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Silver Linings in Northeast Minnesota

Where we are and the road ahead

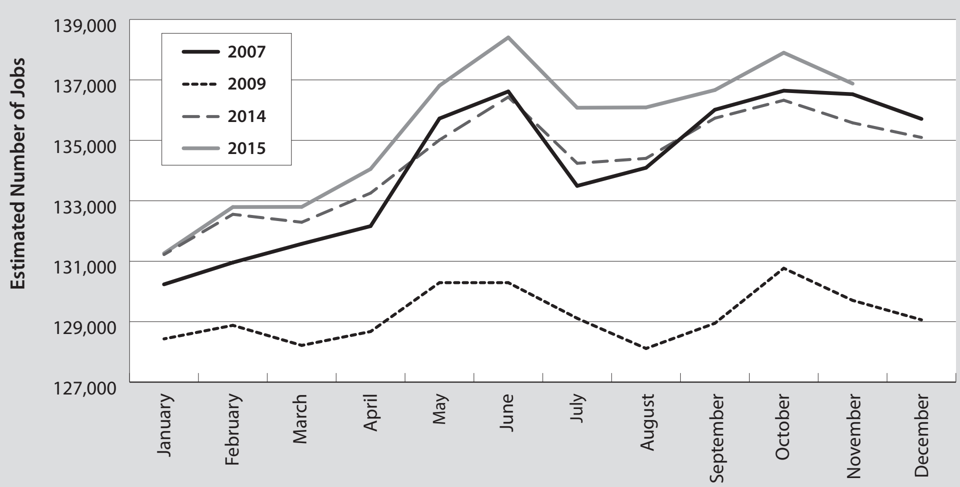
Northeast Minnesota has been rocked by bad news about the mining industry over the past year. With more than 1,000 layoffs and three of the six taconite facilities shuttered, the effects of this downturn are well-publicized and wide-ranging. For many towns on the Iron Range, mining companies are the most significant source of wages and help support local businesses. Even in Duluth where the economy is more diversified, the job losses are felt in related supporting industries, such as transportation and manufacturing, which will likely have to reduce their business activity.

Add in the ongoing uncertainty of legislative efforts, and it is hard not to feel the gloom from this industry's decline overshadowing the region.

The silver lining in the timing of this industry downturn is that the overall regional economy has rebounded from the recession and is still a market with ample job opportunities.

According to Current Employment Statistics, the Duluth-Superior Metropolitan Statistical Area, which includes St. Louis and Carlton County in Minnesota and Douglas County in Wisconsin, reported record high employment estimates every month in 2015. November's estimate of 136,858 jobs was a 1.0 percent increase from a year ago and a 5.5 percent increase in jobs from November of 2009, despite the mining industry layoffs that have occurred in the past 12 months (see Figure 1).

Figure 1: Total Employment Estimates for the Duluth-Superior MSA, 2007-2015



Source: DEED Current Employment Statistics (CES) program

Feature:

Diversity gains momentum in Greater Minnesota

In this issue:

Regional Spotlight NORTHEAST MINNESOTA

From Slack to Tight

Another indicator of the economic strength in the region is the transformation from a slack to a tight labor market. During the second Quarter of 2009 only 1,518 job vacancies existed in Northeast Minnesota according to DEED's Job Vacancy Survey. At the same time, 17,806 unemployed workers in the region created a ratio of 11.7 jobseekers per job vacancy. That ratio has now dropped to 1.5 jobseekers per job vacancy in the second quarter of 2015, as there were 6,213 job vacancies for just 9,251 unemployed workers in the Arrowhead. The tightening of the labor market has created a new environment for jobseekers and businesses looking to hire (see Figure 2).

One aspect that benefits jobseekers in a tight labor market is the expected increase in wages as businesses compete with one another to attract the limited supply of jobseekers, and evidence from DEED's Job Vacancy Survey supports this dynamic. The median hourly wage offer for all job vacancies in Northeast Minnesota was $11.53 in the Second Quarter of 2015, an increase of $2.04 from just two years ago. Wage offers have steadily increased, even for occupations that typically offer lower pay. For example, food preparation and healthcare support occupations both saw their median wage offers increase by about $2.00 since 2013, building, grounds cleaning and maintenance openings rose about $1.20, and even personal care and service occupations experienced a $0.37 increase (see Table 1).

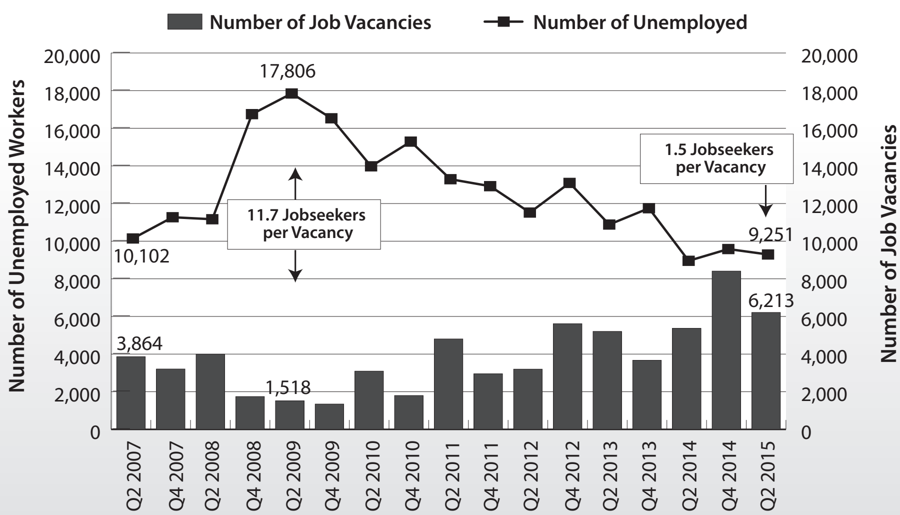
A labor market with nearly as many job vacancies as jobseekers should also see businesses begin to provide not only wage increases, but also other perks that attract and recruit applicants for their open positions, such as hiring bonuses, added vacation and sick leave, flexible scheduling, and on-the-job training. Anecdotally, this has been occurring in the region over the past year as businesses have had to change their playbooks in order to fill their vacant positions and keep their current employees from seeking other opportunities.

Old and Getting Older

While the recovery from the recession and the recent growth in jobs has played a part in the region's economic transformation, another underlying cause is the aging of the population in Northeast Minnesota. Simply put, the region's population is old and getting older.

With the exception of the city of Duluth, median ages in the region are higher than in the state. Table 2 provides age statistics for Northeast Minnesota, showing that Aitkin and Cook Counties have median ages over 50 years, making them the two oldest counties in Minnesota. Just under 50 years, Lake County ranks 5th oldest, Koochiching County is 12th, and Itasca County is 18th, meaning the region is home to 5 of the 18 oldest counties of the 87 in the state. Meanwhile, the city of Duluth has a median age of 33.3 years, which is 4 years younger than the state's median age, reflecting its large college population and the numerous education and job opportunities for young adults in the area (see Table 2).

Figure 2: Northeast Job Vacancies and Unemployment



Source: DEED, Local Area Unemployment Statistics, and Job Vacancy Survey.

Table 1: Northeast Minnesota Median Wage Offers for Job Vacancies, 2013-2015

	Median Hourly Wage Offer		
	2nd Quarter 2013	2nd Quarter 2015	Q2 2013-Q2 2015 Change
Total, All Occupations	**$9.49**	**$11.53**	**$2.04**
Healthcare Support Occupations	$8.88	$11.23	$2.35
Food Preparation and Serving Related Occupations	$7.24	$9.17	$1.93
Building and Grounds Cleaning and Maintenance Occupations	$7.86	$9.05	$1.19
Personal Care and Service Occupations	$9.35	$9.72	$0.37

Source: DEED's Job Vacancy Survey

The release of new 2010-2014 five-year estimates from the American Community Survey last December allows for non-overlapping comparison of the previously released 2005-2009 five-year estimates. The data show which counties are getting older faster. Aitkin, Cook, and Lake Counties have had their median ages increase by more than two years since 2009. On the other end of the spectrum, Carlton and St. Louis Counties saw their median ages increase by only 0.2 years in the past five years, while Minnesota's median age increased by 0.6 years during this time frame (see Table 2).

Table 2: Northeast Minnesota Age Statistics

	Median Age (years), 2014	Median Age (years), 2009	Change in Median Age (years)
Aitkin County	52.6	50.5	2.1
Carlton County	40.9	40.7	0.2
Cook County	51.2	48.6	2.6
Itasca County	45.7	44.4	1.3
Koochiching County	47.2	46.0	1.2
Lake County	49.5	46.9	2.6
St. Louis County	40.8	40.6	0.2
City of Duluth	*33.3*	*32.2*	*1.1*
Minnesota	37.6	37.0	0.6

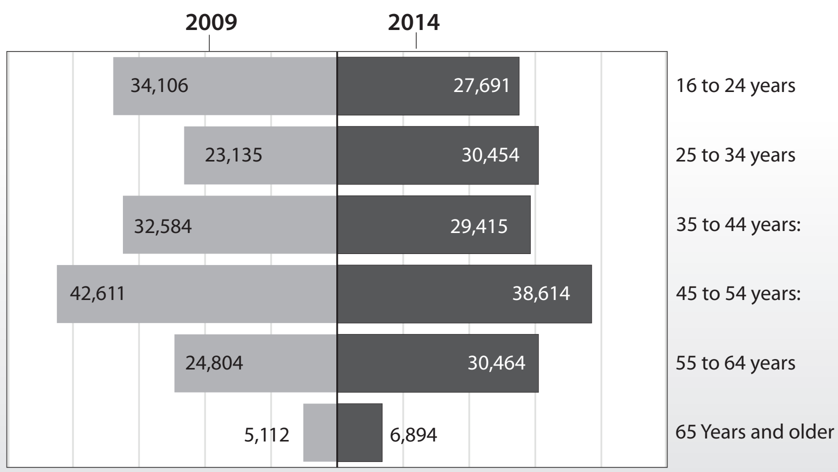
Source: US Census Bureau, 2005-2009 ACS and 2010-2014 ACS

The Age of Retirement

The aging population will have a dramatic effect on labor force availability in the region because those who reach 65 or so may well begin to transition out of the labor force. Although traditionally 65 years old, the age for receiving full social security benefits has recently increased to 67 years old for people born after 1960.

Based on 2014 estimates, there were 30,464 people in the labor force aged 55 to 64 years, who will soon be reaching the age of possible retirement. What's more, with 38,614 people, the 45 to 54 year old age group makes up the largest portion of Northeast Minnesota's labor force and will face the same transition in the following decade (see Figure 3).

Figure 3: Labor Force Pyramid for Northeast Minnesota, 2009-2014



Source: U.S. Census Bureau, American Community Survey

Using a labor force pyramid, we can compare the demographic makeup of the region's labor force between time periods and see quickly that the biggest changes that occurred between the time periods were the shift of the youngest workers who moved into the 25 to 34 year old bracket, and the sheer size of the Baby Boom generation, as those workers began progressing into the oldest age group.

At one end of the age spectrum, the number of 25 to 34 years olds in the labor force increased by 31.6 percent, a growth of 7,319 workers. However, most of those gains were offset by the youngest age category – from 16 to 24 years old – which experienced the sharpest decline with a loss of 6,415 people, an 18.8 percent decrease (see Figure 3).

In contrast, the number of workers aged 55 to 64 years old increased by 5,660 people from 2009 to 2014, a 22.8 percent increase. Likewise, despite reaching retirement age, the number of workers aged 65 years and over jumped 34.8 percent, a gain of 1,781 workers. Northeast Minnesota's bottom-heavy labor force pyramid may make it difficult for employers to find the number of workers needed for the jobs in the region. Going forward, a considerable number of people are going to reach the age of retirement, creating a need for replacement workers in addition to new job openings. These trends will likely contribute to a tight regional labor market into the foreseeable future.

New Opportunities

With any challenge comes opportunity, and the region should have plenty of chances to rise to this occasion. Due to high job demand, one important strategy is to engage population groups that have experienced difficulties or barriers to employment in the past. Increasing labor force participation rates and lowering unemployment rates for these groups would have a significant impact on the number of jobs and workers in the region.

Minority unemployment rates are unacceptably high in the region, with the 2010-2014 ACS data showing the unemployment rate of Black or African Americans at 21.2 percent in the Duluth-Superior MSA, while the unemployment rates of Whites over the same time period was 7.3 percent. Similarly, unemployment rates were 18.3 percent for people of Two or More Races and 14.3 percent for American Indian and Alaska Natives, the largest minority group in the region. For people with disabilities, unemployment rates were 17.6 percent, while labor force participation rates were just 40.6 percent (see Table 3).

Bringing the unemployment rate for these minority groups in line with the rate for Whites would help to fill many of the available jobs, while raising labor force participation rates for some of the minority groups and for workers with disabilities would increase the number of available workers. For example, a 14 percentage point drop in the unemployment rate for Black or African American workers would fill 200 jobs, an 11 percentage point rate decline for workers of Two or More Races would equate to 240 jobs, a 7 percentage point drop for American Indians would cover 210 jobs, and bringing the unemployment rate for workers with a disability down to 7.3 percent would fill more than 800 jobs.

Likewise, raising the lower labor force participation rates of Blacks, American Indians, and people of Two or More Races to the 62.9 percent rate held by Whites would add almost 900 new workers to the regional labor force, including 372 Black or African American workers, 299 workers of Two or More Races, and 216 American Indian or Alaska Natives. Matching the state's 51.0 percent labor force participation rate for people with disabilities would add over 2,000 new workers. Businesses in the region that are able to identify, address, and embrace these underutilized groups will likely find more success in meeting their labor force needs.

The Silver Lining

The dark cloud currently hovering over the mining industry is presenting serious hardships that have contributed to an atmosphere of uncertainty for many people and places in the region, and the full impact of the downturn is yet to be altogether realized. Meanwhile, Northeast Minnesota's population is aging, leading to significant changes in the labor force.

However, employment data clearly show that Northeast Minnesota's economy has continued on its path to recovery from the recession, with an historically high number of job vacancies and a tightening labor market as prime examples of the economic transformation. Wage offers are rising for open jobs, and new opportunities are being created that can be filled by workers from different age groups and races that may have struggled to find those opportunities in the past. Going forward, an "all hands on deck" approach will be needed to address the labor force needs of tomorrow.

Table 3: Employment Characteristics by Race, Hispanic Origin, and Disability, Duluth MSA, 2010-2014

	Total Population, 16 years and over	Labor Force Participation Rate	In Labor Force	Unemployment Rate
Race and Hispanic or Latino Origin				
One race	225,969	62.6%	141,457	7.6%
White	215,313	62.9%	135,432	7.3%
Black or African American	2,883	50.0%	1,442	21.2%
American Indian and Alaska Native	5,135	58.7%	3,014	14.3%
Asian	2,161	64.7%	1,398	6.1%
Two or more races	3,940	55.3%	2,179	18.3%
Hispanic or Latino origin (of any race)	2,551	64.7%	1,650	6.2%
Disability Status				
With any Disability	19,352	40.6%	7,857	17.6%

Source: 2010-2014 American Community Survey, 5-Year Estimates

by Erik White
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The Local Look: Regional Labor Market Information

If you want the very best in Labor Market Information for your region, go directly to **www.mn.gov/deed/data/regional-lmi/.** It's been revised and expanded to lead readers on an orderly trip through various datasets that provide great insight into the regional economy. Here's what you'll find.

The Regional Labor Market pages include

- Links to current employment and unemployment statistics
- Lists of recent regional spotlight articles in DEED's award-wining publications
- Links to DEED's Data Tools
- Monthly blogs by our Regional Analysts
- Contact information for each Regional Analyst who can help you interpret what you've found

Each regional profile sets the context with a look at the region's population, showing how it has changed over time and breaking it down by age group in comparison to the state and to one decade ago. The data examines the aging of each region's population and size of the Baby Boom generation, as well as uniquely high or low percentages of younger or older residents. The profile also incorporates population projections from the Minnesota State Demographic Center, which shows the future impact of aging.

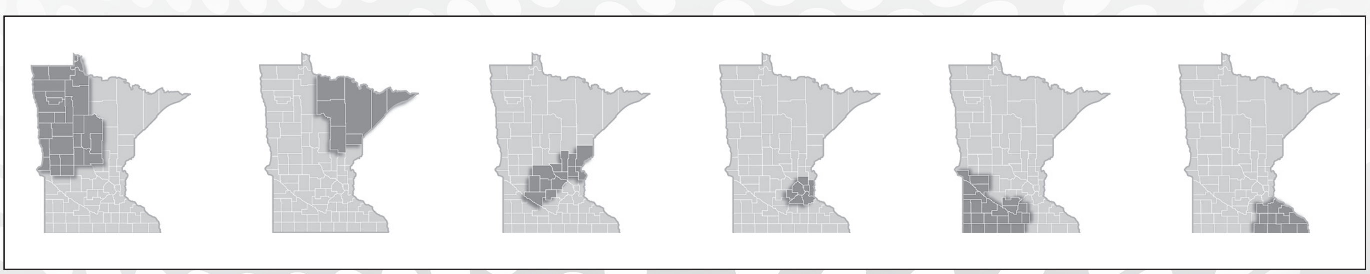
Data from the Census Bureau's American Community Survey five-year estimates provide details on the current and increasing diversity of the regions, looking at the number of residents of different racial groups and origins, and highlighting how they have changed over the past decade. ACS also provides significant insight into the workforce characteristics of the region – including the number, labor force participation rate, and unemployment rate of workers by age group, race, disability, veteran status, and educational attainment. From there, population projections by age group and labor force participation rates are combined to create labor force projections, showing whether the region is expected to add or lose workers over the next decade.

The profiles share data from the U.S. Census Bureau's OnTheMap program to show the region's labor shed and commuting patterns – mapping out where workers come from and go to for work. DEED's Cost of Living tool sets a benchmark for a basic needs budget in each region, which can then be compared to income data from the ACS and wage rates from DEED's Occupational Employment Statistics (OES) program. Job Vacancy Survey data shows current hiring activity in the region, while DEED's Occupations in Demand tool provides detail on popular jobs sorted by educational requirements. DEED's Employment Outlook tool projects future growth and breaks down the difference between new jobs created and replacement openings.

Charts of the region's employment change over the past decade detail the severity of the recession and the speed of the recovery in comparison to the state. The industry employment statistics also show major industries, recent job change, average annual wages, and regionally distinguishing industries. Again, DEED's Employment Outlook also includes net job change over the next decade, itemized by industry. The profiles also bring in data on the size of businesses, including the number of self-employed businesses, and the number of farms from the USDA Census of Agriculture.

Check out your Regional Labor Market page to begin to learn about your local area today.

by Cameron Macht



Labor Force Estimates

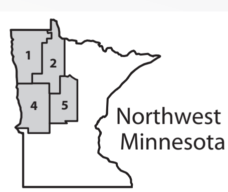
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Dec 2015	Nov 2015	Dec 2014	Dec 2015	Nov 2015	Dec 2014	Dec 2015	Nov 2015	Dec 2014	Dec 2015	Nov 2015	Dec 2014
United States ('000s)												
(Seasonally adjusted)	157,833	157,367	156,129	149,929	149,444	147,442	7,904	7,924	8,688	5.0%	5.0%	5.6%
(Unadjusted)	157,245	157,340	155,521	149,703	149,766	147,190	7,542	7,573	8,331	4.8	4.8	5.4
Minnesota												
(Seasonally adjusted)	3,030,458	3,007,412	2,976,618	2,922,998	2,900,511	2,866,863	107,460	106,901	109,754	3.5	3.6	3.7
(Unadjusted)	3,033,597	3,010,405	2,964,848	2,924,911	2,920,377	2,859,582	108,686	90,028	105,266	3.6	3.0	3.6
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,942,269	1,930,334	1,905,506	1,881,640	1,876,950	1,843,783	60,629	53,384	61,723	3.1	2.8	3.2
Duluth-Superior MSA	144,234	143,480	141,216	136,246	136,595	135,118	7,988	6,885	6,098	5.5	4.8	4.3
Rochester MSA	117,401	116,895	116,698	113,997	114,110	113,108	3,404	2,785	3,590	2.9	2.4	3.1
St. Cloud MSA	110,626	109,284	109,867	106,552	106,050	105,693	4,074	3,234	4,174	3.7	3.0	3.8
Mankato-N Mankato MSA	59,653	59,317	59,014	58,179	58,063	57,473	1,474	1,254	1,541	2.5	2.1	2.6
Fargo-Moorhead MSA	131,990	129,820	131,007	128,859	127,295	127,473	3,131	2,525	3,534	2.4	1.9	2.7
Grand Forks MSA	55,751	55,558	55,132	54,233	54,313	53,450	1,518	1,245	1,682	2.7	2.2	3.1
Region One	**52,235**	**51,398**	**49,880**	**49,384**	**49,579**	**47,509**	**2,851**	**1,819**	**2,371**	**5.5**	**3.5**	**4.8**
Kittson	2,563	2,532	2,452	2,453	2,440	2,335	110	92	117	4.3	3.6	4.8
Marshall	6,298	6,182	5,858	5,789	5,847	5,425	509	335	433	8.1	5.4	7.4
Norman	3,714	3,620	3,464	3,542	3,505	3,301	172	115	163	4.6	3.2	4.7
Pennington	9,772	9,511	9,324	9,099	9,200	8,775	673	311	549	6.9	3.3	5.9
Polk	18,110	18,094	17,510	17,414	17,550	16,848	696	544	662	3.8	3.0	3.8
Red Lake	2,493	2,463	2,338	2,311	2,337	2,215	182	126	123	7.3	5.1	5.3
Roseau	9,285	8,996	8,934	8,776	8,700	8,610	509	296	324	5.5	3.3	3.6
Region Two	**43,843**	**43,334**	**42,261**	**41,072**	**41,216**	**39,815**	**2,771**	**2,118**	**2,446**	**6.3**	**4.9**	**5.8**
Beltrami	24,451	24,434	23,560	23,192	23,448	22,427	1,259	986	1,133	5.1	4.0	4.8
Clearwater	4,832	4,714	4,643	4,326	4,351	4,184	506	363	459	10.5	7.7	9.9
Hubbard	9,605	9,483	9,272	8,887	8,930	8,647	718	553	625	7.5	5.8	6.7
Lake of the Woods	2,559	2,351	2,446	2,420	2,239	2,348	139	112	98	5.4	4.8	4.0
Mahnomen	2,396	2,352	2,340	2,247	2,248	2,209	149	104	131	6.2	4.4	5.6
Region Three	**165,396**	**163,940**	**160,901**	**155,110**	**155,239**	**153,398**	**10,286**	**8,701**	**7,503**	**6.2**	**5.3**	**4.7**
Aitkin	6,881	6,794	6,762	6,401	6,413	6,333	480	381	429	7.0	5.6	6.3
Carlton	17,646	17,529	17,307	16,720	16,747	16,521	926	782	786	5.2	4.5	4.5
Cook	3,024	2,957	2,960	2,869	2,834	2,796	155	123	164	5.1	4.2	5.5
Itasca	22,796	22,528	21,846	20,949	20,902	20,590	1,847	1,626	1,256	8.1	7.2	5.7
Koochiching	6,273	6,210	6,246	5,733	5,657	5,737	540	553	509	8.6	8.9	8.1
Lake	5,743	5,551	5,409	5,253	5,314	5,192	490	237	217	8.5	4.3	4.0
St. Louis	103,033	102,371	100,371	97,185	97,372	96,229	5,848	4,999	4,142	5.7	4.9	4.1
City of Duluth	45,499	45,325	45,011	43,915	43,999	43,483	1,584	1,326	1,528	3.5	2.9	3.4
Balance of St. Louis County	57,534	57,046	55,360	53,270	53,373	52,746	4,264	3,673	2,614	7.4	6.4	4.7
Region Four	**130,772**	**129,450**	**125,532**	**125,700**	**125,775**	**120,651**	**5,072**	**3,675**	**4,881**	**3.9**	**2.8**	**3.9**
Becker	18,530	18,327	17,847	17,588	17,618	16,979	942	709	868	5.1	3.9	4.9
Clay	37,058	36,605	36,239	35,961	35,815	35,176	1,097	790	1,063	3.0	2.2	2.9
Douglas	20,331	20,223	19,879	19,581	19,676	19,142	750	547	737	3.7	2.7	3.7
Grant	3,614	3,560	3,376	3,416	3,431	3,201	198	129	175	5.5	3.6	5.2
Otter Tail	32,266	31,857	30,945	30,761	30,778	29,515	1,505	1,079	1,430	4.7	3.4	4.6
Pope	6,710	6,640	6,187	6,487	6,481	5,960	223	159	227	3.3	2.4	3.7
Stevens	6,462	6,423	5,655	6,299	6,308	5,480	163	115	175	2.5	1.8	3.1
Traverse	1,908	1,882	1,736	1,826	1,827	1,647	82	55	89	4.3	2.9	5.1
Wilkin	3,893	3,933	3,668	3,781	3,841	3,551	112	92	117	2.9	2.3	3.2
Region Five	**83,293**	**82,241**	**80,953**	**78,005**	**78,243**	**75,987**	**5,288**	**3,998**	**4,966**	**6.3**	**4.9**	**6.1**
Cass	14,185	14,020	13,762	13,061	13,179	12,744	1,124	841	1,018	7.9	6.0	7.4
Crow Wing	30,752	30,505	30,260	28,884	29,012	28,465	1,868	1,493	1,795	6.1	4.9	5.9
Morrison	17,932	17,630	17,476	16,719	16,807	16,332	1,213	823	1,144	6.8	4.7	6.5
Todd	14,003	13,794	13,187	13,348	13,278	12,575	655	516	612	4.7	3.7	4.6
Wadena	6,421	6,292	6,268	5,993	5,967	5,871	428	325	397	6.7	5.2	6.3
Region Six East	**69,260**	**68,591**	**65,233**	**66,408**	**66,531**	**62,530**	**2,852**	**2,060**	**2,703**	**4.1**	**3.0**	**4.1**
Kandiyohi	25,289	25,122	23,938	24,334	24,429	23,003	955	693	935	3.8	2.8	3.9
McLeod	20,264	20,080	19,619	19,454	19,468	18,839	810	612	780	4.0	3.0	4.0
Meeker	13,914	13,678	13,190	13,254	13,248	12,600	660	430	590	4.7	3.1	4.5
Renville	9,793	9,711	8,486	9,366	9,386	8,088	427	325	398	4.4	3.3	4.7

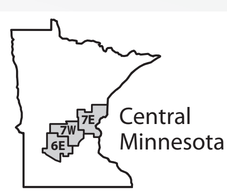
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

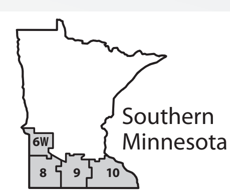
Labor Force Estimates

Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2015.

County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Dec 2015	Nov 2015	Dec 2014	Dec 2015	Nov 2015	Dec 2014	Dec 2015	Nov 2015	Dec 2014	Dec 2015	Nov 2015	Dec 2014
Region Six West	**25,069**	**24,772**	**23,846**	**23,919**	**23,975**	**22,826**	**1,150**	**797**	**1,020**	**4.6%**	**3.2%**	**4.3%**
Big Stone	2,740	2,722	2,597	2,586	2,627	2,468	154	95	129	5.6	3.5	5.0
Chippewa	7,352	7,268	7,036	7,045	7,045	6,762	307	223	274	4.2	3.1	3.9
Lac Qui Parle	3,854	3,848	3,677	3,698	3,743	3,519	156	105	158	4.0	2.7	4.3
Swift	5,304	5,232	4,973	5,003	5,005	4,731	301	227	242	5.7	4.3	4.9
Yellow Medicine	5,819	5,702	5,563	5,587	5,555	5,346	232	147	217	4.0	2.6	3.9
Region Seven East	**87,169**	**85,776**	**85,266**	**82,507**	**82,437**	**80,763**	**4,662**	**3,339**	**4,503**	**5.3**	**3.9**	**5.3**
Chisago	29,353	28,949	28,662	28,079	27,994	27,448	1,274	955	1,214	4.3	3.3	4.2
Isanti	20,670	20,390	20,282	19,780	19,736	19,351	890	654	931	4.3	3.2	4.6
Kanabec	9,013	8,811	8,793	8,310	8,352	8,116	703	459	677	7.8	5.2	7.7
Mille Lacs	13,152	12,842	12,795	12,264	12,233	11,971	888	609	824	6.8	4.7	6.4
Pine	14,981	14,784	14,734	14,074	14,122	13,877	907	662	857	6.1	4.5	5.8
Region Seven West	**233,196**	**230,493**	**229,852**	**224,446**	**223,665**	**221,026**	**8,750**	**6,828**	**8,826**	**3.8**	**3.0**	**3.8**
Benton	21,874	21,569	21,756	20,889	20,778	20,744	985	791	1,012	4.5	3.7	4.7
Sherburne	50,027	49,513	49,026	48,041	47,946	47,041	1,986	1,567	1,985	4.0	3.2	4.0
Stearns	88,752	87,715	88,111	85,663	85,272	84,949	3,089	2,443	3,162	3.5	2.8	3.6
Wright	72,543	71,696	70,959	69,853	69,669	68,292	2,690	2,027	2,667	3.7	2.8	3.8
Region Eight	**70,029**	**68,909**	**66,439**	**67,306**	**67,114**	**64,115**	**2,723**	**1,795**	**2,324**	**3.9**	**2.6**	**3.5**
Cottonwood	6,307	6,106	5,811	5,935	5,860	5,590	372	246	221	5.9	4.0	3.8
Jackson	6,890	6,690	6,375	6,535	6,511	6,126	355	179	249	5.2	2.7	3.9
Lincoln	3,645	3,558	3,433	3,515	3,472	3,277	130	86	156	3.6	2.4	4.5
Lyon	15,948	15,819	15,518	15,395	15,450	15,023	553	369	495	3.5	2.3	3.2
Murray	5,304	5,193	5,028	5,050	5,032	4,771	254	161	257	4.8	3.1	5.1
Nobles	11,983	11,840	11,381	11,565	11,548	11,056	418	292	325	3.5	2.5	2.9
Pipestone	5,381	5,404	4,914	5,208	5,287	4,743	173	117	171	3.2	2.2	3.5
Redwood	8,459	8,277	8,196	8,116	8,031	7,864	343	246	332	4.1	3.0	4.1
Rock	6,112	6,022	5,783	5,987	5,923	5,665	125	99	118	2.0	1.6	2.0
Region Nine	**134,156**	**132,868**	**131,195**	**129,315**	**129,220**	**126,428**	**4,841**	**3,648**	**4,767**	**3.6**	**2.7**	**3.6**
Blue Earth	39,392	39,176	39,032	38,392	38,322	37,969	1,000	854	1,063	2.5	2.2	2.7
Brown	14,763	14,751	14,009	14,173	14,289	13,428	590	462	581	4.0	3.1	4.1
Faribault	7,680	7,578	7,545	7,364	7,314	7,222	316	264	323	4.1	3.5	4.3
Le Sueur	16,201	15,842	15,748	15,339	15,310	14,912	862	532	836	5.3	3.4	5.3
Martin	10,608	10,395	10,401	10,133	10,106	9,975	475	289	426	4.5	2.8	4.1
Nicollet	20,261	20,141	19,982	19,787	19,741	19,504	474	400	478	2.3	2.0	2.4
Sibley	8,954	8,852	8,578	8,574	8,588	8,198	380	264	380	4.2	3.0	4.4
Waseca	9,664	9,607	9,562	9,232	9,276	9,159	432	331	403	4.5	3.4	4.2
Watonwan	6,633	6,526	6,338	6,321	6,274	6,061	312	252	277	4.7	3.9	4.4
Region Ten	**281,895**	**280,166**	**277,035**	**273,177**	**273,118**	**268,072**	**8,718**	**7,048**	**8,963**	**3.1**	**2.5**	**3.2**
Dodge	11,468	11,402	11,307	11,065	11,088	10,907	403	314	400	3.5	2.8	3.5
Fillmore	11,504	11,413	11,222	11,052	11,082	10,771	452	331	451	3.9	2.9	4.0
Freeborn	16,697	16,659	16,296	16,097	16,106	15,650	600	553	646	3.6	3.3	4.0
Goodhue	27,571	27,274	27,040	26,611	26,544	26,106	960	730	934	3.5	2.7	3.5
Houston	10,811	10,677	10,568	10,380	10,361	10,156	431	316	412	4.0	3.0	3.9
Mower	20,745	20,709	20,370	20,188	20,217	19,744	557	492	626	2.7	2.4	3.1
Olmsted	82,251	81,968	82,277	80,126	80,161	79,943	2,125	1,807	2,334	2.6	2.2	2.8
City of Rochester	60,446	60,316	60,446	58,892	58,917	58,757	1,554	1,399	1,689	2.6	2.3	2.8
Rice	36,116	35,783	34,935	34,880	34,855	33,725	1,236	928	1,210	3.4	2.6	3.5
Steele	22,065	21,827	21,568	21,413	21,292	20,885	652	535	683	3.0	2.5	3.2
Wabasha	12,178	12,112	11,892	11,754	11,779	11,487	424	333	405	3.5	2.7	3.4
Winona	30,489	30,342	29,560	29,611	29,633	28,698	878	709	862	2.9	2.3	2.9
Region Eleven	**1,657,289**	**1,648,471**	**1,626,455**	**1,608,563**	**1,604,264**	**1,576,462**	**48,726**	**44,207**	**49,993**	**2.9**	**2.7**	**3.1**
Anoka	192,034	190,698	188,477	185,708	185,277	182,024	6,326	5,421	6,453	3.3	2.8	3.4
Carver	54,886	54,462	53,673	53,248	53,127	52,039	1,638	1,335	1,634	3.0	2.5	3.0
Dakota	234,664	233,238	230,176	227,591	227,081	223,115	7,073	6,157	7,061	3.0	2.6	3.1
Hennepin	678,861	676,107	666,810	660,066	658,033	646,973	18,795	18,074	19,837	2.8	2.7	3.0
City of Bloomington	47,153	46,917	46,296	45,827	45,685	44,918	1,326	1,232	1,378	2.8	2.6	3.0
City of Minneapolis	230,313	229,526	226,378	224,019	223,329	219,575	6,294	6,197	6,803	2.7	2.7	3.0
Ramsey	280,257	278,769	274,965	271,609	270,856	266,196	8,648	7,913	8,769	3.1	2.8	3.2
City of St. Paul	154,003	153,176	151,027	149,007	148,594	146,037	4,996	4,582	4,990	3.2	3.0	3.3
Scott	78,747	78,155	77,205	76,420	76,239	74,889	2,327	1,916	2,316	3.0	2.5	3.0
Washington	137,840	137,042	135,149	133,921	133,651	131,226	3,919	3,391	3,923	2.8	2.5	2.9







Industrial Analysis

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

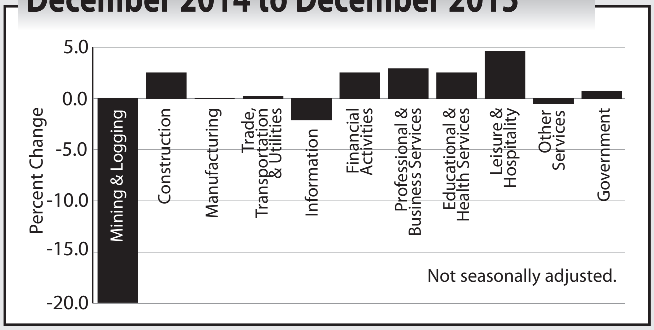
Overview

Minnesota added 9,100 jobs (0.3 percent) on a seasonally adjusted basis in December, and November estimates were revised upward from a gain of 7,200 to a gain of 9,200 jobs. Employment across a variety of industries contributed to December's growth. The private sector added 4,800 jobs (0.2 percent) with goods producers growing by 2,400 jobs (0.6 percent) and service providers adding 6,700 jobs (0.3 percent). Public sector employers added 4,300 jobs (1.0 percent) as Local Government did the heavy lifting there by adding 4,900 jobs (1.7 percent). Annually, Minnesota added 42,485 jobs (1.5 percent) over December of 2014. Service providers added 41,311 jobs (1.7 percent), continuing to outpace their goods producing counterparts, who added 1,174 jobs (0.3 percent). The private sector contributed most of the annual growth, up 39,314 (1.6 percent) to government employers' 3,171 (0.7 percent).

Mining and Logging

Employment in Mining and Logging had another precipitous drop in December following news of additional layoffs in the Mining industry over the month, as it shed 500 jobs (7.8 percent) in December, leaving a seasonally adjusted total of 5,900. This marked the first time since 2010 that employment in Mining and Logging dipped below 6,000. The supersector continues to take a beating over the longer term as well, down 1,380 jobs (19.9 percent) from its December 2014 levels as global iron prices continue to affect employment negatively in mining and related fields.

MN Employment Growth
December 2014 to December 2015



Source: Department of Employment and Economic Development, Current Employment Statistics, 2015.

Construction

Employment in Construction was up on a seasonally adjusted basis in December, adding 1,300 jobs (1.2 percent) from November estimates as a slower pace of layoffs in the winter months continued to help alleviate the effects of lower-than-normal employment through the summer months. Annually, employment in Construction was up by 2,490 (2.5 percent) in December, the second straight month of over-the-year gains in the supersector after three months of annual declines in the fall. Most of the new jobs came from Specialty Trade Contractors, who added 2,421 jobs (3.9 percent) on the year, although Construction of Buildings also added 948 jobs (4 percent). The other component sector, Heavy and Civil Engineering Construction, saw an annual drop of 879 jobs (7.5 percent).

Manufacturing

Manufacturing employment grew in December, adding 1,600 jobs (0.5 percent) following a slight dip in employment in November. The December job growth was split evenly between Durable and Non-Durable Goods Manufacturers, each of which added 800 jobs (0.4 and 0.7 percent, respectively). The strong December also helped to push the supersector back into the black in over-the-year employment, if only barely. Manufacturers added 64 jobs (0.0 percent) from December 2014 estimates. Durable Goods Manufacturers added 1,412 jobs (0.7 percent) on the year. Computer and Electronic Product Manufacturing and Medical Equipment and Supplies Manufacturing were among the fastest growing component sectors, adding 834 jobs (1.8 percent) and 442 jobs (2.8 percent), respectively. Non-Durable goods Manufacturers lost 1,348 jobs (1.2 percent) on the year, with Food Manufacturing (down 1,837 jobs, 3.9 percent) suffering the largest employment losses.

Trade, Transportation, and Utilities

Trade, Transportation, and Utilities employment was off by 2,000 (0.4 percent) in December, with losses in Retail Trade (down 2,000, 0.7 percent) and Wholesale trade (down 500, 0.4 percent) swamping the gain of 500 (0.5 percent) in Transportation, Warehousing, and Utilities. Annually, the supersector is slightly in the positive, adding 887 jobs (0.2 percent). Retail Trade added 2,399 (0.8 percent), and Transportation, Warehousing, and Utilities added 1,698 (1.7 percent) while Wholesale Trade lost 3,210 jobs (2.4 percent).

*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.

Information

Employment in the Information supersector was up again in December, adding 200 jobs (0.4 percent) from November estimates. Over-the-year estimates are still down, however, showing the supersector off 1,103 jobs (2.1 percent) from December 2014 as Publishing Industries (except Internet) continues to shed jobs, down 613 (3 percent) on the year.

Financial Activities

The Financial Activities supersector added 2,000 jobs (1.1 percent) in December with both component sectors contributing to the growth. Finance and Insurance added 800 jobs (0.6 percent) while Real Estate and Rental and Leasing added 1,200 (3.0 percent). Annually, the supersector added 4,390 jobs (2.5 percent), with growth again coming from both major component sectors.

Professional and Business Services

Professional and Business Services saw a seasonally adjusted decline in employment for December, off 3,200 jobs (0.9 percent) from November estimates. This was the first time since June that the supersector lost jobs, during which time 13,300 seasonally adjusted jobs were added. All three component sectors lost jobs on the month, with the biggest declines, both numerically and proportionally, coming in Administrative and Support and Waste Management and Remediation Services (down 2,500 or 1.7 percent). Annually, Professional and Business Services added 10,468 jobs (2.9 percent). One major component sector, Management of Companies and Enterprises, lost jobs on the year, down 1,432 (1.8 percent).

Educational and Health Services

Educational and Health Services added 2,100 jobs (0.4 percent) in December, breaking a string of three consecutive months with employment losses in the supersector after November's estimates were revised downward from a slight gain to a small loss. Health Care and Social Assistance had a strong month, adding 2,900 jobs (0.7 percent), while Educational Services lost 800 jobs (1.2 percent). Annually, employment in the supersector remained healthy, adding 12,680 jobs (2.5 percent), as strong gains in Health Care and Social Assistance (up 15,184 or 3.5 percent) overwhelmed the loss of 2,504 jobs (3.6 percent) in Educational Services.

Leisure and Hospitality

Leisure and Hospitality employment had a strong month, adding 2,800 jobs (1.1 percent) on a seasonally adjusted basis, as an unprecedentedly warm December helped ameliorate the normal winter job losses in the supersector. Employment was also strong on an annual basis in the supersector, up 11,348 (4.6 percent) from 2014 estimates. Arts, Entertainment, and Recreation added 3,329 jobs (9.2 percent), and Accommodation and Food Services added 8,019 (3.8 percent).

Other Services

Employment in Other Services was up slightly in December, adding 500 jobs (0.4 percent). Annually, employment was off by a similar amount, down 530 jobs (0.5 percent). The loss is entirely from a drop of 2,298 jobs (3.5 percent) in Religious, Grantmaking, Civic, Professional, and Similar Organizations, as the other two component sectors remain in the black for the year.

Government

Government employers had a strong December, adding 4,300 jobs (1.0 percent) thanks to an additional 4,900 jobs in Local Government. Annually, Government employers added 3,171 jobs (0.7 percent) with gains in Federal and Local Government overcoming a loss of 2,471 jobs (2.4 percent) from State Government employers.

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	December 2015	November 2015	October 2015
Total Nonagricultural	**2,873.7**	**2,864.6**	**2,855.4**
Goods-Producing	**429.7**	**427.3**	**425.3**
Mining and Logging	5.9	6.4	6.4
Construction	108.2	106.9	104.3
Manufacturing	315.6	314.0	314.6
Service-Providing	**2,444.0**	**2,437.3**	**2,430.1**
Trade, Transportation, and Utilities	521.5	523.5	522.1
Information	52.4	52.2	52.1
Financial Activities	183.4	181.4	181.1
Professional and Business Services	368.5	371.7	369.4
Educational and Health Services	514.2	512.1	512.3
Leisure and Hospitality	268.0	265.2	263.4
Other Services	114.1	113.6	113.4
Government	421.9	417.6	416.3

Source: Department of Employment and Economic Development Current Employment Statistics, 2015.

Regional Analysis

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

Employment in the Minneapolis-St. Paul MSA was down in December as the metro lost 6,274 jobs (0.3 percent) before seasonal adjustment. As is to be expected in the winter, losses were led by the Mining, Logging, and Construction supersector, which shed 7,901 jobs (10.6 percent). Professional and Business Services also saw significant declines, dropping 3,911 jobs (1.2 percent) on the month. Educational and Health Services saw the largest numerical gains in December, adding 1,993 jobs (0.6 percent). Annually, the metro area added 34,256 jobs (1.8 percent) with more supersectors than not showing growth. Exceptions included Trade, Transportation, and Utilities, which lost 3,486 jobs (1 percent) in December with both trade sectors shedding employment. Trade, Transportation, and Utilities has now lost employment over the year in back-to-back months after seeing no annual job losses since 2010. Educational and Health Services maintained strong over-the-year growth in spite of its monthly losses, adding 13,166 (4.3 percent) from December 2014. Leisure and Hospitality had the fastest annual expansion with its 8,394 additional jobs representing 4.9 percent growth. While that growth was spread among component industries, the lion's share came from the Food Services and Drinking Places subsector which added 6,191 jobs (4.8 percent).

Duluth -Superior MSA

The Duluth-Superior MSA lost 1,075 jobs (0.8 percent) in December. Unsurprisingly, most of that loss came from Mining, Logging, and Construction (down 765 or 8 percent) which contains the highly seasonal construction industry as well as a decent amount of mining, an industry which has been in turmoil lately. Leisure and Hospitality, another industry where employment is often dictated by the weather, lost 274 jobs or 2.1 percent, giving it the second steepest decline for the month. Annually, Duluth added 687 jobs (0.5 percent). Educational and Health Services (up 508 jobs or 1.6 percent) and Government (up 215, 0.8 percent) led the growth. Trade, Transportation, and Utilities had the biggest annual losses, down 328 jobs (1.2 percent) thanks in large part to plummeting employment in Retail Trade which lost 330 jobs (2.1 percent).

Rochester MSA

Employment in the Rochester MSA was down in December as the area lost 720 jobs (0.3 percent) with the usual winter suspects largely responsible for the decline. The monthly performance was enough to push employment into the red on an over-the-year basis as well, with the metro area shedding 318 jobs (0.3 percent) since December 2014 after showing annual growth in November. Professional and Business Services had the steepest drop, losing 345 jobs (5.9 percent) over the year. Government employers also saw some precipitous declines, off 112 jobs (0.9 percent) from December 2014.

St. Cloud MSA

The St. Cloud metropolitan statistical area showed modest growth in December, adding 107 jobs (0.1 percent). It was the only one of the seven Minnesota MSAs to add jobs for the month. Financial Activities employment grew by 277 (5.7 percent), and Educational and Health Services added 179 jobs (0.8 percent), while Mining, Logging, and Construction lost 337 jobs (5.6 percent). In spite of its good December, St. Cloud lost 146 jobs (0.1 percent) over the year. A decline of 456 jobs (2 percent), driven by the loss of 679 jobs (4.9 percent) in Retail Trade, was largely responsible for the annual job losses.

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA was down by 124 jobs (0.2 percent) in December. Private employers lost 100 jobs (0.2 percent) while Government lost 24 (0.3 percent). Service providers added 164 jobs (0.4 percent), but that was erased by the loss of 288 jobs (2.8 percent) from goods producers. Employment remains just barely up over the year in Mankato with the MSA holding on to 76 more jobs (0.1 percent) than it had in December of 2014.

Fargo-Moorhead MSA

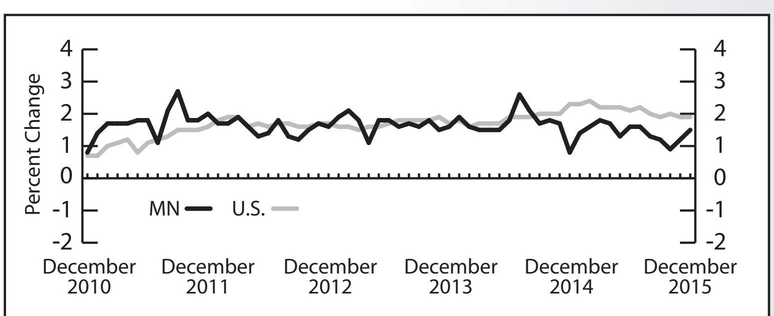
Employment in the Fargo-Moorhead MSA was generally flat in December as the area lost just 15 jobs (0.0 percent) from November estimates. The most notable job losses occurred in Mining, Logging, and Construction (down 848 or 9.3 percent) and Educational and Health Services (down 145, 0.7 percent). Trade, Transportation, and Utilities added 290 jobs (0.9 percent) on the strength of an additional 356 jobs (2.1 percent) in Retail Trade as the holiday shopping season reached its peak. Annually, the area added 1,607 jobs (1.1 percent). Leisure and Hospitality added 856 jobs (5.8 percent) while Government employment grew by 704 (3.7 percent).

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA dipped by 778 jobs (1.3 percent) in December. While Mining, Logging, and Construction had the biggest proportional decline (down 279 or 7.7 percent), the biggest actual job loss came from the Government supersector which dropped 377 jobs (2.6 percent) in December thanks to a sharp decline of 285 (3.8 percent) in State Government employment. Over the year the Grand Forks area added 663 jobs (1.1 percent). Mining, Logging, and Construction employment exploded in 2015, adding 369 jobs (12.5 percent) while Government employment shrank, losing 348 jobs (2.4 percent), thanks again to a decline in State Government employment (down 297, 4 percent).

by Nick Dobbins

Source: Department of Employment and Economic Development, Current Employment Statistics, 2015; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2015.



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 2015	Nov 2015	Dec 2014	Nov 2015	Dec 2014	Dec 2015	Dec 2014	Dec 2015	Dec 2014	Dec 2015	Dec 2014
TOTAL NONFARM WAGE AND SALARY	**2,871.9**	**2,882.7**	**2,829.4**	**-0.4%**	**1.5%**	—	—	—	—	—	—
GOODS-PRODUCING	**420.6**	**431.5**	**419.5**	**-2.5**	**0.3**	—	—	—	—	—	—
Mining and Logging	**5.6**	**6.5**	**6.9**	**-14.3**	**-19.9**	—	—	—	—	—	—
Construction	**100.3**	**110.7**	**97.8**	**-9.4**	**2.5**	—	—	—	—	—	—
Specialty Trade Contractors	64.9	70.4	62.4	-7.9	3.9	$1,173.31	$1,116.29	38.8	37.0	$30.24	$30.17
Manufacturing	**314.8**	**314.3**	**314.7**	**0.2**	**0.0**	**824.88**	**827.93**	**41.1**	**41.5**	**20.07**	**19.95**
Durable Goods	203.0	202.7	201.6	0.1	0.7	823.20	819.27	40.0	42.1	20.58	19.46
Wood Product Manufacturing	44.0	44.0	43.3	-0.1	1.5	—	—	—	—	—	—
Fabricated Metal Production	33.0	32.9	32.7	0.3	0.9	—	—	—	—	—	—
Machinery Manufacturing	46.2	46.0	45.4	0.3	1.8	—	—	—	—	—	—
Computer and Electronic Product	25.5	25.4	25.4	0.5	0.4	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	11.8	11.6	11.8	0.9	-0.6	—	—	—	—	—	—
Transportation Equipment	16.0	16.0	15.6	0.1	2.8	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	111.8	111.6	113.2	0.2	-1.2	829.68	839.11	43.1	40.4	19.25	20.77
Nondurable Goods	45.3	45.1	47.1	0.3	-3.9						
Food Manufacturing	32.1	31.8	32.8	0.8	-2.4	—	—	—	—	—	—
Paper Manufacturing	23.3	23.2	23.8	0.4	-2.1	—	—	—	—	—	—
Printing and Related						—	—	—	—	—	—
SERVICE-PROVIDING	**2,451.3**	**2,451.2**	**2,410.0**	**0.0**	**1.7**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**532.5**	**531.7**	**531.6**	**0.2**	**0.2**	—	—	—	—	—	—
Wholesale Trade	129.4	129.6	132.6	-0.2	-2.4	884.73	973.67	38.5	38.9	22.98	25.03
Retail Trade	302.1	302.1	299.7	0.0	0.8	426.32	406.11	29.2	29.6	14.6	13.72
Motor Vehicle and Parts	34.8	34.7	33.5	0.3	4.1	—	—	—	—	—	—
Building Material and Garden Equipment	25.3	25.5	24.9	-0.8	1.5	—	—	—	—	—	—
Food and Beverage Stores	52.2	51.6	52.4	1.2	-0.3	—	—	—	—	—	—
Gasoline Stations	24.5	24.5	24.0	-0.1	1.9	—	—	—	—	—	—
General Merchandise Stores	66.6	66.7	66.8	-0.2	-0.3	340.50	313.64	30.0	30.9	11.35	10.15
Transportation,Warehouse, Utilities	101.1	100.0	99.4	1.0	1.7	—	—	—	—	—	—
Transportation and Warehousing	87.8	86.7	86.3	1.3	1.7	738.00	647.63	36.0	33.4	20.5	19.39
Information	**52.6**	**52.0**	**53.7**	**1.1**	**-2.1**	**954.72**	**838.24**	**36.0**	**34.2**	**26.52**	**24.51**
Publishing Industries	19.8	19.8	20.4	0.0	-3.0	—	—	—	—	—	—
Telecommunications	13.3	13.3	13.3	-0.4	-0.5	—	—	—	—	—	—
Financial Activities	**183.0**	**181.0**	**178.6**	**1.1**	**2.5**	—	—	—	—	—	—
Finance and Insurance	142.5	141.3	140.1	0.8	1.7	914.03	853.60	35.4	35.2	25.82	24.25
Credit Intermediation	54.5	54.8	55.0	-0.6	-1.0	715.02	690.00	34.0	34.5	21.03	20.00
Securities, Commodity Contracts, and Other	18.6	18.6	18.6	0.5	0.5	—	—	—	—	—	—
Insurance Carriers and Related	67.8	67.2	65.5	0.9	3.5	—	—	—	—	—	—
Real Estate and Rental and Leasing	40.5	39.7	38.5	2.1	5.4	—	—	—	—	—	—
Professional and Business Services	**367.8**	**372.8**	**357.4**	**-1.3**	**2.9**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	147.4	147.2	142.3	0.1	3.6	—	—	—	—	—	—
Legal Services	18.1	18.0	18.2	0.6	-0.1	—	—	—	—	—	—
Accounting, Tax Preparation	17.4	17.0	16.4	2.4	5.8	—	—	—	—	—	—
Computer Systems Design	40.2	39.5	34.7	1.7	15.7	—	—	—	—	—	—
Management of Companies and Enterprises	76.7	76.7	78.1	-0.1	-1.8	—	—	—	—	—	—
Administrative and Support Services	143.8	148.8	137.0	-3.4	5.0	—	—	—	—	—	—
Educational and Health Services	**517.4**	**518.0**	**504.8**	**-0.1**	**2.5**	—	—	—	—	—	—
Educational Services	67.7	71.1	70.2	-4.8	-3.6	—	—	—	—	—	—
Health Care and Social Assistance	449.7	446.9	434.5	0.6	3.5	—	—	—	—	—	—
Ambulatory Health Care	145.2	142.9	139.4	1.6	4.1	1,299.25	1,233.34	36.9	35.4	35.21	34.84
Offices of Physicians	68.9	68.5	66.9	0.5	2.9	—	—	—	—	—	—
Hospitals	108.1	107.6	105.0	0.4	3.0	—	—	—	—	—	—
Nursing and Residential Care Facilities	107.1	107.1	105.9	-0.1	1.1	451.05	436.30	29.1	29.4	15.5	14.84
Social Assistance	89.4	89.2	84.3	0.2	6.0	—	—	—	—	—	—
Leisure and Hospitality	**256.4**	**255.6**	**245.1**	**0.3**	**4.6**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	39.6	38.2	36.3	3.7	9.2	—	—	—	—	—	—
Accommodation and Food Services	216.8	217.4	208.8	-0.3	3.8	—	—	—	—	—	—
Food Services and Drinking Places	193.9	193.6	184.1	0.2	5.3	266.86	252.97	20.8	20.6	12.83	12.28
Other Services	**114.7**	**113.4**	**115.2**	**1.1**	**-0.5**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	62.7	62.1	65.0	1.0	-3.5						
Government	**426.7**	**426.7**	**423.6**	**0.0**	**0.7**						
Federal Government	31.8	31.5	31.4	0.9	1.3						
State Government	101.9	104.5	104.3	-2.5	-2.4						
State Government Education	63.5	66.0	65.7	-3.8	-3.5						
Local Government	293.1	290.7	287.8	0.8	1.8						
Local Government Education	144.4	143.7	143.1	0.5	0.9						

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, 2015.

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 2015	Nov 2015	Dec 2014	Nov 2015	Dec 2014	Dec 2015	Dec 2014	Dec 2015	Dec 2014	Dec 2015	Dec 2014
TOTAL NONFARM WAGE AND SALARY	**1,947.7**	**1,954.0**	**1,913.4**	**-0.3%**	**1.8%**	—	—	—	—	—	—
GOODS-PRODUCING	262.1	269.7	261.1	-2.8	0.4	—	—	—	—	—	—
Mining, Logging, and Construction	**66.5**	**74.4**	**68.1**	**-10.6**	**-2.3**	—	—	—	—	—	—
Construction of Buildings	16.7	17.0	16.1	-2.0	3.6	—	—	—	—	—	—
Specialty Trade Contractors	47.6	50.5	47.0	-5.8	1.2	$1,260.58	$1,215.24	39.1	38.0	$32.24	$31.98
Manufacturing	195.6	195.3	193.0	0.2	1.3	875.68	866.94	41.6	41.6	21.05	20.84
Durable Goods	133.4	133.4	132.3	-0.1	0.8	868.05	842.45	42.2	41.5	20.57	20.30
Fabricated Metal Production	29.9	29.9	29.6	0.0	1.0	—	—	—	—	—	—
Machinery Manufacturing	20.1	20.2	20.0	-0.3	0.5	—	—	—	—	—	—
Computer and Electronic Product	36.9	36.8	36.3	0.3	1.5	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.8	23.6	23.7	0.5	0.2	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.9	14.9	14.3	0.1	4.3	—	—	—	—	—	—
Nondurable Goods	62.2	61.8	60.7	0.6	2.5	892.62	912.59	40.5	41.5	22.04	21.99
Food Manufacturing	14.8	14.8	15.0	0.5	-1.3	—	—	—	—	—	—
Printing and Related	15.4	15.2	15.5	0.8	-0.6	—	—	—	—	—	—
SERVICE-PROVIDING	**1,685.5**	**1,684.2**	**1,652.3**	**0.1**	**2.0**	—	—	—	—	—	—
Trade, Transportation, and Utilities	350.6	349.1	354.1	0.4	-1.0	—	—	—	—	—	—
Wholesale Trade	94.8	94.4	97.8	0.5	-3.0	887.57	948.02	39.1	38.6	22.70	24.56
Merchant Wholesalers - Durable Goods	47.8	47.5	48.1	0.6	-0.6	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	27.5	27.6	27.7	-0.2	-0.5	—	—	—	—	—	—
Retail Trade	186.1	186.1	187.9	0.0	-0.9	463.50	442.90	30.9	31.3	15.00	14.15
Food and Beverage Stores	31.0	30.7	31.3	1.0	-1.0	—	—	—	—	—	—
General Merchandise Stores	42.1	42.6	42.0	-1.0	0.2	354.55	330.89	31.6	32.6	11.22	10.15
Transportation, Warehouse, Utilities	69.6	68.6	68.4	1.5	1.8	—	—	—	—	—	—
Utilities	8.0	8.1	7.8	-0.6	2.1	—	—	—	—	—	—
Transportation and Warehousing	61.6	60.6	60.6	1.8	1.7	774.00	793.12	37.5	39.4	20.64	20.13
Information	**39.5**	**39.2**	**39.8**	**0.9**	**-0.7**						
Publishing Industries	16.2	16.1	16.2	0.4	-0.4	—	—	—	—	—	—
Telecommunications	9.7	9.7	9.7	-0.5	-0.8	—	—	—	—	—	—
Financial Activities	**149.2**	**147.9**	**144.9**	**0.9**	**2.9**	—	—	—	—	—	—
Finance and Insurance	116.4	115.5	113.2	0.8	2.8	918.00	889.73	34.0	33.6	27.00	26.48
Credit Intermediation	39.5	39.8	39.6	-0.6	-0.3	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	17.0	16.8	16.6	1.2	2.5	—	—	—	—	—	—
Insurance Carriers and Related	57.6	57.0	55.4	1.0	3.9	—	—	—	—	—	—
Real Estate and Rental and Leasing	32.8	32.4	31.7	1.2	3.4	—	—	—	—	—	—
Professional and Business Services	**316.2**	**320.1**	**305.9**	**-1.2**	**3.4**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	132.3	132.2	124.6	0.1	6.2	—	—	—	—	—	—
Legal Services	15.4	15.4	15.4	0.4	0.0	—	—	—	—	—	—
Architectural, Engineering, and Related	17.1	17.2	16.6	-0.8	2.7	—	—	—	—	—	—
Computer Systems Design	34.3	34.0	31.9	0.8	7.6	—	—	—	—	—	—
Management of Companies and Enterprises	69.6	69.6	71.1	-0.1	-2.1	—	—	—	—	—	—
Administrative and Support Services	114.3	118.3	110.3	-3.4	3.6	—	—	—	—	—	—
Employment Services	58.0	57.5	54.3	0.9	6.8	—	—	—	—	—	—
Educational and Health Services	**320.2**	**318.2**	**307.0**	**0.6**	**4.3**	—	—	—	—	—	—
Educational Services	43.8	44.8	44.6	-2.2	-1.9	—	—	—	—	—	—
Health Care and Social Assistance	276.4	273.5	262.4	1.1	5.3	—	—	—	—	—	—
Ambulatory Health Care	88.5	86.1	83.6	2.9	5.9	—	—	—	—	—	—
Hospitals	64.5	64.2	61.4	0.5	5.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	59.7	59.8	58.2	-0.1	2.6	—	—	—	—	—	—
Social Assistance	63.7	63.5	59.2	0.4	7.6	—	—	—	—	—	—
Leisure and Hospitality	**179.4**	**179.8**	**171.0**	**-0.2**	**4.9**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	30.5	30.3	27.0	0.6	13.0	—	—	—	—	—	—
Accommodation and Food Services	149.0	149.5	144.1	-0.4	3.4	298.57	273.70	22.1	21.5	13.51	12.73
Food Services and Drinking Places	136.5	136.3	130.3	0.1	4.8	287.50	272.37	21.6	21.0	13.31	12.97
Other Services	**79.6**	**78.8**	**79.9**	**1.1**	**-0.3**	—	—	—	—	—	—
Repair and Maintenance	14.6	14.4	14.5	1.4	0.5	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.8	42.2	43.3	1.4	-1.0	—	—	—	—	—	—
Government	**250.8**	**251.2**	**249.7**	**-0.2**	**0.5**						
Federal Government	20.9	20.7	20.6	1.2	1.8						
State Government	69.8	71.2	70.4	-1.9	-0.9						
State Government Education	43.5	44.8	44.2	-3.0	-1.7						
Local Government	160.1	159.4	158.7	0.5	0.9						
Local Government Education	89.3	88.6	88.9	0.8	0.5						

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, 2015.

Employer Survey

Industry	Duluth-Superior MSA Jobs Dec 2015	Nov 2015	Dec 2014	% Chg. From Nov 2015	Dec 2014	Rochester MSA Jobs Dec 2015	Nov 2015	Dec 2014	% Chg. From Nov 2015	Dec 2014
TOTAL NONFARM WAGE AND SALARY	**135,783**	**136,858**	**135,096**	**-0.8%**	**0.5%**	**115,056**	**115,776**	**115,374**	**-0.6%**	**-0.3%**
GOODS-PRODUCING	**15,945**	**16,798**	**16,026**	**-5.1**	**-0.5**	**14,635**	**15,208**	**14,705**	**-3.8**	**-0.5**
Mining, Logging, and Construction	8,822	9,587	8,898	-8.0	-0.9	3,865	4,377	3,886	-11.7	-0.5
Manufacturing	7,123	7,211	7,128	-1.2	-0.1	10,770	10,831	10,819	-0.6	-0.5
SERVICE-PROVIDING	**119,838**	**120,060**	**119,070**	**-0.2**	**0.6**	**100,421**	**100,568**	**100,669**	**-0.1**	**-0.2**
Trade, Transportation, and Utilities	25,952	25,932	26,280	0.1	-1.2	18,143	18,290	18,150	-0.8	0.0
Wholesale Trade	3,356	3,363	3,377	-0.2	-0.6	2,564	2,567	2,596	-0.1	-1.2
Retail Trade	15,741	15,637	16,071	0.7	-2.1	12,473	12,602	12,475	-1.0	0.0
Transportation, Warehouse, Utilities	6,855	6,932	6,832	-1.1	0.3	3,106	3,121	3,079	-0.5	0.9
Information	1,412	1,381	1,423	2.2	-0.8	2,151	2,150	2,032	0.0	5.9
Financial Activities	5,625	5,571	5,429	1.0	3.6	2,716	2,717	2,787	0.0	-2.5
Professional and Business Services	8,469	8,602	8,374	-1.5	1.1	5,506	5,675	5,851	-3.0	-5.9
Educational and Health Services	32,088	31,938	31,580	0.5	1.6	45,777	45,621	45,604	0.3	0.4
Leisure and Hospitality	12,750	13,024	12,592	-2.1	1.3	9,635	9,724	9,658	-0.9	-0.2
Other Services	6,142	6,075	6,207	1.1	-1.0	3,680	3,647	3,662	0.9	0.5
Government	27,400	27,537	27,185	-0.5	0.8	12,813	12,744	12,925	0.5	-0.9

Employer Survey

Industry	St. Cloud MSA Jobs Dec 2015	Nov 2015	Dec 2014	% Chg. From Nov 2015	Dec 2014	Mankato MSA Jobs Dec 2015	Nov 2015	Dec 2014	% Chg. From Nov 2015	Dec 2014
TOTAL NONFARM WAGE AND SALARY	**107,608**	**107,501**	**107,754**	**0.1%**	**-0.1%**	**56,463**	**56,587**	**56,387**	**-0.2**	**0.1%**
GOODS-PRODUCING	**20,967**	**21,407**	**21,069**	**-2.1**	**-0.5**	**10,116**	**10,404**	**10,093**	**-2.8**	**0.2**
Mining, Logging, and Construction	5,643	5,980	5,705	-5.6	-1.1	--	--	--	--	--
Manufacturing	15,324	15,427	15,364	-0.7	-0.3	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**86,641**	**86,094**	**86,685**	**0.6**	**-0.1**	**46,347**	**46,183**	**46,294**	**0.4**	**0.1**
Trade, Transportation, and Utilities	21,927	21,876	22,383	0.2	-2.0	--	--	--	--	--
Wholesale Trade	4,806	4,840	4,686	-0.7	2.6	--	--	--	--	--
Retail Trade	13,187	13,084	13,866	0.8	-4.9	--	--	--	--	--
Transportation, Warehouse, Utilities	3,934	3,952	3,831	-0.5	2.7	--	--	--	--	--
Information	1,582	1,581	1,598	0.1	-1.0	--	--	--	--	--
Financial Activities	5,114	4,837	4,797	5.7	6.6	--	--	--	--	--
Professional and Business Services	8,232	8,201	8,371	0.4	-1.7	--	--	--	--	--
Educational and Health Services	21,584	21,405	21,415	0.8	0.8	--	--	--	--	--
Leisure and Hospitality	8,572	8,580	8,659	-0.1	-1.0	--	--	--	--	--
Other Services	3,633	3,631	3,649	0.1	-0.4	--	--	--	--	--
Government	15,997	15,983	15,813	0.1	1.2	9,516	9,540	9,023	-0.3	5.5

Employer Survey

Industry	Fargo-Moorhead MSA Jobs Dec 2015	Nov 2015	Dec 2014	% Chg. From Nov 2015	Dec 2014	Grand Forks-East Grand Forks MSA Jobs Dec 2015	Nov 2015	Dec 2014	% Chg. From Nov 2015	Dec 2014
TOTAL NONFARM WAGE AND SALARY	**142,941**	**142,956**	**141,334**	**0.0%**	**1.1%**	**58,933**	**59,711**	**58,270**	**-1.3%**	**1.1%**
GOODS-PRODUCING	**18,451**	**19,249**	**18,704**	**-4.2**	**-1.4**	**7,356**	**7,555**	**6,965**	**-2.6**	**5.6**
Mining, Logging, and Construction	8,241	9,089	8,266	-9.3	-0.3	3,327	3,606	2,958	-7.7	12.5
Manufacturing	10,210	10,160	10,438	0.5	-2.2	4,029	3,949	4,007	2.0	0.6
SERVICE-PROVIDING	**124,490**	**123,707**	**122,630**	**0.6**	**1.5**	**51,577**	**52,156**	**51,305**	**-1.1**	**0.5**
Trade, Transportation, and Utilities	31,457	31,167	31,974	0.9	-1.6	13,813	13,818	13,338	0.0	3.6
Wholesale Trade	9,243	9,282	9,279	-0.4	-0.4	1,942	1,969	1,994	-1.4	-2.6
Retail Trade	17,117	16,761	17,476	2.1	-2.1	9,522	9,490	9,089	0.3	4.8
Transportation, Warehouse, Utilities	5,097	5,124	5,219	-0.5	-2.3	2,349	2,359	2,255	-0.4	4.2
Information	3,234	3,197	3,309	1.2	-2.3	611	614	613	-0.5	-0.3
Financial Activities	10,946	10,870	10,643	0.7	2.9	1,795	1,777	1,774	1.0	1.2
Professional and Business Services	16,533	16,352	16,061	1.1	2.9	3,007	3,042	3,147	-1.2	-4.5
Educational and Health Services	21,683	21,828	21,656	-0.7	0.1	9,590	9,684	9,497	-1.0	1.0
Leisure and Hospitality	15,580	15,369	14,724	1.4	5.8	6,311	6,412	6,186	-1.6	2.0
Other Services	5,383	5,388	5,293	-0.1	1.7	2,185	2,167	2,137	0.8	2.3
Government	19,674	19,536	18,970	0.7	3.7	14,265	14,642	14,613	-2.6	-2.4

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2015.

Minnesota Economic Indicators

Highlights

The **Minnesota Index** rose 0.2 percent for the fourth consecutive month in December boosted by another solid month of wage and salary employment, a jump in average weekly manufacturing hours, and the fourth straight month with a decline in the unemployment rate. December's 3.5 percent seasonally adjusted unemployment rate is the lowest in over 14 years. The U.S. index advanced 0.3 percent.

The Minnesota Index, which is a proxy for economic growth in Minnesota, increased 2.8 percent on an annual average basis last year. This growth rate will likely be revised upwards when wage and employment numbers are revised upwards in March. The index, which has increased between 3.1 and 3.3 percent during the previous five years, expanded 3.1 percent in 2014. The U.S. index increased 3.5 percent last year for the second year in a row. Annual average gains by Minnesota's index exceeded U.S. gains between 2011 and 2013 but have lagged U.S. gains over the last two years.

Adjusted **Wage and Salary Employment** surged for the second straight month in December with 9,100 jobs added. December's elevated gain followed 9,200 jobs created in November. December's payroll expansion was split between the private and public sectors with private payrolls up 4,800 and government payrolls up 4,300. Only three sectors cut payrolls with Professional and Business Services, Leisure and Hospitality, and Trade, Transportation, and Utilities accounting for most of the cutbacks. Job growth was strong in Leisure and Hospitality, Educational and Health Services, Financial Activities, Manufacturing, and Construction.

Local government accounted for almost all of the jobs added in the public sector.

Minnesota's unadjusted over-the-year job growth ticked up to 1.5 percent in December compared to 1.9 percent nationally. Minnesota's annual average job growth last year was 1.4 percent compared to 2.1 for the nation. Minnesota's job growth has now lagged behind the national rate by a wide margin for two consecutive years. The last two-year period in which Minnesota job growth fell behind U.S. job growth as much as over the last two years was in 1982-83. Minnesota has added 213,000 jobs on an annual average basis between 2010 and 2015. That is an 8.1 percent expansion compared to 9.0 percent for the U.S. Initial work indicates that Minnesota's recent job growth will be revised upwards when employment numbers are benchmarked in March, decreasing the disparity between state and national job growth over the last few years.

Minnesota's adjusted online **Help-Wanted Ads** retreated from November's record high to 138,500 in December. Labor demand, as indicated by online job advertising, remains strong in Minnesota. Online postings averaged 134,900 monthly last year, an 11.1 percent increase from the 2014 monthly average. Nationwide online job postings were up 6.7 percent in 2015 compared to Minnesota's 11.1 percent increase, suggesting that Minnesota's slower job growth last year was in part from Minnesota employers having a harder time filling job vacancies caused by the state's tighter job market.

Minnesota's **Purchasing Managers' Index (PMI)** dipped for the fourth time over the last five months, decreasing to 39.4 in December, its lowest reading since March 2009. Slow global growth combined with a strong dollar has cut into Minnesota manufacturing exports. After setting an annual average record-high in 2014 of 64.4, the index slipped to 51.2 for 2015. The average annual reading over the 21-year series is 53.7.

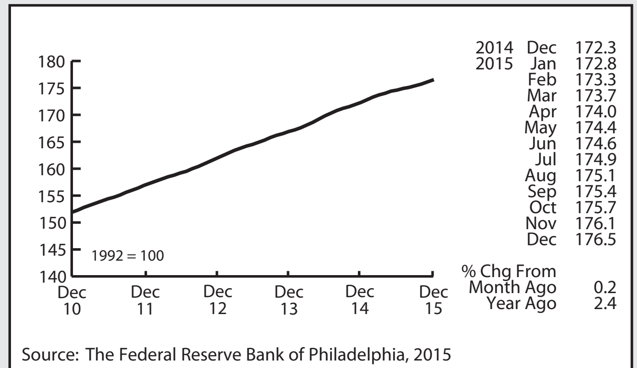
Adjusted **Manufacturing Hours**, however, are on the rebound having moved upwards over the last two months. December's 40.7 hours factory workweek is the longest since August and may be hinting at an uptick in manufacturing activity. Average weekly **Manufacturing Earnings** zigzagged down in December, tailing off to $817.39. That is the lowest factory paycheck since April and 0.8 percent lower than a year ago after accounting for inflation.

The **Minnesota Leading Index** fell slightly in December but remains healthy at 1.53. That reading predicts that Minnesota's economy will expand by 1.5 percent over the next six months.

Adjusted **Residential Building Permits** unexpectedly crashed in December, plunging by 47.2 percent to 908. The decline was especially surprising given the warm weather in December. Despite the drop off in December, building permits reached 20,475 last year, a 24 percent increases from 2014.

Adjusted **Initial Claims for Unemployment Benefits (UB)** inched down in December to 20,094. Initial claims averaged 18,743 a month in 2015, down 4.3 percent from 2014 monthly average. Last year was the lowest year for initial claims since 2000.

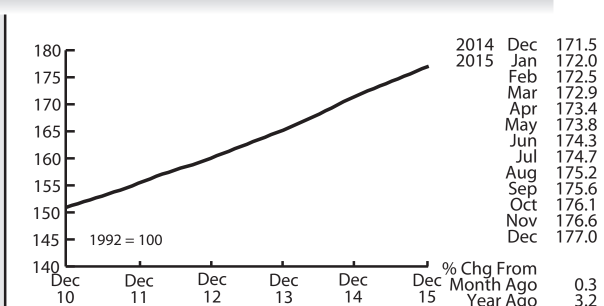
by Dave Senf



Source: The Federal Reserve Bank of Philadelphia, 2015

Minnesota Index

United States Index

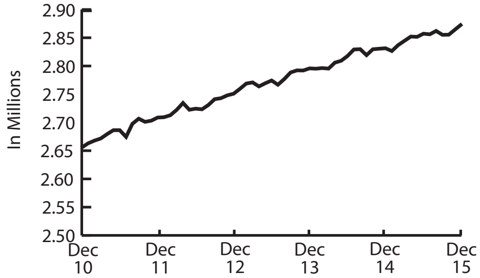


Source: The Federal Reserve Bank of Philadelphia, 2015

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



seasonally adjusted

2015	Jul	2.8561
	Aug	2.8621
	Sep	2.8552
	Oct	2.8554
	Nov	2.8646
	Dec	2.8737

% Chg From Month Ago 0.3

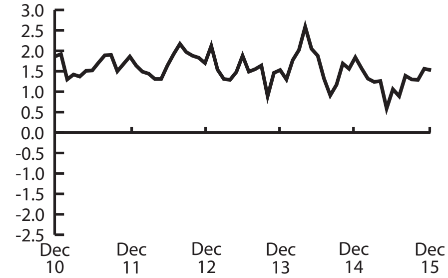
unadjusted

2014	Dec	2.8294
2015	Dec	2.8719

% Chg From Year Ago 1.5

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Minnesota Leading Index

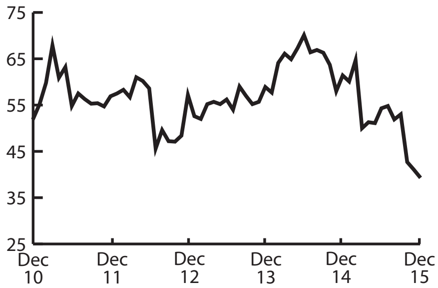


2014	Dec	1.84
2015	Jan	1.57
	Feb	1.32
	Mar	1.24
	Apr	1.26
	May	0.59
	Jun	1.06
	Jul	0.89
	Aug	1.39
	Sep	1.30
	Oct	1.29
	Nov	1.56
	Dec	1.53

% Chg From Month Ago -1.9
Year Ago -16.8

Source: The Federal Reserve Bank of Philadelphia, 2015

Purchasing Managers' Index

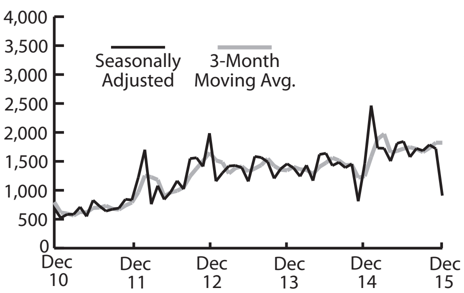


2014	Dec	61.4
2015	Jan	60.1
	Feb	64.7
	Mar	50.0
	Apr	51.3
	May	51.1
	Jun	54.3
	Jul	54.8
	Aug	51.9
	Sep	53.0
	Oct	42.7
	Nov	41.1
	Dec	39.4

% Chg From Month Ago -4.1
Year Ago -35.8

Source: Creighton University, Mid-America Survey of Business Conditions, 2015

Residential Building Permits



seasonally adjusted

2015	Jul	1,576
	Aug	1,722
	Sep	1,685
	Oct	1,786
	Nov	1,719
	Dec	908

% Chg From Month Ago -47.2

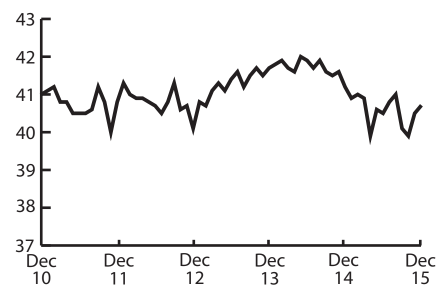
unadjusted

2014	Dec	1,302
2015	Dec	781

% Chg From Year Ago -40.0

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2015

Average Weekly Manufacturing Hours



seasonally adjusted

2015	Jul	40.8
	Aug	41.0
	Sep	40.1
	Oct	39.9
	Nov	40.5
	Dec	40.7

% Chg From Month Ago 0.6

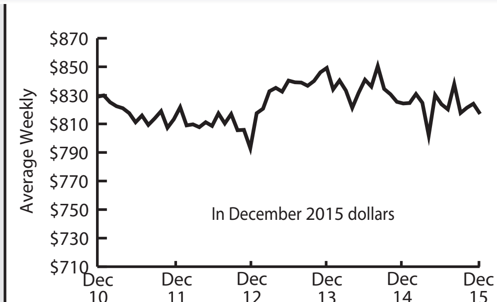
unadjusted

2014	Dec	41.5
2015	Dec	41.1

% Chg From Year Ago -1.0%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Manufacturing Earnings



seasonally adjusted

2015	Jul	820.19
	Aug	837.92
	Sep	817.66
	Oct	821.34
	Nov	824.11
	Dec	817.39

% Chg From Month Ago -0.8

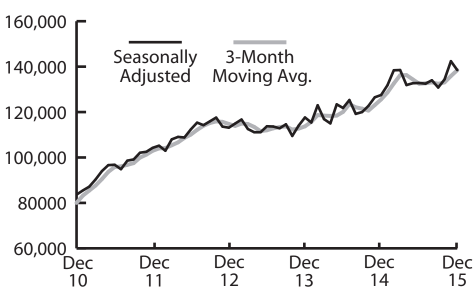
unadjusted

2014	Dec	832.70
2015	Dec	824.88

% Chg From Year Ago -0.9%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Online Help-Wanted Advertising

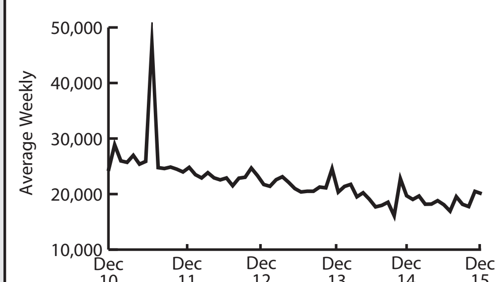


2014	Dec	127,500
2015	Jan	131,800
	Feb	138,400
	Mar	138,500
	Apr	131,900
	May	132,700
	Jun	132,800
	Jul	132,500
	Aug	134,000
	Sep	130,800
	Oct	134,400
	Nov	142,400
	Dec	138,500

% Chg From Month Ago -2.7
Year Ago 8.6

Source: The Conference Board Inc., 2015

Initial UB Claimants



seasonally adjusted

2015	Jul	16,932
	Aug	19,532
	Sep	18,159
	Oct	17,750
	Nov	20,490
	Dec	20,094

% Chg From Month Ago -1.9

unadjusted

2014	Dec	34,206
2015	Dec	34,783

% Chg From Year Ago 1.7%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2015

Minnesota Employment Review

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1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351
651.259.7400 (voice)
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651.296.3900 (TTY)
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DEED.lmi@state.mn.us
Internet :
mn.gov/deed/lmi

Labor Market Information Help Line:
651.259.7384

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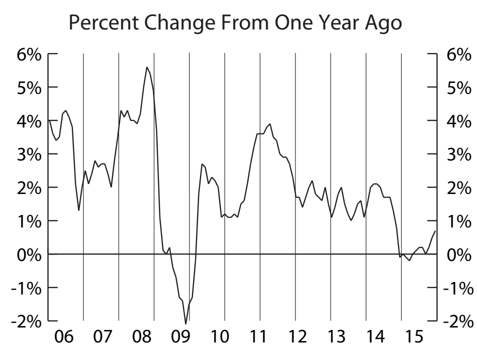
U.S. Consumer Price Index for All Urban Consumers (CPI-U)



The Consumer Price Index for All Urban Consumers (CPI-U) declined 0.1 percent in December on a seasonally adjusted basis the U.S. Bureau of Labor Statistics reported. The indices for energy and food both declined for the second month in a row, leading to the decline in the seasonally adjusted all items index.

The all items index rose 0.7 percent over the last 12 months, compared to the 0.5 percent 12 month increase for the period ending November. The food index rose 0.8 percent over the last 12 months, though the index for food at home declined. The energy index fell 12.6 percent, with all its major components decreasing. The index for all items less food and energy increased 2.1 percent over the last 12 months.

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?

Want to Work in NE Minnesota? Don't Miss This Free Event

Set your smartphone for Tuesday, April 5, for the 7th Annual Northland Job Fair. The job fair will be held at the Duluth Entertainment Convention Center, Pioneer Hall, 350 Harbor Drive in Duluth.

Employers from northern Minnesota and northwest Wisconsin will have exhibits and information about job openings. Job seekers can network with employers, visit with resume and job search experts, and learn about local education opportunities.

The event is open to all job seekers from 10 a.m. to 3 p.m.

For more information, contact Rhonda Rutford at 218-302-8406.

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Minnesota
Department of Employment and Economic Development

Diversity gains momentum in Greater Minnesota

Regional Diversity

From the rocky shores of Lake Superior in Northeast Minnesota to the wind-swept prairies of Southwest Minnesota, our state has diverse geographic regions. The workforce in Minnesota's regions is also becoming more diverse over time. Over the past 20 years every region in the state saw an increase in the number of jobs held by minorities, with faster increases occurring in southern Minnesota and slower change happening in northern counties (see Table 1).

The Twin Cities is still the most diverse region in the state with nearly one in five jobs held by minorities in 2014. Southeast Minnesota has the next most diverse workforce, followed by Southwest. The largest minority group of jobholders in both southern and central Minnesota were of Hispanic or Latino origin, while American Indians were the largest minority group working in northern Minnesota (see Table 2).

Table 1

Percentage of Jobs Held by Minorities by Region, 1995-2014

	2014	Change from 1995-2014
Minnesota	**14.2%**	**+6.8%**
Twin Cities	18.0%	+8.5%
Southeast	9.8%	+5.4%
Southwest	9.4%	+5.1%
Northwest	8.4%	+3.8%
Central	7.0%	+3.7%
Northeast	6.8%	+2.9%

Source: U.S. Census Bureau, LEHD, Quarterly Workforce Indicators (QWI)

Table 2

Percentage of Jobs Held By Workers by Race or Origin, 2014

Race or Origin Category		Twin Cities	Central	Northeast	Northwest	Southeast	Southwest
Race Groups	All Races	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	White Alone	85.2%	95.4%	94.2%	93.5%	93.3%	94.8%
	Black or African American	7.1%	1.7%	1.3%	1.2%	2.6%	2.2%
	American Indian or Alaska Native	0.7%	0.8%	2.2%	3.1%	0.4%	0.6%
	Asian or Other Pacific Islander	5.5%	1.2%	1.0%	1.0%	2.7%	1.6%
	Two or More Race Groups	1.6%	0.9%	1.3%	1.2%	0.9%	0.8%
	Hispanic or Latino Origin	4.2%	3.0%	1.7%	3.0%	3.7%	4.9%

Source: U.S. Census Bureau, LEHD, Quarterly Workforce Indicators (QWI) program

CENTRAL MINNESOTA

Central Minnesota was the fastest growing region of the state over the past two decades, adding almost 65,000 net new jobs overall, a 32.2 percent increase. However, Central Minnesota is still one of the least diverse regions in the state, with more than 95 percent of the jobs held by workers identifying themselves as White Alone, despite a doubling in the minority workforce since 1995.

Workers of Hispanic or Latino origin comprised the largest minority group, holding 3.0 percent of total jobs after nearly tripling in number from 1995 to 2014. The count of jobs held by Black or African Americans increased over 400 percent in the past two decades, the fastest increase in the state, and every other racial group in the region at least doubled over the last 20 years (see Table 3).

More recently, QWI data shows that employers in Central Minnesota have relied heavily on workers of different races during the recovery, with the number of jobs taken by Black or African Americans or people of Two or More Races increasing three times as fast as the number of jobs taken by Whites from 2010 to 2014 (see Table 3).

In spite of the rapid gains, Central Minnesota has remained relatively non-diverse, with every industry having over 90 percent of jobs filled by Whites. As the three largest employing industries in the region, Manufacturing, Health Care and Social Assistance, and Retail Trade also had the largest numbers of minority workers, employing almost half of the minorities in Central Minnesota. Manufacturing was the largest employing industry for Hispanic or Latinos, while almost 17 percent of the jobs in Agriculture, Forestry, Fishing, and Hunting were held by Hispanic or Latino workers, making it one of the most diverse industries in the region.

In contrast, with over 98 percent of their workforces reporting White Alone as their race, the least diverse industries in the region were Mining and Utilities. However, they were also the smallest employing industries, and both saw employment declines from 1995 to 2014, making them the only industries to see a decrease in the number of jobs held by minority workers over the past 20 years.

Table 3

Central Minnesota Workforce Demographics

	2014 Number of Jobs	2014 Percent of Jobs	1995-2014 Change	2010-2014 Change
All Races	**261,218**	**100.0%**	**+32.2%**	**+12.6%**
White Alone	249,221	95.4%	+28.9%	+11.9%
Black or African American	4,568	1.7%	+400.3%	+37.3%
American Indian or Alaska Native	2,028	0.8%	+102.8%	+15.9%
Asian or Other Pacific Islander	3,159	1.3%	+106.6%	+20.8%
Two or More Race Groups	2,243	0.9%	+170.6%	+37.9%
Hispanic or Latino	7,886	3.0%	+172.1%	+16.2%

Source: Quarterly Workforce Indicators (QWI)

Table 4

Northeast Minnesota Workforce Demographics

	2014 Number of Jobs	2014 Percent of Jobs	1995-2014 Change	2010-2014 Change
All Races	**149,817**	**100.0%**	**+22.6%**	**+8.5%**
White Alone	141,112	94.2%	+19.4%	+8.0%
Black or African American	1,920	1.3%	+231.0%	+21.2%
American Indian or Alaska Native	3,345	2.2%	+73.5%	+11.2%
Asian or Other Pacific Islander	1,460	1.0%	+123.2%	+17.6%
Two or More Race Groups	1,982	1.3%	+111.5%	+24.2%
Hispanic or Latino	2,521	1.7%	+121.3%	+21.8%

Source: Quarterly Workforce Indicators (QWI)

NORTHEAST MINNESOTA

Northeast Minnesota had the least workforce diversity in the state, with less than 7 percent of jobs held by minorities in 2014. Northeast also saw the smallest increase in jobs held by minorities of the six regions in the state, although the region still saw a significant increase across all races and origins over the past 20 years (see Table 4).

The largest race group is American Indian and Alaska Natives, holding just over 2 percent of total jobs in the region. As in other regions, American Indians in Northeast Minnesota are most likely to be employed in Public Administration, Health Care and Social Assistance, Arts, Entertainment, and Recreation, and Accommodation and Food Services, with many of those jobs tied to casinos and tribal government. American Indians were the largest but slowest growing race group of workers over time – whereas the number of jobs held by Black or African Americans tripled from 1995 to 2014 and more than doubled for all other race and origin groups, including rapid gains in the past five years.

Notable because Northeast Minnesota is home to three-fourths of the state's employment in Mining, it is the least diverse industry in the region. Minorities held less than 2 percent of the 5,300 mining jobs in the region in 2014, even though that was a 63 percent increase from 2010.

Asian or Other Pacific Islanders held the smallest number of jobs in Northeast Minnesota, but were most highly concentrated in the Professional and Technical Services industry, as well as Accommodation and Food Services, Transportation and Warehousing, and Health Care and Social Assistance.

Table 5

Northwest Minnesota Workforce Demographics

	2014 Number of Jobs	2014 Percent of Jobs	1995-2014 Change	2010-2014 Change
All Races	**222,740**	**100.0%**	**+25.0%**	**+8.4%**
White Alone	208,331	93.5%	+21.4%	+7.3%
Black or African American	2,657	1.2%	+325.1%	+64.4%
American Indian or Alaska Native	6,841	3.1%	+90.1%	+21.3%
Asian or Other Pacific Islander	2,246	1.1%	+100.4%	+12.2%
Two or More Race Groups	2,665	1.2%	+123.9%	+28.8%
Hispanic or Latino	6,704	3.0%	+129.2%	+27.0%

Source: Quarterly Workforce Indicators (QWI)

Table 6

Southeast Minnesota Workforce Demographics

	2014 Number of Jobs	2014 Percent of Jobs	1995-2014 Change	2010-2014 Change
All Races	**239,339**	**100.0%**	**+17.3%**	**+5.7%**
White Alone	223,392	93.3%	+13.1%	+4.9%
Black or African American	6,334	2.6%	+292.4%	+35.5%
American Indian or Alaska Native	961	0.4%	+49.0%	+13.9%
Asian or Other Pacific Islander	6,485	2.9%	+97.7%	+4.3%
Two or More Race Groups	2,168	0.9%	+126.5%	+22.9%
Hispanic or Latino	8,940	3.7%	+189.3%	-0.7%

Source: Quarterly Workforce Indicators (QWI)

NORTHWEST MINNESOTA

Over 3 percent of the jobs in Northwest Minnesota were held by American Indian or Alaska Natives, making it the largest minority group in the region, just ahead of workers of Hispanic or Latino origin. Just over 1 percent of jobs were held by workers from Two or More Races, Black or African Americans, and Asian or Other Pacific Islanders, respectively.

Northwest Minnesota showed the second fastest regional job growth in the state from 1995 to 2014, adding nearly 45,000 jobs. While over 80 percent of those were filled by White workers, the region also benefited from a rapid increase in diversity, with the fastest growth experienced by Black or African American workers (see Table 5).

With more than 25 percent of the jobs held by American Indians and only 67.5 percent of the jobs held by Whites, the Arts, Entertainment, and Recreation industry was the most diverse in Northwest Minnesota, followed by Public Administration, tied to the region's tribal governments and casinos.

The fastest growing industry in Northwest Minnesota was Administrative Support and Waste Management, which more than doubled in size from 1995 to 2014. This included rapid increases in the number of jobs held by minorities. The second fastest growing industry in the region was Wholesale Trade, which added over 5,000 jobs from 1995 to 2014, a 74 percent increase. However, 97 percent of the jobs are held by Whites, with Hispanic workers the largest minority group despite holding just 200 of the 12,000 jobs in the industry in 2014.

SOUTHEAST MINNESOTA

Southeast Minnesota's workforce also became much more diverse over the past two decades. After nearly tripling since 1995, almost 9,000 jobs in the region were held by workers of Hispanic or Latino origin, while the number of jobs held by Asian residents doubled to nearly 6,500, and the number of jobs held by Black or African American workers nearly tripled from 1995 to 2014 (see Table 6).

However, the number of jobs held by Hispanic or Latino workers declined slightly during the recovery in Southeast Minnesota, the only region to see a decline in jobs held by any minority group between 2010 and 2014. Southeast also had the smallest number of jobs held by American Indian or Alaska Natives of the six regions in the state.

Anchored by the Rochester metropolitan area, the largest industry in the region was Health Care and Social Assistance, which provided almost 60,000 jobs in 2014. About 55,000 of those jobs were filled by workers who were White, but another 2,200 jobs were held by Asian or Other Pacific Islanders, and just under 1,700 were filled by Black or African American workers.

The most diverse industries in the region were in Agriculture with over 12 percent of workers reporting Hispanic or Latino origin, Administrative Support and Waste Management Services, with over 15 percent of workers not white, and Accommodation and Food Services with over 4 percent of jobs held by Black or African American workers, Asian or Other Pacific Islanders, and Hispanic or Latino jobholders, respectively.

SOUTHWEST MINNESOTA

Although it had the second smallest number of jobs of the six regions in the state, Southwest Minnesota had the largest number of jobs held by Hispanic or Latino workers in Greater Minnesota, comprising nearly 5 percent of total employment in 2014 (see Table 7). Hispanic or Latino workers in the region were most likely to be found in Manufacturing, holding 13 percent of jobs in that industry after nearly doubling since 1995. Health Care and Social Assistance also picked up many new Hispanic or Latino workers over the past 20 years, as did Retail Trade, Accommodation and Food Services, and Agriculture.

The number of jobs held by Black or African American workers increased fastest in Southwest Minnesota from 1995 to 2014, most notably in Health Care and Social Assistance, which jumped from 70 jobs in 1995 to 1,318 jobs in 2014. Black workers also gained a foothold in Manufacturing, but comprised less than half a percent of jobs in Mining, Utilities, Public Administration, and Finance and Insurance.

Over one-third of the jobs held by Asian or Other Pacific Islanders in Southwest Minnesota were in Manufacturing, with another 40 percent spread across Health Care and Social Assistance, Retail Trade, and Accommodation and Food Services.

Despite the increasing diversity of students enrolled in schools in the region, the Educational Services industry remained non-diverse, with over 97 percent of jobs held by Whites. While the region's schools and colleges saw huge percentage leaps in jobs held by other races over the last two decades, the workforce still doesn't match the diversity of the students.

Relying on Diversity

Data clearly show that employers are relying more and more on a more diverse labor force across the state. If the next 20 years bring as much change as the last 20 years, every industry in every region will be greatly affected. Different industries have taken different approaches in different regions, but the entire state has seen the same positive result – a more diverse workforce.

by Cameron Macht
Regional Analysis and Outreach Manager
Department of Employment and Econmic Development

Table 7
Southwest Minnesota Workforce Demographics

	2014 Number of Jobs	2014 Percent of Jobs	1995-2014 Change	2010-2014 Change
All Races	**185,113**	**100.0%**	**+13.2%**	**+5.3%**
White Alone	175,503	94.8%	+9.9%	+4.7%
Black or African American	4,019	2.2%	+296.7%	+25.5%
American Indian or Alaska Native	1,131	0.6%	+112.2%	+16.4%
Asian or Other Pacific Islander	2,970	1.7%	+67.6%	+7.1%
Two or More Race Groups	1,491	0.8%	+145.6%	+26.4%
Hispanic or Latino	9,080	4.9%	+151.1%	+15.4%

Source: Quarterly Workforce Indicators (QWI)

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