EMPLOYMENT AND ECONOMIC DEVELOPMENT

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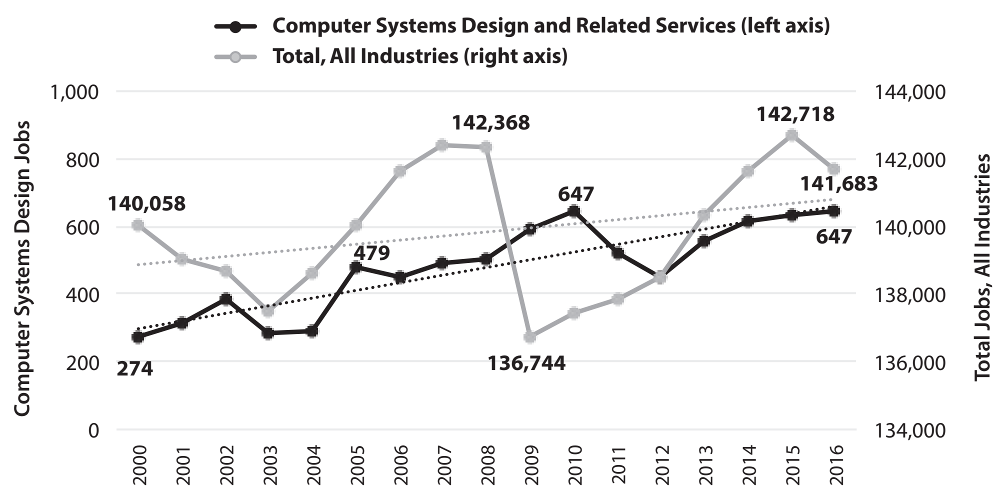
I.T. Takes a Village

Back in 1999 the University of Minnesota, Duluth (UMD), and Lake Superior College committed to becoming two of the first tenants in a new technology center situated in downtown Duluth. The plan for the Soft Center and Duluth Technology Village was to create a campus that joined computer software entrepreneurs and businesses, local colleges and universities, and well-trained students, all with a goal of creating hundreds of high-paying jobs in Duluth.[1]

However, an article in the Duluth News-Tribune recapped how the Soft Center's "completion coincided with the crash of the technology industry in the late 1990s," significantly altering the launch and success of the campus and changing the type of companies that currently occupy the space.[2] But while the Technology Village didn't attract software and information technology (I.T.) companies as quickly or easily as planned, it's important to note that Northeast Minnesota and the city of Duluth have still seen a huge increase in employment at Computer Systems Design and Services firms since 2000.

According to the most recent data from DEED's Quarterly Census of Employment & Wages (QCEW) program, Northeast Minnesota is now home to 42 Computer Systems Design and Related Services establishments providing about 650 jobs and more than $43 million in annual payroll. That is up from just 274 jobs back in 2000, a whopping 136 percent increase. In comparison, total regional employment expanded just 1.2 percent since 2000, meaning that computer systems design accounted for 23 percent of job growth in the region over the past decade and a half (see Figure 1).

Figure 1. Northeast Minnesota Industry Employment Trends, 2000-2016



Source: DEED Quarterly Census of Employment and Wages

[1]Reitan, Cheryl. "An Uncommon Vision: Duluth Technology Village/Soft Center." BRIDGE, the UMD Magazine, Volume 16, Number 1, Winter 1999. Retrieved from: http://www.d.umn.edu/publications/bridge/Winter99/cover.html#vision

[2]Renalls, Candace. "Duluth Tech Village nearly full as efforts by A&L's 'man on a mission' pay off." Duluth News-Tribune, May 21, 2012. Retrieved from: http://www.duluthnewstribune.com/content/duluth-tech-village-nearly-full-efforts-als-man-mission-pay

Features:

A Long-Term Look at Minnesota's Job Growth, 1956 - 2017

County Snapshots: *Chisago, Clay, Clearwater, Cook*

In this issue:

Regional Spotlight NORTHEAST MINNESOTA

Technology Village

With 538 jobs at 19 firms, about 83 percent of the region's Computer Systems Design jobs are located in the city of Duluth, with another 9 percent found in other parts of St. Louis County and the other 8 percent spread through the rest of the seven-county Arrowhead region. At that level, Duluth has the 12th largest number of Computer Systems Design and Related Services jobs in the state, and the largest number for any city outside the Twin Cities metro area. Duluth has nearly 150 more jobs in this subsector than Rochester, 225 more jobs than in St. Cloud, and nearly four times as many jobs as Mankato (see Table 1).

While Computer Systems Design and Related Services employment in Duluth doubled from 2000 to 2016, the faster growth actually happened in the rest of the region, where employment increased over 600 percent since 2000. Duluth had 94.5 percent of total jobs at the turn of the century, but rapid growth also occurred in Carlton, Itasca, and the rest of St. Louis County to bring the region up to speed.

Information Technology

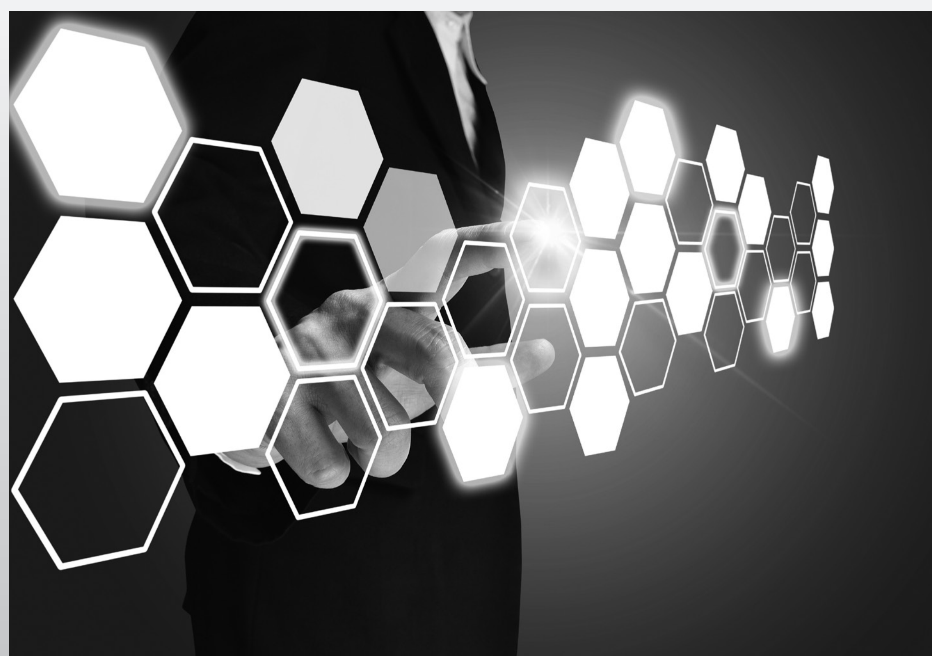
At a technical level the Computer Systems Design and Related Services industry comprises "establishments primarily engaged in providing expertise in the field of information technologies through one or more of the following activities: (1) writing, modifying, testing, and supporting software to meet the needs of a particular customer; (2) planning and designing computer systems that integrate computer hardware, software, and communication technologies; (3) on-site management and operation of clients' computer systems and/or data processing facilities; and (4) other professional and technical computer related advice and services."[3]

As such, workers in this sector have very specialized skills and knowledge and must continually learn new technologies to keep pace. Many of the largest occupations in demand in Computer Systems Design and Related Services require Bachelor's degrees, and almost all require at least some college experience or vocational training.

Table 1. Employment in Computer Systems Design and Related Services by City in Minnesota, 2016

City, County	Number of Firms	Number of Jobs	Total Industry Payroll
Minneapolis, Hennepin	322	9,350	$1,004,935,552
Bloomington, Hennepin	134	3,414	$390,563,283
Edina, Hennepin	91	1,966	$217,461,692
Eden Prairie, Hennepin	104	1,914	$194,789,244
Saint Paul, Ramsey	121	1,802	$178,522,767
Minnetonka, Hennepin	73	1,331	$143,257,819
St. Louis Park, Hennepin	60	1,160	$115,169,244
Eagan, Dakota	83	1,089	$108,205,893
Roseville, Ramsey	38	1,043	$127,059,250
Plymouth, Hennepin	99	866	$91,704,648
Blaine, largely Anoka	24	713	$68,600,718
Duluth, St. Louis	19	538	$37,531,141
Brooklyn Park, Hennepin	27	438	$49,054,962
Rochester, Olmsted	45	391	$35,122,978
Golden Valley, Hennepin	37	385	$35,740,270
Burnsville, Dakota	44	360	$29,043,071
St. Cloud, largely Stearns	14	311	$28,272,318
Woodbury, Washington	42	212	$18,419,021
Maple Grove, Hennepin	66	157	$11,527,006
Mankato, largely Blue Earth	13	144	$11,587,941

Source: DEED Quarterly Census of Employment & Wages



[3]United States Census Bureau. North American Industry Classification System. Retrieved from: https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=54151&search=2012%20NAICS%20Search

This higher education has led to higher wages. QCEW data show that average annual wages in 2016 were $66,612 at Computer Systems Design and Related Services firms, compared to $41,704 across all industries in Northeast Minnesota. Wages in the I.T. sector increased 62 percent since 2000, the equivalent of a $25,500 raise.

All but two of the computer-related occupations that required a Bachelor's degree paid more than $30 an hour in the region, while jobs that required an Associate's degree also paid well over $20 an hour at the median. The highest wages were being paid to computer and information systems managers, who had a median hourly wage of $46.27 in the region in the first quarter of 2017 – producing an annual wage of more than $95,000. Even the non-computer-related occupations found in the industry, such as sales representatives, general and operations managers, and customer service representatives, were paid relatively high wages for the region (see Table 2).

Future Growth

The future looks even brighter for the industry with Northeast Minnesota expected to see a nearly 60 percent increase in employment in the sector over the next decade. DEED's Employment Outlook tool projects that the region will surpass 1,000 Computer Systems Design and Related Services jobs by 2024, adding 400 net new jobs in the 10-year span. At that rate, Computer Systems Design would account for one in every eight new jobs created in the region (see Table 3).

But in addition to the Computer Systems Design and Related Services sector, the information technology field is much larger, with many companies in every industry employing workers who provide these types of skills and services. For example, the Finance and Insurance, Management of Companies, Information, Manufacturing, and Health Care and Social Assistance industries also hire many of these same workers. This extra demand leads to even larger increases for many of the computer-related occupations in the region.

These occupations will also have hundreds of replacement openings, which are a count of existing jobs that become available because the current jobholder retires, leaves the occupation to start doing something else entirely, or leaves the geographic region. The number of replacement openings is projected nearly to match the number of new jobs created, with the most total openings expected for software developers, computer systems analysts, and computer user support specialists (see Table 4).

I.T.'s a Man's World

While these jobs should be in high demand from the high growth and high wages, it is interesting to see that they are primarily filled by males. Data from DEED's Quarterly Workforce Indicators (QWI) program show that 63 percent of jobs in the Computer Systems Design industry are held by men, and just 37 percent of the workforce is female. However, the share of women workers is increasing over time, rising from 32.6 percent in 2000 and increasing nearly 10 percent since the low in 2006 (see Figure 2).

Table 2. Wage and Employment Estimates for Occupations in Demand in Computer Systems Design, Northeast Minnesota, 2017

Occupational Title	Estimated Regional Employment	Median Hourly Wage	Typical Education Needed
Software Developers, Applications	220	$35.24	Bachelor's degree
Computer Systems Analysts	180	$34.61	Bachelor's degree
Computer Programmers	130	$33.59	Bachelor's degree
Computer User Support Specialists	420	$22.93	Associate's degree
Computer and Information Systems Managers	130	$46.27	Bachelor's degree
Network and Computer Systems Administrators	230	$33.90	Bachelor's degree
Web Developers	90	$23.12	Bachelor's degree
Computer Network Support Specialists	90	$27.98	Associate's degree
Computer Network Architects	70	$30.58	Bachelor's degree
Database Administrators	60	$37.60	Bachelor's degree
Operations Research Analysts	40	$28.34	Bachelor's degree
Information Security Analysts	10	$37.83	Bachelor's degree
Sales Representatives, Services, All Other	500	$21.89	High school diploma
General and Operations Managers	2,080	$33.84	Bachelor's degree
Customer Service Representatives	1,910	$14.29	High school diploma
Total, All Occupations	**141,910**	**$17.25**	

Source: DEED Occupational Employment Statistics (OES) program, Qtr. 1 2017

Table 3. Northeast Minnesota Industry Employment Projections, 2014-2024

Industry	Estimated Employment 2014	Projected Employment 2024	Percent Change 2014-2024	Numeric Change 2014-2024
Total, All Occupations	159,860	163,078	2.0%	3,218
Computer Systems Design and Related Services	679	1,079	58.9%	400

Source: DEED Employment Outlook

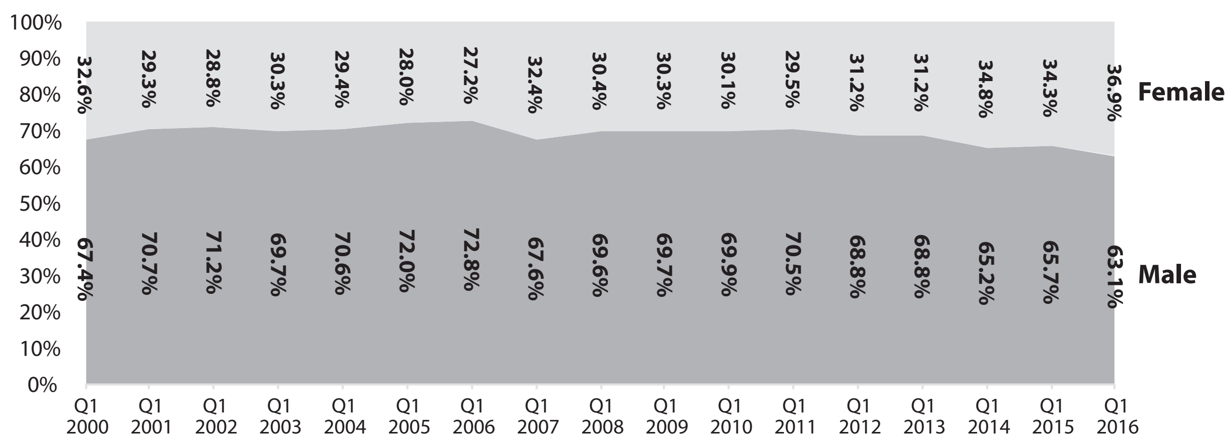
Table 4. Northeast Minnesota Computer-related Occupational Projections, 2014-2024

SOC Code	Occupation	Estimated Employment 2014	Projected Employment 2024	Percent Change 2014-2024	Numeric Change 2014-2024	Replacement Openings * 2014-2024	** Total Openings 2014-2024
0	Total, All Occupations	159,860	163,078	2.0%	3,218	38,200	44,660
150000	Computer and Mathematical Occupations	2,392	2,762	15.4%	370	340	710
151121	Computer Systems Analysts	254	334	31.4%	80	30	110
151122	Information Security Analysts	24	25	4.1%	1		
151131	Computer Programmers	139	137	-1.4%	-2	30	30
151132	Software Developers, Applications	355	496	39.7%	141	50	190
151133	Software Developers, Systems Software	121	150	23.9%	29	10	40
151134	Web Developers	127	144	13.3%	17	10	30
151141	Database Administrators	83	91	9.6%	8	10	20
151142	Network and Computer Sys. Administrators	280	283	.0%	3	30	30
151143	Computer Network Architects	168	167	-0.5%	-1	20	20
151151	Computer User Support Specialists	487	528	8.4%	41	60	100
151152	Computer Network Support Specialists	93	108	16.1%	15	10	20
151199	Computer Occupations, All Other	210	223	6.1%	13	20	+40

** **Replacement Openings:** Net replacement openings is an estimate of the need for new work force entrants to replace workers who leave an occupation. It estimates the net movement of:*
1) experienced workers who leave an occupation and start working in another occupation, stop working altogether, or leave the geographic area, minus
2) experienced workers who move into such an opening. It thus does not represent the total number of jobs to be filled because of the need to replace workers.
*** **Total Openings**: Total job openings represent the sum of employment increases and net replacements. If employment change is negative, job openings caused by growth are zero and total job openings equals net replacements.*

Source: DEED Employment Outlook

Figure 2. Northeast Minnesota Computer Systems Design Industry Workforce Demographics by Gender, 2000-2016



Source: DEED Quarterly Workforce Indicators (QWI) program

by Cameron Macht

Regional Spotlight NORTHEAST MINNESOTA

New Driver's License Dataset

DEED's capacity to communicate detailed labor market data has recently been greatly enhanced by an inter-agency collaboration with the Minnesota Department of Public Safety. The agreement grants DEED access to age and gender data which we can link to the administrative records of Minnesota's Unemployment Insurance Program. The outcome is a brand new and unique dataset spanning a 13 year time frame (2003-2015), with quarterly data on demographic, regional, and labor force variables. This new dataset will enable the LMI office to bring to stakeholders demographic labor market data that previously had only limited availability. The use of this dataset will follow strict codes of confidentiality of information. Only averages will be calculated and published.

New tool from LMI - Quarterly Employment Demographics (QED)

Taking advantage of the new dataset, the LMI office is working energetically towards launching a new data tool - Quarterly Employment Demographics (QED). To be unveiled in the coming months, the QED is being designed as a four step guided process that will allow users to customize, extract, and view quarterly employment demographics for Minnesota.

What the QED data tool will provide: The QED data tool will display percent job distribution, median hourly wage, and median hours per quarter. This information will be summarized by quarter and annual total, and users can choose how they want to see the data presented by selecting from a range of possible combinations of four variables – region, year, demographic group (age or gender), and industry.

As an example, if the selections made in the four steps are Minnesota (region), 2015 (year), male and female (demographic-gender), and Educational and Health services (industry), then the following information will be displayed:

Table 1. Example of QED data tool display

Education and Health Services				
Year/Qtr	Median hourly wage ($)		Median hours per quarter	
	Male	Female	Male	Female
2015: Q1	$19.91	17.61	444	384
Q2	20.00	17.84	414	372
Q3	19.81	17.91	379	322
Q4	20.25	17.98	440	390

The new dataset will reveal important historical trends in industry, geographical and employment patterns, wage trends, and labor market churn. Quarterly analysis at the new more granular level will be possible, and this has the significant advantage of revealing underlying seasonal patterns of the labor market not previously available.

by Sanjukta Chaudhuri

Labor Force Estimates

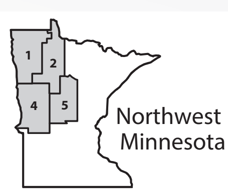
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Jun 2017	May 2017	Jun 2016	Jun 2017	May 2017	Jun 2016	Jun 2017	May 2017	Jun 2016	Jun 2017	May 2017	Jun 2016
United States ('000s)												
(Seasonally adjusted)	161,337	159,979	160,135	154,086	153,407	151,990	7,250	6,572	8,144	4.5%	4.1%	5.1%
(Unadjusted)	160,145	159,784	158,880	153,168	152,923	151,097	6,977	6,861	7,783	4.4	4.3	4.9
Minnesota												
(Seasonally adjusted)	3,068,871	3,026,785	3,020,836	2,956,437	2,924,739	2,901,320	112,434	102,046	119,516	3.7	3.4	4.0
(Unadjusted)	3,037,349	3,030,584	2,994,337	2,925,606	2,917,786	2,878,284	111,743	112,798	116,053	3.7	3.7	3.9
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,999,708	1,968,828	1,950,951	1,929,212	1,905,987	1,878,012	70,496	62,841	72,939	3.5	3.2	3.7
Duluth-Superior MSA	144,170	141,881	142,206	137,190	135,447	133,916	6,980	6,434	8,290	4.8	4.5	5.8
Rochester MSA	121,657	119,261	120,490	117,858	115,826	116,554	3,799	3,435	3,936	3.1	2.9	3.3
St. Cloud MSA	110,887	110,652	109,262	106,881	106,968	105,015	4,006	3,684	4,247	3.6	3.3	3.9
Mankato-N Mankato MSA	59,384	59,760	58,783	57,431	58,050	56,746	1,953	1,710	2,037	3.3	2.9	3.5
Fargo-Moorhead MSA	139,496	139,038	137,587	136,261	136,381	134,338	3,235	2,657	3,249	2.3	1.9	2.4
Grand Forks MSA	57,141	56,419	56,243	55,388	55,103	54,513	1,753	1,316	1,730	3.1	2.3	3.1
Region One	**47,607**	**47,325**	**48,234**	**45,449**	**45,379**	**45,920**	**2,158**	**1,946**	**2,314**	**4.5**	**4.1**	**4.8**
Kittson	2,361	2,336	2,435	2,261	2,268	2,318	100	68	117	4.2	2.9	4.8
Marshall	5,522	5,499	5,657	5,239	5,212	5,336	283	287	321	5.1	5.2	5.7
Norman	3,423	3,429	3,451	3,253	3,282	3,278	170	147	173	5.0	4.3	5.0
Pennington	9,020	8,977	9,047	8,673	8,609	8,676	347	368	371	3.8	4.1	4.1
Polk	16,949	16,785	17,075	16,128	16,120	16,249	821	665	826	4.8	4.0	4.8
Red Lake	2,289	2,295	2,319	2,187	2,186	2,193	102	109	126	4.5	4.7	5.4
Roseau	8,043	8,004	8,250	7,708	7,702	7,870	335	302	380	4.2	3.8	4.6
Region Two	**43,447**	**43,047**	**43,272**	**41,286**	**40,995**	**40,796**	**2,161**	**2,052**	**2,476**	**5.0**	**4.8**	**5.7**
Beltrami	23,770	23,738	23,497	22,616	22,679	22,231	1,154	1,059	1,266	4.9	4.5	5.4
Clearwater	4,614	4,618	4,665	4,314	4,292	4,294	300	326	371	6.5	7.1	8.0
Hubbard	10,252	9,911	10,288	9,789	9,467	9,703	463	444	585	4.5	4.5	5.7
Lake of the Woods	2,438	2,367	2,460	2,324	2,250	2,353	114	117	107	4.7	4.9	4.3
Mahnomen	2,373	2,413	2,362	2,243	2,307	2,215	130	106	147	5.5	4.4	6.2
Region Three	**163,689**	**160,834**	**163,404**	**155,236**	**152,627**	**153,346**	**8,453**	**8,207**	**10,058**	**5.2**	**5.1**	**6.2**
Aitkin	7,120	7,039	7,111	6,754	6,655	6,690	366	384	421	5.1	5.5	5.9
Carlton	17,560	17,362	17,339	16,771	16,572	16,431	789	790	908	4.5	4.6	5.2
Cook	3,206	2,968	3,287	3,119	2,861	3,168	87	107	119	2.7	3.6	3.6
Itasca	21,726	21,250	22,522	20,231	19,782	20,675	1,495	1,468	1,847	6.9	6.9	8.2
Koochiching	6,214	6,065	6,335	5,762	5,590	5,812	452	475	523	7.3	7.8	8.3
Lake	5,461	5,218	5,573	5,252	5,007	5,311	209	211	262	3.8	4.0	4.7
St. Louis	102,402	100,932	101,237	97,347	96,160	95,259	5,055	4,772	5,978	4.9	4.7	5.9
City of Duluth	45,908	45,194	45,139	44,002	43,466	43,058	1,906	1,728	2,081	4.2	3.8	4.6
Balance of St. Louis County	56,494	55,738	56,098	53,345	52,694	52,201	3,149	3,044	3,897	5.6	5.5	6.9
Region Four	**127,607**	**126,255**	**127,368**	**123,330**	**122,338**	**122,714**	**4,277**	**3,917**	**4,654**	**3.4**	**3.1**	**3.7**
Becker	18,407	18,137	18,618	17,719	17,509	17,824	688	628	794	3.7	3.5	4.3
Clay	35,807	35,784	35,354	34,566	34,694	34,068	1,241	1,090	1,286	3.5	3.0	3.6
Douglas	20,568	20,159	20,519	19,959	19,577	19,875	609	582	644	3.0	2.9	3.1
Grant	3,282	3,270	3,280	3,162	3,156	3,152	120	114	128	3.7	3.5	3.9
Otter Tail	32,116	31,598	32,067	31,011	30,542	30,841	1,105	1,056	1,226	3.4	3.3	3.8
Pope	6,352	6,288	6,354	6,173	6,125	6,152	179	163	202	2.8	2.6	3.2
Stevens	5,576	5,543	5,670	5,417	5,404	5,481	159	139	189	2.9	2.5	3.3
Traverse	1,806	1,796	1,816	1,757	1,753	1,761	49	43	55	2.7	2.4	3.0
Wilkin	3,693	3,680	3,690	3,566	3,578	3,560	127	102	130	3.4	2.8	3.5
Region Five	**84,859**	**83,164**	**84,915**	**81,507**	**79,928**	**80,983**	**3,352**	**3,236**	**3,932**	**4.0**	**3.9**	**4.6**
Cass	15,294	14,633	15,106	14,616	13,962	14,271	678	671	835	4.4	4.6	5.5
Crow Wing	32,883	31,960	32,965	31,665	30,794	31,542	1,218	1,166	1,423	3.7	3.6	4.3
Morrison	17,683	17,614	17,764	16,942	16,888	16,959	741	726	805	4.2	4.1	4.5
Todd	12,878	12,868	12,815	12,439	12,452	12,287	439	416	528	3.4	3.2	4.1
Wadena	6,121	6,089	6,265	5,845	5,832	5,924	276	257	341	4.5	4.2	5.4
Region Six East	**65,265**	**64,529**	**65,674**	**62,797**	**62,265**	**62,846**	**2,468**	**2,264**	**2,828**	**3.8**	**3.5**	**4.3**
Kandiyohi	24,372	24,116	24,379	23,597	23,380	23,520	775	736	859	3.2	3.1	3.5
McLeod	19,425	19,054	19,896	18,679	18,363	18,978	746	691	918	3.8	3.6	4.6
Meeker	13,211	13,071	13,255	12,691	12,624	12,701	520	447	554	3.9	3.4	4.2
Renville	8,257	8,288	8,144	7,830	7,898	7,647	427	390	497	5.2	4.7	6.1

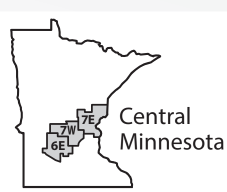
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

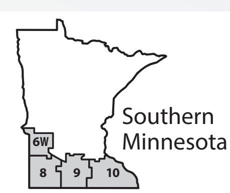
Labor Force Estimates

Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2017.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Jun 2017	May 2017	Jun 2016	Jun 2017	May 2017	Jun 2016	Jun 2017	May 2017	Jun 2016	Jun 2017	May 2017	Jun 2016
Region Six West	**23,861**	**23,623**	**24,156**	**22,974**	**22,829**	**23,156**	**887**	**794**	**1,000**	**3.7%**	**3.4%**	**4.1%**
Big Stone	2,737	2,712	2,799	2,640	2,621	2,682	97	91	117	3.5	3.4	4.2
Chippewa	7,009	6,937	7,048	6,736	6,687	6,760	273	250	288	3.9	3.6	4.1
Lac Qui Parle	3,612	3,593	3,697	3,496	3,480	3,546	116	113	151	3.2	3.1	4.1
Swift	5,089	5,009	5,115	4,897	4,838	4,878	192	171	237	3.8	3.4	4.6
Yellow Medicine	5,414	5,372	5,497	5,205	5,203	5,290	209	169	207	3.9	3.1	3.8
Region Seven East	**86,977**	**86,062**	**85,416**	**83,332**	**82,516**	**81,506**	**3,645**	**3,546**	**3,910**	**4.2**	**4.1**	**4.6**
Chisago	29,542	29,138	28,929	28,413	28,084	27,720	1,129	1,054	1,209	3.8	3.6	4.2
Isanti	20,793	20,518	20,332	19,949	19,728	19,446	844	790	886	4.1	3.9	4.4
Kanabec	8,985	8,888	8,907	8,578	8,459	8,453	407	429	454	4.5	4.8	5.1
Mille Lacs	12,813	12,672	12,579	12,243	12,110	11,951	570	562	628	4.4	4.4	5.0
Pine	14,844	14,846	14,669	14,149	14,135	13,936	695	711	733	4.7	4.8	5.0
Region Seven West	**236,019**	**233,976**	**231,479**	**227,467**	**226,201**	**222,567**	**8,552**	**7,775**	**8,912**	**3.6**	**3.3**	**3.9**
Benton	21,735	21,695	21,416	20,911	20,912	20,539	824	783	877	3.8	3.6	4.1
Sherburne	50,975	50,226	49,741	49,045	48,501	47,775	1,930	1,725	1,966	3.8	3.4	4.0
Stearns	89,152	88,957	87,846	85,970	86,056	84,476	3,182	2,901	3,370	3.6	3.3	3.8
Wright	74,157	73,098	72,476	71,541	70,732	69,777	2,616	2,366	2,699	3.5	3.2	3.7
Region Eight	**64,803**	**64,687**	**66,194**	**62,614**	**62,682**	**63,447**	**2,189**	**2,005**	**2,747**	**3.4**	**3.1**	**4.1**
Cottonwood	5,231	5,238	5,693	4,969	5,011	5,254	262	227	439	5.0	4.3	7.7
Jackson	5,993	5,893	6,280	5,791	5,699	5,876	202	194	404	3.4	3.3	6.4
Lincoln	3,305	3,339	3,362	3,218	3,248	3,257	87	91	105	2.6	2.7	3.1
Lyon	15,090	15,186	15,239	14,585	14,725	14,715	505	461	524	3.3	3.0	3.4
Murray	4,854	4,857	5,007	4,692	4,686	4,830	162	171	177	3.3	3.5	3.5
Nobles	11,094	11,185	11,199	10,731	10,858	10,739	363	327	460	3.3	2.9	4.1
Pipestone	4,883	4,822	5,053	4,724	4,682	4,879	159	140	174	3.3	2.9	3.4
Redwood	8,465	8,322	8,432	8,148	8,045	8,107	317	277	325	3.7	3.3	3.9
Rock	5,888	5,845	5,929	5,756	5,728	5,790	132	117	139	2.2	2.0	2.3
Region Nine	**132,178**	**131,718**	**132,082**	**127,486**	**127,448**	**126,895**	**4,692**	**4,270**	**5,187**	**3.5**	**3.2**	**3.9**
Blue Earth	39,225	39,466	38,805	37,867	38,279	37,392	1,358	1,187	1,413	3.5	3.0	3.6
Brown	14,880	14,696	15,192	14,345	14,185	14,585	535	511	607	3.6	3.5	4.0
Faribault	7,273	7,102	7,475	6,976	6,817	7,159	297	285	316	4.1	4.0	4.2
Le Sueur	15,770	15,622	15,483	15,175	15,032	14,846	595	590	637	3.8	3.8	4.1
Martin	10,435	10,343	10,676	10,050	10,005	10,144	385	338	532	3.7	3.3	5.0
Nicollet	20,159	20,294	19,978	19,564	19,771	19,354	595	523	624	3.0	2.6	3.1
Sibley	8,510	8,471	8,455	8,225	8,208	8,117	285	263	338	3.3	3.1	4.0
Waseca	9,399	9,252	9,543	9,029	8,923	9,135	370	329	408	3.9	3.6	4.3
Watonwan	6,527	6,472	6,475	6,255	6,228	6,163	272	244	312	4.2	3.8	4.8
Region Ten	**283,302**	**280,058**	**281,013**	**273,794**	**271,675**	**270,971**	**9,508**	**8,383**	**10,042**	**3.4**	**3.0**	**3.6**
Dodge	11,650	11,429	11,564	11,238	11,075	11,143	412	354	421	3.5	3.1	3.6
Fillmore	11,418	11,265	11,431	11,048	10,927	11,005	370	338	426	3.2	3.0	3.7
Freeborn	16,325	16,121	16,371	15,717	15,604	15,713	608	517	658	3.7	3.2	4.0
Goodhue	26,820	26,669	26,818	25,885	25,843	25,769	935	826	1,049	3.5	3.1	3.9
Houston	10,448	10,459	10,370	10,098	10,137	10,011	350	322	359	3.3	3.1	3.5
Mower	20,719	20,518	20,656	20,084	19,945	19,994	635	573	662	3.1	2.8	3.2
Olmsted	86,489	84,642	85,431	83,887	82,283	82,777	2,602	2,359	2,654	3.0	2.8	3.1
City of Rochester	37,172	36,704	36,268	35,881	35,614	34,900	1,291	1,090	1,368	3.5	3.0	3.8
Rice	21,150	21,016	21,033	20,355	20,347	20,233	795	669	800	3.8	3.2	3.8
Steele	12,100	11,925	12,064	11,685	11,541	11,629	415	384	435	3.4	3.2	3.6
Wabasha	29,011	29,310	29,007	27,916	28,359	27,797	1,095	951	1,210	3.8	3.2	4.2
Winona	63,428	62,093	62,691	61,570	60,393	60,756	1,858	1,700	1,935	2.9	2.7	3.1
Region Eleven	**1,709,261**	**1,683,051**	**1,667,631**	**1,649,167**	**1,629,537**	**1,606,172**	**60,094**	**53,514**	**61,459**	**3.5**	**3.2**	**3.7**
Anoka	196,342	193,389	191,645	189,191	186,994	184,214	7,151	6,395	7,431	3.6	3.3	3.9
Carver	56,919	56,140	55,657	55,093	54,493	53,738	1,826	1,647	1,919	3.2	2.9	3.4
Dakota	240,375	236,755	234,571	232,253	229,562	226,109	8,122	7,193	8,462	3.4	3.0	3.6
Hennepin	701,837	690,822	684,381	677,162	668,836	659,589	24,675	21,986	24,792	3.5	3.2	3.6
City of Bloomington	47,847	47,126	46,704	46,139	45,572	44,942	1,708	1,554	1,762	3.6	3.3	3.8
City of Minneapolis	240,263	236,408	234,157	231,361	228,516	225,357	8,902	7,892	8,800	3.7	3.3	3.8
Ramsey	289,809	285,213	282,849	278,938	275,591	271,673	10,871	9,622	11,176	3.8	3.4	4.0
City of St. Paul	158,986	156,406	155,263	152,818	150,984	148,837	6,168	5,422	6,426	3.9	3.5	4.1
Scott	81,945	80,729	79,891	79,271	78,350	77,197	2,674	2,379	2,694	3.3	2.9	3.4
Washington	142,034	140,003	138,637	137,259	135,711	133,652	4,775	4,292	4,985	3.4	3.1	3.6







Industrial Analysis

Overview

Minnesota added 4,400 jobs (0.1 percent) in June on a seasonally adjusted basis. Additionally, May's estimate was revised upward from a loss of 7,200 jobs to a loss of just 2,900. Goods producers accounted for 2,900 of the new June jobs (an increase of 0.6 percent) while service providers added 1,500 (an increase of 0.1 percent), with all of that growth coming from public sector service providers. Annually Minnesota added 77,478 jobs (2.6 percent). This represented a sizeable jump in the over-the-year growth rate for the state, as it hadn't topped 2 percent since early 2013 and sat at just 1.8 percent in May. Goods producers added 12,920 jobs (2.8 percent) on the year after showing annual growth of just 1.6 percent in May. Service providers added 64,558 jobs (2.6 percent) on the year, a notable improvement over the 1.8 percent growth rate it posted in the previous month. Some of this annual growth may be attributable to timing as the comparison month, June of 2016, showed relatively weak growth.

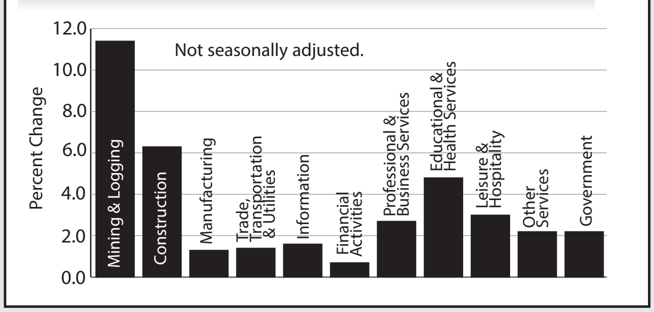
Mining and Logging

The Mining and Logging supersector lost 100 jobs (1.4 percent) in June, giving back the previous month's gains. After a strong start to 2017, the supersector has lost jobs in two of the past three months although in both cases, the decline was small. Over the year Mining and Logging added 728 jobs (11.4 percent). Given the trends of the previous years in the supersector, this level of annual growth is likely to continue through July before dropping off in August.

Construction

Employment in the Construction industry was up by 900 jobs (0.7 percent) in June. While the growth was slight, it represents a return to growth following May's seasonally adjusted loss of 2,200 jobs. Annually the Construction supersector added 8,022 jobs (6.3 percent). As has been the case of late, Specialty Trade Contractors drove the growth, adding 7,970 jobs (9.9 percent) on the year, with the component Building Equipment Contractors contributing nearly half of those jobs (up 2,612 or 14.1 percent). The Building Construction sector continued to struggle, posting its 13th straight month of over-the-year job losses (down 506 or 1.9 percent).

MN Employment Growth
June 2016 to June 2017



Source: Department of Employment and Economic Development, Current Employment Statistics, 2017.

Manufacturing

Manufacturers in Minnesota added 2,100 jobs (0.7 percent) following the loss of 600 jobs in May. June's growth was split between Durable (up 1,700 or 0.8 percent) and Non-Durable Goods Manufacturing (up 400 or 0.3 percent). Annually Manufacturers in Minnesota added 4,170 jobs (1.3 percent). Durable Goods added 1,077 (0.5 percent), and Non-Durable Goods added 3,093 (2.6 percent). While Non-Durable Goods still contributes the bulk of the supersector's annual growth, its counterpart may be showing improvement lately. June marked the first month in which Durable Goods had annual growth since March of 2016, and, on a seasonally adjusted basis, the sector gained employment in every month since January.

Trade, Transportation, and Utilities

Trade, Transportation, and Utilities lost 700 jobs (0.1 percent) in June. However, May's estimate was revised from a loss of 1,900 to a gain of 600, which interrupted what otherwise would have been four consecutive months of negative growth. In June the supersector's losses came entirely from Wholesale Trade, which was off by 2,400 (1.8 percent), while the other two component sectors (Retail Trade and Transportation, Warehousing, and Utilities) showed smaller additions. Annually the supersector added 7,293 jobs (1.4 percent). Retail Trade added 5,807 (up 1.9 percent), and Transportation, Warehousing, and Utilities added 2,114 (2.1 percent), while Wholesale Trade shed 628 jobs (0.5 percent).

Information

Information employment was off by 600 (1.2 percent) in June. This follows a strong March in which the supersector added 1,100 jobs, with two months of static employment between. Annually the supersector added 798 jobs (1.6 percent), although that growth continues to exist solely in non-published component sectors.

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

Financial Activities

The Financial Activities supersector lost 1,300 jobs (0.7 percent) in June. Finance and Insurance lost 1,000 jobs (0.7 percent) while Real Estate and Rental and Leasing lost 300 (0.9 percent). Financial Activities employment has now declined in each of the past three months and in five of the six months so far in 2017. Annually, however, the supersector's employment remained in the black, up 1,250 (0.7 percent) from June of 2016. Finance and Insurance was up 2,546 (1.8 percent), while Real Estate and Rental and Leasing lost 1,296 (3.7 percent).

Professional and Business Services

Professional and Business Services added 2,300 jobs (0.6 percent) in June, which is equal to the number of jobs the supersector lost in May. June's gains came primarily from Professional, Scientific, and Technical Services (up 2,000 or 1.3 percent), but Management of Companies and Enterprises also added jobs (up 600, 0.7 percent). Administrative and Support and Waste Management and Remediation Services, the other component, lost 300 jobs (0.2 percent). Annually the supersector added 10,225 jobs (2.7 percent). All three component sectors added jobs over the year with Professional, Scientific, and Technical Services moving back into the black after having lost jobs over the 12 months that began in May 2016.

Educational and Health Services

Educational and Health Services employment was down by 2,700 jobs (0.5 percent) in June. Educational Services lost 4,100 jobs (5.7 percent), while Health Care and Social Assistance added 1,400 (0.3 percent). Given that the decline came via the education component in early summer, it is possible that some or all of the change was caused by seasonal variations. Over the year the supersector added 24,790 jobs (4.8 percent). Health Care and Social Assistance added 22,542 jobs (5 percent), making up the majority of both the supersector's growth and its total employment, while Educational Services added 2,248 jobs (3.6 percent).

Leisure and Hospitality

Leisure and Hospitality added 4,500 jobs (1.7 percent) in June. Accommodation and Food Services brought the bulk of that, adding 4,000 jobs (1.8 percent), while Arts, Entertainment, and Recreation added 500 (1.2 percent). Annually the supersector added 8,429 jobs (3 percent). Arts, Entertainment, and Recreation added 2,465 (5.1 percent), while Accommodation and Food Services added 5,964 (2.6 percent).

Other Services

Other Services lost 1,500 jobs (1.2 percent) in June. Annually the supersector added 2,558 jobs (2.2 percent), with growth in all three component sectors.

Government

Government employment was up by 1,500 jobs (0.4 percent) in June. Federal employment was flat, but State and Local government both added jobs. Annually public sector employers added 9,215 jobs (2.2 percent). State government led the way with 4,887 new jobs, a 5.3 percent change over June of 2016.

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	June 2017	May 2017	April 2017
Total Nonagricultural	**2,947.2**	**2,942.8**	**2,945.7**
Goods-Producing	**450.4**	**447.5**	**450.2**
Mining and Logging	6.9	7.0	6.9
Construction	122.9	122.0	124.2
Manufacturing	320.6	318.5	319.1
Service-Providing	**2,496.8**	**2,495.3**	**2,495.5**
Trade, Transportation, and Utilities	536.6	537.3	536.7
Information	50.6	51.2	51.3
Financial Activities	175.9	177.2	177.6
Professional and Business Services	378.8	376.5	378.8
Educational and Health Services	538.8	541.5	539.5
Leisure and Hospitality	270.3	265.8	265.6
Other Services	119.3	120.8	118.4
Government	426.5	425.0	427.6

Source: Department of Employment and Economic Development Current Employment Statistics, 2017.

Monthly analysis is based on ***unadjusted*** employment data.

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

Employment in the Minneapolis-St. Paul MSA increased by 1.1 percent (22,590) in June, lagging slightly behind the statewide pace. May's monthly growth was also revised upward, from 1.2 to 1.6 percent. The metro area has now seen greater than 1 percent monthly growth in each of the last three months. While large over-the-month growth is common in April and May, June growth of 1 percent is quite rare, last happening in 2006. The monthly growth was driven in part by larger than usual increase in Leisure and Hospitality employment (up 8,242 or 4.4 percent). On an annual basis the metro area added 64,425 jobs (3.3 percent). This was the highest over-the-year growth rate the area had seen since the late 1990s. Every supersector added jobs on an annual basis, led by Educational and Health Services (up 18,876 or 5.9 percent) and Professional and Business Services (up 12,153 or 3.8 percent). Leisure and Hospitality, which showed a 0.8 percent decline in preliminary May estimates, had that figure revised up to an increase of 1.1 percent in May's final estimates, then added another 2.7 percent (5.172 jobs) in June's preliminary estimates. This represents an encouraging change in the supersector, which had previously shown over-the-year job losses in seven consecutive months dating back to October of 2016.

Duluth -Superior MSA

The Duluth-Superior MSA added 1,643 jobs (1.2 percent) in July. The primary growth engines in May were once again driving gains in June, as Leisure and Hospitality added 1,101 jobs (7.8 percent), and Mining, Logging, and Construction added 873 (9.1 percent). Two supersectors lost employment, as Government employers shed 1,043 jobs (3.8 percent) and Trade, Transportation, and Utilities lost 26 (0.1 percent). Annually Duluth added 3,774 jobs (2.8 percent). This represented a big jump from May's 0.9 percent over-the-year growth. Only one supersector, the perennially struggling Information (down 59 jobs or 4.1 percent), saw negative growth on the year. Growth was led by Mining, Logging, and Construction (up 1,447 jobs or 16 percent) and Educational and Health Services (up 1,102, 3.6 percent). The Financial Activities supersector also had notable growth, adding 245 jobs or 4.2 percent.

Rochester MSA

Employment in the Rochester MSA was up by 2,423 (2 percent) in June. Both Manufacturing and Leisure and Hospitality had monthly growth of 4.2 percent (440 and 444 jobs, respectively), tying them for the fastest monthly rate in the area. Trade, Transportation, and Utilities, off by 181 jobs (1 percent), was the only supersector to lose jobs. This was the first time the MSA showed over-the-year growth of 2 percent or more since June of 2012. Annually Rochester added 2,325 jobs (1.9 percent), as the over-the-year growth rate continued to tick up. Educational and Health Services, as usual, added the most jobs (up 1,810 or 3.8 percent) while the largest proportional change came in Mining, Logging, and Construction (up 5.6 percent or 273 jobs).

St. Cloud MSA

Employment in the St. Cloud MSA was largely flat in June as the MSA added just 52 jobs (0.0 percent). The calm surface hid large changes at the supersector level, however. Government employers lost 703 jobs (4.5 percent), and Educational and Health Services lost 949 (4.2 percent), while a range of supersectors showed counterbalancing gains, including Mining, Logging, and Construction which added 600 jobs (8.2 percent). Annually St. Cloud added 2,840 jobs (2.6 percent). Mining, Logging, and Construction added 863 jobs (12.2 percent), while Educational and Health Services added 1,089 (5.3 percent). Information and Financial Activities and Transportation, Warehousing, and Utilities were the only supersectors to shed jobs on the year.

Mankato-North Mankato MSA

The Mankato-North Mankato MSA lost 610 jobs (1.1 percent) in June. It was one of only two MSAs in the state (along with Fargo-Moorhead) to lose jobs over the month. Private sector employment was mostly flat, but Government employers lost 671 jobs (6.3 percent). Over the year Mankato added 1,142 jobs (2 percent). Goods producers added 406 jobs (4.1 percent) and service providers added 736 (1.6 percent).

Fargo-Moorhead MSA

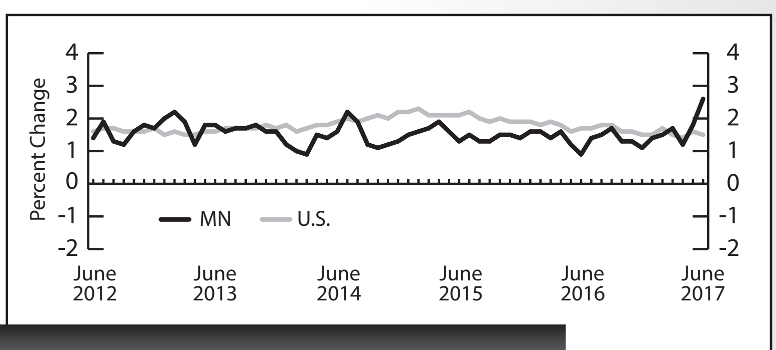
The Fargo-Moorhead MSA lost 472 jobs (0.3 percent) in June. It was one of only two MSAs in the state (along with Mankato) to lose jobs over the month. The decline was largely driven by Government employers, which shed 1,147 jobs (5.9 percent), all from the State and Local levels. Annually Fargo-Moorhead added 3,178 jobs (2.3 percent). Educational and Health Services added 1,139 jobs (5.2 percent), and Manufacturing added 565 (5.9 percent).

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA added 279 jobs (0.5 percent) in June. Government employers lost jobs, contracting by 212 (1.5 percent), but that loss was more than made up in the private sector, which added 491 jobs (1.2 percent) on the strength of the addition of 288 jobs (8.5 percent) in Mining, Logging, and Constructions. Manufacturing also added 196 jobs (4.7 percent). Annually the area added 180 jobs (0.3 percent). While this represents the slowest over-the-year growth rate of any MSA in the state, it is an improvement over May's estimates, which showed an annual employment decline. The fastest annual growth in June occurred in Manufacturing, which added 431 jobs (11 percent). The largest decline came in Mining, Logging, and Construction, which lost 989 jobs (21.3 percent).

by Nick Dobbins

Source: Department of Employment and Economic Development, Current Employment Statistics, 2017; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2017.



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	
	Jun 2017	May 2017	Jun 2016	May 2017	Jun 2016	Jun 2017	Jun 2016	Jun 2017	Jun 2016	Jun 2017	Jun 2016
TOTAL NONFARM WAGE AND SALARY	**3,001.5**	**2,964.6**	**2,924.1**	**1.2%**	**2.6%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**466.9**	**451.0**	**453.9**	**3.5**	**2.8**	—	—	—	—	—	—
Mining, Logging, and Construction	142.2	132.9	133.4	7.0	6.6	—	—	—	—	—	—
Mining and Logging	**7.1**	**6.9**	**6.4**	**3.5**	**11.4**	—	—	—	—	—	—
Construction	**135.1**	**126.0**	**127.0**	**7.2**	**6.3**						
Specialty Trade Contractors	88.2	82.3	80.3	7.2	9.9	$1,339.88	$1,249.35	40.9	39.3	$32.76	$31.79
Manufacturing	**324.7**	**318.2**	**320.5**	**2.0**	**1.3**	**826.96**	**809.19**	**40.3**	**40.5**	**20.52**	**19.98**
Durable Goods	204.8	201.2	203.7	1.8	0.5	865.77	820.51	40.4	39.6	21.43	20.72
Wood Product Manufacturing	11.7	11.3	11.5	3.8	2.0	—	—	—	—	—	—
Fabricated Metal Production	42.3	41.8	42.6	1.2	-0.8	—	—	—	—	—	—
Machinery Manufacturing	32.4	32.3	33.4	0.3	-2.9	—	—	—	—	—	—
Computer and Electronic Product	46.2	45.7	45.9	1.0	0.5	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	26.8	26.5	26.3	1.2	2.0	—	—	—	—	—	—
Transportation Equipment	10.6	10.5	11.1	1.2	-4.5	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.4	16.2	15.8	0.9	3.4	—	—	—	—	—	—
Nondurable Goods	119.9	116.9	116.8	2.5	2.6	767.02	792.12	40.2	42.0	19.08	18.86
Food Manufacturing	47.7	46.0	46.6	3.9	2.4	—	—	—	—	—	—
						—	—	—	—	—	—
SERVICE-PROVIDING	**2,534.7**	**2,513.6**	**2,470.1**	**0.8**	**2.6**	—	—	—	—	—	—
						—	—	—	—	—	—
Trade, Transportation, and Utilities	**541.9**	**538.4**	**534.6**	**0.6**	**1.4**	—	—	—	—	—	—
Wholesale Trade	132.4	133.1	133.0	-0.5	-0.5	932.58	868.61	39.6	38.4	23.55	22.62
Retail Trade	306.5	302.0	300.7	1.5	1.9	429.64	423.36	28.7	28.8	14.97	14.70
Motor Vehicle and Parts	36.2	36.3	34.9	-0.1	3.7	—	—	—	—	—	—
Building Material and Garden Equipment	28.9	28.7	29.1	0.7	-0.7	—	—	—	—	—	—
Food and Beverage Stores	56.4	55.4	54.9	1.7	2.6	—	—	—	—	—	—
Gasoline Stations	25.7	25.3	25.0	1.6	3.0	—	—	—	—	—	—
General Merchandise Stores	59.5	58.4	60.2	1.8	-1.2	400.26	349.78	30.3	29.1	13.21	12.02
Transportation,Warehouse, Utilities	103.0	103.3	100.9	-0.3	2.1	—	—	—	—	—	—
Transportation and Warehousing	90.6	90.9	88.2	-0.4	2.7	718.59	771.84	33.8	36.0	21.26	21.44
Information	**51.0**	**51.3**	**50.2**	**-0.5**	**1.6**	**1,070.50**	**1,034.89**	**35.4**	**35.6**	**30.24**	**29.07**
Publishing Industries	18.7	18.6	19.2	0.3	-2.8	—	—	—	—	—	—
Telecommunications	11.9	11.9	12.1	0.4	-1.5	—	—	—	—	—	—
Financial Activities	177.4	176.7	176.1	0.4	0.7	—	—	—	—	—	—
Finance and Insurance	143.5	143.4	141.0	0.1	1.8	1,112.64	994.06	38.0	36.6	29.28	27.16
Credit Intermediation	63.2	63.2	62.2	0.0	1.5	807.34	762.55	37.0	35.7	21.82	21.36
Securities, Commodity Contracts, and Other	19.4	19.6	19.4	-0.7	0.0	—	—	—	—	—	—
Insurance Carriers and Related	60.9	60.6	59.3	0.4	2.7	—	—	—	—	—	—
Real Estate and Rental and Leasing	33.9	33.3	35.2	1.7	-3.7	—	—	—	—	—	—
Professional and Business Services	**384.0**	**377.4**	**373.8**	**1.8**	**2.7**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	157.6	155.7	157.3	1.2	0.2	—	—	—	—	—	—
Legal Services	18.3	18.1	18.3	1.4	0.1	—	—	—	—	—	—
Accounting, Tax Preparation	16.7	16.9	16.1	-1.0	3.7	—	—	—	—	—	—
Computer Systems Design	37.9	36.7	36.9	3.1	2.7	—	—	—	—	—	—
Management of Companies and Enterprises	81.8	80.2	78.7	2.0	3.9	—	—	—	—	—	—
Administrative and Support Services	144.6	141.5	137.8	2.2	5.0	—	—	—	—	—	—
Educational and Health Services	**538.7**	**543.8**	**513.9**	**-0.9**	**4.8**	—	—	—	—	—	—
Educational Services	64.6	75.1	62.4	-14.0	3.6	—	—	—	—	—	—
Health Care and Social Assistance	474.0	468.7	451.5	1.1	5.0	—	—	—	—	—	—
Ambulatory Health Care	157.9	156.7	148.2	0.8	6.6	1,347.98	1,272.69	36.6	35.8	36.83	35.55
Offices of Physicians	73.7	73.2	71.0	0.7	3.8	—	—	—	—	—	—
Hospitals	108.2	107.7	106.8	0.5	1.4	—	—	—	—	—	—
Nursing and Residential Care Facilities	107.8	107.9	106.7	-0.1	1.0	467.04	460.52	28.6	29.0	16.33	15.88
Social Assistance	100.1	96.4	89.8	3.9	11.4	—	—	—	—	—	—
Leisure and Hospitality	**289.3**	**272.6**	**280.9**	**6.1**	**3.0**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	50.5	45.8	48.1	10.2	5.1	—	—	—	—	—	—
Accommodation and Food Services	238.8	226.8	232.8	5.3	2.6	—	—	—	—	—	—
Food Services and Drinking Places	209.2	201.3	202.4	4.0	3.4	276.75	271.36	20.5	21.3	13.50	12.74
Other Services	**118.8**	**120.8**	**116.2**	**-1.7**	**2.2**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	66.0	67.2	64.9	-1.7	1.8	—	—	—	—	—	—
Government	**433.7**	**432.7**	**424.4**	**0.2**	**2.2**						
Federal Government	32.4	32.2	31.9	0.9	1.6						
State Government	96.4	99.9	91.5	-3.4	5.3						
State Government Education	56.1	60.0	52.0	-6.5	7.8						
Local Government	304.8	300.6	301.0	1.4	1.3						
Local Government Education	150.4	153.0	147.3	-1.7	2.1						

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2017.

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	
	Jun 2017	May 2017	Jun 2016	May 2017	Jun 2016	Jun 2017	Jun 2016	Jun 2017	Jun 2016	Jun 2017	Jun 2016
TOTAL NONFARM WAGE AND SALARY	**2,038.0**	**2,015.4**	**1,973.6**	**1.1%**	**3.3%**	—	—	—	—	—	—
GOODS-PRODUCING	**291.2**	**283.5**	**280.9**	**2.7**	**3.7**	—	—	—	—	—	—
Mining, Logging, and Construction	**87.7**	**83.2**	**83.6**	**5.5**	**5.0**	—	—	—	—	—	—
Construction of Buildings	17.6	16.9	17.5	4.4	0.5	—	—	—	—	—	—
Specialty Trade Contractors	59.1	56.2	55.3	5.1	6.9	$1,403.90	$1,356.95	40.1	39.7	$35.01	$34.18
Manufacturing	**203.5**	**200.4**	**197.4**	**1.6**	**3.1**	**888.27**	**883.21**	**41.2**	**41.7**	**21.56**	**21.18**
Durable Goods	139.0	136.2	134.5	2.1	3.4	909.54	875.61	41.1	41.4	22.13	21.15
Fabricated Metal Production	29.8	29.3	29.6	1.6	0.6	—	—	—	—	—	—
Machinery Manufacturing	20.2	20.0	20.5	0.8	-1.3	—	—	—	—	—	—
Computer and Electronic Product	37.5	37.2	37.1	0.9	1.0	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.1	24.8	24.6	1.1	2.2	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.9	14.7	14.5	0.8	2.5	—	—	—	—	—	—
Nondurable Goods	64.5	64.2	62.9	0.5	2.6	847.04	895.91	41.4	42.2	20.46	21.23
Food Manufacturing	15.3	15.3	14.8	0.0	3.1	—	—	—	—	—	—
Printing and Related	14.8	14.7	15.0	0.7	-1.6	—	—	—	—	—	—
SERVICE-PROVIDING	**1,746.8**	**1,731.9**	**1,692.7**	**0.9**	**3.2**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**363.7**	**358.8**	**357.1**	**1.3**	**1.8**	—	—	—	—	—	—
Wholesale Trade	97.3	97.6	97.3	-0.3	0.0	938.88	840.38	39.3	37.4	23.89	22.47
Merchant Wholesalers - Durable Goods	48.9	48.6	48.8	0.6	0.2	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	28.4	28.3	28.1	0.4	1.0	—	—	—	—	—	—
Retail Trade	193.0	188.6	190.4	2.4	1.4	447.76	454.75	29.4	29.8	15.23	15.26
Food and Beverage Stores	34.8	34.2	33.1	1.8	5.2	—	—	—	—	—	—
General Merchandise Stores	36.5	35.7	37.4	2.2	-2.4	382.52	350.76	30.7	29.7	12.46	11.81
Transportation, Warehouse, Utilities	73.3	72.7	69.4	0.9	5.6	—	—	—	—	—	—
Utilities	7.5	7.6	7.6	-0.2	-1.3	—	—	—	—	—	—
Transportation and Warehousing	65.8	65.1	61.8	1.0	6.5	719.14	790.83	35.2	36.8	20.43	21.49
Information	**38.2**	**38.2**	**37.6**	**-0.1**	**1.6**						
Publishing Industries	14.7	14.7	15.1	0.1	-2.7	—	—	—	—	—	—
Telecommunications	8.7	8.7	8.7	0.3	-0.3	—	—	—	—	—	—
Financial Activities	**144.3**	**143.2**	**141.8**	**0.7**	**1.7**	—	—	—	—	—	—
Finance and Insurance	116.2	115.9	113.5	0.3	2.3	1,202.06	1,010.80	38.1	36.1	31.55	28.00
Credit Intermediation	47.4	47.1	46.3	0.5	2.3	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	17.5	17.5	17.5	-0.1	0.2	—	—	—	—	—	—
Insurance Carriers and Related	51.3	51.2	49.7	0.2	3.2	—	—	—	—	—	—
Real Estate and Rental and Leasing	28.1	27.4	28.3	2.6	-0.7	—	—	—	—	—	—
Professional and Business Services	**331.8**	**325.7**	**319.7**	**1.9**	**3.8**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	139.9	138.7	138.0	0.9	1.4	—	—	—	—	—	—
Legal Services	15.6	15.4	15.6	1.3	-0.1	—	—	—	—	—	—
Architectural, Engineering, and Related	18.9	18.7	18.5	1.3	2.5	—	—	—	—	—	—
Computer Systems Design	34.2	33.3	34.3	2.6	-0.5	—	—	—	—	—	—
Management of Companies and Enterprises	74.6	72.9	71.9	2.4	3.8	—	—	—	—	—	—
Administrative and Support Services	117.3	114.1	109.8	2.8	6.8	—	—	—	—	—	—
Employment Services	53.3	52.1	50.0	2.3	6.6	—	—	—	—	—	—
Educational and Health Services	**337.1**	**338.0**	**318.3**	**-0.2**	**5.9**	—	—	—	—	—	—
Educational Services	44.3	49.1	43.0	-9.8	3.0	—	—	—	—	—	—
Health Care and Social Assistance	292.8	288.8	275.2	1.4	6.4	—	—	—	—	—	—
Ambulatory Health Care	95.6	95.2	88.3	0.4	8.3	—	—	—	—	—	—
Hospitals	63.8	63.1	63.0	1.1	1.2	—	—	—	—	—	—
Nursing and Residential Care Facilities	60.8	60.1	59.3	1.1	2.6	—	—	—	—	—	—
Social Assistance	72.6	70.4	64.6	3.1	12.4	—	—	—	—	—	—
Leisure and Hospitality	**197.2**	**189.0**	**192.1**	**4.4**	**2.7**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	40.9	38.0	37.4	7.6	9.3	—	—	—	—	—	—
Accommodation and Food Services	156.4	151.0	154.7	3.5	1.1	295.74	297.00	21.2	22.0	13.95	13.50
Food Services and Drinking Places	141.7	138.6	140.5	2.2	0.9	287.32	280.52	20.7	21.3	13.88	13.17
Other Services	**81.6**	**83.1**	**79.6**	**-1.8**	**2.5**	—	—	—	—	—	—
Repair and Maintenance	15.2	15.6	14.8	-2.5	2.5	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.8	43.1	42.0	-0.7	1.7	—	—	—	—	—	—
Government	**252.9**	**255.9**	**246.6**	**-1.2**	**2.6**						
Federal Government	21.5	21.4	21.1	0.4	1.5						
State Government	61.2	66.1	59.9	-7.4	2.3						
State Government Education	35.0	40.1	33.9	-12.8	3.3						
Local Government	170.2	168.5	165.5	1.0	2.8						
Local Government Education	94.8	96.4	91.4	-1.7	3.8						

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, 2017.

Employer Survey

Industry	Duluth-Superior MSA Jobs Jun 2017	Jobs May 2017	Jobs Jun 2016	% Chg. From May 2017	% Chg. From Jun 2016	Rochester MSA Jobs Jun 2017	Jobs May 2017	Jobs Jun 2016	% Chg. From May 2017	% Chg. From Jun 2016
TOTAL NONFARM WAGE AND SALARY	**139,041**	**137,398**	**135,267**	**1.2%**	**2.8%**	**123,100**	**120,677**	**120,775**	**2.0%**	**1.9%**
GOODS-PRODUCING	**17,945**	**16,937**	**16,478**	**6.0**	**8.9**	***16,168***	***15,436***	***15,916***	***4.7***	***1.6***
Mining, Logging, and Construction	10,489	9,616	9,042	9.1	16.0	5,154	4,862	4,881	6.0	5.6
Manufacturing	7,456	7,321	7,436	1.8	0.3	11,014	10,574	11,035	4.2	-0.2
SERVICE-PROVIDING	**121,096**	**120,461**	**118,789**	**0.5**	**1.9**	**106,932**	**105,241**	**104,859**	**1.6**	**2.0**
Trade, Transportation, and Utilities	24,933	24,959	24,789	-0.1	0.6	18,244	18,425	18,371	-1.0	-0.7
Wholesale Trade	3,308	3,272	3,188	1.1	3.8	2,766	2,800	2,910	-1.2	-4.9
Retail Trade	15,417	15,483	15,311	-0.4	0.7	12,661	12,735	12,717	-0.6	-0.4
Transportation, Warehouse, Utilities	6,208	6,204	6,290	0.1	-1.3	2,817	2,890	2,744	-2.5	2.7
Information	1,369	1,363	1,428	0.4	-4.1	1,898	1,875	1,936	1.2	-2.0
Financial Activities	6,084	6,034	5,839	0.8	4.2	2,750	2,687	2,649	2.3	3.8
Professional and Business Services	8,426	8,181	8,277	3.0	1.8	6,005	5,718	5,761	5.0	4.2
Educational and Health Services	32,089	32,042	30,987	0.1	3.6	49,685	49,127	47,875	1.1	3.8
Leisure and Hospitality	15,207	14,106	15,188	7.8	0.1	11,109	10,665	11,245	4.2	-1.2
Other Services	6,564	6,309	6,368	4.0	3.1	4,095	4,048	3,934	1.2	4.1
Government	26,424	27,467	25,913	-3.8	2.0	13,146	12,696	13,088	3.5	0.4

Employer Survey

Industry	St. Cloud MSA Jobs Jun 2017	Jobs May 2017	Jobs Jun 2016	% Chg. From May 2017	% Chg. From Jun 2016	Mankato MSA Jobs Jun 2017	Jobs May 2017	Jobs Jun 2016	% Chg. From May 2017	% Chg. From Jun 2016
TOTAL NONFARM WAGE AND SALARY	**111,179**	**111,127**	**108,339**	**0.0%**	**2.6%**	**57,407**	**58,017**	**56,265**	**-1.1%**	**2.0%**
GOODS-PRODUCING	**23,627**	**22,451**	**22,446**	**5.2**	**5.3**	**10,347**	**10,047**	**9,941**	**3.0**	**4.1**
Mining, Logging, and Construction	7,943	7,343	7,080	8.2	12.2	--	--	--	--	--
Manufacturing	15,684	15,108	15,366	3.8	2.1	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**87,552**	**88,676**	**85,893**	**-1.3**	**1.9**	**47,060**	**47,970**	**46,324**	**-1.9**	**1.6**
Trade, Transportation, and Utilities	22,539	22,336	22,171	0.9	1.7	--	--	--	--	--
Wholesale Trade	4,948	4,895	4,782	1.1	3.5	--	--	--	--	--
Retail Trade	13,736	13,595	13,437	1.0	2.2	--	--	--	--	--
Transportation, Warehouse, Utilities	3,855	3,846	3,952	0.2	-2.5	--	--	--	--	--
Information	1,605	1,606	1,610	-0.1	-0.3	--	--	--	--	--
Financial Activities	4,960	4,932	5,235	0.6	-5.3	--	--	--	--	--
Professional and Business Services	8,767	8,741	8,719	0.3	0.6	--	--	--	--	--
Educational and Health Services	21,764	22,713	20,675	-4.2	5.3	--	--	--	--	--
Leisure and Hospitality	9,114	8,939	8,997	2.0	1.3	--	--	--	--	--
Other Services	3,929	3,832	3,812	2.5	3.1	--	--	--	--	--
Government	14,874	15,577	14,674	-4.5	1.4	9,939	10,610	9,591	-6.3	3.6

Employer Survey

Industry	Fargo-Moorhead MSA Jobs Jun 2017	Jobs May 2017	Jobs Jun 2016	% Chg. From May 2017	% Chg. From Jun 2016	Grand Forks-East Grand Forks MSA Jobs Jun 2017	Jobs May 2017	Jobs Jun 2016	% Chg. From May 2017	% Chg. From Jun 2016
TOTAL NONFARM WAGE AND SALARY	**143,235**	**143,707**	**140,057**	**-0.3%**	**2.3%**	**57,475**	**57,196**	**57,295**	**0.5%**	**0.3%**
GOODS-PRODUCING	**20,737**	**20,036**	**20,007**	**3.5**	**3.7**	**8,004**	**7,520**	**8,562**	**6.4**	**-6.5**
Mining, Logging, and Construction	10,601	9,885	10,436	7.2	1.6	3,666	3,378	4,655	8.5	-21.3
Manufacturing	10,136	10,151	9,571	-0.2	5.9	4,338	4,142	3,907	4.7	11.0
SERVICE-PROVIDING	**122,498**	**123,671**	**120,050**	**-1.0**	**2.0**	**49,471**	**49,676**	**48,733**	**-0.4**	**1.5**
Trade, Transportation, and Utilities	30,402	30,280	30,273	0.4	0.4	11,739	11,841	11,801	-0.9	-0.5
Wholesale Trade	9,240	9,225	9,113	0.2	1.4	1,914	1,905	2,001	0.5	-4.4
Retail Trade	15,518	15,365	15,774	1.0	-1.6	7,658	7,751	7,594	-1.2	0.8
Transportation, Warehouse, Utilities	5,644	5,690	5,386	-0.8	4.8	2,167	2,185	2,206	-0.8	-1.8
Information	3,183	3,192	3,280	-0.3	-3.0	571	571	603	0.0	-5.3
Financial Activities	11,449	11,406	10,899	0.4	5.1	1,827	1,815	1,810	0.7	0.9
Professional and Business Services	16,268	15,927	15,874	2.1	2.5	3,020	2,986	3,057	1.1	-1.2
Educational and Health Services	23,185	23,722	22,046	-2.3	5.2	9,714	9,793	9,542	-0.8	1.8
Leisure and Hospitality	14,145	14,097	14,053	0.3	0.7	6,260	6,102	5,868	2.6	6.7
Other Services	5,537	5,571	5,447	-0.6	1.7	1,948	1,964	1,957	-0.8	-0.5
Government	18,329	19,476	18,178	-5.9	0.8	14,392	14,604	14,095	-1.5	2.1

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2017.

Minnesota Economic Indicators

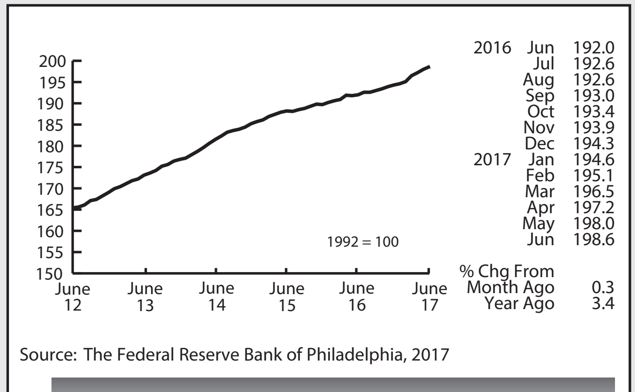
Highlights

The **Minnesota Index** advanced 0.3 percent in June which is still above the 38-year average of 0.2 percent but is lower than the previous three months. The U.S. index rose 0.2 percent in June. The Minnesota Index combines four state-level indicators to summarize current economic activity in the state. The four state-level indicators are nonfarm wage and salary employment, average weekly manufacturing hours, statewide unemployment rate, and wage and salary disbursements adjusted for inflation.

Minnesota's index is up 3.4 percent over the year, topping the U.S. over-the-year increase of 2.8 percent. Through the first six months of the year the index is up 2.2 percent which is the highest increase for the first half of the year since 2014. The strong showing by the Minnesota Index during the first half of the year implies that Minnesota's economy has gained momentum and is expanding at its quickest rate in over two years.

Minnesota's adjusted **Wage and Salary Employment** bounced back from losing 2,900 jobs in May to add 4,400 in June. The private sector upped payroll numbers by 2,900 while public sector jobs expanded by 1,500. Leisure and Hospitality, Professional and Business Services, and Manufacturing added the most jobs. Job cutbacks were heaviest in Educational and Heath Services, Other Services, and Financial Activities.

Manufacturing jobs jumped by 2,100 which is the highest monthly gain since August 2011. Most of the manufacturing job gain was in Durable Goods Manufacturing industries as Durable Goods Manufacturing firms added 1,700 jobs, the highest monthly job expansion since December 2004. Minnesota's unadjusted over-the-year job growth spiked to 2.6 percent, a jump that hasn't been seen since September 2011. U.S. jobs were up 1.5 percent from a year ago. Minnesota has averaged 1.7 percent job growth through the first half of the year compared to 1.5 percent nationally.



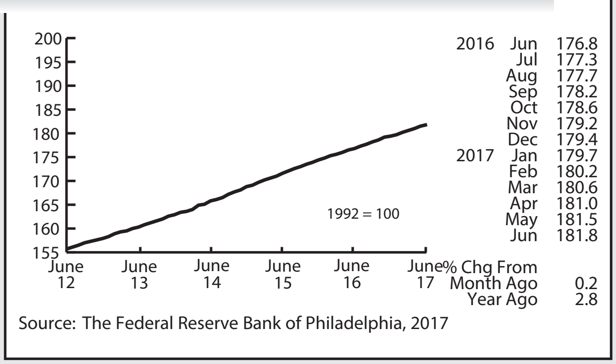
Source: The Federal Reserve Bank of Philadelphia, 2017

Minnesota Index

Online Help-Wanted Ads rose for the fourth consecutive month to 133,800 in June. June's 1.4 percent gain in Minnesota topped the 1.0 percent national decline in online job postings. Minnesota's share of national online job advertising rose to 2.8 percent for the second time in the 12-year history of tracking online job ads. Minnesota's share of job ads continues to run above its share of wage and salary employment, 2.0 percent in June. Hiring demand remains solid in the state.

Minnesota's **Purchasing Managers' Index (PMI)**, after dipping the previous two months, surged in June to 68.0. June's robust reading was the highest in three years and consistent with the spurt of manufacturing hiring in June. Manufacturing, after slowing in 2015 and 2016 as a strong dollar and weak global economy reduced export activity, is currently benefiting from a weaker dollar and stronger worldwide economy. The corresponding national index rose to 57.8 while the Mid-American index increased to 62.3. The employment component of Minnesota's index continued to run positive, topping 60 for the fourth month in a row and suggesting that manufacturing payroll numbers will continue to increase over the next few months.

United States Index



Source: The Federal Reserve Bank of Philadelphia, 2017

Adjusted **Manufacturing Hours** surprisingly dropped to 40.2, falling below 41 hours per week for the first time in five months. This number will be revised next month so look for an increase given all the other strong manufacturing indicators. Average weekly **Manufacturing Earnings** also unexpectedly declined in June to an 11-month low of $825.61. June's factory earnings are also likely to be revised upwards next month given other signs pointing towards an ongoing solid rebound in manufacturing activity.

After reaching a seven-year high in March, the **Minnesota Leading Index** slipped for the third consecutive month in June. June's 1.7 reading, however, remains healthy, signaling solid economic expansion in the state for the rest of the year. Minnesota's leading index topped the U.S. leading index for the fifth straight month.

After dipping the last two months, adjusted **Residential Building Permits** rebounded partially in June, climbing to 2,185. June's permit level is just slightly above the 47-year monthly average of 2,097. Home building permits peaked in 2004, bottomed out in 2009, and have since slowly recovered to near normal levels in 2017.

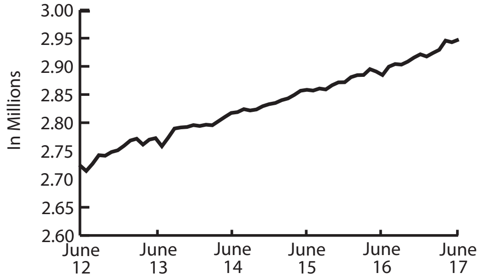
Adjusted **Initial Claims for Unemployment Benefits (UB)** inched down for the third consecutive month to 16,574. Initial claims are likely to fall below 200,000 for the year making 2017 only the ninth time since 1970 with initial claims totaling less than 200,000. The last two years were in 1998 and 1999. The other years were all in the 1970s when employment was roughly half the size of the current total.

by Dave Senf

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

2017	Jan	2.9175
	Feb	2.9237
	Mar	2.9293
	Apr	2.9457
	May	2.9428
	Jun	2.9472

% Chg From Month Ago 0.1

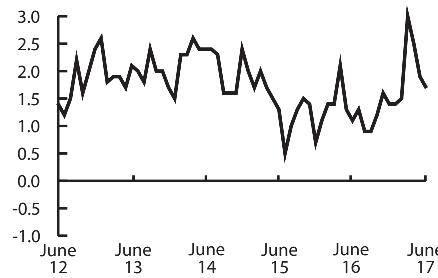
unadjusted

2016	Jun	2.9241
2017	Jun	3.0015

% Chg From Year Ago 2.6

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2017

Minnesota Leading Index

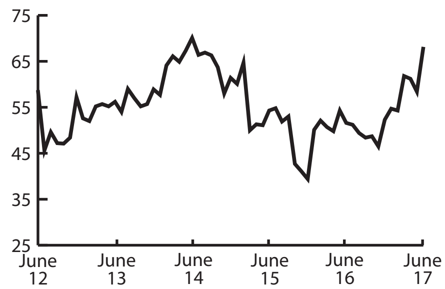


2016	Jun	1.1
	Jul	1.3
	Aug	0.9
	Sep	0.9
	Oct	1.2
	Nov	1.6
	Dec	1.4
2017	Jan	1.4
	Feb	1.5
	Mar	3.0
	Apr	2.5
	May	1.9
	Jun	1.7

% Chg From Month Ago -11.1
Year Ago 50.5

Source: The Federal Reserve Bank of Philadelphia, 2017

Purchasing Managers' Index

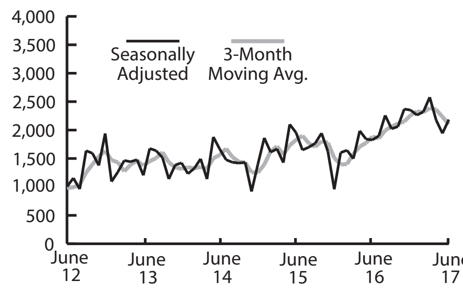


2016	Jun	51.6
	Jul	51.2
	Aug	49.4
	Sep	48.4
	Oct	48.7
	Nov	46.5
	Dec	52.3
2017	Jan	54.7
	Feb	54.3
	Mar	61.8
	Apr	61.2
	May	58.4
	Jun	68.0

% Chg From Month Ago 16.4
Year Ago 31.8

Source: Creighton University, Mid-America Survey of Business Conditions, 2017

Residential Building Permits



seasonally adjusted

2017	Jan	2,263
	Feb	2,323
	Mar	2,578
	Apr	2,177
	May	1,942
	Jun	2,185

% Chg From Month Ago 12.5

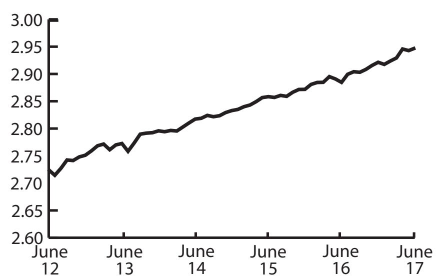
unadjusted

2016	Jun	2,168
2017	Jun	2,566

% Chg From Year Ago 18.4

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2017

Average Weekly Manufacturing Hours



seasonally adjusted

2017	Jan	40.8
	Feb	41.3
	Mar	41.0
	Apr	41.0
	May	41.0
	Jun	40.2

% Chg From Month Ago -2.0

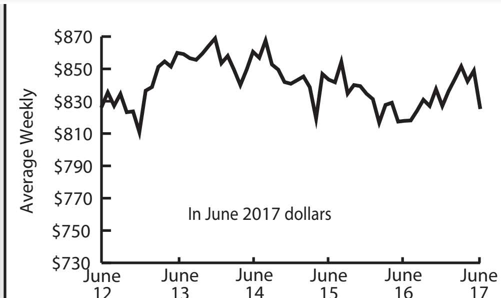
unadjusted

2016	Jun	40.5
2017	Jun	40.3

% Chg From Year Ago -0.5

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2017

Manufacturing Earnings



seasonally adjusted

2017	Jan	836.27
	Feb	843.76
	Mar	851.55
	Apr	842.31
	May	848.91
	Jun	825.61

% Chg From Month Ago -2.7

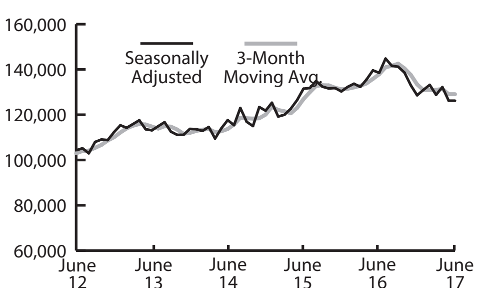
unadjusted

2016	Jun	820.19
2017	Jun	826.96

% Chg From Year Ago 0.8%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2017

Online Help-Wanted Advertising

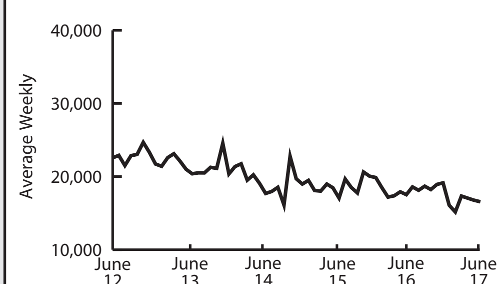


2016	Jun	139,500
	Jul	131,000
	Aug	133,200
	Sep	128,800
	Oct	132,200
	Nov	126,200
	Dec	128,600
2017	Jan	133,300
	Feb	125,100
	Mar	126,900
	Apr	129,000
	May	131,900
	Jun	133,800

% Chg From Month Ago 1.4
Year Ago -4.1

Source: The Conference Board Inc., 2017

Initial UB Claimants



seasonally adjusted

2017	Jan	16,082
	Feb	15,159
	Mar	17,338
	Apr	17,058
	May	16,782
	Jun	16,574

% Chg From Month Ago -1.2

unadjusted

2016	Jun	15,442
2017	Jun	13,688

% Chg From Year Ago -11.4

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2017

Minnesota Employment Review

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St. Paul, MN 55101-1351
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mn.gov/deed/lmi

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651.259.7384

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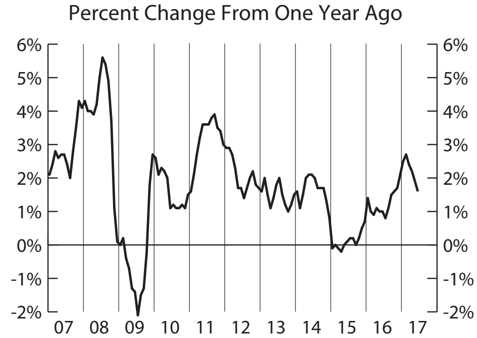
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) was unchanged in June on a seasonally adjusted basis the U.S. Bureau of Labor Statistics reported. The energy index declined again, falling 1.6 percent. This offset an increase in the index for all items less food and energy. The index for all items less food and energy rose 0.1 percent in June, its third straight such increase.

Percent Change From One Year Ago



The all items index rose 1.6 percent for the 12 months ending June. This measure has been declining steadily since February, when it was 2.7 percent.

https://www.bls.gov/cpi/#news

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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The Last Word

Job vacancies reached their highest level since the Job Vacancy Survey was launched 16 years ago – highlighting the strong demand for workers in Minnesota. DEED reported about 98,000 job openings in the second quarter of 2016. In fourth quarter 2016, 97,400 vacancies were reported, up 1.3 percent from a year earlier and representing the most job openings in any fourth quarter. The job vacancy rate remained steady in 2016 at 3.6 (number of vacancies per 100 jobs). The number of unemployed per vacancy has remained steady over the last two years, ranging from 1 to 1.2 statewide.

The Job Vacancy Survey is conducted twice a year to estimate hiring demand and job vacancy characteristics by industry and occupation. Survey recipients are about 10,000 firms in 13 regions of Minnesota. See what the Job Vacancy tool provides: https://mn.gov/deed/data/data-tools/job-vacancy/.

EMPLOYMENT AND ECONOMIC DEVELOPMENT

A Long-term Look at Minnesota's Job Growth, 1956 - 2017

Minnesota's current job expansion which kicked off in October 2010 as the U.S. economy slowly started to rebound from the Great Recession was 83 months old as of June making this job expansion the third longest in Minnesota dating back to 1950.[1] The current expansion will pass the second longest expansion (107 months) in June 2019 barring any economic setback. If this expansion does motor on for another two years the big difference between the 1960s and 2010s expansions will be pace of job growth. Minnesota employment expanded by nearly 40 percent during the 1960s or roughly 3.5 percent annually. Job growth during the current expansion is averaging only 1.6 annually or less than half the pace of 1960s job growth.

Much of the faster job growth during the 1960s can be attributed to the entrance of the baby boom generation into the labor force while the slower growth during the current expansion can be attributed in part to the labor force exit of baby boomers. The odds of this expansion eventually becoming the longest on record are slim, however, as the longest job expansion in Minnesota lasted 216 months or 18 years between 1983 and 2001. That is nearly two and a half times longer than the current expansion which is now seven years in duration.

While Minnesota's job growth slowed during the 1990-91 recession it never went negative year over year like U.S. wage and salary employment did for 15 months in 1991 and 1992. Minnesota was one of 18 states, including all four of our neighboring states, which recorded no monthly year-over-year job loss during the 1990-92 period. Year-over-year job growth tailed off in most of these states but continued to be higher than a year earlier every month. Minnesota's nine job expansions since 1950 are compared to U.S. job expansions in Figure 1. The steeper an expansion's job growth line the faster the job growth over the expansion. Minnesota's 216-month expansion is shown but is also divided into two pseudo expansions in order to make comparison between Minnesota and national expansions easier.

The bottom axis keeps track of when each of the job expansions started and ended while the left axis measures the percent increase in wage and salary employment from the start to the end of each expansion. Minnesota's current job expansion is 83 months long as of June which is one month longer than nationally. Wage and salary employment in the state is up 11.6 percent during the last seven years which is slightly below the 12.3 percent U.S. gain. The current expansion, while mild compared to the 1983 – 2001 job boom is almost twice as long

[1]Job expansion is defined here as a year or more of uninterrupted monthly year-over-year positive employment change. Employment is measured by monthly seasonally adjusted Current Employment Statistics (CES) data. CES employment estimates cover non-agriculture wage and salary employment. The unadjusted data are available at https://apps.deed.state.mn.us/lmi/ces/Results.aspx and https://www.bls.gov/sae/.

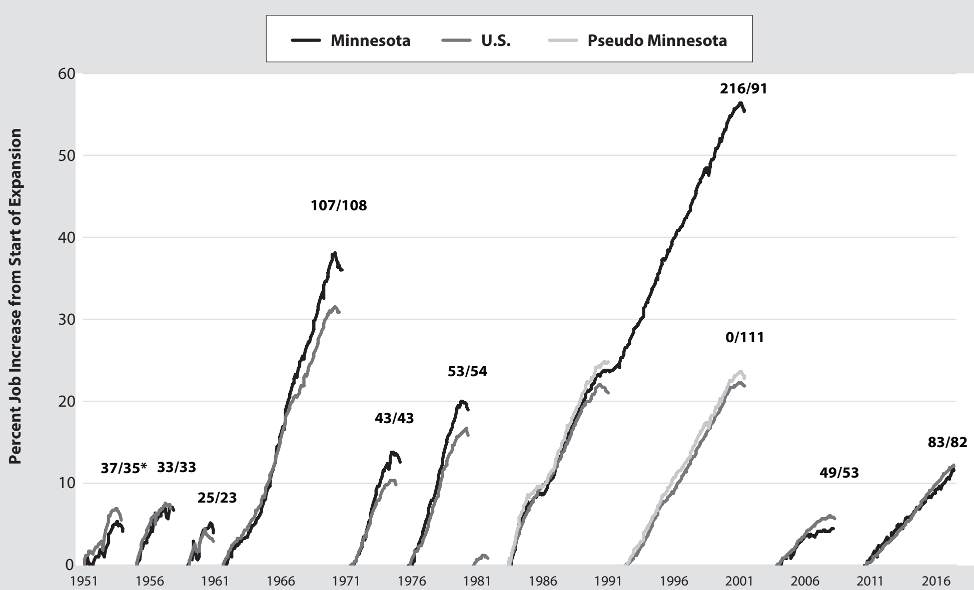
as the mid-2000s expansion and twice as robust in terms of percent gain in jobs (83 months to 49 months and 11.6 to 4.5 percent job increase). Minnesota, over the last seven years, has added jobs at a 50 percent faster rate than during the weak 2004-07 job expansion.

The first two job expansions in Minnesota during the 1950s were slightly weaker when compared to national job growth, but over the next five job expansions Minnesota outperformed national employment growth. That count excludes the period between the double dip recessions of the early 1980s when Minnesota wage and salary employment managed to be positive year over year only for three months in 1981 while U.S. employment was positive for 14 months during the 1981-82 period before plunging when the 1982-83 recession took hold. Minnesota's worst job expansion relative to the nation's was the weak job growth following the 2001 recession when job growth in the state lagged behind the nation from 2004 to 2007.

Minnesota job expansions, as shown in Figure 1, are highly correlated with U.S. job expansions which holds true for most states to varying degrees. Minnesota's job growth correlation with U.S. job growth is stronger than most states. The state's correlation ranks third highest, behind Ohio and Missouri between 1961 and 2017.[2] Wage and salary employment in the energy and agricultural dependent states of Alaska, North Dakota, and Wyoming have the lowest correlation with U.S. wage and salary employment.

Figure 1 shows the expansion side of job growth over the last seven decades and skips over periods when job loss on a year-over-year basis occurred. Minnesota job loss during downturns are on average slightly lower than national jobs loss. The double dip recessions of the early 1980s was an exception when job loss in Minnesota was significantly worse than U.S. job decline. As a consequence Minnesota's share of U.S. wage and salary employment which had been increasing during the 1960s and 1970s dipped noticeably in the early 1980s before rebounding and then

Figure 1. Seven Decades of Minnesota Job Expansions



*Minnesota months/U.S. months legnth of job expansion

Source: Seasonally Adjusted Employment, Current Employment Statistics (CES)

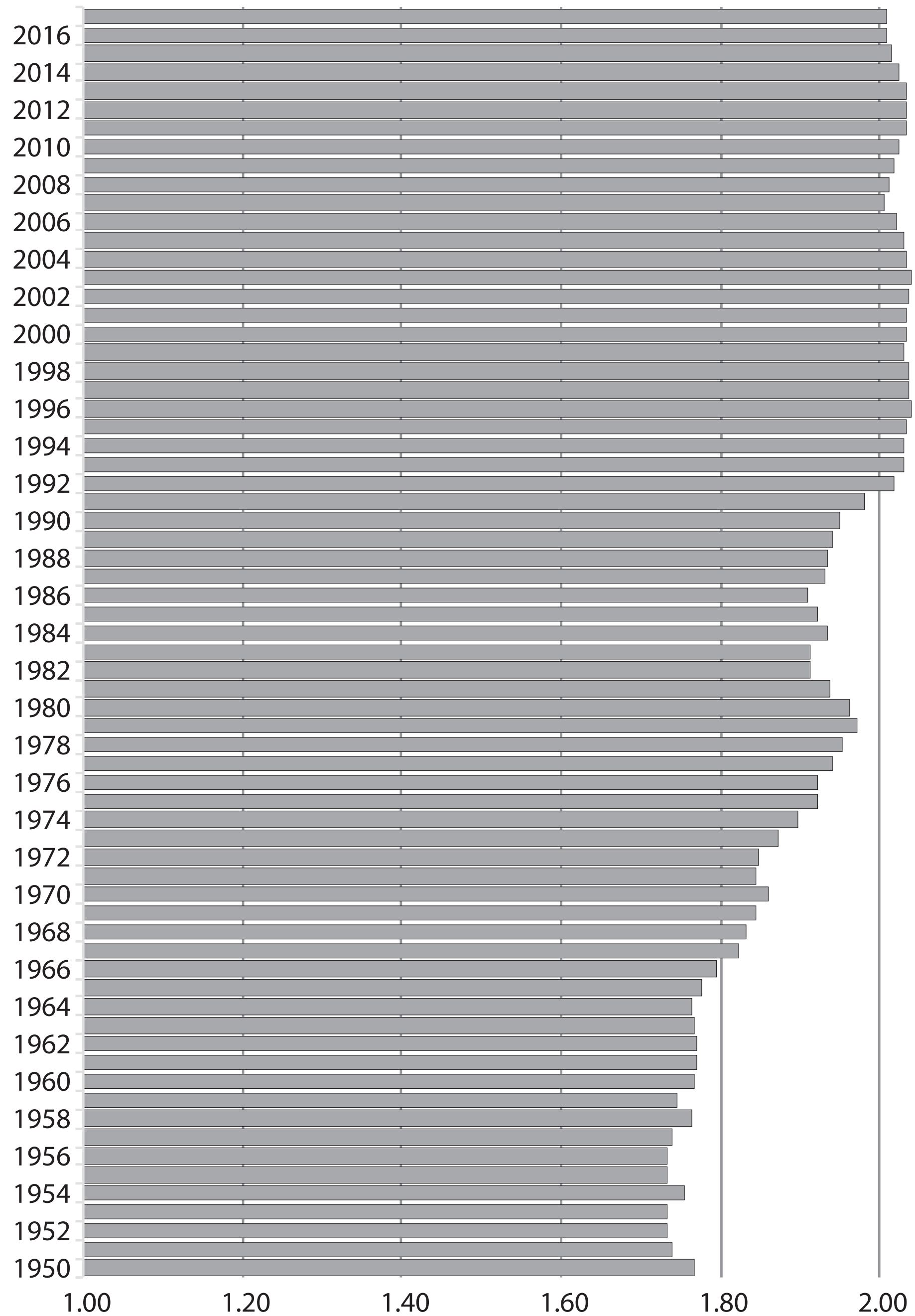
[2] Correlation coefficients were based on unadjusted monthly CES percent change from January 1961 to May 2017.

surging between 1988 and 1993 as shown in Figure 2.

Minnesota's peak share of U.S. wage and salary employment was reached in 2003 at 2.04 percent. Over the last 14 years the state share has slipped slightly standing at 2.01 percent through the first half of 2017.[3] The tiny 0.03 percentage point drop off from peak share translates into roughly 45,000 jobs meaning that wage and salary employment in the state in June would have been 43,000 higher or 1.5 percent more than the June's estimate had Minnesota's share of U.S. employment remained at the 2.04 percent peak achieved in 2003.

Will the 2003 peak share end up being as good as it ever gets for Minnesota when it comes to the state's share of U.S. employment? Figure 3, which displays the year each state reached their peak share of U.S. wage and salary employment, suggests probably if Minnesota's relative job growth follows the pattern established by most states east of the Mississippi River.[4] Nine states either reached or had already experienced their peak year when the data start in 1956. Those states include the populous states of Illinois, Ohio, Pennsylvania, and Massachusetts. New York peaked in 1958 with 11.7 percent of all U.S wage and salary employment. Last year the Empire State's share was down to 6.5 percent.

Figure 2.
Minnesota Share of U.S. CES Employment,1950-2017



Source: Unadjusted Current Employment Statistics (CES), Annual Average

[3]Minnesota's CES over-the-year growth through June 2017 is averaging 1.7 percent which is slightly above the national average of 1.5 percent. CES data, however, are benchmarked annually against Quarterly Census of Employment and Wage (QCEW) data in March of the following year both for the state and nation. The benchmark can change earlier estimates.

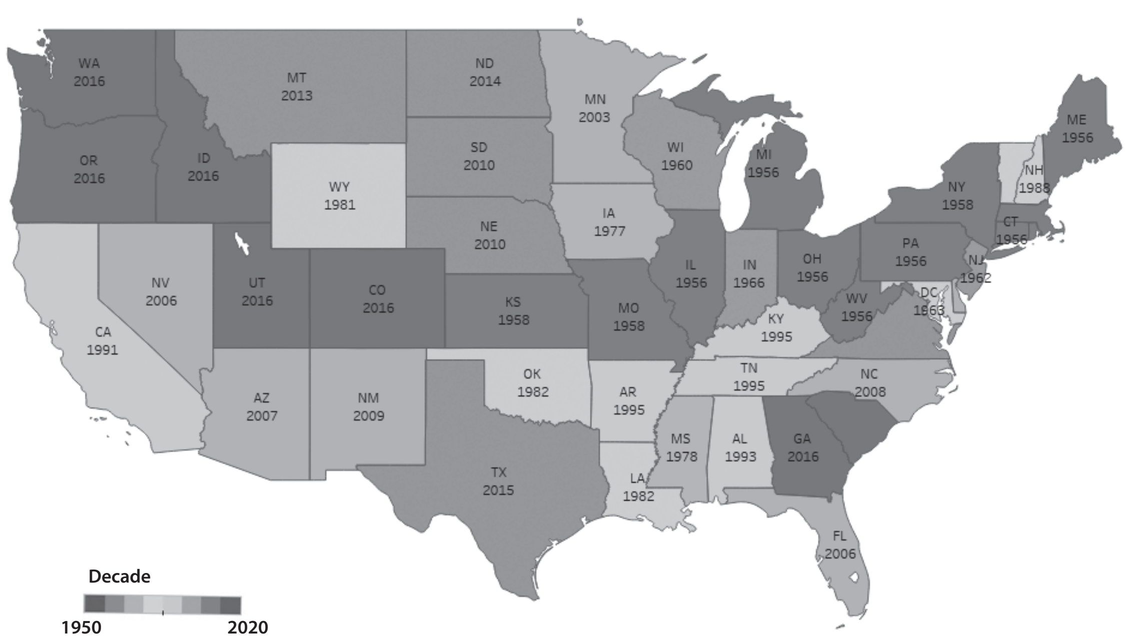
[4]Hawaii and Alaska are not shown on the map but reached peak share in 1992 and 2011 respectively. The map is online at https://public.tableau.com/profile/magda.olson#!/vizhome/StatePeakCESShareYear-1956/Sheet2?publish=yes.

Only seven states recorded peak shares last year - Colorado, Georgia, Idaho, Oregon, South Carolina, Utah, and Washington. These states will likely continue to record peak share years in coming years as their job growth seems likely to continue to outpace U.S. job growth.

Other states like Arizona, Florida, Nevada, and Texas are sure bets eventually to record higher shares of U.S. employment in the future thanks in large part to the Baby Boomers fleeing winter up North and retiring to warmer climates. Arizona, Florida, and Nevada were ground zero of the housing bust and are still recovering. The peak year for Texas is currently 2015, reflecting slower job growth in 2015 from the fallout from waning oil prices. Texas will undoubtedly surpass its 2015 peak job share within a year or two.

Minnesota's share of U.S. employment is less certain than the states above. The state's employment share may gradually decline over the years like Wisconsin which reached peak share back in 1960 (think Happy Days TV show). Or perhaps it will stage another comeback like the state did in the 1990s. Our North Dakota neighbors took 28 years to top its 1982 peak employment share in 2010. All it took in North Dakota was a once in a lifetime oil boom.[5]

Figure 3. Peak Year for State's Share of U.S. CES Employment



Map based on everage of Longitude (generated) and average of Latitude (generated). Intensity shows sum of decade.
The marks are labeled by state abbreviation and sum of Max Year. The data is filtered on state which keeps 49 of 51 members.

[5]Each state's CES employment along with state share of U.S. CES employment from 1956 through 2016 is available on line at https://public.tableau.com/profile/magda.olson#!/vizhome/StateShareofCESEmployment1956-2016/Sheet1?publish = yes.

by Dave Senf
Labor Market Information Office
Minnesota Department of Employment and Economic Development

County Snapshot
Chisago

by Cameron Macht, Regional Analysis and Outreach Manager,
MN Department of Employment and Economic Development

Past

Chisago County was established in 1851, seven years before Minnesota became a state. The county's name comes from the Chippewa word – Ki-Chi-Saga – meaning "Fair and Lovely Lakes." Farming was originally one of the most important industries in the county, but was eventually replaced by tourism "when vacationers discovered the county's bountiful lakes and rivers."[1]

Future

Located just north of the Twin Cities metro area, Chisago County saw rapid population growth from 1990 to 2010 as thousands of young families moved into the area. However, over three-fourths of the county's resident workforce commutes out of the county for their jobs. Census data show that over 21,700 of the county's more than 28,500 workers were driving outside the county for work, primarily to Ramsey, Hennepin, Washington, and Anoka Counties. While Chisago County had among the five highest foreclosure rates in the state from 2010 to 2013 during the Great Recession, it dropped back to the ninth highest rate by 2016, falling below pre-recession rates.

Trends

Health Care and Social Assistance is the largest employing industry in Chisago County, with 3,695 jobs at 86 establishments. The next largest industry is Manufacturing, with 2,413 jobs at 91 firms, accounting for 15.8 percent of total employment in the county. The two employing manufacturing specialties with the most employment are Transportation Equipment Manufacturing with 565 jobs and Plastics and Rubber Product Manufacturing with 530 jobs. Transportation Equipment Manufacturing has a location quotient of 9.4, meaning it is nearly 10 times more concentrated in the county than the rest of the state, while Plastics and Rubber Product Manufacturing has a location quotient of 6.3.

Economy

2016 Estimates	Chisago County	Minnesota
Population	54,748	5,519,952
Labor Force	28,858	3,003,576
Average Unemployment	4.4%	3.9%
Average Annual Income (2015)	$79,535	$80,444
Cost of Living, Individual	$33,996	$29,856
Cost of Living, Average Family	$61,396	$55,200

Source: U.S. Census Bureau, DEED Local Area Unemployment Statistics, American Community Survey, DEED Cost of Living Survey

Industry

	Top Industries of Employment	Total Employment 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**15,311**	**6.4%**	**$41,927**	**38.5%**
1	Education and Health Services	5,064	15.5%	$42,538	28.4%
2	Manufacturing	2,413	17.2%	$48,054	47.6%
3	Trade, Transportation, and Utilities	2,359	0.5%	$32,260	24.6%
4	Leisure and Hospitality	1,650	3.6%	$14,027	53.3%

Source: DEED Quarterly Census of Employment and Wages, 2006-2016

[1]"Chisago County History." Retrieved from http://www.co.chisago.mn.us/738/Chisago-County-History

County Snapshot
Clay

Past

Originally called Breckenridge County, the name was changed to Clay County in 1862 when the county was officially formed. According to "Minnesota Place Names", Clay County was named in honor of Henry Clay, the greatly admired U.S. senator and statesman.[2]

Future

Clay County forms the Minnesota side of the Fargo-Moorhead Metropolitan Statistical Area, which also includes Cass County, North Dakota. With 62,875 people in 2016, Clay was the 16th largest of the 87 counties in the state of Minnesota. Clay County's population more than doubled since 1950 and gained more than 11,500 people in just the past 15 years. Growth is expected to slow in the next 15 years, however, with the State Demographic Center projecting a population of 67,623 in 2030.

Trends

With 6,678 jobs at 175 establishments, Education and Health Services provided well over one-third of total employment in the county in 2016. However, unlike most counties where Health Care and Social Assistance is much larger than Educational Services, Clay County has the highest concentration of employment in Educational Services of any county in the state at 19.2 percent. The county had 3,575 jobs at Elementary and Secondary Schools and Colleges, Universities, and Professional Schools compared to 3,103 jobs in Health Care and Social Assistance.

Economy

2016 Estimates	Clay County	Minnesota
Population	62,875	5,519,952
Labor Force	35,544	3,003,576
Average Unemployment	3.5%	3.9%
Average Annual Income (2015)	$67,563	$80,444
Cost of Living, Individual	$26,008	$29,856
Cost of Living, Average Family	$45,950	$55,200

Source: U.S. Census Bureau, DEED Local Area Unemployment Statistics, American Community Survey, DEED Cost of Living Survey

Industry

	Top Industries of Employment	Total Employment, 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**18,652**	**6.7%**	**$38,052**	**38.0%**
1	Education and Health Services	6,678	7.0%	$38,237	29.8%
2	Trade, Transportation, and Utilities	4,287	17.8%	$35,101	42.6%
3	Leisure and Hospitality	1,921	-6.7%	$16,406	58.4%
4	Professional and Technical Services	1,211	48.2%	$56,880	29.9%
5	Public Administration	1,137	9.9%	$47,747	33.5%

Source: DEED Quarterly Census of Employment and Wages, 2006-2016

[2]Upham, Warren. "Minnesota Place Names. A Geographical Encyclopedia." Minnesota Historical Society. St. Paul, MN. 1920. Retrieved from: http://www.mnhs.org/mnplaces

County Snapshot Clearwater

Past

One of the last counties officially established in the state, Clearwater County's "topography is unique, with the northern part being drained through the Clearwater River and eventually the waters going to Hudson Bay, while the southern part has its drainage into the Mississippi River and then to the Gulf of Mexico." To that end, Clearwater County is perhaps most famous as home to Itasca State Park and Lake Itasca, the headwaters of the mighty Mississippi River.[3]

Future

Clearwater County has recorded the highest average annual unemployment rate of the 87 counties in the state every year since 2000, ending 2016 at 9.6 percent, nearly 1.0 percent higher than the next highest rate. Clearwater County's unemployment rate peaked at 14.7 percent in 2009, and remained above 10 percent in 12 of the past 16 years. Even with high unemployment, Clearwater County's labor force continued expanding, adding over 300 new workers since 2001, a 7 percent increase.

Economy

2016 Estimates	Clearwater County	Minnesota
Population	8,827	5,519,952
Labor Force	4,697	3,003,576
Average Unemployment	9.6%	3.9%
Average Annual Income (2015)	$56,984	$80,444
Cost of Living, Individual	$26,901	$29,856
Cost of Living, Average Family	$46,290	$55,200

Source: U.S. Census Bureau, DEED Local Area Unemployment Statistics, American Community Survey, DEED Cost of Living Survey

Trends

Despite the high unemployment rates indicating a struggling economy, Clearwater County actually experienced the fastest employment growth of the 87 counties in Minnesota over the past 10 years. After adding 460 net new jobs, Clearwater County outpaced every other county with a 20 percent jump. Construction employment in the county doubled since 2006, building up payrolls by 149 jobs and quickly becoming the highest paying industry in the county, while Education and Health Services remained the largest industry after gaining 142 jobs. Manufacturing and Trade, Transportation, and Utilities also saw steady growth in the county over the past decade.

Industry

	Top Industries of Employment	Total Employment 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**2,760**	**20.0%**	**$39,571**	**49.9%**
1	Education and Health Services	833	20.5%	$26,741	6.9%
2	Trade, Transportation, and Utilities	493	13.1%	$43,460	110.8%
3	Manufacturing	470	12.2%	$54,838	70.4%
4	Construction	289	106.4%	$72,583	86.3%

Source: DEED Quarterly Census of Employment and Wages, 2006-2016

[3] "Clearwater County History." Retrieved from http://www.co.clearwater.mn.us/index.asp?Type=B_BASIC&SEC={EDBBAC3B-935F-4963-8895-A29E04CD64BC}.

County Snapshot Cook

Trends

Cook County's economy is dependent on tourism with just over 40 percent of total employment in Leisure and Hospitality. That was the second highest share of Leisure and Hospitality employment in the state, behind only Mahnomen County. Cook County had more than 600 jobs in Accommodation, Including Hotels and Motels, Resorts, and Other Vacation Rentals, providing a huge and varied list of lodging options.[4] The county also had 290 jobs at Food Services and Drinking Places, 185 jobs at the casino and casino hotel, and about 140 jobs at Other Amusement and Recreation Industries such as golf courses, skiing facilities, and other sports centers.

Past

With 5,286 people, Cook County is now the sixth least populous county in Minnesota. It was the smallest as recently as 1990, but enjoyed a surge in population in the past 25 years. It is the only county in the state with only one city – Grand Marais -- which had about 20 percent of the county's population. The remaining residents live in the surrounding townships and unorganized territories stretching from Lake Superior to the Boundary Waters Canoe Area Wilderness to Minnesota's tallest mountain peaks and highest waterfall.

Future

All of Cook County's population growth since 2000 occurred in the oldest age groups, making Cook County's population significantly older than the state's. Just under 45 percent of the county's residents were 55 years and over, compared to 26.8 percent statewide. In contrast, just 21.3 percent of the county's population was under 25 years of age, compared to 33 percent statewide. This has led to a declining labor force, with the county shedding just over 160 workers in the past 15 years and projected to lose over 100 more workers through 2030.

Economy

2016 Estimates	Cook County	Minnesota
Population	5,286	5,519,952
Labor Force	3,056	3,003,576
Average Unemployment	4.6%	3.9%
Average Annual Income (2015)	$66,240	$80,444
Cost of Living, Individual	$26,989	$29,856
Cost of Living, Average Family	$45,803	$55,200

Source: U.S. Census Bureau, DEED Local Area Unemployment Statistics, American Community Survey, DEED Cost of Living Survey

Industry

	Top Industries of Employment	Total Employment, 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**2,841**	**2.2%**	**$30,823**	**21.8%**
1	Leisure and Hospitality	1,158	1.8%	$21,902	23.8%
2	Trade, Transportation, and Utilities	502	19.2%	$31,096	23.1%
3	Public Administration	402	-8.8%	$45,829	27.9%
4	Education and Health Services	375	7.1%	$39,856	18.0%

Source: DEED Quarterly Census of Employment and Wages, 2006-2016

[4] "Lodging in Cook County MN." Retrieved from http://www.visitcookcounty.com/where-to-stay-lodging-in-cook-county-mn/ ,