

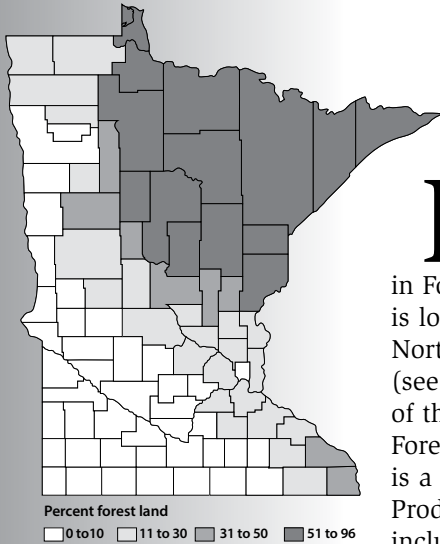
Minnesota Employment Review

Review
ONLINE

mn.gov/deed/review

December 2018 Data...January 2019 Issue

Map 1. Percent of Forest Land by County, Minnesota, 2014



Source: USDA Forests of Minnesota, 2014
www.fs.fed.us/nrs/pubs/ru/ru_fs44.pdf

Logging In Northeast Minnesota's Forest Products Industry

It is not surprising that almost half of the state's remaining employment in Forestry and Logging is located in the 7-county Northeast Minnesota region (see Map 1), home to most of the state's forest land. The Forestry and Logging sector is a vital part of the Forest Product Industry which also includes establishments and employment in two other NAICS codes: 321-Wood Product Manufacturing and

322-Paper Manufacturing.

Despite long-term declines, these three sectors still combined for an average of 139 business establishments and 3,078 jobs in 2017 in Northeast Minnesota, accounting for 2.1 percent of total employment in the region. According to data from DEED's Quarterly Census of Employment and Wages program, total payroll in the Forest Product Industry neared

\$213 million in the region in 2017, with an average annual wage of \$69,120. That was over \$25,000 higher than the average wage across all industries in the region, but varied greatly by specialty. Paper Manufacturing had the highest annual wages, while Forest Nurseries and Gathering of Forest Products was among the lowest (see Table 1).

Features:

Comparative Analysis of the Economic Status of Native-Born and Foreign-Born Residents of Minnesota

County Snapshots: *Wilkins, Wright, Yellow Medicine, and Statewide*

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Table 1. Northeast Minnesota Forest Products Industry Employment Statistics, 2017

NAICS Code	NAICS Industry Title	Number of Firms 2017	Number of Jobs 2017	Location Quotient	Industry Payroll 2017	Average Annual Wages 2017
0	Total, All Industries	8,644	143,337	1.0	\$6,189,287,735	\$43,160
113	Forestry and Logging	94	488	9.7	\$21,144,172	\$42,640
1131	Timber Tract Operations	4*	8*	11.4	\$123,178*	\$61,568
1132	Forest Nurseries and Gathering of Forest Products	4*	40*	5.1	\$944,246*	\$31,737
1133	Logging	86	442	10.6	\$19,277,355	\$42,744
1153	Support Activities for Forestry	7*	8*	1.3	\$81,822*	\$40,924
321	Wood Product Manufacturing	35	637	1.1	\$31,647,403	\$49,660
3211	Sawmills and Wood Preservation	12*	116*	4.7	\$3,633,681*	\$41,756
3212	Veneer, Plywood, and Engineered Wood Products	5*	200*	2.5	\$8,709,631*	\$57,298
3219	Other Wood Product Manufacturing	18	322	0.7	\$14,584,988	\$45,344
322	Paper Manufacturing	10	1,953	4.2	\$159,960,491	\$81,900
3221	Pulp, Paper, and Paperboard Mills	7	1,913	15.2	\$158,805,603	\$82,992
3222	Converted Paper Product Manufacturing	3	39	0.1	\$1,154,888	\$29,640

*only quarterly data were available, not an annual average
 Source: DEED Quarterly Census of Employment and Wages (QCEW) program

Falling Timber

As detailed and predicted in the article “Falling Timber - Forest Products in Decline” written by former Northeast Minnesota regional analyst Scott Moore and Rachel Vilsack (nee Hillman)¹, the Forest Product Industry has endured recessionary shockwaves and employment cutbacks as well as productivity growth and advances in sustainability. Many of these forces have greatly impacted the industry, remolding it into a very different shape. Since the article was published in 2003, employment in the Forest Products Industry has declined by 39 percent in Northeast Minnesota, and it’s down 49.5 percent since 2000 (see Figure 1).

Paper Manufacturing is the largest sector of the Forest Product Industry in the region, with 1,953 jobs at 10 firms. Wages reached \$83,000 per year at the region’s huge pulp, paper, and paperboard mills, which averaged close to 275 employees per site. However, paper manufacturing employment also dropped nearly 50 percent since 2000, a loss of more than 1,700 jobs.

Likewise, Wood Product Manufacturing employers cut 66 percent of their payroll since 2000, making it the second fastest declining sector overall in the region so far this century. Interestingly, the only sector that declined faster was Support Activities for Forestry. The primary subsectors include Sawmills and Wood Preservation, Other Wood Product Manufacturing, and Veneer, Plywood, and Engineered Wood Product Manufacturing. The latter subsector sliced 75 percent of the jobs it had in 2000, a loss of nearly 600 jobs.

The smallest but perhaps most recognizable sector was Forestry and Logging, which had just under 500 jobs at 94 establishments in 2017. Logging is the largest subsector with 442 jobs at 86 firms, but was made up primarily of small businesses, with an average of just 5 employees per site. Unlike the other sectors, employment in Forestry and Logging has been relatively stable over time, declining less than 6 percent from 2000 to 2017 and even experiencing hiring growth in the past five years (see Table 2).

Turning Over a New Leaf

Demographic data from the Quarterly Workforce Indicators program show that the Forest Product Industry labor force is relatively non-diverse, with males accounting for 78 percent of jobholders, and 94 percent reporting white alone as their race. Those percentages have remained virtually unchanged since 2007, with both shifting less than 1.6 percent despite much more rapid changes in the racial and gender composition of the overall labor force during the last decade.

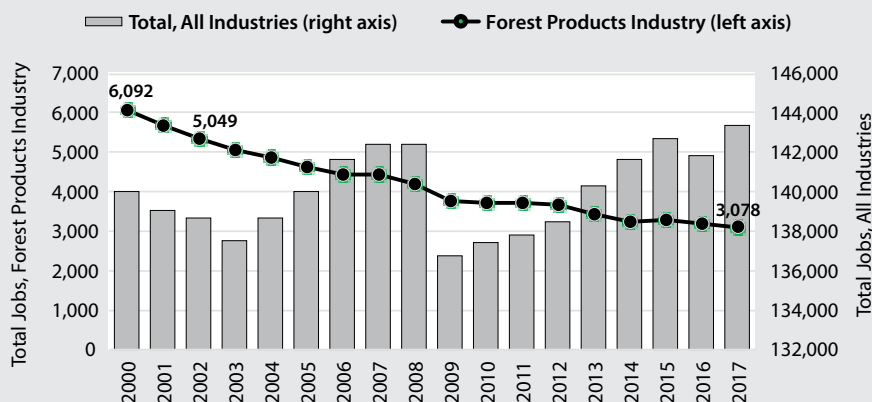
However, the Forest Product Industry has seen significant changes in the age composition of the workforce over the past 10 years. The percentage of workers aged 55 to 64 years increased more than 60 percent from 2007 to 2017, and the concentration of workers aged 65 years and over more than doubled, from 1.8 percent in 2007 to 3.8 percent in 2017 (see Figure 2).

In contrast, the percentage of workers under 35 years of age stayed mostly the same, accounting for about one-fourth of the total workforce in both years. Jobholders in the 35 to 54 year old age group were affected the most, dropping from 58.5 percent of the workforce in 2007 to 46.9 percent by 2017, a shift impacted both by the aging of the workforce and on-going job cuts in the industry.

Precise Cuts

The Forest Products Industry is expected to continue cutting jobs in Northeast Minnesota in the near future. According to new regional employment projections, Wood Product Manufacturing may decline another 45 percent over the next decade, followed by an 18 percent reduction in Paper Manufacturing, although that would actually account for a larger number of jobs lost.

Figure 1. Northeast Minnesota Industry Employment Statistics



Source: DEED Quarterly Census of Employment and Wages

¹Hillman, Rachel and Scott Moore. “Falling Timber - Forest Products in Decline.” Minnesota Economic Trends, June 2003, pages 18-29. Retrieved from: <http://cdm16105.contentdm.oclc.org/cdm/compoundobject/collection/p16105coll3/id/872/rec/1>

Table 2. Northeast Minnesota Forest Products Industry Trends, 2007-2017

NAICS Industry Title	Number of Jobs, 2017	1-Year Trend 2016-2017		5-Year Trend 2012-2017		10-Year Trend 2007-2017	
		Numeric Change	Percent Change	Numeric Change	Percent Change	Numeric Change	Percent Change
Total, All Industries	143,337	1,464	1.0%	4,835	3.5%	912	0.6%
Forestry and Logging	488	-15	-3.0%	41	9.2%	5	1.0%
Timber Tract Operations	8*	1	14.3%	ND	ND	ND	ND
Forest Nurseries and Gathering of Forest Products	40*	-6	-13.0%	ND	ND	ND	ND
Logging	442	-10	-2.2%	34	8.3%	14	3.3%
Support Activities for Forestry	8*	-1	-11.1%	-11	-57.9%	ND	ND
Wood Product Manufacturing	637	-76	-10.7%	-196	-23.5%	-783	-55.1%
Sawmills and Wood Preservation	116*	0	0.0%	-32	-21.6%	-101	-46.5%
Veneer, Plywood, and Engineered Wood Product	200*	-13	-6.1%	-127	-38.8%	-490	-71.0%
Other Wood Product Manufacturing	322	-65	-16.8%	-33	-9.3%	-190	-37.1%
Paper Manufacturing	1,953	-48	-2.4%	-431	-18.1%	-581	-22.9%
Pulp, Paper, and Paperboard Mills	1,913	-46	-2.3%	-403	-17.4%	-515	-21.2%
Converted Paper Product Manufacturing	39	-2	-4.9%	-28	-41.8%	-67	-63.2%

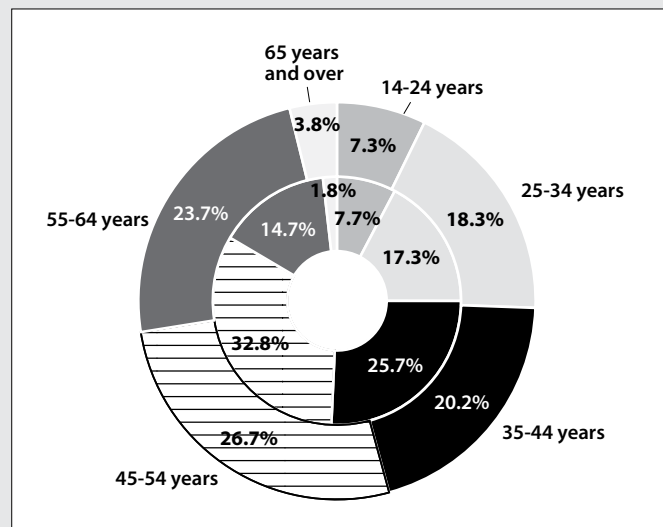
*only quarterly data were available, not an annual average
Source: DEED Quarterly Census of Employment and Wages (QCEW) program

Forestry and Logging is projected to fall just 5.8 percent.

Even if the industry continues slicing jobs, there will still be openings caused by retirements and turnover. With data showing there is less than one jobseeker for every job vacancy in the past year, there is intense competition for workers in Northeast Minnesota – especially for common occupations like heavy and tractor-trailer truck drivers, maintenance and repair workers, mobile heavy equipment mechanics, and laborers and freight movers, which are in high demand in other industries as well.

Likewise, office occupations like secretaries and administrative assistants, bookkeeping and accounting clerks, office clerks, sales representatives, and general and operations managers are also in high demand in industries across the region. Twenty of the top 25 jobs in the forest products industry can be secured with a high school diploma or equivalent and some level of the on-the-job training, while just three require

Figure 2. Minnesota Forest Product Industry Workforce by Age Group, 2007-2017



Source: DEED Quarterly Census of Employment and Wages

Table 3. Top 25 Occupations in Demand in the Forest Products Industry in Northeast Minnesota, 2018

Northeast Minnesota, 2018	Estimated Regional Employment	Median Hourly Wage	Current Demand Indicator	Typical Educational Requirement
Office clerks, general	3,130	\$15.72	★★★★★	High school or equivalent
General and operations managers	2,070	\$36.59	N/A	Bachelor's degree
Heavy and tractor-trailer truck drivers	2,050	\$20.46	★★★★★	High school or equivalent
Maintenance and repair workers, general	1,920	\$18.17	★★★★★	High school or equivalent
Bookkeeping, accounting, and auditing clerks	1,680	\$17.24	★★★★★	High school or equivalent
Secretaries and administrative assistants	1,620	\$17.70	★★★★★	High school or equivalent
Laborers and freight, stock, and material movers, hand	1,290	\$14.73	★★★★★	Less than high school
Sales representatives, wholesale and manufacturing	860	\$26.02	★★★★★	High school or equivalent
Team and all other assemblers	670	\$13.25	N/A	High school or equivalent
Helpers--production workers	580	\$25.57	★★★★★	Less than high school
Industrial machinery mechanics	570	\$28.22	★★★★★	Postsecondary award
Mobile heavy equipment mechanics, except engines	520	\$25.25	★★★★★	Postsecondary award
First-line supervisors of production workers	500	\$29.26	★★★★★	High school or equivalent
Paper goods machine setters, operators, and tenders	370	\$31.09	★★★★★	High school or equivalent
Inspectors, testers, sorters, samplers, and weighers	330	\$16.79	★★★★★	High school or equivalent
Industrial truck and tractor operators	270	\$19.40	★★★★★	Less than high school
Logging equipment operators	260	\$20.17	★★★★★	High school or equivalent
Foresters	140	\$30.10	★★★★★	Bachelor's degree
Woodworking machine setters, operators, and tenders	140	\$14.57	★★★★★	High school or equivalent
Sawing machine setters, operators, and tenders, wood	90	\$13.93	★★★★★	High school or equivalent
Cabinetmakers and bench carpenters	50	\$17.04	★★★★★	High school or equivalent
Machine feeders and offbearers	50	\$17.70	★★★★★	Less than high school
First-line supervisors of farming and forestry workers	N/A	\$28.28*	★★★★★	High school or equivalent
Fallers	N/A	\$24.58*	N/A	High school or equivalent
Forest and conservation workers	N/A	\$21.04*	★★★★★	Postsecondary award

*State wage data was used because no regional wage data was available
 Source: Bureau of Labor Statistics Industry-Occupation Matrix, DEED Occupations in Demand

vocational training and two require a bachelor's degree (see Table 3).

According to DEED's Graduate Employment Outcomes tool, 58 graduated from forestry programs at colleges in Minnesota during the school year 2013 - 2014, including 22 Bachelor's degrees, 18 Associate degrees, and 18 certificates. Interestingly, median wages were higher for graduates who earned certificates than for workers with

Bachelor's degrees, at least in the short term. In addition there were just 28 graduates from woodworking programs at colleges in Minnesota, and zero from paper-specific programs. There were hundreds more graduates from programs in agriculture, biology and biochemistry, natural resources and conservation, precision production, and mechanic and repair technologies, which could potentially relate to forest products in some form.

These new graduates and other jobseekers will be important in filling the workforce pipeline in the Forest Product Industry as older workers continue to reach retirement age. In the face of tight labor markets, forest product employers will need to tap into new labor pools in order to attract the talent they require to succeed in the future.

by Cameron Macht

Fun With Statistics

Most recent data show Minnesota has a record number of job openings, nearing 150,000. This is terrific news for jobs seekers and new labor force participants like recent college and high school graduates and immigrants, but within that incredibly large number are the dirty details.

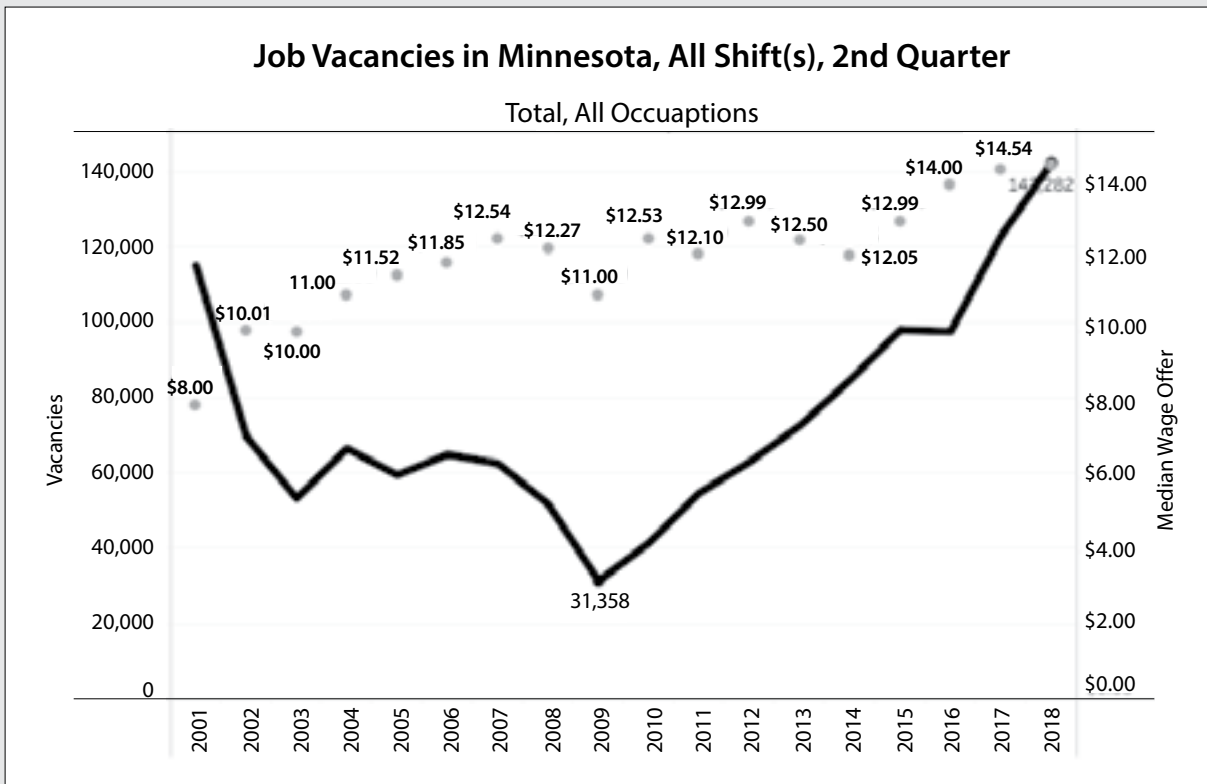
Job vacancies serve as a leading indicator for the health of the economy and are a direct reflection of businesses' current and future needs. While the latest job vacancy data appear to be yelling "Full Steam Ahead", job-seekers would benefit to note the fields with the largest numbers of openings, the fastest growth in median wage offers, and what types of occupations provide the best chance at a work schedule that fits their personal needs.

Huge variations in median wage offers exist within the job market. For all openings in Minnesota the median wage offer was \$14.54 in the 2nd quarter of 2018. Full-time openings have typically higher wages and were almost \$17 per hour compared to just over \$12 for part-time job openings.

The Twin Cities had a slight wage advantage for all openings at \$15.16 per hour, but many regions in Greater Minnesota were not far behind, including southeast Minnesota at \$14.83 and central Minnesota's \$14.38 median wage offer. Wages can be significantly higher for specific occupational categories. For instance, in southwest Minnesota where starting wages can be lower than other regions, the median wage offer for management occupations was a healthy \$33.82, and computer and mathematical openings were typically more than \$25 per hour.

If you're curious about where the job openings are, what shifts are typical and the starting wages, enter the following web address when you get to your computer: https://public.tableau.com/views/JobVacancySurvey_0/Embedded?embed=y&:display_count=yes

by Luke Greiner



Labor Force Estimates

County/ Area

	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Dec 2018	Nov 2018	Dec 2017	Dec 2018	Nov 2018	Dec 2017	Dec 2018	Nov 2018	Dec 2017	Dec 2018	Nov 2018	Dec 2017
United States ('000s) (Seasonally adjusted) (Unadjusted)	163,240	162,821	160,597	156,945	156,803	154,021	6,294	6,018	6,576	3.9%	3.7%	4.1%
	162,510	162,665	159,880	156,481	157,015	153,602	6,029	5,650	6,278	3.7	3.5	3.9
Minnesota (Seasonally adjusted) (Unadjusted)	3,093,361	3,092,089	3,069,832	3,006,678	3,006,763	2,968,202	86,683	85,326	101,630	2.8	2.8	3.3
	3,089,811	3,076,659	3,061,445	2,991,883	3,008,799	2,957,587	97,928	67,860	103,858	3.2	2.2	3.4
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	2,008,037	2,007,352	1,990,904	1,952,453	1,966,410	1,933,296	55,584	40,942	57,608	2.8	2.0	2.9
Duluth-Superior MSA	144,386	144,665	144,118	138,726	140,290	137,885	5,660	4,375	6,233	3.9	3.0	4.3
Rochester MSA	120,953	119,635	119,391	117,605	117,372	115,992	3,348	2,263	3,399	2.8	1.9	2.8
St. Cloud MSA	113,242	112,682	111,726	109,386	110,194	107,751	3,856	2,488	3,975	3.4	2.2	3.6
Mankato-N Mankato MSA	63,634	63,064	61,052	62,061	62,030	59,524	1,573	1,034	1,528	2.5	1.6	2.5
Fargo-Moorhead MSA	135,806	135,806	137,092	132,655	132,396	133,678	3,151	2,590	3,414	2.3	1.9	2.5
Grand Forks MSA	55,196	55,290	56,018	53,820	54,156	54,468	1,376	1,134	1,550	2.5	2.1	2.8
Region One	47,252	46,617	48,968	45,125	45,334	46,387	2,127	1,283	2,581	4.5	2.8	5.3
Kittson	2,357	2,311	2,390	2,274	2,266	2,294	83	45	96	3.5	1.9	4.0
Marshall	5,464	5,362	5,811	5,078	5,125	5,323	386	237	488	7.1	4.4	8.4
Norman	3,380	3,234	3,436	3,201	3,132	3,263	179	102	173	5.3	3.2	5.0
Pennington	8,851	8,691	9,432	8,385	8,478	8,825	466	213	607	5.3	2.5	6.4
Polk	17,045	16,979	17,075	16,423	16,569	16,369	622	410	706	3.6	2.4	4.1
Red Lake	2,222	2,215	2,410	2,110	2,133	2,248	112	82	162	5.0	3.7	6.7
Roseau	7,933	7,825	8,414	7,654	7,631	8,065	279	194	349	3.5	2.5	4.1
Region Two	43,794	43,109	43,570	41,434	41,453	40,989	2,360	1,656	2,581	5.4	3.8	5.9
Beltrami	24,044	23,847	24,422	22,953	23,080	23,200	1,091	767	1,222	4.5	3.2	5.0
Clearwater	4,678	4,563	4,883	4,295	4,302	4,414	383	261	469	8.2	5.7	9.6
Hubbard	10,361	10,173	9,603	9,689	9,722	8,938	672	451	665	6.5	4.4	6.9
Lake of the Woods	2,339	2,208	2,326	2,239	2,108	2,214	100	100	112	4.3	4.5	4.8
Mahnomen	2,372	2,318	2,336	2,258	2,241	2,223	114	77	113	4.8	3.3	4.8
Region Three	165,218	164,734	162,531	157,775	159,071	154,387	7,443	5,663	8,144	4.5	3.4	5.0
Aitkin	7,416	7,288	7,327	6,863	6,913	6,753	553	375	574	7.5	5.1	7.8
Carlton	18,001	17,900	17,797	17,190	17,356	16,907	811	544	890	4.5	3.0	5.0
Cook	3,390	3,333	2,672	3,234	3,236	2,515	156	97	157	4.6	2.9	5.9
Itasca	21,728	21,530	21,326	20,404	20,463	19,894	1,324	1,067	1,432	6.1	5.0	6.7
Koochiching	5,934	5,890	5,745	5,585	5,521	5,367	349	369	378	5.9	6.3	6.6
Lake	5,649	5,659	5,129	5,438	5,502	4,896	211	157	233	3.7	2.8	4.5
St. Louis	103,100	103,134	102,535	99,061	100,080	98,055	4,039	3,054	4,480	3.9	3.0	4.4
City of Duluth	46,308	46,471	45,648	44,974	45,436	44,322	1,334	1,035	1,326	2.9	2.2	2.9
Balance of St. Louis County	56,792	56,663	56,887	54,087	54,644	53,733	2,705	2,019	3,154	4.8	3.6	5.5
Region Four	128,943	127,290	128,465	124,004	124,321	123,410	4,939	2,969	5,055	3.8	2.3	3.9
Becker	19,117	18,793	18,895	18,315	18,287	17,969	802	506	926	4.2	2.7	4.9
Clay	35,966	35,705	36,414	34,922	35,041	35,302	1,044	664	1,112	2.9	1.9	3.1
Douglas	20,865	20,645	20,194	20,108	20,162	19,450	757	483	744	3.6	2.3	3.7
Grant	3,321	3,246	3,390	3,153	3,155	3,235	168	91	155	5.1	2.8	4.6
Otter Tail	32,315	31,675	31,474	30,737	30,794	29,942	1,578	881	1,532	4.9	2.8	4.9
Pope	6,439	6,369	6,509	6,210	6,236	6,285	229	133	224	3.6	2.1	3.4
Stevens	5,532	5,487	5,845	5,376	5,397	5,686	156	90	159	2.8	1.6	2.7
Traverse	1,823	1,797	1,837	1,747	1,756	1,745	76	41	92	4.2	2.3	5.0
Wilkin	3,565	3,573	3,907	3,436	3,493	3,796	129	80	111	3.6	2.2	2.8
Region Five	86,201	85,077	83,755	81,309	81,893	78,605	4,892	3,184	5,150	5.7	3.7	6.1
Cass	15,263	15,178	14,094	14,293	14,498	13,061	970	680	1,033	6.4	4.5	7.3
Crow Wing	33,402	33,184	31,950	31,751	32,062	30,147	1,651	1,122	1,803	4.9	3.4	5.6
Morrison	17,917	17,540	18,271	16,745	16,859	17,008	1,172	681	1,263	6.5	3.9	6.9
Todd	13,809	13,525	13,177	13,103	13,065	12,521	706	460	656	5.1	3.4	5.0
Wadena	5,810	5,650	6,263	5,417	5,409	5,868	393	241	395	6.8	4.3	6.3
Region Six East	67,491	66,693	66,456	64,898	65,266	63,887	2,593	1,427	2,569	3.8	2.1	3.9
Kandiyohi	25,359	24,951	24,593	24,444	24,453	23,698	915	498	895	3.6	2.0	3.6
McLeod	19,414	19,177	19,224	18,670	18,748	18,493	744	429	731	3.8	2.2	3.8
Meeker	13,362	13,153	13,268	12,809	12,856	12,705	553	297	563	4.1	2.3	4.2
Renville	9,356	9,412	9,371	8,975	9,209	8,991	381	203	380	4.1	2.2	4.1

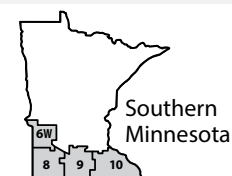
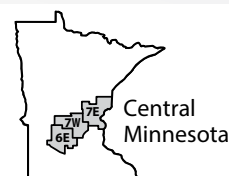
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

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

Labor Force Estimates

County/ Area

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Dec 2018	Nov 2018	Dec 2017	Dec 2018	Nov 2018	Dec 2017	Dec 2018	Nov 2018	Dec 2017	Dec 2018	Nov 2018	Dec 2017
Region Six West	23,391	22,963	24,284	22,430	22,434	23,284	961	529	1,000	4.1%	2.3%	4.1%
Big Stone	2,631	2,603	2,681	2,498	2,538	2,548	133	65	133	5.1	2.5	5.0
Chippewa	6,893	6,744	7,104	6,626	6,598	6,814	267	146	290	3.9	2.2	4.1
Lac Qui Parle	3,467	3,431	3,696	3,332	3,354	3,565	135	77	131	3.9	2.2	3.5
Swift	5,080	4,972	5,241	4,852	4,858	4,996	228	114	245	4.5	2.3	4.7
Yellow Medicine	5,320	5,213	5,562	5,122	5,086	5,361	198	127	201	3.7	2.4	3.6
Region Seven East	88,821	87,567	88,746	84,439	85,017	84,042	4,382	2,550	4,704	4.9	2.9	5.3
Chisago	29,953	29,726	29,722	28,842	29,022	28,521	1,111	704	1,201	3.7	2.4	4.0
Isanti	21,328	21,062	20,986	20,388	20,530	20,011	940	532	975	4.4	2.5	4.6
Kanabec	9,162	8,960	9,294	8,542	8,615	8,620	620	345	674	6.8	3.9	7.3
Mille Lacs	13,159	12,879	13,153	12,363	12,441	12,293	796	438	860	6.0	3.4	6.5
Pine	15,219	14,940	15,591	14,304	14,409	14,597	915	531	994	6.0	3.6	6.4
Region Seven West	240,714	239,363	237,254	232,408	234,058	228,722	8,306	5,305	8,532	3.5	2.2	3.6
Benton	22,306	22,109	22,040	21,416	21,571	21,078	890	538	962	4.0	2.4	4.4
Sherburne	52,254	51,911	51,108	50,329	50,698	49,175	1,925	1,213	1,933	3.7	2.3	3.8
Stearns	90,936	90,573	89,686	87,970	88,623	86,673	2,966	1,950	3,013	3.3	2.2	3.4
Wright	75,218	74,770	74,420	72,693	73,166	71,796	2,525	1,604	2,624	3.4	2.1	3.5
Region Eight	63,909	62,886	64,525	61,853	61,639	62,426	2,056	1,247	2,099	3.2	2.0	3.3
Cottonwood	5,473	5,368	4,776	5,286	5,228	4,575	187	140	201	3.4	2.6	4.2
Jackson	5,569	5,481	6,041	5,394	5,369	5,857	175	112	184	3.1	2.0	3.0
Lincoln	3,316	3,220	3,373	3,197	3,167	3,246	119	53	127	3.6	1.6	3.8
Lyon	14,891	14,766	15,377	14,459	14,502	14,934	432	264	443	2.9	1.8	2.9
Murray	4,974	4,851	4,879	4,737	4,731	4,648	237	120	231	4.8	2.5	4.7
Nobles	11,245	11,125	11,195	10,940	10,933	10,887	305	192	308	2.7	1.7	2.8
Pipestone	4,985	4,953	4,815	4,827	4,873	4,661	158	80	154	3.2	1.6	3.2
Redwood	7,496	7,271	8,241	7,184	7,073	7,913	312	198	328	4.2	2.7	4.0
Rock	5,960	5,851	5,828	5,829	5,763	5,705	131	88	123	2.2	1.5	2.1
Region Nine	136,274	134,557	134,421	131,613	131,727	129,803	4,661	2,830	4,618	3.4	2.1	3.4
Blue Earth	42,045	41,670	40,286	40,977	40,968	39,239	1,068	702	1,047	2.5	1.7	2.6
Brown	14,480	14,384	14,814	13,954	14,058	14,308	526	326	506	3.6	2.3	3.4
Faribault	7,248	7,090	7,142	6,952	6,907	6,843	296	183	299	4.1	2.6	4.2
Le Sueur	16,138	15,770	16,195	15,251	15,340	15,258	887	430	937	5.5	2.7	5.8
Martin	10,316	10,151	10,512	9,941	9,906	10,145	375	245	367	3.6	2.4	3.5
Nicollet	21,589	21,394	20,766	21,084	21,062	20,285	505	332	481	2.3	1.6	2.3
Sibley	8,656	8,531	8,646	8,285	8,323	8,316	371	208	330	4.3	2.4	3.8
Waseca	9,344	9,271	9,432	8,974	9,037	9,036	370	234	396	4.0	2.5	4.2
Watonwan	6,458	6,296	6,628	6,195	6,126	6,373	263	170	255	4.1	2.7	3.8
Region Ten	281,704	279,113	283,818	273,392	273,681	275,536	8,312	5,432	8,282	3.0	1.9	2.9
Dodge	11,571	11,426	11,454	11,206	11,183	11,090	365	243	364	3.2	2.1	3.2
Fillmore	11,483	11,278	11,352	11,062	11,030	10,959	421	248	393	3.7	2.2	3.5
Freeborn	16,010	15,799	16,426	15,384	15,381	15,776	626	418	650	3.9	2.6	4.0
Goodhue	26,919	26,612	26,938	26,089	26,086	26,097	830	526	841	3.1	2.0	3.1
Houston	10,787	10,651	10,714	10,456	10,468	10,375	331	183	339	3.1	1.7	3.2
Mower	20,542	20,480	20,556	19,932	20,068	20,025	610	412	531	3.0	2.0	2.6
Olmsted	85,874	85,086	84,587	83,721	83,579	82,364	2,153	1,507	2,223	2.5	1.8	2.6
City of Rochester	63,316	62,760	62,074	61,747	61,642	60,452	1,569	1,118	1,622	2.5	1.8	2.6
Rice	37,273	36,979	36,903	36,118	36,261	35,813	1,155	718	1,090	3.1	1.9	3.0
Steele	20,250	20,093	23,319	19,610	19,703	22,649	640	390	670	3.2	1.9	2.9
Wabasha	12,025	11,845	11,998	11,616	11,580	11,579	409	265	419	3.4	2.2	3.5
Winona	28,970	28,864	29,571	28,198	28,342	28,809	772	522	762	2.7	1.8	2.6
Region Eleven	1,716,092	1,716,693	1,700,094	1,671,199	1,682,907	1,653,422	44,893	33,786	46,672	2.6	2.0	2.7
Anoka	197,151	196,902	195,688	191,336	192,732	189,642	5,815	4,170	6,046	2.9	2.1	3.1
Carver	57,804	57,719	56,816	56,312	56,689	55,288	1,492	1,030	1,528	2.6	1.8	2.7
Dakota	241,555	241,628	239,356	235,225	236,964	232,780	6,330	4,664	6,576	2.6	1.9	2.7
Hennepin	704,046	704,765	697,414	686,543	691,164	678,994	17,503	13,601	18,420	2.5	1.9	2.6
City of Bloomington	47,099	47,102	47,600	45,824	46,133	46,264	1,275	969	1,336	2.7	2.1	2.8
City of Minneapolis	240,306	240,535	238,256	234,326	235,903	231,987	5,980	4,632	6,269	2.5	1.9	2.6
Ramsey	289,761	289,936	287,725	281,965	283,922	279,666	7,796	6,014	8,059	2.7	2.1	2.8
City of St. Paul	158,941	159,035	157,708	154,547	155,619	153,216	4,394	3,416	4,492	2.8	2.1	2.8
Scott	83,110	83,009	81,728	80,893	81,475	79,467	2,217	1,534	2,261	2.7	1.8	2.8
Washington	142,665	142,734	141,367	138,925	139,961	137,585	3,740	2,773	3,782	2.6	1.9	2.7



Industrial Analysis

Overview

Employment in Minnesota was mostly flat again in December as the economy added 500 jobs (0.0 percent). November's estimate was revised down from a loss of 800 to a loss of 1,800 (0.1 percent). Goods producers added 1,700 jobs (0.4 percent) as all three component supersectors added jobs on the month. Service providers lost jobs, however, off by 1,200 (0.0 percent) as employment in both private services providers (down 1,100 or 0.1 percent) and Government (down 100, 0.0 percent) was off. The decline among private service providers was driven largely by a drop of 2,600 (0.7 percent) in Professional and Business Services. The state added 31,441 jobs (1.1 percent) on an annual basis to close out 2018. The state has not seen an over-the-year employment decline in even a single month since 2010. The private sector added 28,960 jobs (1.2 percent) while government employers added 2,481 (0.6 percent). Goods producers added 14,429 jobs (3.3 percent), and service providers added 17,012 (0.7 percent).

Mining and Logging

Mining and Logging employment was up by 100 (1.6 percent) in December, taking back the 100 jobs the supersector lost in November. It was the first over-the-month increase in the supersector since March. Annually Mining and Logging lost 307 jobs (4.9 percent). It was the largest over-the-year decline of any supersector in the state and the supersector's third consecutive month with over-the-year job losses of greater than 4 percent.

Construction

Employment in the Construction industry was up by 1,100 (0.9 percent) in December. Aside from Mining

and Logging, it was the largest proportional over-the-month increase in any supersector. Construction has added jobs in every month since March. Annually the supersector added 7,711 jobs (6.7 percent). It was the largest proportional increase of any supersector in Minnesota. Specialty Trade Contractors added 6,116 jobs (8.1 percent), and Construction of Buildings added 1,526 (5.8 percent). Construction has shown over-the-year increases of greater than 3 percent in every month since May.

Manufacturing

Employment in the Manufacturing supersector was up by 500 (0.2 percent) in December. The gain came entirely among Non-Durable Goods manufacturers (up 500, 0.4 percent) as employment in Durable Goods Manufacturing was unchanged at 205,900. Annually Manufacturing employers added 7,025 jobs (2.2 percent). Durable Goods was up by 5,940 (3 percent), and Non-Durable Goods was up 1,085 (0.9 percent). Over-the-year job growth in the supersector was positive in every month of 2018, starting in January at 0.1 percent before peaking at 2.8 percent in July.

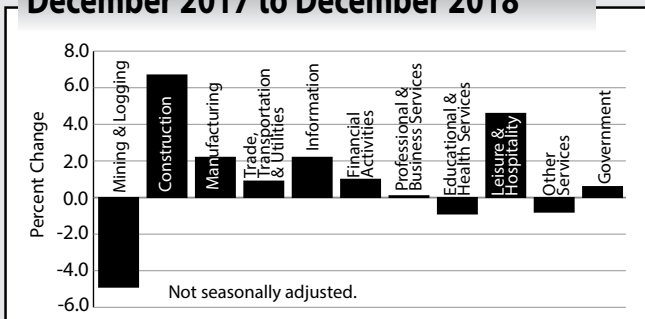
Trade, Transportation, and Utilities

Employment in Trade, Transportation, and Utilities was mostly flat for the second consecutive month, adding just 200 jobs (0.0 percent). While small, it marks the fourth consecutive over-the-month increase in the supersector. Wholesale and Retail Trade were both up by 0.1 percent (200 and 400 jobs, respectively), but Transportation, Warehousing, and Utilities was off by 0.4 percent (400 jobs). Over the year the supersector added 4,901 jobs (0.9 percent). Mirroring the monthly growth, the Wholesale and Retail Trade components both added jobs, up by 1.3 percent (1,782 and 3,852 jobs, respectively), while Transportation, Warehousing, and Utilities showed negative growth (off by 733 or 0.7 percent).

Information

The Information supersector added 300 jobs (0.6 percent) in December, more than recovering the 200 jobs that were lost in November. Annually the supersector added 1,085 jobs (2.2 percent). This is a marked improvement over November's 0.6 percent over-the-year growth. It is also highly out of character for the supersector, which hasn't seen over-the-year growth of greater than 1 percent since June of 2001.

MN Employment Growth December 2017 to December 2018



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

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

Financial Activities

Financial Activities employment was down by 900 (0.5 percent) in December. Both component sectors shed jobs. Finance and Insurance was off by 800 (0.5 percent), and Real Estate and Rental and Leasing was off by 100 (0.3 percent). On an over-the-year basis the supersector added 1,833 jobs (1 percent). Finance and Insurance added 966 jobs (0.7 percent), and Real Estate and Rental and Leasing added 867 (2.5 percent).

Professional and Business Services

Employment in Professional and Business Services was off by 2,600 (0.7 percent) in December. It was the largest over-the-month decline of any supersector in the state, driven in large part by the loss of 2,100 jobs (1.3 percent) in Professional, Scientific, and Technical Services. Administrative and Support and Waste Management and Remediation Services also lost jobs, off by 500 (0.4 percent), while employment in Management of Companies and Enterprises held at 81,900. Over the year Professional and Business Services employment was up by 462 (0.1 percent). The relative stability belied the movement in the component sectors, as growth in Management of Companies (up 2,373 or 3 percent) and Professional, Scientific, and Technical Services (up 737, 0.5 percent) were met by the loss of 2,648 jobs (1.9 percent) in Administrative and Support and Waste Management and Remediation Services. The bellwether Employment Services supersector had its second consecutive month of noteworthy over-the-year declines, off by 1,294 (2.1 percent).

Educational and Health Services

Employment in Educational and Health Services was off by 700 jobs (0.1 percent) in December. November's estimate was also revised down from a loss of 2,700 to a loss of 3,600. Health Care and Social Assistance lost 1,400 jobs (0.3 percent), and Educational Services added 700 (0.1 percent). Annually the supersector remained in negative growth, off by 4,662 jobs (0.9 percent). Losses were shared between the component sectors as Educational Services lost 594 jobs, and Health Care and Social Assistance lost 4,068, both of which represented a 0.9 percent decline.

Leisure and Hospitality

Leisure and Hospitality employers added 2,100 jobs (0.8 percent) in December, continuing its strong fourth quarter with a third consecutive month of growth. Arts, Entertainment, and Recreation added 800 jobs (1.6

percent), and Accommodation and Food Services added 1,300 (0.6 percent). The supersector also continued its strong performance on an annual basis, adding 11,783 jobs (4.6 percent) since December of 2017. Arts, Entertainment, and Recreation added 1,287 jobs (3.1 percent), and Accommodation and Food Services added 10,496 (4.9 percent). This was the second-highest proportional over-the-year growth in the state after the Construction industry.

Other Services

The Other Services supersector added 500 jobs (0.4 percent) in December, breaking a streak of four consecutive months of over-the-month declines. Annually the supersector lost 871 jobs (0.8 percent). Religious, Grantmaking, Civic, Professional, and Similar Organizations led the decline, shedding 746 jobs (1.2 percent).

Government

Government employers shed 100 jobs (0.0 percent) in December. Local Government lost 200 jobs (0.1 percent). Annually Government employers added 2,481 jobs (0.6 percent). State Government added 1,599 (1.6 percent), and Local added 1,037 (0.3 percent) while Federal employers shed 155 jobs (0.5 percent).

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	Dec 2018	Nov 2018	Oct 2018
Total Nonagricultural	2,975.9	2,975.4	2,977.2
Goods-Producing	460.2	458.5	457.7
Mining and Logging	6.3	6.2	6.3
Construction	128.6	127.5	126.8
Manufacturing	325.3	324.8	324.6
Service-Providing	2,515.7	2,516.9	2,519.5
Trade, Transportation, and Utilities	545.3	545.1	544.9
Information	50.7	50.4	50.6
Financial Activities	181.4	182.3	182.0
Professional and Business Services	376.3	378.9	378.2
Educational and Health Services	536.5	537.2	540.8
Leisure and Hospitality	281.4	279.3	277.7
Other Services	114.3	113.8	114.7
Government	429.8	429.9	430.6

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

Regional Analysis

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

Employment in the Minneapolis-St. Paul-Bloomington MSA was off by 14,598 (0.7 percent) in December. Mining, Logging, and Construction led the declines in both real and proportional terms as the supersector lost 7,661 jobs (8.8 percent). Educational and Health Services lost 3,318 jobs (1 percent), and Government employers lost 3,244 (1.2 percent). Notable increases included Trade, Transportation, and Utilities, which was up 2,343 (0.6 percent) with growth in all three component sectors, and Other Services added 547 jobs (0.7 percent) thanks to a strong showing from Religious, Grantmaking, Civic, Professional, and Similar Organizations (up 535, 1.2 percent). Over the year the metro area added 31,804 jobs (1.6 percent). This was the second largest proportional over-the-year increase of any MSA in the state and outpaced the statewide over-the-year growth of 1.1 percent. Trade, Transportation, and Utilities added 12,150 jobs (3.3 percent) with growth in all three sectors, Mining, Logging, and Construction added 3,419 (4.5 percent), and Manufacturing added 6,325 (3.2 percent). Of the 10 published supersectors, only two had negative job growth: Educational and Health Services, which lost 3,856 jobs (1.1 percent) thanks to declines in Health Care and Social Assistance, and Information, which lost 100 jobs (0.3 percent).

Duluth-Superior MSA

The Duluth-Superior MSA lost 1,482 jobs (1.1 percent) in December. Losses were spread among a number of industries, as just two supersectors showed positive growth and only by a combined 91 jobs. The sharpest decline came in Mining, Logging, and Construction (off by 443 jobs

or 4.7 percent). Government employers lost 399 jobs (1.4 percent), and Leisure and Hospitality was off by 255 (1.8 percent). Over the year the Duluth MSA added 1,504 jobs (1.1 percent), placing it at roughly the same over-the-year rate as Minnesota as a whole. Duluth's growth was spread among many industries. Notable supersectors included Other Services (up 209 jobs or 3.2 percent), Trade, Transportation, and Utilities (up 362, 1.4 percent), and Leisure and Hospitality (up 394, 2.9 percent).

Rochester MSA

Employment in the Rochester MSA was up by 231 (0.2 percent) in December. This was the largest increase of any MSA in the state, and Rochester was one of only two MSAs to have job growth on the month (Mankato). Educational and Health Services added 478 jobs (1 percent), breaking its streak of five consecutive months with negative job growth. Manufacturers also had notable gains, adding 110 jobs (1.1 percent). On the year the Rochester area lost 248 jobs (0.2 percent). It was the only MSA in the state with over-the-year job losses. The decline was driven primarily by the loss of 1,641 jobs (3.3 percent) in Educational and Health Services. Alternately, Leisure and Hospitality added 800 jobs (7.5 percent) on the year.

St. Cloud MSA

Employment in the Saint Cloud MSA was off by 861 (0.8 percent) in December. Mining, Logging, and Construction lost 228 jobs (3.2 percent), and Government lost 236 (1.5 percent). Professional and Business Services lost 102 jobs (1.1 percent). Three supersectors had positive monthly growth, but only added 33 total jobs among them.

Annually the St. Cloud MSA added 1,036 jobs (0.9 percent). Mining, Logging, and Construction and Manufacturing remained the big drivers of growth, adding 566 jobs (9.1 percent) and 439 jobs (2.8 percent), respectively.

Mankato-North Mankato MSA

The Mankato-North Mankato MSA added 56 jobs (0.1 percent) in December. It was one of only two MSAs in the state to add jobs on the month. Mankato's growth was driven by service providers, which added 167 jobs (0.3 percent), while their counterparts in goods production lost 111 jobs (1 percent). Annually the Mankato area added 2,379 jobs (4 percent). This was the largest proportional over-the-year growth of any MSA in the state. Both public and private sector employers contributed to the growth, adding 1,337 jobs (2.7 percent) and 1,042 jobs (10.7 percent), respectively.

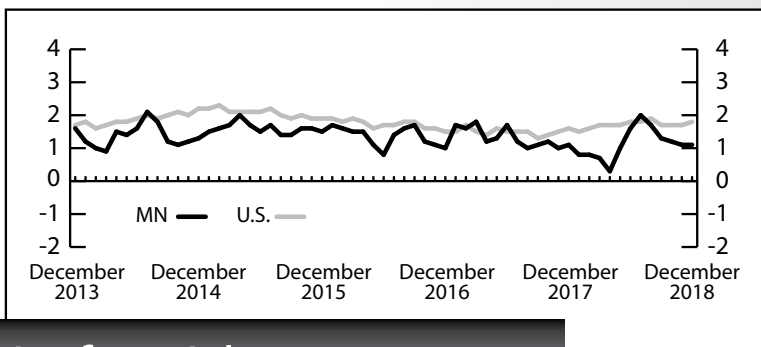
Fargo-Moorhead MSA

Employment in the Fargo-Moorhead MSA was down by 539 (0.4 percent) in December. As was the case across the state, overall employment growth was pushed downward by steep declines in Mining, Logging, and Construction employment (off by 881, 9.4 percent). The only other supersector to add or lose more than 1 percent of its jobs was Information, which was down by 2.5 percent or 74 total jobs. Annually the Fargo-Moorhead MSA added 1,687 jobs (1.2 percent). Mining, Logging, and Construction added 336 jobs (4.1 percent), the largest growth of any supersector.

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA lost 693 jobs (1.2 percent) in December. It was the steepest over-the-month decline of any MSA in the state. Mining, Logging, and Construction drove the losses, off by 263 (8.6 percent). Only two supersectors added jobs. Financial Activities was up by 42 (2.2 percent). Annually the MSA added 487 jobs (0.9 percent). Leisure and Hospitality led the way, adding 679 jobs (11.9 percent). Government employment declined the most, off by 500 (3.5 percent) thanks to a loss of 469 jobs in State Government.

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



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

by Nick Dobbins

Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

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

Industry

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
	Dec	Nov	Dec	Nov	Dec	Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	2018	2018	2017	2018	2017	Dec 2018	Dec 2017	Dec 2018	Dec 2017	Dec 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	2,973.0	2,990.0	2,941.5	-0.6%	1.1%	—	—	—	—	—	—
GOODS-PRODUCING	452.1	459.6	437.6	-1.6	3.3	—	—	—	—	—	—
Mining, Logging, and Construction	128.4	135.6	121.0	-5.4	6.1	—	—	—	—	—	—
Mining and Logging	6.0	6.3	6.3	-4.8	-4.9	—	—	—	—	—	—
Construction	122.4	129.3	114.7	-5.4	6.7	—	—	—	—	—	—
Specialty Trade Contractors	81.8	85.0	75.7	-3.7	8.1	\$1,191.28	\$1,277.43	36.7	39.5	\$32.46	\$32.34
Manufacturing	323.7	324.0	316.7	-0.1	2.2	906.95	884.56	41.3	41.2	21.96	21.47
Durable Goods	205.4	206.1	199.5	-0.3	3.0	919.50	924.07	40.4	41.7	22.76	22.16
Wood Product Manufacturing	11.7	11.7	11.6	-0.1	1.4	—	—	—	—	—	—
Fabricated Metal Production	42.6	42.7	42.1	-0.2	1.4	—	—	—	—	—	—
Machinery Manufacturing	33.1	32.9	32.9	0.7	0.5	—	—	—	—	—	—
Computer and Electronic Product	45.4	45.0	45.1	0.8	0.8	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	26.5	26.3	26.3	0.7	0.5	—	—	—	—	—	—
Transportation Equipment	10.3	10.4	10.3	-0.9	-0.3	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.6	16.5	16.2	0.6	2.4	—	—	—	—	—	—
Nondurable Goods	118.3	117.9	117.2	0.3	0.9	887.24	820.93	42.8	40.4	20.73	20.32
Food Manufacturing	48.6	49.1	48.0	-1.1	1.2	—	—	—	—	—	—
SERVICE-PROVIDING	2,520.9	2,530.4	2,503.9	-0.4	0.7	—	—	—	—	—	—
Trade, Transportation, and Utilities	556.5	554.3	551.6	0.4	0.9	—	—	—	—	—	—
Wholesale Trade	134.6	134.8	132.8	-0.1	1.3	1,115.89	950.99	38.8	38.3	28.76	24.83
Retail Trade	311.1	309.6	307.3	0.5	1.3	442.22	445.50	27.9	29.7	15.85	15.00
Motor Vehicle and Parts	36.0	35.8	35.4	0.5	1.6	—	—	—	—	—	—
Building Material and Garden Equipment	25.5	25.6	25.8	-0.5	-1.3	—	—	—	—	—	—
Food and Beverage Stores	60.5	59.8	58.4	1.0	3.5	—	—	—	—	—	—
Gasoline Stations	25.5	25.5	25.3	-0.2	0.8	—	—	—	—	—	—
General Merchandise Stores	66.4	66.0	65.1	0.7	1.9	393.91	416.51	29.2	32.9	13.49	12.66
Transportation, Warehouse, Utilities	110.7	109.9	111.5	0.7	-0.7	—	—	—	—	—	—
Transportation and Warehousing	98.4	97.5	99.1	0.9	-0.7	807.08	741.80	34.3	34.2	23.53	21.69
Information	51.4	50.8	50.3	1.1	2.2	1,135.52	1,071.34	37.6	34.0	30.20	31.51
Publishing Industries	18.6	18.6	19.2	-0.1	-3.3	—	—	—	—	—	—
Telecommunications	12.8	12.8	13.2	-0.3	-3.5	—	—	—	—	—	—
Financial Activities	181.4	182.0	179.5	-0.3	1.0	—	—	—	—	—	—
Finance and Insurance	146.2	146.3	145.2	-0.1	0.7	1,247.25	1,130.62	37.5	36.9	33.26	30.64
Credit Intermediation	62.5	62.7	63.6	-0.2	-1.8	800.40	805.70	36.8	35.4	21.75	22.76
Securities, Commodity Contracts, and Other	19.5	19.6	19.6	-0.5	-0.3	—	—	—	—	—	—
Insurance Carriers and Related	64.1	64.0	62.0	0.1	3.5	—	—	—	—	—	—
Real Estate and Rental and Leasing	35.2	35.6	34.3	-1.3	2.5	—	—	—	—	—	—
Professional and Business Services	377.4	381.9	376.9	-1.2	0.1	—	—	—	—	—	—
Professional, Scientific, and Technical Services	160.5	161.5	159.8	-0.7	0.5	—	—	—	—	—	—
Legal Services	18.4	18.4	18.4	0.4	0.1	—	—	—	—	—	—
Accounting, Tax Preparation	15.2	14.9	15.5	1.8	-2.1	—	—	—	—	—	—
Computer Systems Design	35.7	35.8	35.7	-0.2	0.0	—	—	—	—	—	—
Management of Companies and Enterprises	81.7	81.9	79.4	-0.2	3.0	—	—	—	—	—	—
Administrative and Support Services	135.2	138.5	137.8	-2.4	-1.9	—	—	—	—	—	—
Educational and Health Services	536.8	541.0	541.5	-0.8	-0.9	—	—	—	—	—	—
Educational Services	67.6	69.6	68.2	-3.0	-0.9	—	—	—	—	—	—
Health Care and Social Assistance	469.3	471.3	473.3	-0.4	-0.9	—	—	—	—	—	—
Ambulatory Health Care	153.9	155.5	155.9	-1.0	-1.3	1,261.44	1,372.70	36.0	37.1	35.04	37.00
Offices of Physicians	75.7	75.7	74.8	0.0	1.3	—	—	—	—	—	—
Hospitals	113.3	113.4	112.4	-0.1	0.8	—	—	—	—	—	—
Nursing and Residential Care Facilities	105.6	105.2	109.0	0.4	-3.1	502.43	471.13	28.1	29.1	17.88	16.19
Social Assistance	96.5	97.2	96.0	-0.7	0.5	—	—	—	—	—	—
Leisure and Hospitality	266.5	265.0	254.7	0.6	4.6	—	—	—	—	—	—
Arts, Entertainment, and Recreation	43.1	42.2	41.8	2.2	3.1	—	—	—	—	—	—
Accommodation and Food Services	223.4	222.8	212.9	0.3	4.9	—	—	—	—	—	—
Food Services and Drinking Places	195.4	194.2	187.3	0.6	4.4	291.91	272.81	20.3	19.5	14.38	13.99
Other Services	114.7	114.6	115.6	0.1	-0.8	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	63.5	62.8	64.3	1.2	-1.2	—	—	—	—	—	—
Government	436.3	440.8	433.8	-1.0	0.6	—	—	—	—	—	—
Federal Government	32.1	31.8	32.3	1.0	-0.5	—	—	—	—	—	—
State Government	102.3	107.2	100.7	-4.6	1.6	—	—	—	—	—	—
State Government Education	62.2	67.2	61.2	-7.5	1.5	—	—	—	—	—	—
Local Government	301.9	301.8	300.9	0.0	0.3	—	—	—	—	—	—
Local Government Education	152.3	153.9	152.0	-1.0	0.2	—	—	—	—	—	—

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

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

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

Numbers are unadjusted.

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

Industry	Jobs*			Percent Change		Production Workers Hours and Earnings					
	(Thousands)			From**		Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017	Dec 2018	Dec 2017	Dec 2018	Dec 2017	Dec 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	2,030.2	2,044.8	1,998.4	-0.7%	1.6%	—	—	—	—	—	—
GOODS-PRODUCING	281.1	289.2	271.3	-2.8	3.6	—	—	—	—	—	—
Mining, Logging, and Construction	79.4	87.1	76.0	-8.8	4.5	—	—	—	—	—	—
Construction of Buildings	17.9	18.0	17.6	-0.5	2.2	—	—	—	—	—	—
Specialty Trade Contractors	51.4	56.7	52.4	-9.4	-1.9	\$1,247.89	\$1,339.02	36.8	38.7	\$33.91	\$34.60
Manufacturing	201.7	202.1	195.3	-0.2	3.2	923.68	928.20	40.3	42.0	22.92	22.10
Durable Goods	136.8	136.5	132.4	0.2	3.3	958.79	973.70	40.1	42.8	23.91	22.75
Fabricated Metal Production	29.9	29.9	29.2	-0.1	2.3	—	—	—	—	—	—
Machinery Manufacturing	20.3	20.2	20.1	0.3	0.9	—	—	—	—	—	—
Computer and Electronic Product	37.6	37.1	36.7	1.2	2.3	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.2	24.9	24.8	0.9	1.6	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.0	15.8	15.0	0.8	6.3	—	—	—	—	—	—
Nondurable Goods	64.9	65.6	63.0	-1.1	3.0	853.41	837.90	40.6	40.4	21.02	20.74
Food Manufacturing	15.0	15.6	15.3	-3.6	-1.5	—	—	—	—	—	—
Printing and Related	14.1	14.1	14.4	-0.3	-2.5	—	—	—	—	—	—
SERVICE-PROVIDING	1,749.1	1,755.6	1,727.1	-0.4	1.3	—	—	—	—	—	—
Trade, Transportation, and Utilities	384.1	381.8	372.0	0.6	3.3	—	—	—	—	—	—
Wholesale Trade	102.1	101.6	98.3	0.5	3.9	1,138.99	912.93	38.9	37.6	29.28	24.28
Merchant Wholesalers - Durable Goods	50.8	50.5	49.4	0.6	2.8	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	28.6	28.7	28.5	-0.1	0.4	—	—	—	—	—	—
Retail Trade	202.7	202.0	196.3	0.3	3.2	455.90	468.37	28.8	31.1	15.83	15.06
Food and Beverage Stores	37.1	36.6	35.9	1.3	3.1	—	—	—	—	—	—
General Merchandise Stores	42.7	42.5	40.6	0.5	5.2	381.98	410.87	28.4	33.9	13.45	12.12
Transportation, Warehouse, Utilities	79.4	78.2	77.4	1.5	2.6	—	—	—	—	—	—
Utilities	7.4	7.5	7.4	-0.9	-0.4	—	—	—	—	—	—
Transportation and Warehousing	72.0	70.8	70.0	1.7	2.9	878.21	766.44	38.1	36.0	23.05	21.29
Information	37.5	37.4	37.6	0.2	-0.3	—	—	—	—	—	—
Publishing Industries	15.0	15.1	15.3	-0.1	-1.4	—	—	—	—	—	—
Telecommunications	8.3	8.2	8.5	1.5	-2.2	—	—	—	—	—	—
Financial Activities	146.8	147.3	145.0	-0.3	1.2	—	—	—	—	—	—
Finance and Insurance	118.5	118.7	117.0	-0.1	1.3	1,323.21	1,213.13	38.1	37.5	34.73	32.35
Credit Intermediation	46.3	46.4	47.4	-0.1	-2.4	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	17.1	17.2	17.5	-0.5	-1.7	—	—	—	—	—	—
Insurance Carriers and Related	55.1	55.1	52.1	0.0	5.8	—	—	—	—	—	—
Real Estate and Rental and Leasing	28.3	28.6	28.0	-1.2	0.8	—	—	—	—	—	—
Professional and Business Services	326.3	328.8	322.3	-0.8	1.2	—	—	—	—	—	—
Professional, Scientific, and Technical Services	141.9	142.7	138.5	-0.5	2.5	—	—	—	—	—	—
Legal Services	15.9	15.8	15.8	0.3	0.4	—	—	—	—	—	—
Architectural, Engineering, and Related	19.4	19.5	19.1	-0.6	1.9	—	—	—	—	—	—
Computer Systems Design	34.1	33.7	32.6	1.2	4.7	—	—	—	—	—	—
Management of Companies and Enterprises	72.8	72.9	72.3	-0.1	0.6	—	—	—	—	—	—
Administrative and Support Services	111.6	113.2	111.5	-1.4	0.0	—	—	—	—	—	—
Employment Services	50.1	50.9	51.9	-1.5	-3.4	—	—	—	—	—	—
Educational and Health Services	332.0	335.3	335.9	-1.0	-1.1	—	—	—	—	—	—
Educational Services	46.6	47.5	46.5	-1.8	0.2	—	—	—	—	—	—
Health Care and Social Assistance	285.4	287.9	289.3	-0.9	-1.4	—	—	—	—	—	—
Ambulatory Health Care	89.6	91.4	92.0	-2.0	-2.6	—	—	—	—	—	—
Hospitals	67.8	68.0	67.1	-0.3	1.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	58.5	58.6	60.9	-0.1	-3.8	—	—	—	—	—	—
Social Assistance	69.5	69.8	69.5	-0.5	0.0	—	—	—	—	—	—
Leisure and Hospitality	183.3	183.2	178.9	0.1	2.5	—	—	—	—	—	—
Arts, Entertainment, and Recreation	32.3	32.7	33.0	-1.1	-1.9	—	—	—	—	—	—
Accommodation and Food Services	150.9	150.5	145.9	0.3	3.5	338.40	299.10	22.5	20.8	15.04	14.38
Food Services and Drinking Places	138.2	136.9	133.6	0.9	3.4	342.16	295.60	22.6	20.4	15.14	14.49
Other Services	81.7	81.1	80.9	0.7	0.9	—	—	—	—	—	—
Repair and Maintenance	15.0	14.9	14.6	0.5	2.4	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	43.6	43.1	43.2	1.2	1.1	—	—	—	—	—	—
Government	257.5	260.7	254.5	-1.2	1.2	—	—	—	—	—	—
Federal Government	21.3	21.2	21.5	0.8	-1.1	—	—	—	—	—	—
State Government	68.2	71.1	66.7	-4.1	2.3	—	—	—	—	—	—
State Government Education	41.2	44.2	40.2	-6.8	2.5	—	—	—	—	—	—
Local Government	167.9	168.4	166.3	-0.3	1.0	—	—	—	—	—	—
Local Government Education	96.3	96.7	95.2	-0.5	1.2	—	—	—	—	—	—

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

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

Employer Survey

Industry

TOTAL NONFARM WAGE AND SALARY

GOODS-PRODUCING

Mining, Logging, and Construction
Manufacturing

SERVICE-PROVIDING

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

Duluth-Superior MSA

Jobs % Chg. From

	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	139,264	140,746	137,760	-1.1%	1.1%
GOODS-PRODUCING	16,835	17,321	16,455	-2.8	2.3
Mining, Logging, and Construction	9,067	9,510	8,852	-4.7	2.4
Manufacturing	7,768	7,811	7,603	-0.6	2.2
SERVICE-PROVIDING	122,429	123,425	121,305	-0.8	0.9
Trade, Transportation, and Utilities	25,860	25,988	25,498	-0.5	1.4
Wholesale Trade	3,221	3,230	3,224	-0.3	-0.1
Retail Trade	16,251	16,234	15,580	0.1	4.3
Transportation, Warehouse, Utilities	6,388	6,524	6,694	-2.1	-4.6
Information	1,325	1,310	1,346	1.1	-1.6
Financial Activities	5,968	5,987	5,953	-0.3	0.3
Professional and Business Services	7,963	8,062	7,961	-1.2	0.0
Educational and Health Services	32,416	32,603	32,595	-0.6	-0.5
Leisure and Hospitality	13,933	14,188	13,539	-1.8	2.9
Other Services	6,795	6,719	6,586	1.1	3.2
Government	28,169	28,568	27,827	-1.4	1.2

Rochester MSA

Jobs % Chg. From

	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	120,340	120,109	120,588	0.2%	-0.2%
GOODS-PRODUCING	14,827	14,989	14,394	-1.1	3.0
Mining, Logging, and Construction	4,431	4,703	4,368	-5.8	1.4
Manufacturing	10,396	10,286	10,026	1.1	3.7
SERVICE-PROVIDING	105,513	105,120	106,194	0.4	-0.6
Trade, Transportation, and Utilities	17,908	17,897	18,309	0.1	-2.2
Wholesale Trade	2,679	2,712	2,696	-1.2	-0.6
Retail Trade	12,311	12,239	12,661	0.6	-2.8
Transportation, Warehouse, Utilities	2,918	2,946	2,952	-1.0	-1.2
Information	1,860	1,866	1,857	-0.3	0.2
Financial Activities	2,790	2,780	2,771	0.4	0.7
Professional and Business Services	5,492	5,607	5,259	-2.1	4.4
Educational and Health Services	48,335	47,857	49,976	1.0	-3.3
Leisure and Hospitality	11,417	11,452	10,617	-0.3	7.5
Other Services	4,039	4,066	4,013	-0.7	0.6
Government	13,672	13,595	13,392	0.6	2.1

Employer Survey

Industry

TOTAL NONFARM WAGE AND SALARY

GOODS-PRODUCING

Mining, Logging, and Construction
Manufacturing

SERVICE-PROVIDING

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

St. Cloud MSA

Jobs % Chg. From

	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	111,817	112,678	110,781	-0.8%	0.9%
GOODS-PRODUCING	22,687	22,983	21,682	-1.3	4.6
Mining, Logging, and Construction	6,795	7,023	6,229	-3.2	9.1
Manufacturing	15,892	15,960	15,453	-0.4	2.8
	89,130	89,695	89,099	-0.6	0.0
SERVICE-PROVIDING	22,608	22,777	22,782	-0.7	-0.8
Trade, Transportation, and Utilities	4,813	4,932	4,760	-2.4	1.1
Wholesale Trade	13,512	13,519	13,938	-0.1	-3.1
Retail Trade	4,283	4,326	4,084	-1.0	4.9
Transportation, Warehouse, Utilities	1,495	1,485	1,552	0.7	-3.7
Information	5,457	5,444	5,247	0.2	4.0
Financial Activities	8,835	8,937	8,900	-1.1	-0.7
Professional and Business Services	22,501	22,560	22,283	-0.3	1.0
Educational and Health Services	8,874	8,906	8,720	-0.4	1.8
Leisure and Hospitality	3,924	3,914	3,899	0.3	0.6
Other Services	15,436	15,672	15,716	-1.5	-1.8

Mankato MSA

Jobs % Chg. From

	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	61,290	61,234	58,911	0.1%	4.0%
GOODS-PRODUCING	10,937	11,048	10,354	-1.0	5.6
Mining, Logging, and Construction	--	--	--	--	--
Manufacturing	--	--	--	--	--
	50,353	50,186	48,557	0.3	3.7
SERVICE-PROVIDING	--	--	--	--	--
Trade, Transportation, and Utilities	--	--	--	--	--
Wholesale Trade	--	--	--	--	--
Retail Trade	--	--	--	--	--
Transportation, Warehouse, Utilities	--	--	--	--	--
Information	--	--	--	--	--
Financial Activities	--	--	--	--	--
Professional and Business Services	--	--	--	--	--
Educational and Health Services	--	--	--	--	--
Leisure and Hospitality	--	--	--	--	--
Other Services	--	--	--	--	--
Government	10,750	10,746	9,708	0.0	10.7

Employer Survey

Industry

TOTAL NONFARM WAGE AND SALARY

GOODS-PRODUCING

Mining, Logging, and Construction
Manufacturing

SERVICE-PROVIDING

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

Fargo-Moorhead MSA

Jobs % Chg. From

	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	143,354	143,893	141,667	-0.4%	1.2%
GOODS-PRODUCING	18,562	19,505	18,040	-4.8	2.9
Mining, Logging, and Construction	8,482	9,363	8,146	-9.4	4.1
Manufacturing	10,080	10,142	9,894	-0.6	1.9
SERVICE-PROVIDING	124,792	124,388	123,627	0.3	0.9
Trade, Transportation, and Utilities	30,610	30,573	30,584	0.1	0.1
Wholesale Trade	9,018	8,998	8,946	0.2	0.8
Retail Trade	15,685	15,697	15,837	-0.1	-1.0
Transportation, Warehouse, Utilities	5,907	5,878	5,801	0.5	1.8
Information	2,946	3,020	3,094	-2.5	-4.8
Financial Activities	11,580	11,530	11,340	0.4	2.1
Professional and Business Services	15,552	15,418	15,284	0.9	1.8
Educational and Health Services	25,392	25,363	24,521	0.1	3.6
Leisure and Hospitality	13,105	13,042	13,306	0.5	-1.5
Other Services	5,568	5,576	5,512	-0.1	1.0
Government	20,039	19,866	19,986	0.9	0.3

Grand Forks-East Grand Forks MSA

Jobs % Chg. From

	Dec 2018	Nov 2018	Dec 2017	Nov 2018	Dec 2017
TOTAL NONFARM WAGE AND SALARY	57,320	58,013	56,833	-1.2%	0.9%
GOODS-PRODUCING	7,393	7,663	7,085	-3.5	4.4
Mining, Logging, and Construction	2,783	3,046	2,749	-8.6	1.2
Manufacturing	4,610	4,617	4,336	-0.2	6.3
SERVICE-PROVIDING	49,927	50,350	49,748	-0.8	0.4
Trade, Transportation, and Utilities	11,845	11,909	11,925	-0.5	-0.7
Wholesale Trade	1,777	1,790	1,821	-0.7	-2.4
Retail Trade	7,649	7,711	7,814	-0.8	-2.1
Transportation, Warehouse, Utilities	2,419	2,408	2,290	0.5	5.6
Information	573	570	585	0.5	-2.1
Financial Activities	1,980	1,938	1,934	2.2	2.4
Professional and Business Services	3,212	3,339	3,315	-3.8	-3.1
Educational and Health Services	9,991	10,012	9,809	-0.2	1.9
Leisure and Hospitality	6,387	6,459	5,708	-1.1	11.9
Other Services	1,964	1,966	1,997	-0.1	-1.7
Government	13,975	14,157	14,475	-1.3	-3.5

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

Minnesota Economic Indicators

Highlights

The **Minnesota Index** advanced for the 28th straight month in December, climbing 0.2 percent. The pace of economic growth inched up in December but remained sustainably slower than during the middle of the year when the index was advancing on average by 0.4 percent monthly. A small change in wage and salary employment and unchanged unemployment rate restricted growth in the index despite a small uptick in average weekly manufacturing hours.

Minnesota's index, on an annual average basis, increased 3.7 percent in 2018 compared to the 2.9 increase for the U.S. index. Last year was the second year in a row that Minnesota's index increased 3.7 percent on an annual average basis. The index advanced 4.7 percent in 2014, 4.0 percent in 2015, 2.1 percent in 2016, and 3.7 percent in 2017.

Minnesota's adjusted **Wage and Salary Employment** zigzagged upwards slightly in December with 500 jobs added. Job growth in the state has been minimal over the last few months after spiking from May to July. Over-the-year job growth, using seasonally adjusted numbers, was 32,200 between December 2017 and December 2018.

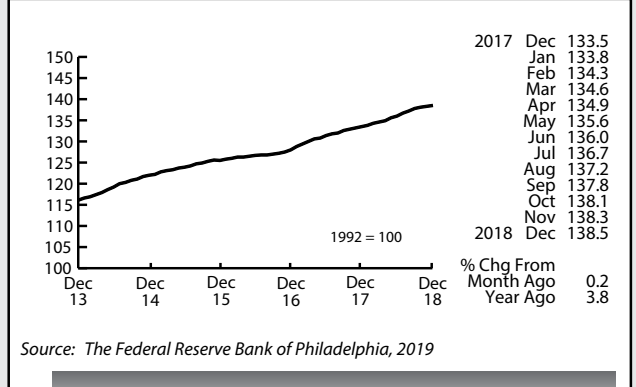
While the goods-producing sector added 1,700 jobs in December, 1,200 jobs were cut in the service-producing sector. Job expansion was the highest in Leisure and Hospitality and in Construction. Professional and Business Services, and Educational and Health Services cut the most positions.

Minnesota's unadjusted over-the-year job growth held steady at 1.1 percent in December. The annual average job growth rate was 1.2 percent for 2018 down slightly from 1.3 percent in 2017. The 1.2 percent annual average increase translates into a 33,650 job increase in Minnesota in 2018 compared to 38,190 in 2017 when job growth was 1.3 percent. Annual average job growth nationally in 2018 was 1.6 percent for the second year in a row.

Online Help-Wanted Ads spiked again in December to 142,600, the highest level since April 2016. Minnesota's job postings were 4.6 percent in December while U.S. job postings climbed 5.0 percent. Minnesota's share of nationwide online help-wanted ads stayed at 2.7 percent in December. That is the lowest level since May 2017 but still sustainably above the state's 2.0 percent share of nationwide wage and salary employment.

Minnesota's **Purchasing Managers' Index (PMI)**, after slumping for the previous three months, increased in December to 55.5. The comparable national index tailed off to 54.1 in December while the Mid-America Economic Index advanced to 55.2. The 54.1 national reading was the lowest since November 2016. The indices are derived from a survey of manufacturing supply executives based on information they have collected within their respective organizations. A reading above 50 (below 50) suggest growth (contraction) over the next three to six months. The Minnesota index is pointed towards continued expansion of manufacturing activity in the state through the first half of 2019.

Adjusted average weekly **Manufacturing Hours** inched up in December to 40.9 hours from a revised 40.8 in November. The annual average factory workweek for 2018 ended up at 40.9 hours, unchanged from 2017.



Source: The Federal Reserve Bank of Philadelphia, 2019

Minnesota Index

The 49-year average is 40.5 hours, so 40.9 for 2018 is slightly above average. The highest annual average factory workweek recorded was 41.7 hours in 2014. Average weekly **Manufacturing Earnings** adjusted for inflation and seasonality rose for the first time in four months in December, climbing to \$900.08. Annual real average weekly manufacturing hours increased 2.0 percent in 2018, from \$872.42 in 2017 to \$889.99 in 2018. The 2.0 percent inflation adjusted increase last year was down slightly from the 2.4 increase in 2017.

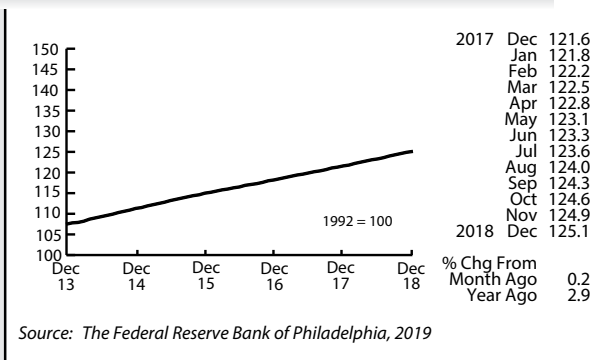
The **Minnesota Leading Index** for December were not available as the index relies on data that was unavailable at publication date because of the federal government shutdown of some federal agencies.

The adjusted **Residential Building Permits** level for December was not available at publication date owing to the federal government shutdown.

Adjusted **Initial Claims for Unemployment Benefits (UB)**, after rising for the previous two months, declined in December to 16,039. The annual average for the year was 16,306 which was down 0.3 percent from the 16,363 annual average in 2017. The 16,306 initial claims annual average was the ninth lowest dating back to 1970. But 2018 was a record setting year after adjusting for wage and salary employment growth. The record low annual average initial claims level of 14,138 was in 1973, but total employment was only 1.4 million compared to the 2.9 million in 2018.

by Dave Senf

United States Index

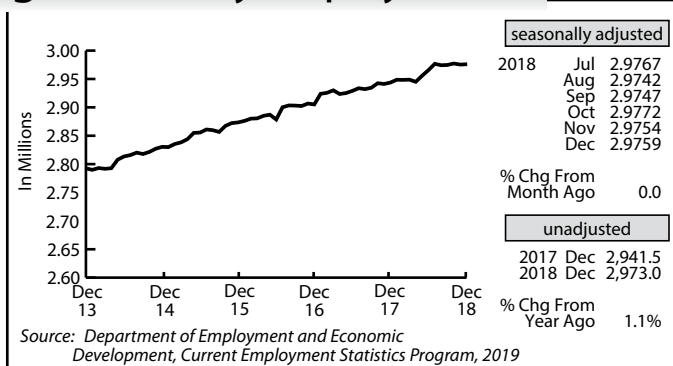


Source: The Federal Reserve Bank of Philadelphia, 2019

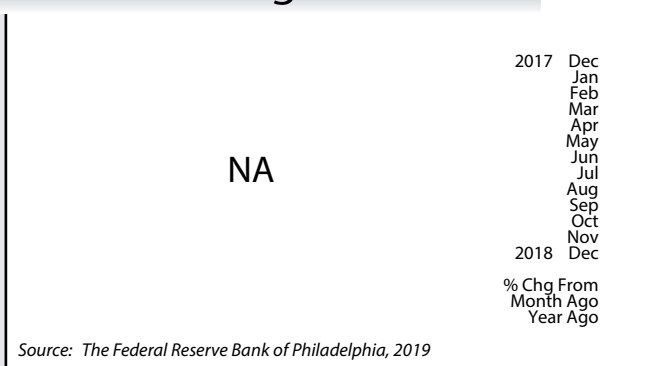
Note: All data except for Minnesota's PMI have been seasonally adjusted. See the feature article in the Minnesota Employment Review, May 2010, for more information on the Minnesota Index.

Minnesota Economic Indicators

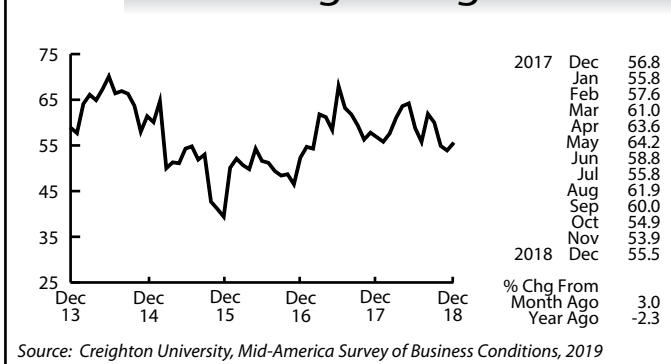
Wage and Salary Employment



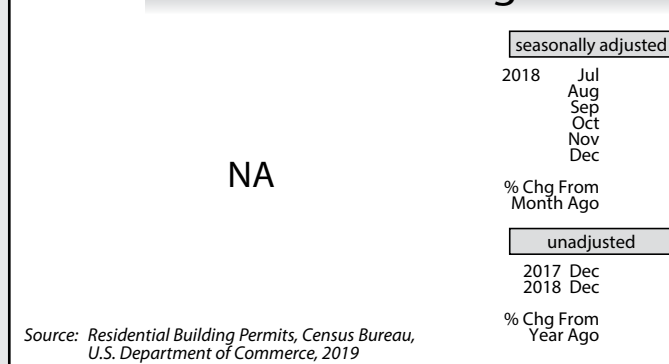
Minnesota Leading Index



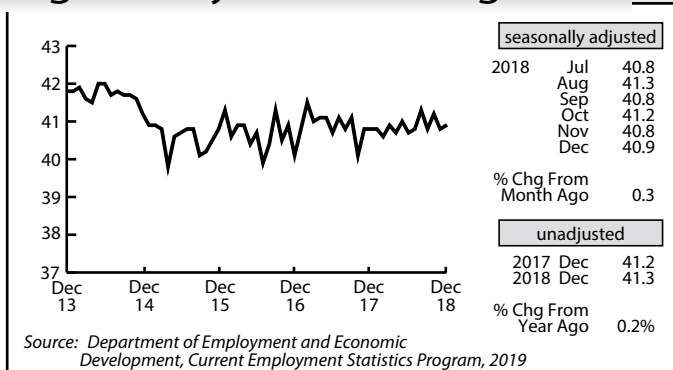
Purchasing Managers' Index



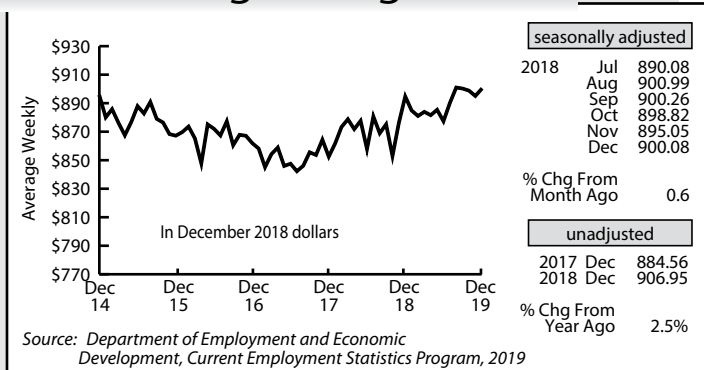
Residential Building Permits



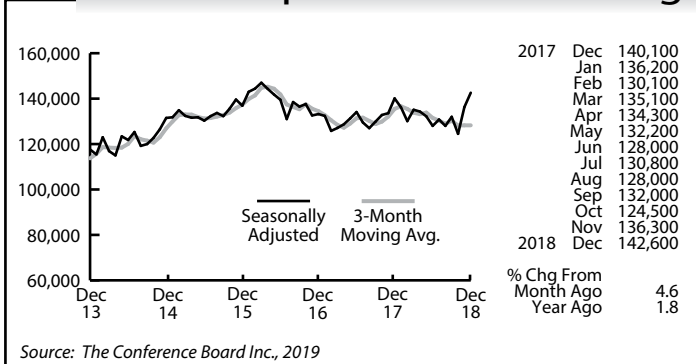
Average Weekly Manufacturing Hours



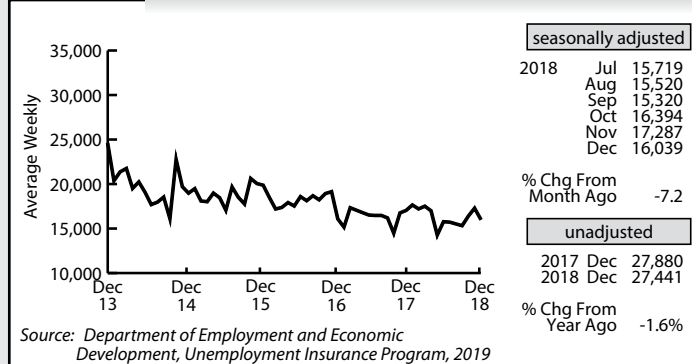
Manufacturing Earnings



Online Help-Wanted Advertising



Initial UB Claimants



Review

Minnesota Employment



DEED

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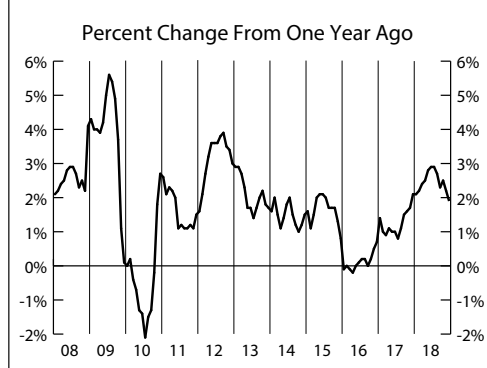
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U.S. Consumer Price Index for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) declined 0.1 percent in December on a seasonally adjusted basis after being unchanged in November, the U.S. Bureau of Labor Statistics reported. The seasonally adjusted decline in the all items index was caused by a sharp decrease in the gasoline index, which fell 7.5 percent. This decline more than offset increases in several indices including shelter, food, and other energy components.

The all items index increased 1.9 percent for the 12 months ending December; this was the first time the 12-month change has been under 2.0 percent since August 2017.

www.bls.gov/cpi/



For more information
on the U.S. CPI
or the semi-annual
Minneapolis-St. Paul CPI, call:
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What's Going On?

Minnesota Equity Grant Outcomes Subject of New Report

Grants focused on programs for Minnesotans of color, women, youth, and people with disabilities have helped nearly 1,500 businesses and 50,000 individuals, according to a DEED report.

A total of \$58.9 million funded education, training, support services, and capacity-building. The grants also provided small business development services. Local government units, tribal governments, nonprofits, community action agencies, business organizations, business associations, and labor organizations were eligible for the funds.

Website: mn.gov/deed/assets/equity-annual-report_tcm1045-286275.pdf

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A Comparative Analysis of the Economic Status of Native-Born and Foreign-Born Residents of Minnesota

According to the 2017 one-year American Community Survey (ACS) estimates, 13.7 percent of the U.S. population is comprised of foreign-born people, defined as those who reside in the domestic United States but were born outside of the United States, and could be either naturalized citizens or non-citizens. In contrast to the national share, only 9 percent of Minnesota’s residents are foreign-born. However, between 2005 and 2017, 41.4 percent of Minnesota’s population increase has been from an increase in the foreign-born population residing in the state. During this same time span, our foreign-born population increased by 36 percent, almost 10 times more than the native-born population growth of 3.7 percent. As a result, the contribution of our foreign-

born population is of increasing importance to the economic vibrancy of Minnesota.

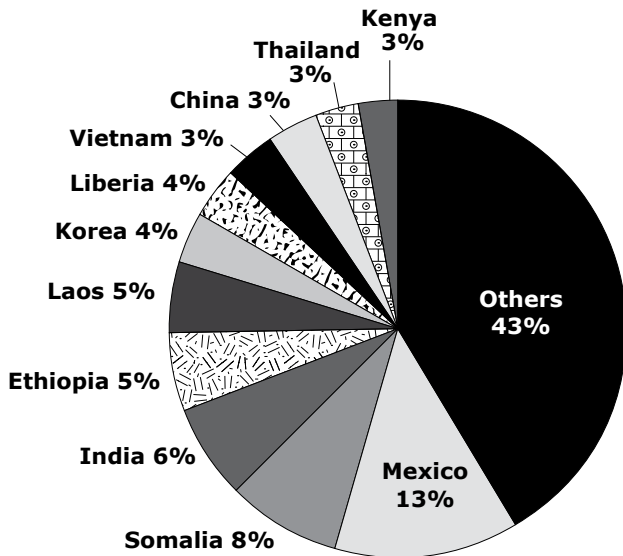
This article presents a comparative analysis of the economic status of native-born and foreign-born residents of Minnesota. This is important to Minnesota’s labor market because of the increase in the share of foreign-born population in the state and the growing need to attract foreign-born workers into Minnesota’s labor market to offset the impact of an aging and largely native-born generation of baby boomers. The indicators of economic well-being and labor market outcomes considered include educational attainment, labor force participation rate, unemployment rate, median earnings, and occupational and industry status.

Table 1. Population of Minnesota, 2005-2009 and 2013-2017

Population Numbers of Minnesota	2009	2017
Total Population of Minnesota	5,266,215	5,576,606
Native-born	4,908,654	5,090,363
Foreign-born	357,561	486,243
Foreign-born; naturalized Citizen	158,320	254,798
Foreign-born; not a U.S. citizen	199,241	231,445
% of native-born and foreign-born residents of Minnesota		
Native	93	91
Foreign-born	7	9
% breakdown of foreign-born residents between citizens and non-citizens		
Foreign-born; naturalized Citizen	44	52
Foreign-born; not a U.S. citizen	56	48

Source: 1-year ACS estimates (2009 & 2017)

Fig. 1: Country of origin of foreign-born population residing in Minnesota, 2017



Source: 1-year ACS estimates (2017)

Table 2. Race breakdown of foreign-born residents of Minnesota, 2017

Race breakdown of foreign-born residents of Minnesota, 2017	% Frequency Distribution
White	26.7
Black	27.9
Asian or Pacific Islander	32.8
Other race	11.0
Two major races	1.6
TOTAL	100

Source: 1-year ACS estimates (2017)

Table 3. Age breakdown for foreign-born and native-born populations, 2017

Age	Foreign-born	Native-born
15 or less	7.9	21.6
16 through 65	83.2	63.3
Over 65	8.9	15.1

Source: 1-year ACS estimates (2017)

Characteristics of foreign-born population residing in Minnesota

Country of origin and citizenship status: With the most recent information available from the 2017 one-year ACS data, the largest share of foreign-born Minnesota residents hailed from Mexico (12.6 percent), followed by Somalia (8 percent), India (6.4 percent), Ethiopia (5.5 percent), and Laos (4.7 percent). Together these five countries comprise 37 percent of the foreign-born population of Minnesota. These are followed by Korea (3.6 percent), Liberia (3.5 percent), Vietnam (3.5 percent), China (3.5 percent), and Thailand (3.1 percent). 52.4 percent of foreign-born residents were naturalized citizens, which has increased since 2009 when it stood at 44.3 percent.

Race/ethnicity and Hispanic/Latino origin: According to 2017 one-year ACS data, race and ethnicity of the foreign-born population follows their country of origin closely. Since the largest percentage of foreign-born people originate in Asia, most identify as Asians or Pacific Islanders (32.8 percent). Asians are followed by white (26.7 percent), Black (27.9 percent), some other race (11.0 percent), and two or more races (1.6 percent). Roughly 20 percent of foreign-born people are of Hispanic or Latino heritage.

Age composition: The age composition of a population is an important indicator of its likely contribution to the workforce. A younger population is deemed more vibrant than an aging population. In Minnesota, compared to the native-born, the foreign-born population is more likely to belong to the vibrant working age (i.e., ages 16 through 65). In 2017, 83.2 percent of the foreign-born population belonged to the working age population, and only about 9 percent were seniors (i.e., 65 years or older). In contrast, only 63.3 percent of the native-born population belonged to the working age cohort, while more than 15 percent were seniors older than 65. Given the stalled birth rate of the native-born population and the younger age composition of the foreign-born population, maintaining the vibrancy of Minnesota's future labor force will depend significantly on the continued and growing presence of foreign-born people in its overall population.

Economic Characteristics: Comparison of native-born and foreign-born populations in Minnesota

Education: Compared to the native-born population, the average foreign-born person is less educated, but the educational attainment of the foreign-born population tends to be extreme. On one hand, more than a quarter of foreign-born people have less than a high school

degree, compared to only 5 percent for the native-born population. Only 20 percent of the foreign-born population completes a high school degree or equivalent, compared to 26 percent of the native-born population. At the college level 21 percent of foreign-born people have some college or an Associate's degree compared to 34 percent of native-born people. 18 percent of foreign-born people complete a Bachelor's degree compared to 23.5 percent of native-born people. However, at the advanced graduate or professional degree level, foreign-born people tend to outdo the native-born people with 15 percent achieving an advanced degree compared to 11.5 percent of the native-born population.

Labor force and poverty indicators: The data also show that compared to native-born people, foreign-born people tend to participate in the labor force more frequently, but face a higher unemployment rate and higher poverty rate. In 2017 the labor force participation rate was 72.2 percent for foreign-born people aged 16 years and over and slightly lower for native-born people at 69.6 percent. The unemployment rate for foreign-born residents was much higher at 4.3 percent compared to 2.9 percent for native-born individuals. Likewise, the individual poverty rate tends to be higher among foreign-born individuals (19.3 percent were below the poverty level in 2017 compared to 9.7 percent of native-born individuals).

Annual earnings of full-time, year-round workers: the median household income for the foreign-born population is \$53,063, compared to \$66,807 for native-born workers. Thus at the median, households comprised of foreign-born people earn 20.6 percent less than families comprised of native-born people. As for income of individuals, foreign-born women are the worst off, earning only \$36,632 annually at the median. Foreign-born males earn \$41,935 at the median. In contrast, native-born males earn \$55,363 while native-born females earn \$44,797 at the median.

21.2 percent of foreign-born individuals earn less than \$25,000 annually compared to 12.1 percent of native-born individuals. At a higher income range, only 38.1 percent of foreign-born individuals earn \$50,000 or more annually, compared to 52 percent of native-born individuals.

Occupation and Industry: Foreign-born individuals fill a wide range of occupations, including unskilled, semi-skilled, and highly-skilled ones. Among full-time employed workers, foreign-born employees work as assemblers and fabricators (4.8 percent), software developers, applications, and systems software (4.2 percent), chefs and cooks (3.4 percent), personal care aides (2.5 percent), and first-line supervisors of sales

Table 4. Share of native-born and foreign-born populations in Minnesota (2013-2017 estimates) by education, labor force, poverty, and earnings

Educational Attainment (25 years and older; 2013-2017 ACS)	Native-born	Foreign-born
Less than high school graduate	5.2	26
High school graduate (includes equivalency)	26	20
Some college or associate's degree	33.9	21.1
Bachelor's degree	23.5	17.9
Graduate or professional degree	11.5	15
Labor force and poverty indicators		
Labor force participation rate	69.6	72.2
Unemployment rate	2.9	4.3
Below poverty level	9.7	19.3
Earnings		
\$1 to \$9,999 or less	1.4	1.6
\$10,000 to \$14,999	2.2	4
\$15,000 to \$24,999	8.5	15.6
\$25,000 to \$34,999	14	20.1
\$35,000 to \$49,999	22.3	20.6
\$50,000 to \$74,999	25.7	17.8
\$75,000 or more	26	20.3
Median earnings for full-time, year-round workers		
Male	55,363	41,935
Female	44,797	36,632
Median household income	66,807	53,063

Source: 5-year ACS estimates (2013-2017)

workers (2.4 percent). They also work as computer scientists and systems analysts, packers, physician and surgeons, registered nurses, and managers. Foreign-born individuals track into a wide variety of industries as well, including hospitals (7.5 percent of full-time foreign-born workers are located in this industry), eating and drinking places (5.6 percent), construction (5.1 percent), computer and data processing services (4.4 percent), and medical, dental, and optical instrumental supplies (4.3 percent). Foreign-born individuals also work in colleges and universities, health services, meat products, insurance, and department stores.

So far, this article has shown that foreign-born individuals have mixed success in the Minnesota labor market. Many earn less than the native-born, face higher unemployment rates, higher poverty rates, and usually have less education than native-born people. The labor market success of foreign-born individuals is potentially associated with their country of origin, length of residency in the United States, educational attainment, citizenship status, and perhaps even proficiency in speaking the English language.

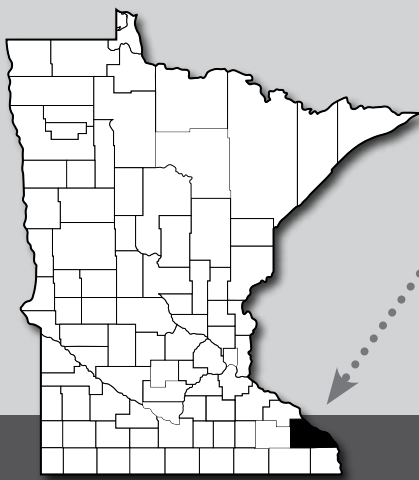
Citizenship status: In Minnesota amongst foreign-born individuals, naturalized citizens have more education than non-citizens. For example, 40 percent of naturalized

citizens have high school or less, whereas 54 percent of non-citizens have high school or less. 60 percent of naturalized citizens have at least an Associate's degree, whereas only 47 percent of non-citizens have at least an Associate's degree. Naturalized citizens earn more at the median than non-citizens. For example, 15.5 percent of citizens have an annual income of less than \$25,000 compared to 28.2 percent of non-citizens. Males who are citizens earn \$47,423 at the median compared to \$36,883 earned by non-citizen males. Similarly, women who are citizens earn \$40,165 compared to \$30,820 earned by non-citizen females. Citizens also tend to have a lower rate of individual poverty (14.5 percent) than non-citizens (24.2 percent).

English proficiency: In Minnesota 44.2 percent of foreign-born individuals speak English less than "very well". This increases to 52.8 percent for those who are non-citizens and is 35.9 percent for those who are naturalized citizens. Given that previous research has demonstrated that a positive association between higher spoken English proficiency and labor market success, the association between English proficiency amongst foreign-born individuals and labor market indicators is worth exploring further.

by Sanjukta Chaudhuri





County Snapshot Winona

Past

Steeped in Native American history, Winona County is blessed with bluffs and forested valleys; scenic walks, hiking trails, and road trip routes; historical sites and architecture; and tremendous natural beauty and wildlife all focused around the Mississippi River. The famous Sugar Loaf bluff is one of the most distinguishing landmarks in Winona, synonymous with an American Indian legend that paints the rock as the cap of Dakota Chief Wapasha.¹

Likewise, the legend of Princess Wenonah tells the tale of a woman of the Wapasha tribe who, rather than being forced to marry someone she didn't love, jumped to her death off a cliff now known as Maiden Rock. Although locals are very familiar with her story, it is still unclear if she is actually the namesake of the county or even real at all.²

Economy

2017 Estimates	Winona County	Minnesota
Population	50,873	5,576,606
Labor Force	29,290	3,063,604
Average Unemployment	3.2%	3.6%
Median Household Income	\$53,975	\$65,699
Cost of Living, Individual	\$26,374	\$31,656
Cost of Living, Average Family	\$45,911	\$57,624

Source: U.S. Census Bureau, DEED LAUS, DEED Cost of Living

Winona County Industry Employment Statistics, 2017

Top Employing Industries	2017 Annual Data		Average Annual Wage	2012-2017	
	Number of Firms	Number of Jobs		Change in Jobs	Percent Change
Total, All Industries	1,156	24,688	\$40,978	-100	-0.4%
Manufacturing	108	5,968	\$54,070	90	1.5%
Educational Services	21	3,292	\$45,107	32	1.0%
Health Care and Social Assistance	82	2,751	\$39,527	-42	-1.5%
Retail Trade	146	2,605	\$24,540	-111	-4.1%

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

Trends

With just under 27,000 residents in 2017 the city of Winona was the 34th largest city in Minnesota and one of 17 Micropolitan Statistical Areas in the state.

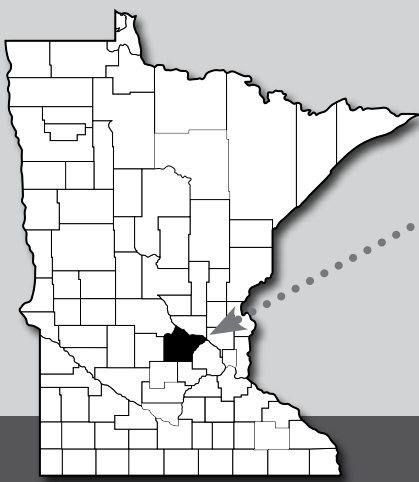
With over 50,000 people, Winona County is the 19th largest county of 87 in the state. After gaining 888 new residents, it was the 46th fastest growing county, rising 1.8 percent since 2000. Likewise, the county's labor force had grown to 29,290 workers in 2017, which was 334 more workers than in 2000. However, the county's 3.2 percent unemployment rate reflects a tightening labor market – dropping as low as 2.0 percent in October of 2018.

With about 25,000 jobs at 1,156 business establishments, Winona County's economy is chugging along. Manufacturing is still the largest employing industry, accounting for one in every four jobs, after adding 90 net new jobs over the past five years. Winona County has several distinguishing manufacturing industries, including the two largest sectors: with 1,561 jobs in 2017 Computer and Electronic Product Manufacturing is four times more concentrated in Winona County than the state, and at 792 jobs Chemical Manufacturing is nearly eight times more specialized.

Home to Winona State University, St. Mary's University, and Minnesota State College Southeast, Educational Services is also a key industry in Winona County, providing almost 3,300 jobs and a well-prepared workforce for local employers.

¹Visit Winona Minnesota. Retrieved from: <https://visitwinona.com/>

²Mitchell, Tesla. "Legend or fact? What to believe about the woman who inspired the Princess Wenonah statue." Winona Daily News. September 21, 2018. Retrieved from www.winonadailynews.com/news/local/legend-or-fact-what-to-believe-about-the-woman-who/article_357ef3be-30ec-56b2-93c4-ac3e3464d305.html



County Snapshot Wright

Past

Established in 1855, Wright County was home to just 3,729 residents during their first census in 1860. Since then, Wright County has consistently ranked as one of the fastest growing counties in Minnesota, swelling more than 3,500 percent from 1860 to the present. More recently, Wright was the second fastest growing county in the state from 2000 to 2017, jumping 49 percent. Looking forward, the State Demographic Center projects that Wright County will surpass 150,000 residents by 2040.

Originally settled by German and Swedish immigrants, almost 95 percent of the county's population reports being White Alone. However, every other racial group in the county has been expanding rapidly since 2000. The number of Black or African Americans has increased by 690 percent this century, while the number of Asians and people of Some Other Race or Hispanic or Latino origin all rose by more than 250 percent.

Benefiting from close proximity to the Twin Cities metro area, Wright County's population swelled to 134,286 people in 2017, making it the 10th largest county in Minnesota. With a median household income of just under \$78,000 and an average family income surpassing \$101,000, Wright County also ranked in the top 10 statewide. However, the \$60,755 cost of living for a typical family was also the 11th highest.

Economy

2017 Estimates	Wright County	Minnesota
Population	134,286	5,576,606
Labor Force	73,756	3,063,604
Average Unemployment	3.6%	3.6%
Median Household Income	\$77,953	\$63,217
Cost of Living, Individual	\$35,228	\$31,656
Cost of Living, Average Family	\$60,755	\$57,624

Source: U.S. Census Bureau, DEED LAUS, DEED Cost of Living

Wright County Industry Employment Statistics, 2017

Top Employing Industries	2017 Annual Data		Average Annual Wage	2012-2017	
	Number of Firms	Number of Jobs		Change in Jobs	Percent Change
Total, All Industries	3,123	43,243	\$41,640	6,107	16.4%
Retail Trade	401	6,848	\$25,963	559	8.9%
Manufacturing	226	6,264	\$56,302	1,309	26.4%
Health Care and Social Assistance	244	6,019	\$38,588	1,503	33.3%
Educational Services	56	4,628	\$42,813	595	14.8%

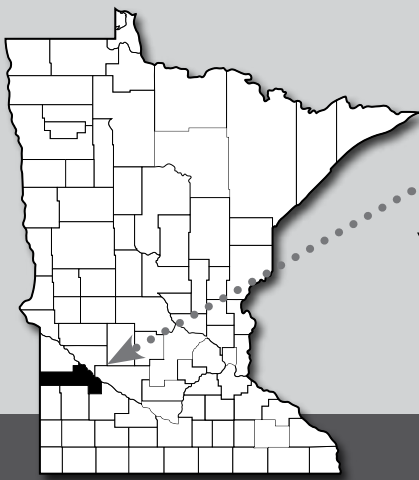
Source: DEED Quarterly Census of Employment and Wages (QCEW) program

Trends

Wright County's 75 percent labor force participation rate was third highest in the state. After gaining over 21,000 net new workers since 2000, the county now has just under 75,000 total workers, many of whom work in the surrounding metro areas. According to commuting data from the Census Bureau, Wright County has a net outflow of almost 28,000 workers with nearly 47,000 residents driving outside the county for work compared to just 19,250 commuting in.

Spurred on by all the population and labor force growth, Wright County employers also added jobs faster than the state as a whole, expanding 16.4 percent over the past five years. This included huge gains in key industries like Health Care and Social Assistance, Manufacturing, and Construction.

But with 6,848 jobs, Retail Trade is still the largest employing industry in the county, accounting for 16 percent of total employment. When combined with Accommodation and Food Services, these industries provide more than one in every four jobs in the county, but offer relatively low wages.



County Snapshot Yellow Medicine

Past

Although people were less enthusiastic about Prohibition, Granite Falls residents remain proud of local hero Andrew Volstead, the congressman who authored the legislation in 1919 that prohibited the making or selling of alcohol. Although the Volstead Act was repealed in just over a decade, several of his other congressional contributions have stood the test of time, including “champion[ing] anti-lynching legislation and help[ing] farm cooperatives operate without worrying about antitrust provisions.”³

Granite Falls is the largest city and county seat of Yellow Medicine County, a small, rural county in the Minnesota River valley named after a plant used by the Dakota for medicinal purposes. The government established the Upper Sioux Agency in 1854, and after the Sioux Uprising of 1862, settlement in the area began again in 1865. Then existing as part of Redwood County, Yellow Medicine County was officially created by a legislative act in 1871.⁴

Economy

2017 Estimates	Yellow Medicine County	Minnesota
Population	9,867	5,576,606
Labor Force	5,408	3,063,604
Average Unemployment	3.6%	3.6%
Median Household Income	\$54,645	\$63,217
Cost of Living, Individual	\$26,769	\$31,656
Cost of Living, Average Family	\$44,597	\$57,624

Source: U.S. Census Bureau, DEED LAUS, DEED Cost of Living

Trends

After peaking in 1940, Yellow Medicine County’s population was back to 9,867 people in 2017, nearly identical to the county’s mark in the 1890 Census. Although the 20th smallest county in the state, Yellow Medicine was the second largest in the Upper Minnesota Valley Economic Development Region. Education and Health Services is easily the largest employing industry in Yellow Medicine County, accounting for one-third of total jobs. Although it is home to the two campuses of Minnesota West Community & Technical College, one in Canby and one in Granite Falls, Yellow Medicine County has seen cuts of about 30 jobs over the past five years, split between the college and elementary and secondary schools. And while Ambulatory Health Care Services was adding jobs, Nursing and Residential Care Facilities was also making deep cuts.

The Upper Sioux Community is a major employer in Yellow Medicine County at Prairie’s Edge Casino Resort and several other tribal enterprises, creating a wide range of economic opportunity for residents and visitors. This is reflected in the county’s high concentration of employment in Arts, Entertainment, and Recreation and in Public Administration.

Yellow Medicine County Industry Employment Statistics, 2017

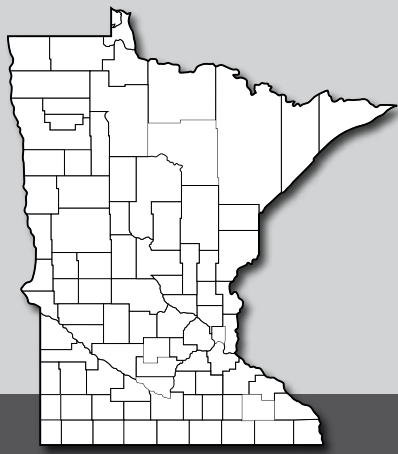
Top Employing Industries	2017 Annual Data			2012-2017	
	Number of Firms	Number of Jobs	Average Annual Wage	Change in Jobs	Percent Change
Total, All Industries	349	3,985	\$36,686	-295	-6.9%
Education and Health Services	33	1,354	\$36,192	-99	-6.8%
Retail Trade	48	407	\$22,173	22	5.7%
Arts, Entertainment and Recreation	9	346	\$30,215	-38	-9.9%
Public Administration	20	332	\$35,832	17	5.4%

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

by Cameron Macht

³Brown, Curt. “Minnesota History: Andrew Volstead got skewered even before Prohibition.” StarTribune. May 30, 2015. Retrieved from www.startribune.com/minnesota-history-the-boozy-prequel-to-prohibition/305574231/

⁴“History of Yellow Medicine County, Minnesota...” Yellow Medicine County Minnesota. Retrieved from www.co.ym.mn.gov/?Type=B_BASIC&SEC={30AE3EFE-D26D-4C59-9900-BCC5DA82AC32}



CountySnapshot Statewide

Statewide, while technically not a county, is very important to proper geo-coding in Minnesota. In it are all the businesses that do not have a fixed location in Minnesota such as wholesale activity from out of state as well as “here and gone” firms such as contractors who have an unemployment tax account while they do a job and then leave. Statewide also encompasses Internet shopping firms and more manufacturing firms than seem reasonable. The geo-code is probably correct, but we check regularly to see if they should be in Wholesale rather than Manufacturing.

Data for Statewide firms do not appear in regional data but are included in the total state data we publish. Labor Market Information geo-coders are also working constantly to find location codes in-state where appropriate. New firms do not reach us with geo-coding, so each of those is checked for a local address as they appear. For the third quarter we still have about 600 new accounts to code. For second quarter we had the number down to 43 before we pulled in third quarter data.

In the third quarter of 2018 there were 59,375 firms coded to Statewide with average employment for the three months of the quarter at 59,602. All Minnesota out-of-state employment makes up 2.1% of total state employment. Agriculture, Mining, Utilities, Public Administration, and Accommodation and Food services represent an insignificant amount of out-of-state employment and are not included in Table 1.

Table 1 shows a breakdown by major industry:

Table 1

NAICS	Industry	Statewide Firm Count	Percent of All MN Firms	Statewide Employee Count
23	Construction	1,196	0.7%	3,702
31-33	Manufacturing	748	0.4%	626
42	Wholesale Trade	5682	3.2%	13,224
44-45	Retail Trade	516	0.3%	2,036
48-49	Transportation and Warehousing	413	0.2%	2,095
51	Information	1,435	0.8%	2,730
52	Finance and Insurance	1,194	0.7%	4,508
53	Real Estate and Rental and Leasing	331	0.2%	785
54	Professional and Technical Services	7,216	4.0%	12,374
55	Company Management and Enterprises	330	0.2%	1,043
56	Admin and Waste Services	1,666	0.9%	9,814
61	Educational Services	628	0.4%	1,285
62	Health Care and Social Assistance	557	0.3%	1,548
71	Arts, Entertainment, and Recreation	247	0.1%	461
81	Other Services, ex Public Administration	955	0.5%	1,843
Total		23,458	12.9%	59,637

by Derek Teed