7,374	7,205	793	614	904	9.9	7.7	11.1
Mille Lacs	12,512	12,392	12,588	11,434	11,570	11,402	1,078	822	1,186	8.6	6.6	9.4
Pine	14,327	14,307	14,462	13,236	13,418	13,219	1,091	889	1,243	7.6	6.2	8.6
Region Seven West	**228,591**	**228,570**	**228,466**	**216,999**	**218,988**	**214,649**	**11,592**	**9,582**	**13,817**	**5.1**	**4.2**	**6.0**
Benton	22,451	22,492	22,521	21,197	21,467	21,062	1,254	1,025	1,459	5.6	4.6	6.5
Sherburne	50,055	49,830	49,839	47,296	47,577	46,593	2,759	2,253	3,246	5.5	4.5	6.5
Stearns	85,730	86,182	85,989	81,779	82,820	81,259	3,951	3,362	4,730	4.6	3.9	5.5
Wright	70,355	70,066	70,117	66,727	67,124	65,735	3,628	2,942	4,382	5.2	4.2	6.2
Region Eight	**68,749**	**68,540**	**69,555**	**66,086**	**66,341**	**66,666**	**2,663**	**2,199**	**2,889**	**3.9**	**3.2**	**4.2**
Cottonwood	6,499	6,425	6,538	6,250	6,187	6,231	249	238	307	3.8	3.7	4.7
Jackson	7,221	7,223	7,340	6,995	7,031	7,088	226	192	252	3.1	2.7	3.4
Lincoln	3,541	3,509	3,598	3,405	3,400	3,456	136	109	142	3.8	3.1	3.9
Lyon	14,871	14,873	14,997	14,253	14,379	14,355	618	494	642	4.2	3.3	4.3
Murray	5,969	5,916	6,008	5,713	5,735	5,762	256	181	246	4.3	3.1	4.1
Nobles	11,333	11,333	11,437	10,933	10,984	11,019	400	349	418	3.5	3.1	3.7
Pipestone	5,613	5,672	5,700	5,399	5,504	5,475	214	168	225	3.8	3.0	3.9
Redwood	8,335	8,244	8,505	7,926	7,920	8,052	409	324	453	4.9	3.9	5.3
Rock	5,367	5,345	5,432	5,212	5,201	5,228	155	144	204	2.9	2.7	3.8
Region Nine	**131,358**	**131,738**	**132,642**	**125,496**	**126,767**	**125,783**	**5,862**	**4,971**	**6,859**	**4.5**	**3.8**	**5.2**
Blue Earth	38,158	38,519	38,436	36,769	37,262	36,718	1,389	1,257	1,718	3.6	3.3	4.5
Brown	14,986	15,056	15,141	14,297	14,457	14,376	689	599	765	4.6	4.0	5.1
Faribault	7,468	7,406	7,606	7,073	7,071	7,160	395	335	446	5.3	4.5	5.9
Le Sueur	14,461	14,413	14,510	13,440	13,661	13,401	1,021	752	1,109	7.1	5.2	7.6
Martin	10,982	10,963	11,166	10,504	10,524	10,594	478	439	572	4.4	4.0	5.1
Nicollet	19,420	19,561	19,557	18,754	19,006	18,728	666	555	829	3.4	2.8	4.2
Sibley	10,296	10,226	10,468	9,865	9,883	9,941	431	343	527	4.2	3.4	5.0
Waseca	10,028	10,086	10,162	9,525	9,636	9,575	503	450	587	5.0	4.5	5.8
Watonwan	5,559	5,508	5,596	5,269	5,267	5,290	290	241	306	5.2	4.4	5.5
Region Ten	**271,020**	**271,336**	**272,781**	**259,452**	**261,306**	**259,315**	**11,568**	**10,030**	**13,466**	**4.3**	**3.7**	**4.9**
Dodge	11,159	11,101	11,170	10,624	10,684	10,590	535	417	580	4.8	3.8	5.2
Fillmore	11,160	11,218	11,342	10,639	10,804	10,743	521	414	599	4.7	3.7	5.3
Freeborn	15,988	16,073	16,228	15,211	15,352	15,306	777	721	922	4.9	4.5	5.7
Goodhue	25,742	25,702	25,898	24,563	24,710	24,560	1,179	992	1,338	4.6	3.9	5.2
Houston	10,763	10,685	10,737	10,151	10,214	10,105	612	471	632	5.7	4.4	5.9
Mower	21,060	21,089	21,289	20,243	20,350	20,325	817	739	964	3.9	3.5	4.5
Olmsted	80,993	81,193	81,209	78,031	78,477	77,782	2,962	2,716	3,427	3.7	3.3	4.2
City of Rochester	59,094	59,265	59,183	56,881	57,207	56,700	2,213	2,058	2,483	3.7	3.5	4.2
Rice	32,138	32,127	32,346	30,521	30,773	30,368	1,617	1,354	1,978	5.0	4.2	6.1
Steele	21,077	21,134	21,365	20,204	20,385	20,277	873	749	1,088	4.1	3.5	5.1
Wabasha	11,727	11,753	11,787	11,254	11,319	11,218	473	434	569	4.0	3.7	4.8
Winona	29,213	29,261	29,410	28,011	28,238	28,041	1,202	1,023	1,369	4.1	3.5	4.7
Region Eleven	**1,626,970**	**1,632,976**	**1,617,013**	**1,559,019**	**1,568,279**	**1,535,842**	**67,951**	**64,697**	**81,171**	**4.2**	**4.0**	**5.0**
Anoka	191,042	191,377	190,356	182,387	183,470	179,676	8,655	7,907	10,680	4.5	4.1	5.6
Carver	51,544	51,534	51,141	49,297	49,590	48,564	2,247	1,944	2,577	4.4	3.8	5.0
Dakota	233,584	234,216	231,902	223,981	225,311	220,651	9,603	8,905	11,251	4.1	3.8	4.9
Hennepin	665,056	668,610	660,617	638,132	641,922	628,645	26,924	26,688	31,972	4.0	4.0	4.8
City of Bloomington	48,581	48,828	48,265	46,604	46,880	45,911	1,977	1,948	2,354	4.1	4.0	4.9
City of Minneapolis	217,300	218,574	215,809	208,040	209,276	204,947	9,260	9,298	10,862	4.3	4.3	5.0
Ramsey	275,612	276,742	274,184	263,731	265,297	259,810	11,881	11,445	14,374	4.3	4.1	5.2
City of St. Paul	147,385	148,101	146,751	140,696	141,531	138,604	6,689	6,570	8,147	4.5	4.4	5.6
Scott	75,659	75,650	75,194	72,454	72,885	71,377	3,205	2,765	3,817	4.2	3.7	5.1
Washington	134,473	134,847	133,619	129,037	129,804	127,119	5,436	5,043	6,500	4.0	3.7	4.9









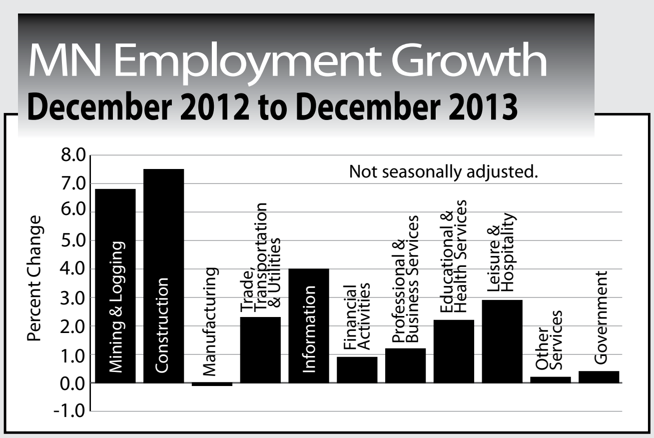
Monthly analysis is based on ***seasonally adjusted*** employment data; yearly analysis is based on ***unadjusted*** employment data.*

Overview

Employment climbed sharply in December with 9,500 jobs added. Private Sector employment jumped 6,900 while Public Sector employment rose 2,600. Private Sector employment was split with 2,200 jobs in Private Goods Producing and 4,700 jobs in Private Service Providing. Public Sector employment growth was split between State Government (800) and Local Government (1,800). Five sectors added 1,000 workers or more with Trade, Transportation, and Utilities leading the way with 4,600 jobs (0.9 percent). Government added 2,600 (0.6 percent), and Manufacturing increased 1,700 (0.6 percent). The other big job adders were Educational and Health Services 1,200 (0.2 percent) and Professional and Business Services 1,000 (0.3 percent). The big job losers were Leisure and Hospitality which cut 800 jobs (0.3 percent), Other Services down 700 (0.6 percent), and Financial Activities dropping 500 (0.3 percent). Employment growth was stronger in the second half of the year as 19,200 jobs were added during the first six months and 24,600 during last six months. The 45,800 jobs added between December 2012 and 2013 created a 1.7 percent increase. Private Sector employment expanded by 44,100 (1.9 percent), and Public Sector employment increased 1,700 (0.4 percent).

Mining and Logging

Employment increased 100, lifting job gains for the year to 500. This sector had the second highest job growth in 2013 on a percentage basis, increasing 7.0 percent. Employment in the industry is the highest it's been since 2000 with the majority of job expansion occurring in mining.



Source: Department of Employment and Economic Development, Current Employment Statistics, 2014.

Construction

Construction employment increased for the third straight month (400 jobs in December), pushing job growth to 7.1 percent for the year. Construction jobs increased 6,600 over the year, pushing employment in the industry to its highest level since April 2012. December's 99,100 total is up from the trough of 85,900 in May 2010 but still far below the housing boom peak of 132,000 reached in February 2006. The state lost 46,100 construction jobs from the 2006 peak to 2010 bottom and has regained only 13,200 construction jobs since.

Manufacturing

Manufacturing employment increased for the fourth consecutive month, adding 1,700 jobs. But the pickup in hiring during the last few months wasn't strong enough to make up for job cutbacks earlier in the year. The industry lost 500 jobs over the year, marking 2013 as the first year of job loss for manufacturing since 2010. Durable Goods Manufacturing added 700 jobs over the year, but Non-Durable Goods Manufacturing cut 1,200 jobs.

Trade, Transportation , and Utilities

Trade, Transportation, and Utilities had its second strongest month of the year in December, adding 4,600 jobs. Job growth over 2013 was stronger than in 2012 with 11,800 jobs added. All three component industries added employment during the year. Wholesale Trade added 1,900 (1.5 percent), Retail Trade added 7,400 (2.6 percent), and Transportation, Warehousing, and Utilities has added 2,500 (2.7 percent) jobs over the last 12 months.

Information

Information employment dropped 100 jobs in December after having surged 1,300 in November. The huge jump in the November workforce lifted job growth for the year to 2,200. Job growth over the year was 4.0 percent, up sharply from last year's 1.4 percent. Job growth was generated in Internet Service Providers, Web Search Portals, and Data Processing Services or Other Information Services as Publishing and Telecommunications employment continue to shrink. This sector looks like it will experience annual job growth for the first time in 12 years.

*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

Employment in Financial Activities dipped in December with both Finance and Insurance (100 jobs) and Real Estate and Rental and Leasing (400) cutting employment. Employment in both components is up over the year with Finance and Insurance adding 900 and Real Estate and Rental and Leasing employment increasing 700. The 1,600 jobs added in Financial Activities is down from the 3,000 employment jump in 2012.

Professional and Business Services

Professional and Business Services employment increased for the first time in six months in December, climbing 1,000 jobs. The sector added 14,000 just during the first six months but then cut 10,100 jobs over the last six months. The net employment growth for the year was 3,900. While Professional and Technical Services employment was down 700 (0.5 percent), 3,800 jobs were added in Management of Companies (3.7 percent), and Administrative and Support Services employment rose 1.800 (1.4 percent) for the year.

Educational and Health Services

Employment in Educational Services jumped 1,200 in December. Private Education increased 1,000 while Health and Social Assistance added 200. This sector added 10,900 workers in 2013 with almost all the growth accounted for by Health and Social Assistance.

Leisure and Hospitality

Employment in Leisure and Hospitality slipped 800 in December with 900 jobs lost in Accommodation and Food Services and 100 jobs gained in Arts, Entertainment, and Recreation. The sector added 6,900 (2.8 percent) over the last 12 months with 5,100 positions created in Accommodation and Food Service (up 2.5 percent) and 1,800 jobs added in Arts, Entertainment, and Recreation (4.5 percent).

Other Services

Employment in Other Services ended the year on a down note as employment fell 700 in December. December's drop pushed employment growth over the year down to 200 (0.2 percent). The sector added jobs for the third consecutive year after five straight years of declining employment.

Government

Government employment jumped 2,600 in December. Federal Government employment was unchanged from the November while State Government climbed 800 and Local Government rose 1,800. Local government payrolls were up 2,000 (0.7 percent) from a year ago while State Government was up 200 (0.2 percent). Federal Government employment declined for the fifth straight year, losing 500 (1.6 percent) over the year.

by Dave Senf

Seasonally Adjusted Nonfarm Employment

In 1,000's

	December 2013	November 2013	October 2013
Total Nonagricultural	**2,797.7**	**2,788.2**	**2,787.3**
Goods-Producing	**413.5**	**411.3**	**410.4**
Mining and Logging	7.6	7.5	7.5
Construction	99.1	98.7	98.0
Manufacturing	306.8	305.1	304.9
Service-Providing	**2,384.2**	**2,376.9**	**2,376.9**
Trade, Transportation, and Utilities	521.8	517.2	517.7
Information	56.8	56.9	55.1
Financial Activities	179.4	179.9	178.9
Professional and Business Services	341.8	340.8	343.1
Educational and Health Services	497.5	496.3	495.3
Leisure and Hospitality	253.8	254.6	253.4
Other Services	116.0	116.7	116.0
Government	417.1	414.5	417.4

Source: Department of Employment and Economic Development Current Employment Statistics, 2014.

Regional Analysis

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

Employment in the Minneapolis-St. Paul-Bloomington MSA slipped 8,700 (0.5 percent) over the month of December and was up 35,180 (2.0 percent) over the year. Private employment dropped 7,307 (0.5 percent) for the month and was up 33,252 over the year (2.2 percent). Government employment slipped 832 (0.4 percent) in December and was up 1,928 (0.8 percent) for the year. Five private sectors lost jobs in December. Mining, Logging, and Construction lost the most jobs (down 8,277, 12.3 percent) followed by Leisure and Hospitality (down 3,066, 1.9 percent). The other job losers were Other Services (down 589, 0.8 percent), Educational and Health Services (down 1,103, 0.4 percent), and Professional and Business Services (down 347, 0.1 percent). The big job gainer was Trade, Transportation, and Utilities (up 4,284, 1.3 percent). Manufacturing added 970 (0.5 percent), while Information added 173 (0.4 percent), and Financial Activities employment was up 117 (0.1 percent). Local Government cut 842 jobs (0.5 percent). All private sectors added jobs over the year with Educational and Health Services (13,320), Leisure and Hospitality (4,511), Mining, Logging, and Construction (4,182), Trade (4,182), Professional and Business Services (3,511), and Manufacturing (3,210) leading the way. Government employment is up 1,928 from a year ago, the majority of the growth occurring in Local Government Education (up 1,682).

Duluth -Superior MSA

Employment declined 733 (0.5 percent) over the month but increased 1,656 (1.3 percent) over the year. Over the month Private Sector employment dipped 882 (0.5 percent), while Government employment rose 149 (0.6 percent). Only three private sectors expanded payroll numbers in December. Trade, Transportation, and Utilities (61), Financial Activities (36) and Other Services (22) reported job gains. The big monthly job losers were Mining, Logging, and Construction (378), Professional and Business Services (186), Educational and Health Services (172), and Manufacturing (142). Most of the Public Sector job gain was in Local Government (87). Over the year the Private Sector added 1,656 jobs (1.3 percent), while Government employment inched up by 59 jobs (0.2 percent). Other Services employment fell the most over the year (282, 4.8 percent), while Leisure and Hospitality added the most jobs (1,643, 12.3 percent).

Rochester MSA

Employment tailed off in December with jobs dropping by 318 (0.3 percent), leaving the over-the-year employment increase at 932 (0.9 percent). Government employment rose 9,138 (1.3 percent) over the month, but Private Sector employment dropped 0.5 percent (456 jobs). Job cuts were highest in Mining, Logging, and Construction (down 394, 11.5 percent) and Manufacturing (down 167, 1.7 percent). The only significant job growth was in Trade, Transportation, and Utilities (up 186, 1.1 percent). Over the year Private Sector employment increased 842 (0.9 percent) with Trade, Transportation, and Utilities adding the most jobs (650), while Manufacturing cut the most jobs (272). Federal and State Government employment declined over the year, but Local Government employment rose 183 over the year.

St. Cloud MSA

Employment stumbled in December, declining by 1,049 (1.0 percent) over the month but finished the year with employment increasing 1,177 (1.1 percent) over the year. Both Government and Private Sector employment were down from November with Private Sector jobs down 1,007 (1.1 percent) and Government jobs down 42 (0.3 percent). Employment dipped the most in Mining, Logging, and Construction (558, 9.5 percent) and in Educational and Health Services (242, 1.2 percent). Hiring was highest in Trade, Transportation, and Utilities (63, 0.2 percent). Over the year employment growth was concentrated in the Private Sector as Government employment was down 52 jobs from a year ago. Educational and Health Services (609), Trade, Transportation, and Utilities (566), and Mining, Logging, and Construction (524) added the most workers over the year.

Mankato-North Mankato MSA

Employment dropped 567 jobs (1.0 percent) over the month and increased 385 (0.7 percent) over the year. The Private Sector cut 152 jobs last month (0.3 percent). Government employment plunged 415 jobs (4.5 percent) during December. Over-the-year growth was in the Private Sector which added 546 jobs (1.2 percent), while Government employment decreased 162 (1.8 percent).

Fargo-Moorhead MSA

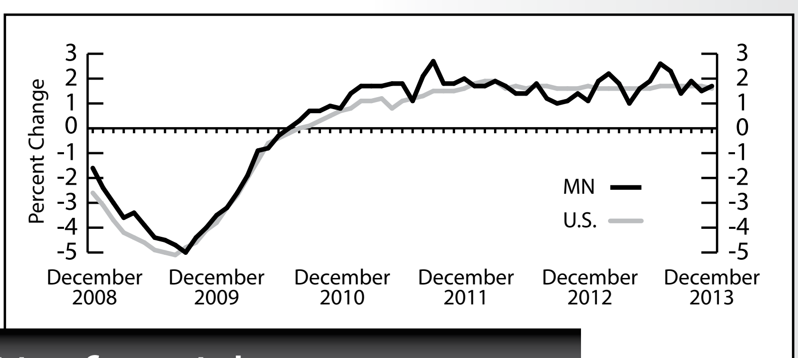
Employment dropped 140 (0.1 percent) over the month and was up 2,939 (2.2 percent) over the year. Government employment increased 58 (0.3 percent) over the month, while Private Sector declined 198 (0.1 percent). The leading job generator was Leisure and Hospitality (403, 3.3 percent). Job cuts were largest in Mining, Logging, and Construction (down 608, 6.1 percent) and Professional and Business Services (down 285, 1.8 percent).

Grand Forks-East Grand Forks MSA

Employment slipped 567 (1.0 percent) over the month but jumped 946 (1.7 percent) over the year. Government employment dropped 71 (0.5 percent), while 496 jobs were lost in the Private Sector (-1.1 percent). Most of the monthly private employment loss was in Mining, Logging, and Construction (342, 10.6 percent). Hiring was strongest in Trade, Transportation, and Utilities (up 52, 0.4 percent).

by Dave Senf

Source: Department of Employment and Economic Development, Current Employment Statistics, 2014; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2014.



Total Nonfarm Jobs

U.S. and MN over-the-year percent change

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					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Dec 2013	Nov 2013	Dec 2012	Nov 2013	Dec 2012	Dec 2013	Dec 2012	Dec 2013	Dec 2012	Dec 2013	Dec 2012
TOTAL NONFARM WAGE AND SALARY	**2,796.5**	**2,808.3**	**2,750.6**	**-0.4%**	**1.7%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**405.1**	**416.9**	**398.6**	**-2.8**	**1.6**	—	—	—	—	—	—
Mining and Logging	**7.3**	**7.6**	**6.8**	**-4.4**	**6.8**	—	—	—	—	—	—
Construction	**92.7**	**103.9**	**86.2**	**-10.8**	**7.5**	—	—	—	—	—	—
Specialty Trade Contractors	60.0	65.4	53.5	-8.3	12.1	$1,167.77	$1,154.75	38.3	38.3	$30.49	$30.15
Manufacturing	**305.2**	**305.4**	**305.6**	**-0.1**	**-0.1**	**848.32**	**782.46**	**42.1**	**40.5**	**20.15**	**19.32**
Durable Goods	195.7	195.2	194.9	0.2	0.4	861.65	786.83	42.3	39.9	20.37	19.72
Wood Product Manufacturing	10.7	10.7	10.5	-0.6	1.5	—	—	—	—	—	—
Fabricated Metal Production	42.2	41.7	42.2	1.3	0.0	—	—	—	—	—	—
Machinery Manufacturing	31.5	30.8	32.1	2.1	-2.0	—	—	—	—	—	—
Computer and Electronic Product	45.5	45.2	45.1	0.6	0.8	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.1	25.0	24.9	0.2	0.9	—	—	—	—	—	—
Transportation Equipment	10.2	10.2	10.7	0.2	-4.9	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.0	15.9	15.6	0.7	2.3	—	—	—	—	—	—
Nondurable Goods	109.5	110.1	110.7	-0.5	-1.1	825.66	775.42	41.7	41.4	19.80	18.73
Food Manufacturing	44.4	44.6	44.8	-0.4	-0.8	—	—	—	—	—	—
Paper Manufacturing	32.4	32.7	33.5	-0.9	-3.2	—	—	—	—	—	—
Printing and Related	22.8	23.0	23.4	-1.0	-2.6	—	—	—	—	—	—
SERVICE-PROVIDING	**2,391.4**	**2,391.4**	**2,352.0**	**0.0**	**1.7**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**531.4**	**527.1**	**519.6**	**0.8**	**2.3**	—	—	—	—	—	—
Wholesale Trade	132.4	133.1	130.5	-0.5	1.4	996.47	1,023.75	39.7	39	25.10	26.25
Retail Trade	301.1	297.1	293.6	1.3	2.5	391.50	365.79	29	28.4	13.50	12.88
Motor Vehicle and Parts	31.3	31.3	30.8	0.1	1.8	—	—	—	—	—	—
Building Material and Garden Equipment	23.8	24.1	23.7	-1.4	0.1	—	—	—	—	—	—
Food and Beverage Stores	51.5	51.0	51.3	1.0	0.4	—	—	—	—	—	—
Gasoline Stations	24.4	24.4	23.6	0.1	3.6	—	—	—	—	—	—
General Merchandise Stores	66.4	64.8	65.6	2.5	1.2	317.63	320.27	30.6	30.3	10.38	10.57
Transportation,Warehouse, Utilities	97.9	97.0	95.5	1.0	2.5	—	—	—	—	—	—
Transportation and Warehousing	85.3	84.3	82.9	1.2	2.9	655.81	704.41	38.6	40.6	16.99	17.35
Information	**56.9**	**56.2**	**54.7**	**1.4**	**4.0**	**838.95**	**839.36**	**35**	**34.4**	**23.97**	**24.40**
Publishing Industries	20.4	20.4	21.1	0.3	-3.1	—	—	—	—	—	—
Telecommunications	13.4	13.5	13.6	-0.9	-1.3	—	—	—	—	—	—
Financial Activities	**178.9**	**178.6**	**177.3**	**0.2**	**0.9**	—	—	—	—	—	—
Finance and Insurance	140.2	139.6	139.3	0.4	0.6	986.00	920.90	36.6	36.5	26.94	25.23
Credit Intermediation	54.2	54.0	54.0	0.3	0.2	771.85	731.64	35.9	35.9	21.50	20.38
Securities, Commodity Contracts, and Other	18.1	18.0	17.9	0.4	0.9	—	—	—	—	—	—
Insurance Carriers and Related	65.1	64.6	63.9	0.8	1.8	—	—	—	—	—	—
Real Estate and Rental and Leasing	38.7	39.0	38.0	-0.7	1.9	—	—	—	—	—	—
Professional and Business Services	**344.6**	**344.1**	**340.6**	**0.2**	**1.2**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	132.8	131.9	133.5	0.7	-0.5	—	—	—	—	—	—
Legal Services	19.2	19.0	19.0	0.8	1.0	—	—	—	—	—	—
Accounting, Tax Preparation	13.9	13.4	14.2	3.4	-1.9	—	—	—	—	—	—
Computer Systems Design	31.2	31.2	31.1	-0.2	0.1	—	—	—	—	—	—
Management of Companies and Enterprises	78.3	77.9	75.5	0.6	3.7	—	—	—	—	—	—
Administrative and Support Services	133.5	134.3	131.6	-0.6	1.4	—	—	—	—	—	—
Educational and Health Services	**498.0**	**500.4**	**487.1**	**-0.5**	**2.2**	—	—	—	—	—	—
Educational Services	67.2	69.0	66.6	-2.6	1.0	—	—	—	—	—	—
Health Care and Social Assistance	430.7	431.4	420.5	-0.2	2.4	—	—	—	—	—	—
Ambulatory Health Care	142.0	141.3	136.7	0.5	3.8	1,221.85	1,107.23	34.9	34.1	35.01	32.47
Offices of Physicians	68.9	68.4	66.3	0.7	4.0	—	—	—	—	—	—
Hospitals	103.6	103.5	103.4	0.2	0.2	—	—	—	—	—	—
Nursing and Residential Care Facilities	106.7	107.4	105.4	-0.6	1.3	412.89	426.43	29.2	28.6	14.14	14.91
Social Assistance	78.3	79.2	75.0	-1.1	4.5	—	—	—	—	—	—
Leisure and Hospitality	**242.3**	**244.5**	**235.5**	**-0.9**	**2.9**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	36.7	37.0	34.8	-1.0	5.5	—	—	—	—	—	—
Accommodation and Food Services	205.6	207.4	200.7	-0.9	2.4	—	—	—	—	—	—
Food Services and Drinking Places	181.8	183.7	176.3	-1.0	3.1	250.80	221.14	21.2	20.4	11.83	10.84
Other Services	**116.5**	**117.4**	**116.3**	**-0.7**	**0.2**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	67.2	67.7	68.3	-0.8	-1.7						
Government	**422.7**	**423.1**	**420.9**	**-0.1**	**0.4**						
Federal Government	30.9	30.7	31.4	0.6	-1.7						
State Government	101.6	102.5	101.3	-0.9	0.3						
State Government Education	64.1	64.7	64.3	-1.0	-0.3						
Local Government	290.3	289.9	288.3	0.1	0.7						
Local Government Education	143.8	144.0	143.8	-0.2	0.0						

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, 2014.

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: Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Dec 2013	Nov 2013	Dec 2012	Nov 2013	Dec 2012	Dec 2013	Dec 2012	Dec 2013	Dec 2012	Dec 2013	Dec 2012
TOTAL NONFARM WAGE AND SALARY	**1,823.2**	**1,831.9**	**1,788.0**	**-0.5%**	**2.0%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**244.0**	**251.3**	**236.6**	**-2.9**	**3.1**	—	—	—	—	—	—
Mining, Logging, and Construction	**59.0**	**67.3**	**54.8**	**-12.3**	**7.6**	—	—	—	—	—	—
Construction of Buildings	12.7	13.3	12.8	-4.2	-0.7	—	—	—	—	—	—
Specialty Trade Contractors	41.5	45.4	37.9	-8.6	9.4	$1,257.59	$1,233.59	38.6	39.5	$32.58	3$1.23
Manufacturing	**185.0**	**184.0**	**181.8**	**0.5**	**1.8**	**851.59**	**805.98**	**41.1**	**39.9**	**20.72**	**20.20**
Durable Goods	127.9	126.6	125.8	1.0	1.7	879.87	820.98	41.7	39.3	21.10	20.89
Fabricated Metal Production	28.8	28.4	28.4	1.5	1.7	—	—	—	—	—	—
Machinery Manufacturing	19.2	18.8	19.9	2.2	-3.2	—	—	—	—	—	—
Computer and Electronic Product	35.8	35.6	35.5	0.4	0.7	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.7	23.6	23.4	0.2	1.2	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.3	14.2	14.1	0.8	1.5	—	—	—	—	—	—
Nondurable Goods	57.1	57.4	56.0	-0.6	2.0	796.80	776.54	39.9	41	19.97	18.94
Food Manufacturing	12.2	12.3	12.2	-0.6	0.3	—	—	—	—	—	—
Printing and Related	14.7	14.8	14.8	-0.7	-0.8	—	—	—	—	—	—
SERVICE-PROVIDING	**1,579.2**	**1,580.6**	**1,551.5**	**-0.1**	**1.8**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**329.9**	**325.6**	**326.4**	**1.3**	**1.1**	—	—	—	—	—	—
Wholesale Trade	81.4	81.9	82.2	-0.6	-0.9	1,007.19	1,049.54	39.7	38.8	25.37	27.05
Merchant Wholesalers - Durable Goods	42.9	43.1	43.8	-0.5	-2.1	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	24.1	24.2	24.3	-0.3	-0.6	—	—	—	—	—	—
Retail Trade	183.9	179.8	180.3	2.2	2.0	385.39	342.63	29.6	28.6	13.02	11.98
Food and Beverage Stores	29.4	29.1	29.3	1.0	0.1	—	—	—	—	—	—
General Merchandise Stores	40.6	39.6	40.5	2.5	0.3	333.26	328.86	31.8	31.5	10.48	10.44
Transportation, Warehouse, Utilities	64.7	63.9	63.9	1.2	1.2	—	—	—	—	—	—
Utilities	7.2	7.3	7.3	-0.7	-1.5	—	—	—	—	—	—
Transportation and Warehousing	57.4	56.6	56.6	1.4	1.5	833.57	771.76	45.7	43.9	18.24	17.58
Information	**39.3**	**39.2**	**39.0**	**0.4**	**0.8**						
Publishing Industries	16.5	16.4	16.5	0.6	0.4	—	—	—	—	—	—
Telecommunications	9.4	9.4	9.5	-0.6	-1.4	—	—	—	—	—	—
Financial Activities	**140.8**	**140.7**	**140.4**	**0.1**	**0.3**	—	—	—	—	—	—
Finance and Insurance	109.6	109.4	109.1	0.3	0.5	1,113.74	1,061.26	36.6	37.7	30.43	28.15
Credit Intermediation	37.2	37.2	37.3	0.0	-0.2	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.0	16.0	16.0	-0.1	-0.2	—	—	—	—	—	—
Insurance Carriers and Related	53.7	53.5	53.0	0.4	1.4	—	—	—	—	—	—
Real Estate and Rental and Leasing	31.2	31.3	31.3	-0.5	-0.3	—	—	—	—	—	—
Professional and Business Services	**279.6**	**279.9**	**276.0**	**-0.1**	**1.3**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	106.4	105.8	108.0	0.6	-1.4	—	—	—	—	—	—
Legal Services	16.1	16.0	16.0	0.8	1.0	—	—	—	—	—	—
Architectural, Engineering, and Related	15.3	15.5	15.1	-0.9	1.9	—	—	—	—	—	—
Computer Systems Design	26.6	26.6	26.5	-0.2	0.1	—	—	—	—	—	—
Management of Companies and Enterprises	69.3	69.2	67.2	0.2	3.2	—	—	—	—	—	—
Administrative and Support Services	103.8	104.9	100.9	-1.1	2.9	—	—	—	—	—	—
Employment Services	57.6	57.7	51.5	-0.2	12.0	—	—	—	—	—	—
Educational and Health Services	**306.7**	**307.8**	**293.4**	**-0.4**	**4.5**	—	—	—	—	—	—
Educational Services	48.0	49.2	45.6	-2.3	5.3	—	—	—	—	—	—
Health Care and Social Assistance	258.7	258.7	247.8	0.0	4.4	—	—	—	—	—	—
Ambulatory Health Care	86.1	85.7	80.9	0.5	6.5	—	—	—	—	—	—
Hospitals	60.5	60.5	60.0	0.0	0.8	—	—	—	—	—	—
Nursing and Residential Care Facilities	57.2	57.3	55.5	-0.2	3.0	—	—	—	—	—	—
Social Assistance	54.8	55.1	51.3	-0.6	6.8	—	—	—	—	—	—
Leisure and Hospitality	**161.6**	**164.6**	**157.1**	**-1.9**	**2.9**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	25.6	26.4	26.1	-2.8	-1.7	—	—	—	—	—	—
Accommodation and Food Services	135.9	138.2	131.0	-1.7	3.8	276.86	255.97	22.9	22.2	12.09	11.53
Food Services and Drinking Places	124.2	126.8	118.9	-2.0	4.5	272.95	249.17	22.3	21.8	12.24	11.43
Other Services	**77.8**	**78.3**	**77.6**	**-0.8**	**0.3**	—	—	—	—	—	—
Repair and Maintenance	13.5	13.6	13.4	-0.8	0.6	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	43.3	43.4	43.2	-0.3	0.1	—	—	—	—	—	—
Government	**243.6**	**244.4**	**241.7**	**-0.4**	**0.8**						
Federal Government	19.9	19.7	20.1	0.7	-1.4						
State Government	68.1	68.3	68.4	-0.2	-0.5						
State Government Education	42.4	42.6	43.3	-0.5	-1.9						
Local Government	155.6	156.5	153.1	-0.5	1.7						
Local Government Education	90.0	90.3	88.3	-0.4	1.9						

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, 2010.

Employer Survey

Industry	Duluth-Superior MSA Jobs Dec 2013	Jobs Nov 2013	Jobs Dec 2012	% Chg. From Nov 2013	% Chg. From Dec 2012	Rochester MSA Jobs Dec 2013	Jobs Nov 2013	Jobs Dec 2012	% Chg. From Nov 2013	% Chg. From Dec 2012
TOTAL NONFARM WAGE AND SALARY	**132,732**	**133,465**	**131,076**	**-0.5%**	**1.3%**	**107,035**	**107,353**	**106,103**	**-0.3%**	**0.9%**
GOODS-PRODUCING	**14,467**	**14,987**	**14,749**	**-3.5**	**-1.9**	**12,834**	**13,395**	**13,108**	**-4.2**	**-2.1**
Mining, Logging, and Construction	7,338	7,716	7,534	-4.9	-2.6	3,022	3,416	3,024	-11.5	-0.1
Manufacturing	7,129	7,271	7,215	-2.0	-1.2	9,812	9,979	10,084	-1.7	-2.7
SERVICE-PROVIDING	**118,265**	**118,478**	**116,327**	**-0.2**	**1.7**	**94,201**	**93,958**	**92,995**	**0.3**	**1.3**
Trade, Transportation, and Utilities	25,449	25,388	25,171	0.2	1.1	17,105	16,919	16,468	1.1	3.9
Wholesale Trade	3,171	3,226	3,193	-1.7	-0.7	2,325	2,332	2,331	-0.3	-0.3
Retail Trade	15,948	15,815	15,712	0.8	1.5	12,202	12,027	11,649	1.5	4.7
Transportation, Warehouse, Utilities	6,330	6,347	6,266	-0.3	1.0	2,578	2,560	2,488	0.7	3.6
Information	1,299	1,381	1,339	-5.9	-3.0	1,785	1,779	1,719	0.3	3.8
Financial Activities	5,440	5,404	5,443	0.7	-0.1	2,316	2,327	2,373	-0.5	-2.4
Professional and Business Services	7,393	7,579	7,507	-2.5	-1.5	5,052	5,041	5,109	0.2	-1.1
Educational and Health Services	30,941	31,113	30,544	-0.6	1.3	44,466	44,548	44,274	-0.2	0.4
Leisure and Hospitality	14,948	14,989	13,305	-0.3	12.3	9,182	9,232	8,877	-0.5	3.4
Other Services	5,564	5,542	5,846	0.4	-4.8	3,665	3,620	3,635	1.2	0.8
Government	27,231	27,082	27,172	0.6	0.2	10,630	10,492	10,540	1.3	0.9

Employer Survey

Industry	St. Cloud MSA Jobs Dec 2013	Jobs Nov 2013	Jobs Dec 2012	% Chg. From Nov 2013	% Chg. From Dec 2012	Mankato MSA Jobs Dec 2013	Jobs Nov 2013	Jobs Dec 2012	% Chg. From Nov 2013	% Chg. From Dec 2012
TOTAL NONFARM WAGE AND SALARY	**103,991**	**105,040**	**102,814**	**-1.0%**	**1.1%**	**54,438**	**55,005**	**54,053**	**-1.0%**	**0.7%**
GOODS-PRODUCING	**20,116**	**20,870**	**19,824**	**-3.6**	**1.5**	**9,596**	**9,802**	**9,732**	**-2.1**	**-1.4**
Mining, Logging, and Construction	5,296	5,854	4,772	-9.5	11.0	--	--	--	--	--
Manufacturing	14,820	15,016	15,052	-1.3	-1.5	--	--	--	--	--
	83,875	84,170	82,990	-0.4	1.1	--	--	--	--	--
SERVICE-PROVIDING						**44,842**	**45,203**	**44,321**	**-0.8**	**1.2**
Trade, Transportation, and Utilities	**21,813**	**21,770**	**21,247**	**0.2**	**2.7**	--	--	--	--	--
Wholesale Trade	4,315	4,319	4,193	-0.1	2.9	--	--	--	--	--
Retail Trade	13,914	13,812	13,516	0.7	2.9	--	--	--	--	--
Transportation, Warehouse, Utilities	3,584	3,639	3,538	-1.5	1.3	--	--	--	--	--
Information	1,633	1,636	1,652	-0.2	-1.2	--	--	--	--	--
Financial Activities	4,379	4,378	4,385	0.0	-0.1	--	--	--	--	--
Professional and Business Services	8,223	8,371	8,292	-1.8	-0.8	--	--	--	--	--
Educational and Health Services	19,748	19,990	19,139	-1.2	3.2	--	--	--	--	--
Leisure and Hospitality	8,560	8,468	8,638	1.1	-0.9	--	--	--	--	--
Other Services	3,331	3,327	3,397	0.1	-1.9	--	--	--	--	--
Government	16,188	16,230	16,240	-0.3	-0.3	8,832	9,247	8,993	-4.5	-1.8

Employer Survey

Industry	Fargo-Moorhead MSA Jobs Dec 2013	Jobs Nov 2013	Jobs Dec 2012	% Chg. From Nov 2013	% Chg. From Dec 2012	Grand Forks-East Grand Forks MSA Jobs Dec 2013	Jobs Nov 2013	Jobs Dec 2012	% Chg. From Nov 2013	% Chg. From Dec 2012
TOTAL NONFARM WAGE AND SALARY	**134,971**	**135,111**	**132,032**	**-0.1%**	**2.2%**	**58,116**	**58,683**	**57,170**	**-1.0%**	**1.7%**
GOODS-PRODUCING	**19,630**	**20,157**	**17,552**	**-2.6**	**11.8**	**6,628**	**6,995**	**6,580**	**-5.3**	**0.7**
Mining, Logging, and Construction	9,076	9,664	7,319	-6.1	24.0	2,877	3,219	2,839	-10.6	1.3
Manufacturing	10,554	10,493	10,233	0.6	3.1	3,751	3,776	3,741	-0.7	0.3
SERVICE-PROVIDING	**115,341**	**114,954**	**114,480**	**0.3**	**0.8**	**51,488**	**51,688**	**50,590**	**-0.4**	**1.8**
Trade, Transportation, and Utilities	30,381	30,193	29,698	0.6	2.3	13,436	13,384	12,722	0.4	5.6
Wholesale Trade	8,928	8,869	8,556	0.7	4.4	2,062	2,059	2,034	0.2	1.4
Retail Trade	16,399	16,277	16,283	0.8	0.7	9,069	9,014	8,476	0.6	7.0
Transportation, Warehouse, Utilities	5,054	5,047	4,859	0.1	4.0	2,305	2,311	2,212	-0.3	4.2
Information	3,262	3,278	3,231	-0.5	1.0	616	604	615	2.0	0.2
Financial Activities	9,403	9,311	9,246	1.0	1.7	1,678	1,659	1,681	1.2	-0.2
Professional and Business Services	15,286	15,571	15,468	-1.8	-1.2	2,898	2,938	2,777	-1.4	4.4
Educational and Health Services	21,462	21,523	20,851	-0.3	2.9	9,758	9,858	9,582	-1.0	1.8
Leisure and Hospitality	12,701	12,293	13,431	3.3	-5.4	6,242	6,321	6,373	-1.3	-2.1
Other Services	5,157	5,154	5,047	0.1	2.2	1,973	1,966	1,968	0.4	0.3
Government	17,689	17,631	17,508	0.3	1.0	14,887	14,958	14,872	-0.5	0.1

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2014.

Minnesota Economic Indicators

Highlights

The **Minnesota Index** advanced for the 51st straight month in December, but the rate of growth has slowed over the last few months. The index advanced 0.1 percent for the third straight month in December after averaging 0.2 percent advancement during the summer. The U.S. index jumped 0.3 percent for the third straight month. Minnesota's index has trailed the U.S. index for the last four months. Minnesota employment increased in December along with average weekly manufacturing hours, but the state's unemployment rate remained unchanged, slowing the index.

Minnesota's index was 2.5 percent higher in December than a year ago, while the U.S. index was 3.1 percent higher than 12 months ago. The 2.5 percent increase was the lowest over-the-year increase since December 2010. The index will be revised when employment data is revised in March so the slowdown in the index may be revised away like last year. Most other indicators are not pointing toward a slowdown in Minnesota. The index was up 2.9 percent on an annual average basis in 2013.

Minnesota's adjusted **Wage and Salary Employment** ended the year on a high note, increasing by 9,500 jobs. Private Sector and Public Sector payrolls climbed 6,900 and 2,600 respectively in December. Trade, Transportation, and Utilities led the private employers, adding 4,600 jobs. Hiring was also strong in Manufacturing, Educational and Health Services, and Professional and Business Services. Job cutbacks were the highest in Leisure and Hospitality, Other Services, and Financial Activities.

Over-the-year job growth in Minnesota using unadjusted employment jumped to 1.7 percent in December, a tad ahead of the national 1.6 rate. Minnesota's job growth for the year, on an annual average basis, was 1.8 percent. That's up significantly from 1.4 percent in 2012 and above the 1.6 percent achieved nationally in 2013. Minnesota's average annual job growth has averaged 2.0 percent since 1950. The 49,400 jobs added in 2013 on an annual average basis were the most since 2000.

Minnesota's adjusted online **Help-Wanted Ads** climbed for the fourth time over the last five months, advancing 4.8 percent in December. The 130,000 ad volume was the highest since the series started in May 1995. The high volume suggests that Minnesota employers are ramping up hiring. Job growth should remain solid through the first few months of 2014 based on online help-wanted ads being a reliable proxy for labor demand.

Minnesota's **Purchasing Managers' Index (PMI)** gained ground for the second straight month, jumping to 58.9, the highest reading since August. A reading above 50 indicates economic growth over the next few months, so December's solid reading implies that Minnesota's economy is on track to continue to expand during the first few months of 2014. The index averaged 55.4 for the year — the sixth highest annual reading since the index was first published in 1995.

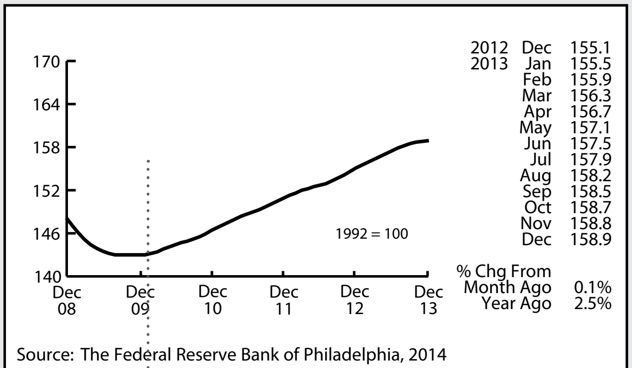
Adjusted **Manufacturing Hours** ticked up a couple of notches to 41.8 in December. This was the longest factory workweek since April 2007. The robust workweek is another indicator that Minnesota's economy remains on a steady growth path. Manufacturing should continue to add workers during the first half of 2014. **Manufacturing Earnings** rose for the second month in a row, reaching a seven-year high of $837.68. Increases in manufacturing paychecks over the last few months have easily exceeded inflation, giving workers real gains in income over the last six months.

The **Minnesota Leading Index** waned for the fifth time in the last six months, falling to 0.36 in December. The index hasn't been this low since late 2009. The low reading implies that economic growth in the state is headed for a big drop-off during the first half of 2014. Such a prediction is inconsistent with all the other indicators. Look for the leading index to be revised upward when employment and income data is revised early in 2014.

Adjusted **Residential Building Permits** inched up to 1,386 permits, just slightly above the average monthly volume for 2013. Minnesota's home-building rebound was uneven in 2013, but permits totaled 16,800 for the year. That is the highest annual total since 2007, but 52 percent below the 43-year average of 25,500.

Adjusted **Initial Claims for Unemployment Benefits (UB)** surged in December, spiking 14.9 percent. Claim numbers were the highest since November 2012. The uptick was unexpected and perhaps tied to early winter weather. Total initial claims for 2013 were down 6.5 percent from 2012 and the lowest level since 2000.

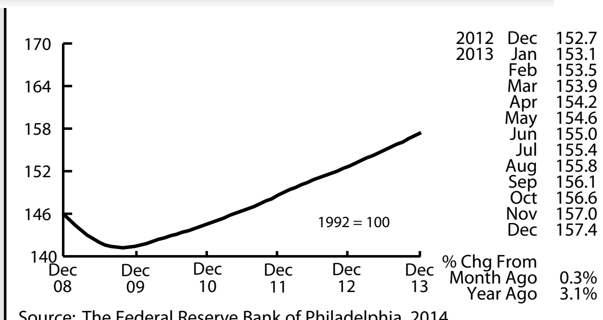
by Dave Senf



Source: The Federal Reserve Bank of Philadelphia, 2014

Minnesota Index

United States Index

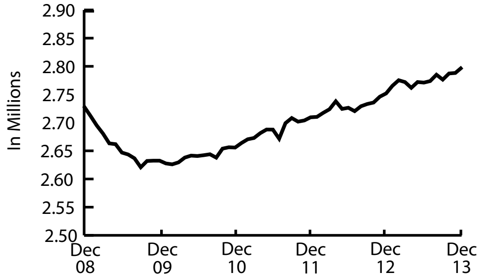


Source: The Federal Reserve Bank of Philadelphia, 2014.

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

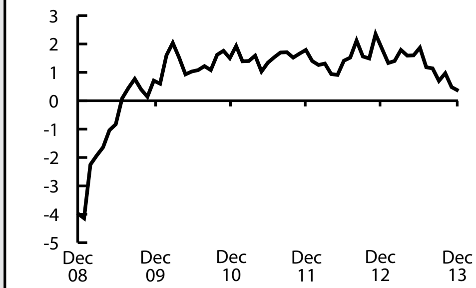
Wage and Salary Employment



2013	Jul	2.7738
	Aug	2.7851
	Sep	2.7764
	Oct	2.7873
	Nov	2.7882
	Dec	2.7977
% Chg From Month Ago		0.3%
2012	Dec	2.7506
2013	Dec	2.7965
% Chg From Year Ago		1.7%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2014.

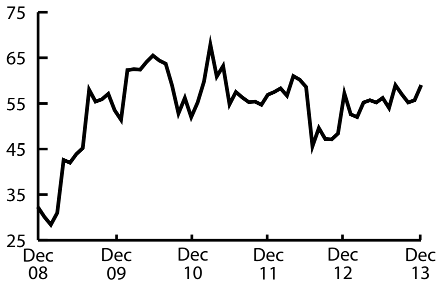
Minnesota Leading Index



2012	Dec	
2013	Jan	
	Feb	
	Mar	
	Apr	
	May	
	Jun	
	Jul	
	Aug	
	Sep	
	Oct	
	Nov	
	Dec	
% Chg From Month Ago		
Year Ago		

Source: The Federal Reserve Bank of Philadelphia, 2014

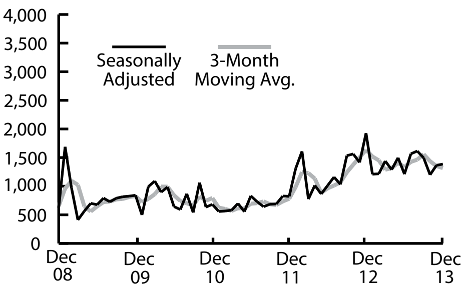
Purchasing Managers' Index



2012	Dec	57.2
2013	Jan	52.6
	Feb	52.0
	Mar	55.2
	Apr	55.7
	May	55.2
	Jun	56.2
	Jul	54.0
	Aug	59.0
	Sep	57.0
	Oct	55.2
	Nov	55.7
	Dec	58.9
% Chg From Month Ago		5.7%
Year Ago		3.0%

Source: Creighton University, Mid-America Survey of Business Conditions, 2014.

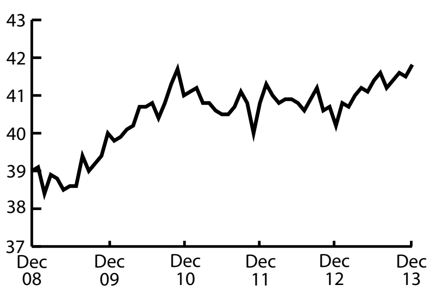
Residential Building Permits



2013	Jul	1,565
	Aug	1,614
	Sep	1,494
	Oct	1,199
	Nov	1,365
	Dec	1,386
% Chg From Month Ago		1.6%
2012	Dec	1,699
2013	Dec	1,277
% Chg From Year Ago		-24.8%

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2014.

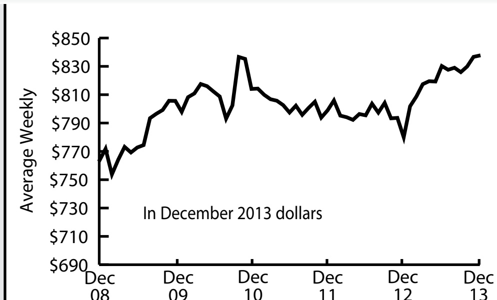
Average Weekly Manufacturing Hours



2013	Jul	41.6
	Aug	41.2
	Sep	41.4
	Oct	41.6
	Nov	41.5
	Dec	41.8
% Chg From Month Ago		0.5%
2012	Dec	40.5
2013	Dec	42.1
% Chg From Year Ago		4.0%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2014.

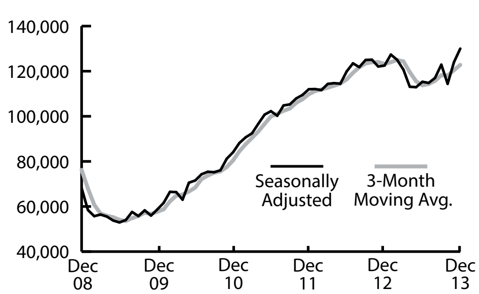
Manufacturing Earnings



2013	Jul	827.59
	Aug	829.02
	Sep	825.92
	Oct	829.91
	Nov	836.70
	Dec	837.68
% Chg From Month Ago		0.1%
2012	Dec	782.46
2013	Dec	848.37
% Chg From Year Ago		8.4%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2014.

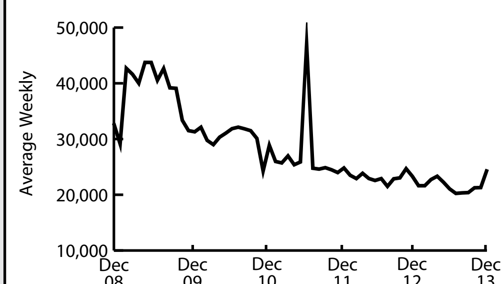
Online Help-Wanted Advertising



2012	Dec	122,500
2013	Jan	127,366
	Feb	125,028
	Mar	120,633
	Apr	113,100
	May	112,900
	Jun	115,300
	Jul	114,800
	Aug	117,000
	Sep	122,900
	Oct	114,400
	Nov	124,000
	Dec	130,000
% Chg From Month Ago		4.8%
Year Ago		6.1%

Source: The Conference Board Inc., 2014.

Initial UB Claimants



2013	Jul	20,242
	Aug	20,338
	Sep	20,388
	Oct	21,252
	Nov	21,287
	Dec	24,463
% Chg From Month Ago		14.9%
2012	Dec	35,119
2013	Dec	39,915
% Chg From Year Ago		13.7%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2014.

Minnesota Employment Review

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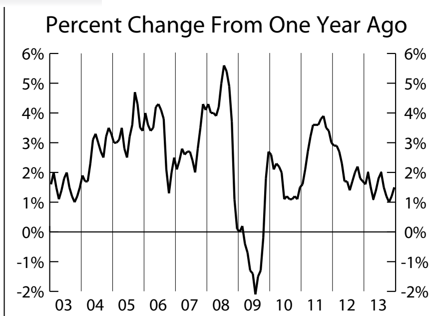
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)



The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in December on a seasonally adjusted basis. Over the last year, the All Items index increased 1.5 percent before seasonal adjustment. The Energy index saw a 2.1 percent increase, while the Shelter index rose 0.2 percent in December. The indexes for Apparel, Tobacco, and Personal Care increased as well. These increases more than offset declines in the indices for Airline Fares, for Recreation, for Household Furnishings and Operations, and for Used Cars and Trucks, resulting in the index for All Items Less Food and Energy rising 0.1 percent. The Food index rose slightly in December, increasing 0.1 percent. The All Items index increased 1.5 percent over the last 12 months. The Index for All Items Less Food and Energy has risen 1.7 percent over the last 12 months, the same figure as for the 12-month changes ending September, October, and November.

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.

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