NORTHWEST MINNESOTA
ECONOMIC DEVELOPMENT REGIONS 1, 2, 4, 5

Covering the following counties:

Becker, Beltrami, Cass, Clay, Clearwater, Crow Wing, Douglas, Grant, Hubbard, Kittson, Lake of the Woods, Mahnomen, Marshall, Morrison, Norman, Otter Tail, Pennington, Polk, Pope, Red Lake, Roseau, Stevens, Todd, Traverse, Wadena, and Wilkin

2023 REGIONAL PROFILE

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DEMOGRAPHICS

POPULATION CHANGE

Northwest Minnesota is a mostly rural, 26-county region located in the central and northwest areas of the state, bordering North Dakota and Canada. Covering four Economic Development Regions (EDRs), Northwest is the third largest of the six planning regions in the state, accounting for 10.2% of the state's total population. The area population increased by nearly 27,500 residents from 2010 to 2022, a 5.0% increase, compared to a 7.8% rise statewide.

Half of the 26 counties in the Northwest planning region have grown in population since 2010, while the other 13 declined. Ten of the eleven counties in the region with less than 10,000 residents declined in population from 2010 to 2022. In contrast, the larger counties in the region have generally had more population growth. As part of the fast-growing Fargo-Moorhead Metropolitan Statistical Area, Clay County added 6,930 new residents, a 11.7% increase, making it the 8th fastest growing county (of 87) in the state. Crow Wing County, the largest county in the region with 67,948 people in 2022, was the 17th fastest growing in the state. Eight of the nine counties in the region with more than 30,000 residents saw population growth (see Table 1).

Table 1. Population Change 2010-2022

	2010 Population	2022 Estimates	*2010-2022 Change*	
			Number	*Percent*
Northwest Minnesota	**553,805**	**581,275**	***+27,470***	***+5.0%***
Region 1	**86,091**	**83,039**	***-3,052***	***-3.5%***
Kittson Co.	4,552	4,059	*-493*	*-10.8%*
Marshall Co.	9,439	8,861	*-578*	*-6.1%*
Norman Co.	6,852	6,377	*-475*	*-6.9%*
Pennington Co.	13,930	13,845	*-85*	*-0.6%*
Polk Co.	31,600	30,731	*-869*	*-2.8%*
Red Lake Co.	4,089	3,874	*-215*	*-5.3%*
Roseau Co.	15,629	15,292	*-337*	*-2.2%*
Region 2	**83,023**	**86,607**	***+3,584***	***+4.3%***
Beltrami Co.	44,442	46,799	*+2,357*	*+5.3%*
Clearwater Co.	8,695	8,649	*-46*	*-0.5%*
Hubbard Co.	20,428	21,960	*+1,532*	*+7.5%*
Lake of the Woods Co.	4,045	3,871	*-174*	*-4.3%*
Mahnomen Co.	5,413	5,328	*-85*	*-1.6%*
Region 4	**221,688**	**238,316**	***+16,628***	***+7.5%***
Becker Co.	32,504	35,371	*+2,867*	*+8.8%*
Clay Co.	58,999	65,929	*+6,930*	*+11.7%*
Douglas Co.	36,009	39,688	*+3,659*	*+10.2%*
Grant Co.	6,018	6,136	*+118*	*+2.0%*
Otter Tail Co.	57,303	60,519	*+3,216*	*+5.6%*
Pope Co.	10,995	11,431	*+436*	*+4.0%*
Stevens Co.	9,726	9,637	*-89*	*-0.9%*
Traverse Co.	3,558	3,275	*-283*	*-8.0%*
Wilkin Co.	6,576	6,350	*-226*	*-3.4%*
Region 5	**163,003**	**173,313**	***+10,310***	***+6.3%***
Cass Co.	28,567	31,274	*+2,707*	*+9.5%*
Crow Wing Co.	62,500	67,948	*+5,448*	*+8.7%*
Morrison Co.	33,198	34,246	*+1,048*	*+3.2%*
Todd Co.	24,895	25,538	*+643*	*+2.6%*
Wadena Co.	13,843	14,307	*+464*	*+3.4%*
State of Minnesota	**5,303,925**	**5,717,184**	***+413,259***	***+7.8%***

Source: U.S. Census Bureau, Population Estimates

COMPONENTS OF POPULATION CHANGE

Northwest Minnesota's population increase from 2020 to 2022 was driven by net migration – more people moving in than moving out. This handily overcame the natural decrease – more deaths than births. The bulk of the net migration was from other places in the U.S. (that is, "domestic"), with the remaining net gain from international migration. Population change differed from the state overall, which had positive natural increase and rapid international in-migration, but negative net domestic migration (Table 2).

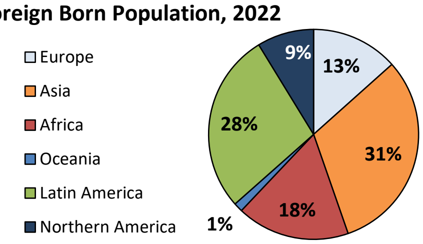
Table 2. Estimates of the Components of Population Change, 2020-2022

			Vital Events		Net Migration		
	Total Change	***Natural Increase***	**Births**	**Deaths**	***Total***	***Inter-national***	***Domestic***
Northwest	*+5,856*	*-1,043*	14,215	15,258	*+6,813*	*+653*	*+6,160*
Minnesota	*+10,680*	*+26,917*	144,350	117,433	*-17,365*	*+20,012*	*-37,377*

Source: U.S. Census Bureau, Population Estimates Program

In total, the Northwest has 12,723 foreign-born residents, or 2.2% of the total population. That was significantly lower than the state, where 8.5% of the population is foreign-born. The largest number of immigrants in the region came from Asia, Latin America, Africa, Europe, and Canada (Figure 1). The number of immigrants rose by 20.1% from 2010 to 2021, slower than statewide at 30.6%. Based on year of entry, the region's foreign-born population was "newer," with nearly 36% of immigrants entering the U.S. since 2010 compared to 28% statewide. Foreign-born residents are younger, with 55% between age 25 and 54, compared to 33% of the total Northwest population. While a similar percentage of foreign-born residents had a bachelor's degree or higher compared to native-born residents, immigrants were much more likely to have less than a high school education.

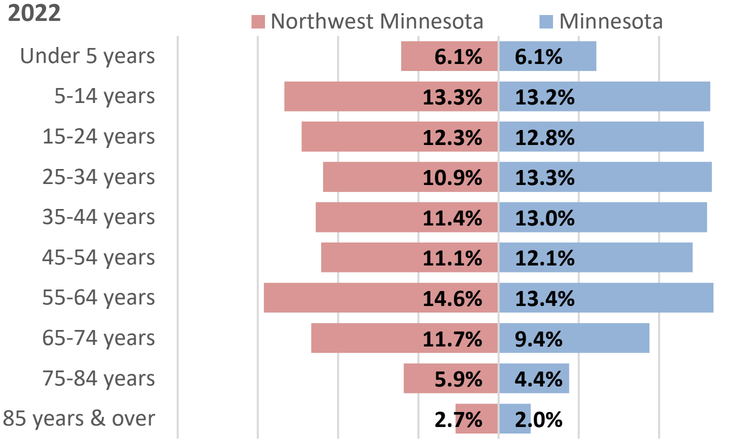
Figure 1. Place of Birth for the Foreign Born Population, 2022



POPULATION BY AGE GROUP

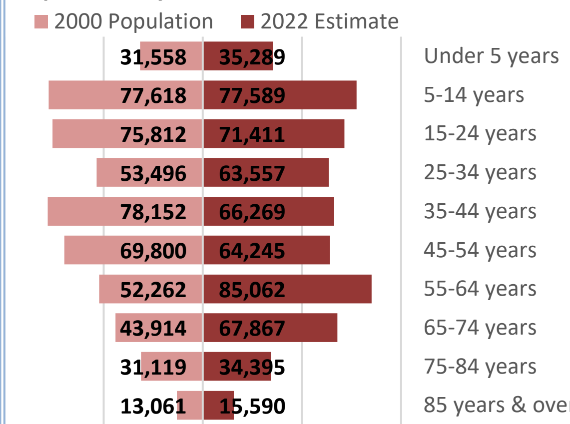
Northwest Minnesota has an older population than the State, with over one-third (35.7%) of the population 55 or older, compared to 29.2% statewide. In contrast, the region had a smaller percentage of people in the 25 to 54 age group - typically considered the "prime working years." A large portion of Northwest's population is a part of the Baby Boom generation. While the number of residents under 25 years of age declined, the number of people aged 55 years and over increased by nearly 65,000 between 2000 and 2022 (Figure 2 and Figure 3).

Figure 2. Percentage of Population by Age Group, 2022



Source: 2022 Population Estimates

Figure 3. Northwest Minnesota Population Pyramid, 2000-2022



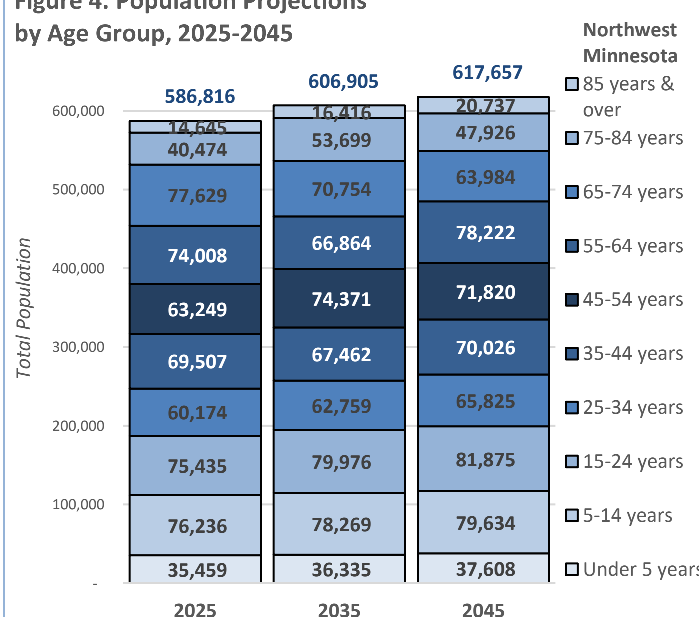
Source: 2022 Population Estimates

POPULATION PROJECTIONS BY AGE GROUP

Population projections from the [Minnesota State Demographic Center](#) show that the Northwest is expected to gain over 30,000 net new residents from 2025 to 2045, a 5.3% increase (Figure 4). In comparison, the state of Minnesota is projected to grow 7.4%, with the fastest growth expected to occur in the Twin Cities metro area.

The Northwest's fastest growth is expected in ages 75 and older, reflecting the aging of the large Baby Boomer cohort. The next-largest Millennial cohort swells the age 45 to 54 group. Net outmigration of young adults is projected to continue. Note that there are 75,435 people aged 15 to 24 in 2025, but 62,759 aged 25-34 projected in 2035. The under-25 groups are expected to grow throughout the two decades.

Figure 4. Population Projections by Age Group, 2025-2045



Source: Minnesota State Demographic Center

POPULATION BY RACE

The population in Northwest Minnesota is less racially diverse than the state overall but is becoming more diverse over time. Nearly 90% of the region's residents are white, compared to 80.7% of residents statewide. However, at 3.6%, Northwest had the highest concentration of American Indian and Alaska Natives of the 6 planning regions in Minnesota. Besides white alone and American Indian, the Northwest had a smaller share of every other racial group than statewide, as well as a smaller share reporting Hispanic or Latino origin.

From 2011 to 2021, the share of white residents was little changed. Every other racial and ethnic group besides American Indian grew rapidly. Two or More Races and Black or African American grew the fastest. Also, the share of Black, American Indian, Two or More Races, and Hispanic or Latino grew more rapidly than statewide (Table 3).

Table 3. Race and Hispanic Origin, 2021	Northwest Minnesota			Minnesota	
	Number	Percent	*Change from 2011-2021*	Percent	*Change from 2011-2021*
Total	573,395	100.0%	*+3.8%*	100.0%	*+7.4%*
White	512,938	89.5%	*+0.2%*	80.7%	*+0.4%*
Black or African American	7,506	1.3%	*+99.9%*	6.6%	*+42.2%*
American Indian & Alaska Native	20,614	3.6%	*+1.9%*	0.9%	*-8.0%*
Asian & Other Pac. Islander	4,779	0.8%	*+28.6%*	5.0%	*+35.8%*
Some Other Race	5,063	0.9%	*+55.7%*	2.1%	*+66.5%*
Two or More Races	22,495	3.9%	*+129.1%*	4.6%	*+121.8%*
Hispanic or Latino origin	18,701	3.3%	*+53.2%*	5.6%	*+31.6%*

Source: U.S. Census Bureau, 2017-2021 American Community Survey

EDUCATIONAL ATTAINMENT

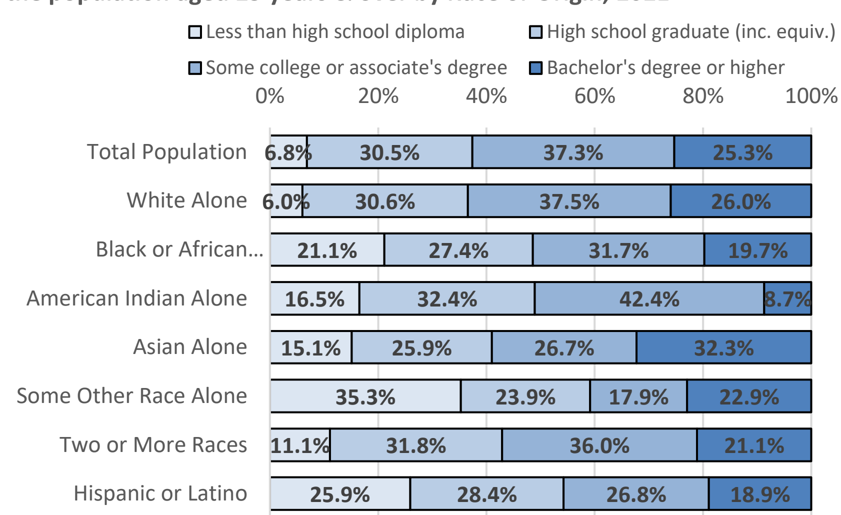
The Northwest had a lesser percentage of residents with a bachelor's degree or higher than statewide. However, the Northwest had a greater share with some college or an associate's degree, reflecting the higher education requirements of jobs in the region. (Table 4).

Table 4. Educational Attainment for the Population, 2021	**Northwest Minnesota**		**Minnesota**
	Number	**Percent**	**Percent**
Total, 18 years & over	**439,641**	**100.0%**	**100.0%**
Less than high school	33,890	7.7%	7.1%
High school graduate (incl. equiv.)	134,852	30.7%	24.5%
Some college, no degree	107,793	24.5%	22.4%
Associate's degree	60,407	13.7%	11.1%
Bachelor's degree	72,150	16.4%	23.3%
Advanced degree	30,549	6.9%	11.6%

Source: 2017-2021 American Community Survey, 5-Year Estimates

Educational attainment varies significantly by race and ethnicity. Compared to White Alone, more than double the share of Black or African American, American Indian, Asian, and Hispanic or Latino residents had less than a high school diploma. Those identifying as Some Other Race had the highest share with less than high school. Asians had the highest share with bachelor's degrees, and American Indians had the lowest. However, American Indians had the highest share with some college or an associate's degree. Whites had the highest percentage with more than high school (Figure 5).

Figure 5. Northwest Minnesota Educational Attainment for the population aged 25 years & over by Race or Origin, 2021



Source: 2017-2021 American Community Survey

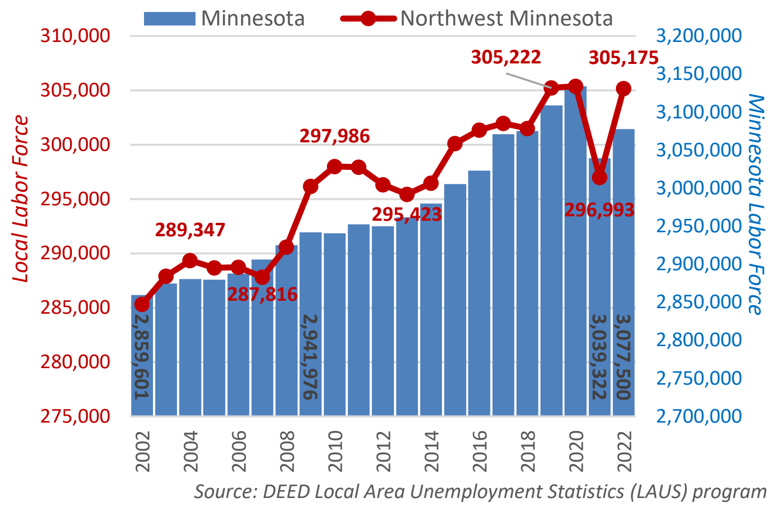
LABOR FORCE

LABOR FORCE CHANGE

According to data from DEED's Local Area Unemployment Statistics program, Northwest Minnesota had an average of just under 297,000 workers in 2021. Despite some ups and downs, the labor force generally increased from 2002 to 2020. The COVID19 pandemic caused a sharp drop from 2020 to 2021 of 8,394 workers, or -2.7%. This was a similar but lesser drop than the -3.3% statewide labor force decline (Figure 6).

Past declines in the Northwest's labor force began two to three years after the peak unemployment rates of the 2001 and 2008 recessions and had been more gradual. Northwest's labor force hit a peak in 2004 at 289,374 and continued down until 2007 resulting in a -0.5% decline. The next peak was 2010 at 297,986, dropping until 2013 resulting in a -0.9% decline. In contrast, after the 2020 recession the number of workers and the unemployment rate quickly dropped. In 2022, the labor force rapidly rebounded. However, with the large Baby Boomer population cohort in the Northwest, labor force growth going forward will be more constrained due to retirements.

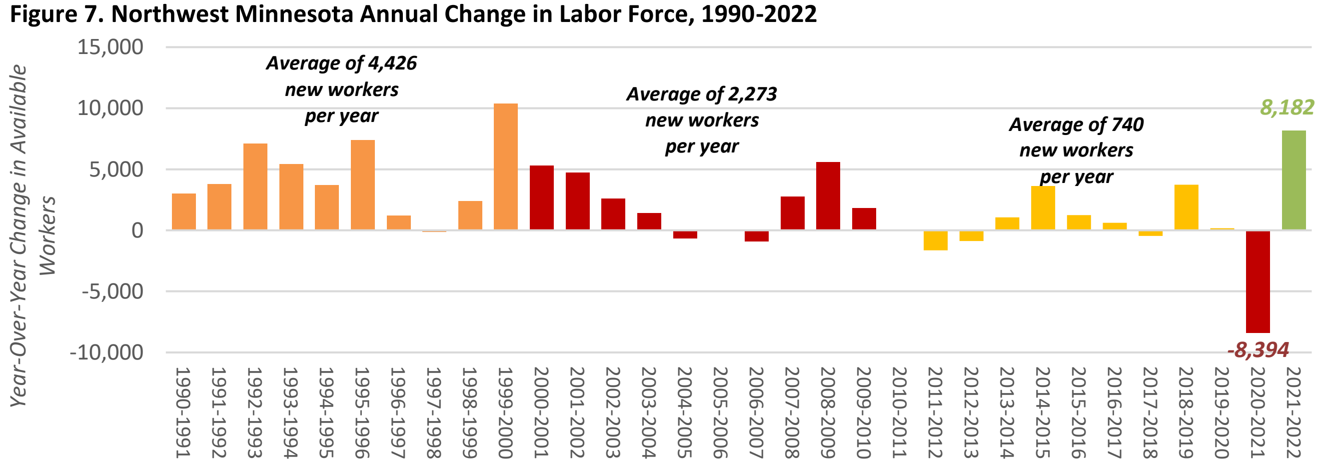
Figure 6. Annual Labor Force Estimates, 2002-2022



Source: DEED Local Area Unemployment Statistics (LAUS) program

Averaging a net gain of 4,426 additional labor force participants per year between 1990 and 2000, employers were able to tap into a large and growing pool of talented workers. Although the regional labor force and economy continue to grow, the rate of labor force growth is slowing considerably, adding an average of only 740 workers per year from 2010 to 2020 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in The Northwest. In the face of these constraints, a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and immigration has been and will continue to be a vital source of the workers that employers need to succeed. As the white, native-born workforce continues to age, younger workers of different races or from different countries will comprise the fastest growing segment of the labor force.

Figure 7. Northwest Minnesota Annual Change in Labor Force, 1990-2022



Source: DEED Local Area Unemployment Statistics (LAUS)

LABOR FORCE PROJECTIONS, 2025-2035

Applying current labor force participation rates to future population projections by age group creates labor force projections for the region. Despite Northwest Minnesota's 3.4% projected population increase shown in Figure 4 above, the regional labor force is expected to grow only 2.8% from 2025 to 2035. This is due to the aging Baby Boomers exiting the labor force (Table 5).

Table 5. Northwest Minnesota Labor Force Projections

	2025 Labor Force Projection	2035 Labor Force Projection	*2025-2035 Change*	
			Numeric	*Percent*
16 to 19 years	17,984	17,870	*-114*	*-0.6%*
20 to 24 years	28,231	32,192	*+3,961*	*+14.0%*
25 to 44 years	113,410	113,883	*+472*	*+0.4%*
45 to 54 years	54,115	63,631	*+9,516*	*+17.6%*
55 to 64 years	50,850	45,941	*-4,909*	*-9.7%*
65 to 74 years	20,498	18,683	*-1,815*	*-8.9%*
75 years & over	3,327	4,232	*+905*	*+27.2%*
Total Labor Force	**288,415**	**296,431**	***+8,016***	***+2.8%***

Source: calculated from Minnesota State Demographic Center population projections and 2017-2021 American Community Survey 5-Year Estimates

The largest decline is projected for the 55 to 64 age group, with a decrease in those aged 65 to 74 as well. Those aged 45 to 54 gain the most as Millennials move into that age group. Those aged 20 to 24 also increase, while those aged 75 & over have the fastest growth. The anticipated change in labor force age distribution may lead regional employers to adapt their management and hiring practices to attract employees from the growing age cohorts.

EMPLOYMENT CHARACTERISTICS

With just over 63% of the population over 16 years of age in the labor force, Northwest had a much lower labor force participation rate than Minnesota's 69%. In addition, all but the youngest age group had lower labor force participation rates than those statewide, and the overall rate is lower because a higher percentage of the region's labor force is in the oldest age groups (Table 6).

Participation rates varied by race in Northwest, but also lagged state averages. American Indians were the only race that had a higher participation rate than the state. The participation rate of Hispanic or Latino residents were similar to statewide.

Like statewide, the region's unemployment rates were higher than whites for every race and ethnicity group, except for Asians. In sum, unemployment rates were higher and participation rates lower among young workers, minorities, people with lower educational attainment, and workers with disabilities.

Table 6. Northwest Minnesota Employment Characteristics, 2021

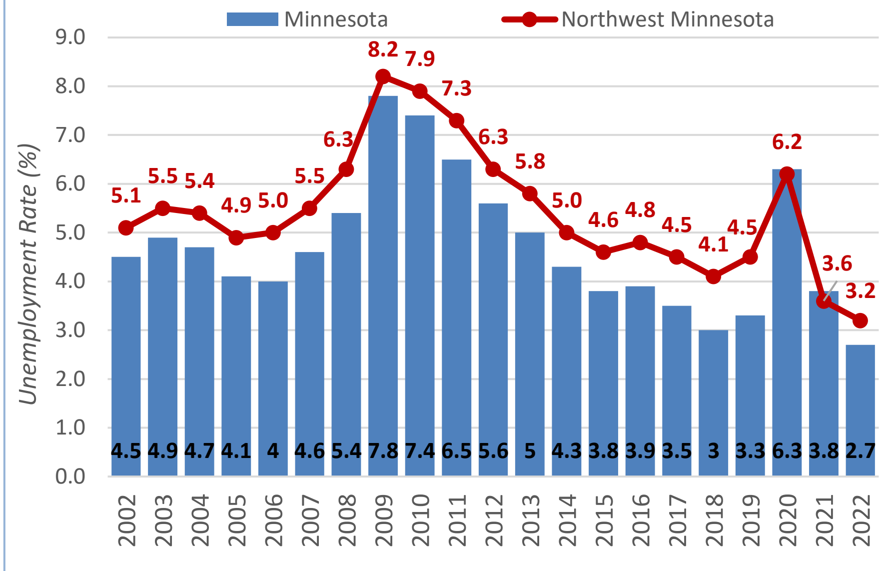
Age Group	Northwest Minnesota			Minnesota	
	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	288,082	63.4%	4.4%	69.2%	4.0%
16 to 19 years	15,883	54.6%	8.7%	52.3%	10.7%
20 to 24 years	27,710	82.5%	7.1%	83.3%	6.7%
25 to 44 years	111,998	87.5%	4.5%	88.8%	3.6%
45 to 54 years	54,222	85.6%	3.3%	87.6%	3.0%
55 to 64 years	57,653	68.7%	2.9%	73.1%	3.2%
65 to 74 years	17,677	26.4%	3.7%	28.0%	3.2%
75 years & over	2,976	6.0%	3.3%	6.6%	2.9%
Employment Characteristics by Gender					
Male	153,230	66.9%	5.2%	72.7%	4.4%
Female	134,886	59.9%	3.5%	65.6%	3.6%
Employment Characteristics by Race & Hispanic Origin					
White alone	262,807	63.4%	3.7%	68.5%	3.4%
Black or African American	3,315	68.5%	8.9%	71.9%	8.6%
American Indian & Alaska Native	8,068	58.2%	17.6%	57.4%	12.9%
Asian or Other Pacific Islanders	2,387	62.5%	3.7%	72.7%	4.1%
Some Other Race	2,547	67.3%	3.9%	75.8%	6.2%
Two or More Races	8,966	68.0%	10.2%	74.1%	7.3%
Hispanic or Latino	8,657	75.6%	10.9%	77.0%	6.6%
Employment Characteristics by Veteran Status					
Military Veteran	10,759	76.6%	5.1%	80.6%	3.9%
Employment Characteristics by Disability					
With Any Disability	17,296	50.0%	9.9%	53.6%	9.9%
Employment Characteristics by Educational Attainment					
Population 25 to 64 years	223,877	81.3%	3.8%	84.4%	3.4%
Less than H.S. Diploma	10,573	63.1%	5.4%	66.6%	4.6%
H.S. Diploma or Equivalent	58,259	76.5%	2.5%	77.3%	2.5%
Some College or Assoc. Degree	92,438	83.1%	3.4%	85.1%	3.6%
Bachelor's Degree or Higher	62,612	87.9%	1.5%	90.3%	2.1%

Source: 2017-2021 American Community Survey, 5-Year Estimates

UNEMPLOYMENT RATES

With the exception of the COVID19 pandemic, Northwest consistently reports higher unemployment rates than Minnesota overall. According to the [Local Area Unemployment Statistics](), the unemployment rate in Northwest hovers roughly 1 percentage point above the statewide rate, shifting in sync to economic fluctuation. During the Great Recession, it rose to 8.2%. Due to the pandemic, unemployment rates spiked for 2020, but dropped to exceptional lows in the recovery for 2021 and through 2022 (Figure 8).

Figure 8. Unemployment Rates, 2002-2022

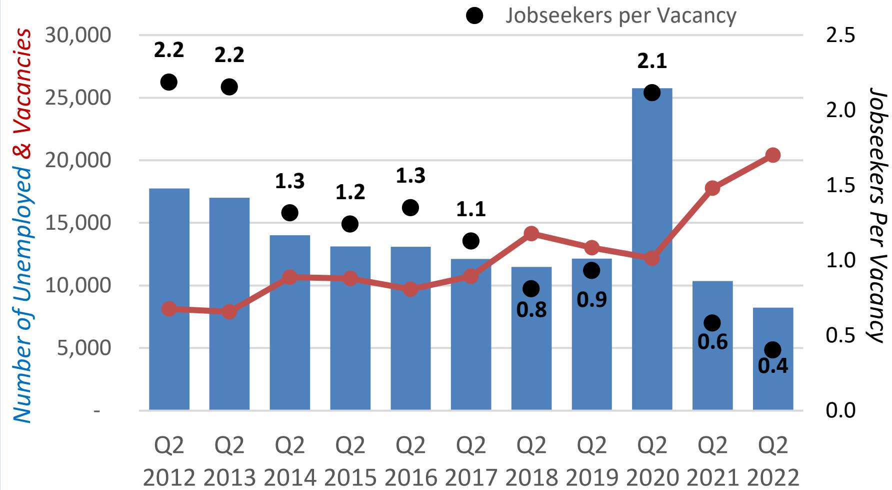


Source: DEED Local Area Unemployment Statistics (LAUS) program

JOBSEEKERS PER VACANCY

As the number of available workers has declined, the region's labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which dipped to 0.4-to-1 in the second quarter of 2022 (Figure 9). There were an estimated 20,409 openings – a record high – compared to 8,204 unemployed jobseekers in the region. This means that even if every unemployed worker were an immediate fit for an open job, nearly 60% of vacancies would remain unfilled. (Figure 9).

Figure 9. Jobseekers Per Vacancy, 2012-2022



Source: DEED Job Vacancy Survey, LAUS program

COMMUTE SHED AND LABOR SHED

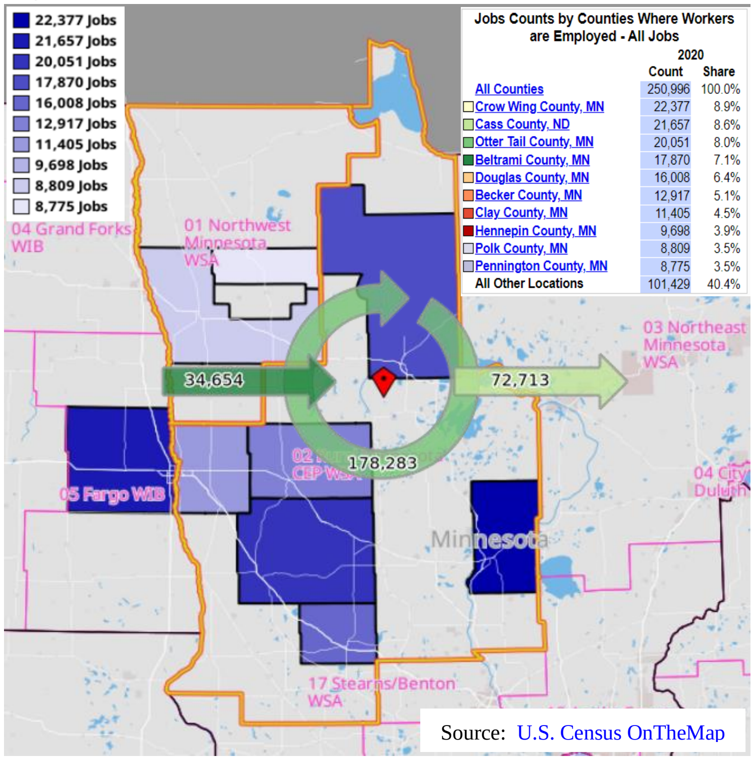
The vast majority – 71.4% – of residents in the region also work within the region. However, Northwest Minnesota is a net exporter of labor, having fewer jobs than available workers. In 2020, 178,283 workers both lived and worked in Northwest, while another 34,654 workers drove into the region for work. This is compared to 72,713 workers who lived in the region but drove to outside areas for work (Table 7 and Figure 10).

Table 7. Northwest Minnesota Inflow/ Outflow Job Counts (All Jobs), 2020	2020	
	Count	Share
Employed in the Selection Area	212,937	100.0%
Employed in the Selection Area but Living Outside	34,654	16.3%
Employed and Living in the Selection Area	178,283	83.7%
Living in the Selection Area	250,996	100.0%
Living in the Selection Area but Employed Outside	72,713	29.0%
Living and Employed in the Selection Area	178,283	71.4%

Source: [U.S. Census Bureau, OnTheMap]()

This is due to proximity to two metropolitan areas in North Dakota: Fargo and Grand Forks. Crow Wing County is the largest employment center in the planning area and the biggest draw for workers, followed by Cass County, ND, Otter Tail, Beltrami, Douglas, Becker, and Clay County. Employers in the region draw workers from surrounding counties like Cass (ND), Stearns, Grand Forks (ND), and Itasca. Workers also travel to these same counties for work, primarily to the Fargo and Grand Forks metropolitan areas in North Dakota (Figure 10). Note that 3.9% of workers are employed in Hennepin County, but this is not necessarily the site where work is performed. The average commute time for workers in Northwest was 21.5 minutes, compared to 23.5 minutes for workers statewide. Over 76% of workers commuted less than 30 minutes, compared to 69% statewide. Nearly 9% of workers worked at home, and 3% walked to work.

Figure 10. Northwest Minnesota Labor and Commute Shed, 2020



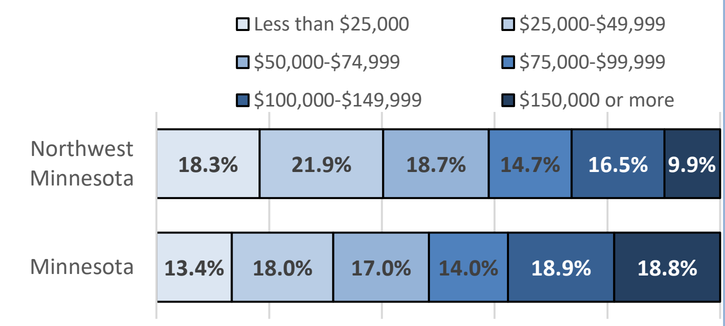
Source: U.S. Census OnTheMap

INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

Median household income was lower in Northwest Minnesota than statewide, $62,128 compared to $77,706. Northwest had the second lowest median household income of the 6 planning regions. Over 40% of households in the region had incomes below $50,000 in 2021 compared to just 31.4% statewide. The share earning $75,000 to $99,000 was similar to statewide, but only 26.4% earned $100,000 or more compared to 37.7% statewide (Figure 11).

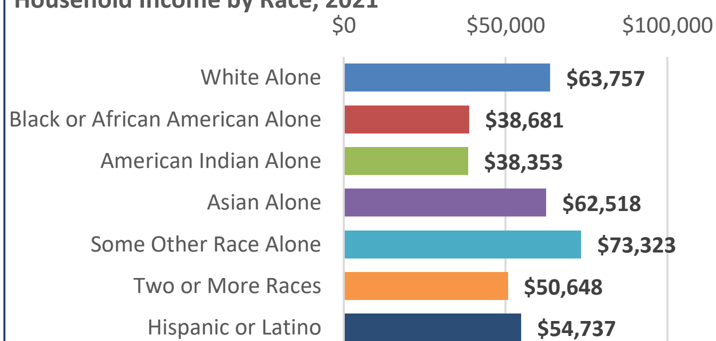
Figure 11. Household Incomes, 2021



Source: 2017-2021 American Community Survey 5-Year Estimates

Incomes varied widely by race in The Northwest, with the lowest incomes reported for American Indians and Blacks. Small sample sizes for some race groups, particularly Asian and Some Other Race, cause large margins of error and big swings compared to previous years. However, the pattern of income disparity is consistent over time. Also, sample sizes were larger for both whites and American Indians, and there is an over $25,400 per year difference in the median income for those two groups (Figure 12).

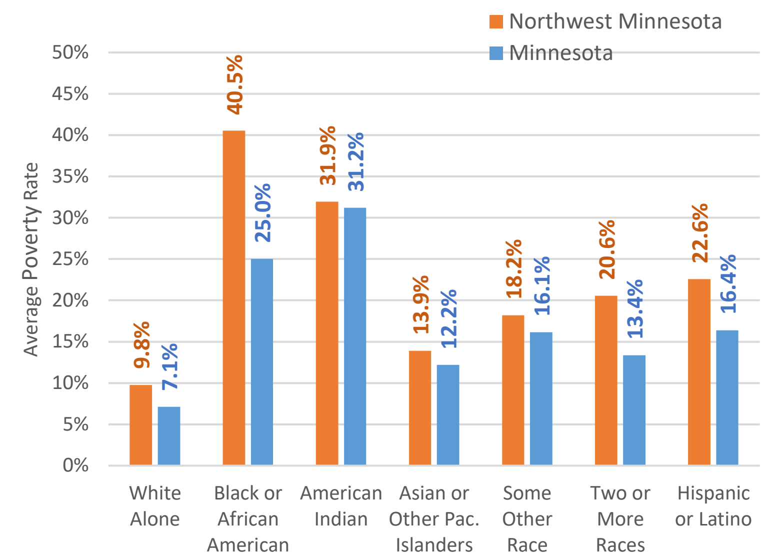
Figure 12. Northwest Minnesota Median Household Income by Race, 2021



Source: 2017-2021 American Community Survey

Overall, Northwest's poverty rate was 11.4% in 2021, which was higher than the statewide rate of 9.2%. Like incomes, poverty levels varied widely by race and origin. Compared to whites, all groups had higher poverty rates, and all groups in The Northwest including whites had higher poverty rates than statewide (Figure 13).

Figure 13. Poverty Status by Race or Origin, 2021



Source: 2017-20201 American Community Survey, 5-Year Estimates

An estimated 40.5% of the region's Black or African American population was below the poverty level in 2021, compared to just 9.8% of the white population. Poverty rates were also high for American Indians, but more like statewide levels than for other groups. Over 20% of People of Two or More Races and of Hispanic or Latino origin were below the poverty level in 2020, higher than whites and higher than these groups statewide. Again, sample sizes were small for some groups, so margins of error were large. However, the data clearly show economic disparities by race within the region.

COST OF LIVING

According to DEED's Cost of Living tool, the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was $60,720 in 2022. The cost of living for a similar family in Northwest Minnesota was $49,320 – which was the second lowest of the six planning regions in the state. The highest monthly costs were for transportation, food, and housing; though the region's housing, childcare, and taxes were significantly lower than statewide. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn $15.81 per hour working a combined 60 hours per week.

DEED's Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Northwest would be $30,252, which would require an hourly wage of $14.54 to meet the basic needs cost of living (Table 8).

Table 8. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2022

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Trans-portation	Other	Taxes
Northwest Minnesota										
Single, 0 children	1 FT	$30,252	$14.54	$0	$396	$164	$663	$809	$256	$233
Single, 1 child	1 FT	$45,216	$21.74	$551	$585	$451	$863	$815	$350	$153
2 parents, 1 child	**1 FT, 1 PT**	**$49,320**	**$15.81**	**$275**	**$905**	**$530**	**$863**	**$948**	**$428**	**$161**
2 parents, 2 children	2 FT	$65,712	$15.80	$836	$1,180	$541	$1,147	$1,002	$563	$207
State of Minnesota										
Single, 0 children	1 FT	$34,992	$16.82	$0	$403	$159	$961	$760	$330	$303
2 parents, 1 child	**1 FT, 1 PT**	**$60,720**	**$19.46**	**$574**	**$921**	**$555**	**$1,216**	**$886**	**$517**	**$391**

Source: DEED Cost of Living tool

WAGES AND OCCUPATIONS

The median hourly wage for all occupations in Northwest Minnesota was $21.67 in first quarter of 2023 (Table 9). As such, Northwest has the lowest median wage of Minnesota's six planning areas. Further, Northwest's median wage was $2.58 below the state's median hourly wage. Compared to surrounding areas, Northwest's median hourly wage was $1.04 per hour less than Central and $0.90 less than Northeast. However, wages in The Northwest increased more than in these surrounding areas since last year. Within Northwest, EDR 5- North Central had the lowest median wage and EDR 1 – Northwest had the highest wages. This reflects the different occupational mix within the Northwest Minnesota planning area.

Table 9. Occupational Employment and Wage Statistics, 1st Qtr. 2023	Median Hourly Wage	Estimated Regional Employment
Northwest Planning Area	***$21.67***	***215,980***
EDR 1 - Northwest	$22.83	35,000
EDR 2 - Headwaters	$21.90	31,370
EDR 4 - West Central	$21.88	87,550
EDR 5 - North Central	$19.98	62,060
Northeast Planning Area	$22.57	136,490
Central Planning Area	$22.71	270,260
Southeast Minnesota	$23.44	236,590
Southwest Minnesota	$22.00	167,580
Twin Cities Metro Area	$25.67	1,718,290
State of Minnesota	**$24.25**	**2,827,310**
Source: DEED Occupational Employment Statistics Qtr1. 2022		

Location quotient reveals the occupation groups with higher concentrations than statewide (Table 10). Northwest has higher concentrations of Farming, Fishing & Forestry, Community & Social Service, Education, Training & Library, and Building, Grounds Cleaning & Maintenance. These occupations, along with Healthcare Support, Protective Service, and Transportation & Material Moving occupations pay the closest to statewide wages. Part of the overall difference in wages between Northwest and statewide for Total, All Occupations is due to The Northwest's greater share of Sales & Related and Food Preparation and Serving occupations, which are the two occupational groups with the lowest wages.

Table 10. Northwest Minnesota Occupational Employment Statistics, 1st Qtr. 2023							
	Northwest Minnesota				**State of Minnesota**		
	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*	*Location Quotient*	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*
Total, All Occupations	**$21.67**	**215,980**	***100.0%***	***1.0***	**$24.25**	**2,827,310**	***100.0%***
Office & Administrative Support	$40.14	11,830	*5.5%*	*0.8*	$51.58	193,760	*6.9%*
Sales & Related	$30.80	7,700	*3.6%*	*0.5*	$38.19	201,940	*7.1%*
Production	$37.66	2,480	*1.1%*	*0.3*	$49.73	99,250	*3.5%*
Food Preparation & Serving Related	$34.54	3,100	*1.4%*	*0.8*	$40.60	53,100	*1.9%*
Transportation & Material Moving	$30.70	1,640	*0.8%*	*0.7*	$39.37	29,070	*1.0%*
Education, Training & Library	$25.24	5,780	*2.7%*	*1.4*	$25.82	54,820	*1.9%*
Healthcare Practitioners & Technical	$36.21	810	*0.4%*	*0.6*	$47.87	18,730	*0.7%*
Healthcare Support	$23.67	15,810	*7.3%*	*1.3*	$24.82	158,830	*5.6%*
Management	$22.36	1,900	*0.9%*	*0.7*	$28.80	37,630	*1.3%*
Construction & Extraction	$37.74	13,700	*6.3%*	*1.0*	$41.07	186,700	*6.6%*
Installation, Maintenance & Repair	$17.42	11,490	*5.3%*	*0.9*	$17.40	162,400	*5.7%*
Business & Financial Operations	$25.29	3,470	*1.6%*	*1.1*	$25.83	40,620	*1.4%*
Building, Grounds Cleaning & Maint.	$14.04	20,310	*9.4%*	*1.2*	$14.89	216,970	*7.7%*
Community & Social Service	$17.85	7,360	*3.4%*	*1.3*	$18.26	76,210	*2.7%*
Personal Care & Service	$15.68	4,480	*2.1%*	*1.0*	$16.96	58,120	*2.1%*
Protective Service	$15.95	19,380	*9.0%*	*1.1*	$18.14	239,500	*8.5%*
Architecture & Engineering	$21.08	26,020	*12.0%*	*1.0*	$23.06	345,830	*12.2%*
Computer & Mathematical	$20.66	770	*0.4%*	*2.5*	$19.84	4,060	*0.1%*
Arts, Design, Entertainment & Media	$27.44	10,640	*4.9%*	*1.2*	$31.00	113,930	*4.0%*
Life, Physical & Social Science	$24.39	9,360	*4.3%*	*1.2*	$27.95	98,670	*3.5%*
Legal	$20.57	18,400	*8.5%*	*1.2*	$22.07	209,380	*7.4%*
Farming, Fishing & Forestry	$20.09	19,560	*9.1%*	*1.1*	$21.05	227,780	*8.1%*
Source: DEED Occupational Employment & Wage Statistics, Qtr. 1 2023							

Some of the highest paying jobs are in Management and Computer & Mathematical, but these have 20% to 25% lower median wages in the Northwest compared to statewide. Healthcare Practitioners & Technical has the second highest median wage and is much closer to statewide. The highest paying occupations generally require higher levels of education and experience, including many that require bachelor's degrees or higher.

JOB VACANCY SURVEY

Employers in the 26-county Northwest Planning region reported 20,409 job vacancies in 2022, the highest in the history of the survey going back to 2001. Demand for workers surged during the recovery from the COVID-19 pandemic and continued even higher across most industry sectors. The sectors with the most openings, each with over 1,000, were Retail Trade (5,269 vacancies), Health Care & Social Assistance (3,646), Educational Services (3,044), Accommodation & Food Services (2,641), and Manufacturing (1,851). Over 80% of the region's vacancies were in these sectors.

This increase in demand for workers fueled substantially increased wage offers. The median wage offer for all vacancies increased to $17.06, or +12.8%, from $15.13 a year prior in second quarter 2021. Even with the high rate of inflation – 8.5% over-the-year in July 2022 – the increased wage offers represent a real and substantial bidding up of wages.

The largest number of vacancies were in Sales & Related, Food Preparation & Serving Related, and Healthcare Support occupations. These occupation groups have many jobs and have high turnover. Arts, Design, Entertainment & Media, Personal Care & Service, and Building, Grounds Cleaning & Maint. occupations are not as large, but like the three occupational groups with the highest number of vacancies these also have double-digit vacancy rates. However, Building, Grounds Cleaning & Maint. also has the highest percent temporary or seasonal. Management and Computer & Mathematical have the highest share of vacancies requiring more than one year of work experience (Table 11).

Table 11. Northwest Minnesota Job Vacancy Survey Results, 2022

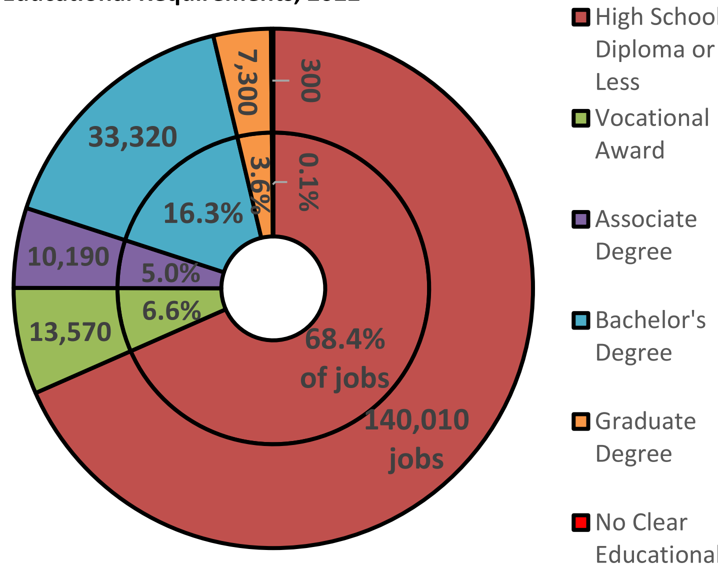
	Number of Total Vacancies	Median Hourly Wage Offer	Percent Part-Time	Percent Temporary or Seasonal	Requiring Postsecondary Education	Requiring 1 or More Years of Work Exp.	Requiring Certificate or License	Job Vacancy Rate
Total, All Occupations	20,409	$17.06	34%	13%	21%	39%	35%	9.3%
Sales & Related	4,519	$16.09	41%	2%	0%	17%	2%	22.2%
Food Preparation & Serving Related	2,904	$14.05	46%	13%	1%	18%	23%	15.1%
Healthcare Support	1,732	$15.00	41%	1%	11%	22%	45%	13.9%
Transportation & Material Moving	1,684	$18.83	29%	27%	5%	34%	76%	9.9%
Education, Training & Library	1,540	$20.19	41%	23%	81%	86%	77%	9.7%
Healthcare Practitioners & Technical	1,348	$29.56	31%	3%	94%	65%	96%	9.8%
Production	1,218	$18.24	5%	6%	4%	26%	12%	6.4%
Building, Grounds Cleaning & Maint.	1,063	$16.12	36%	51%	1%	39%	10%	14.9%
Installation, Maintenance & Repair	845	$21.35	9%	10%	22%	67%	33%	9.1%
Office & Administrative Support	750	$16.22	21%	4%	13%	53%	6%	3.0%
Personal Care & Service	497	$12.88	50%	44%	20%	46%	33%	11.6%
Management	407	$32.83	3%	2%	76%	92%	51%	3.7%
Community & Social Service	379	$20.30	23%	1%	71%	80%	65%	6.7%
Arts, Design, Entertainment & Media	307	$15.35	56%	21%	27%	73%	28%	15.5%
Business & Financial Operations	249	$21.46	39%	30%	51%	60%	29%	3.2%
Protective Service	217	$15.16	63%	10%	11%	29%	53%	6.5%
Construction & Extraction	155	$21.84	3%	39%	11%	44%	42%	1.5%
Architecture & Engineering	138	$29.54	13%	3%	86%	85%	57%	4.5%
Life, Physical & Social Sciences	127	$28.23	13%	12%	91%	79%	81%	8.2%
Computer & Mathematical	101	$33.15	5%	1%	69%	93%	28%	4.8%
Legal	34	$24.27	18%	7%	75%	72%	100%	4.2%

Source: DEED Job Vacancy Survey, Qtr. 2 2022

EDUCATIONAL REQUIREMENTS

Similar to the Job Vacancy Survey results, DEED's Occupational Employment & Wage Statistics program shows that less than one-third of jobs in the region require postsecondary education for entry. The other two-thirds can be obtained with a high school diploma or less and some amount of on-the-job training (Figure 14).

Figure 14. Northwest Minnesota Share of Jobs by Educational Requirements, 2022



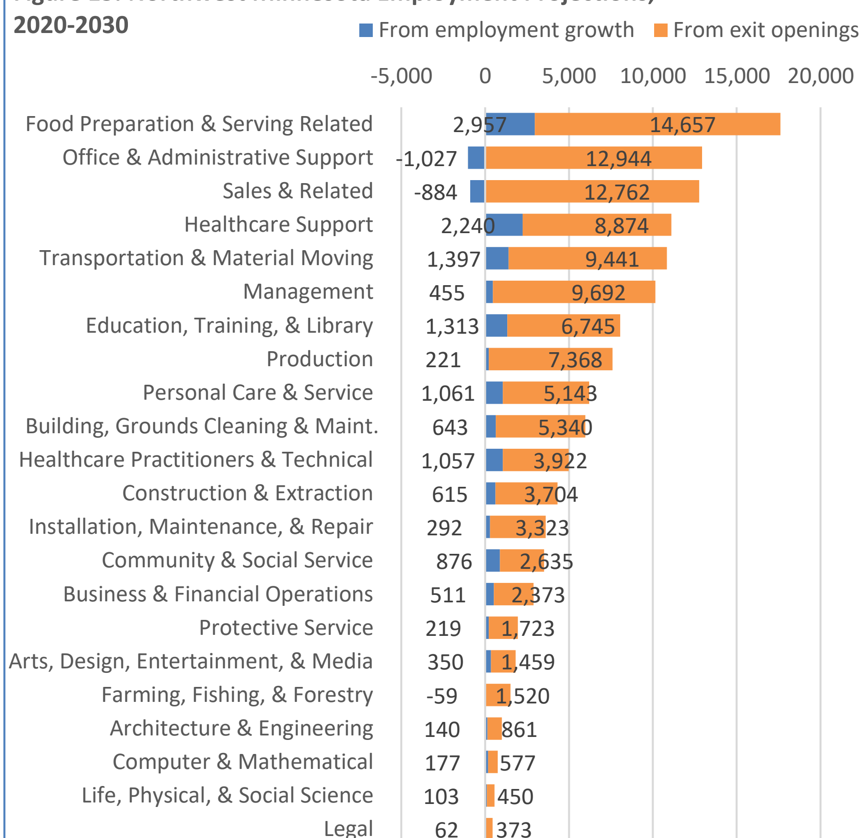
Source: *DEED Occupational Employment & Wage Statistics*

Certain careers – such as dentists, lawyers, and teachers – require a college education, while other jobs – including cost estimators, sales representatives, and correctional officers – do not. College is an excellent way to move up career ladders and open windows of opportunity to fields that would otherwise be closed, such as nursing or engineering. Many of these occupations offer high wages and are in high demand in the job market. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between $13,000 and almost $44,000 per year in Minnesota. For those who go to college, choice of major matters – different programs lead to different jobs that earn different amounts of money.

EMPLOYMENT PROJECTIONS

Overall, the Northwest Planning Region is projected to grow employment 5.1% from 2020 to 2030, a gain of 12,719 new jobs. In addition, the region is also expected to need 115,886 replacement openings to fill jobs left vacant by those retiring or otherwise leaving the labor force. Food Preparation & Serving and Healthcare Support occupations are expected to see the most growth. Note that this timeframe includes recovery from pandemic losses. Office & Administrative Support and Sales & Related are expected to decline but rank second and third in openings due to the large number of replacements needed for those leaving these occupations. Every occupational group will show some future demand through replacement openings (Figure 15).

Figure 15. Northwest Minnesota Employment Projections, 2020-2030



Source: *DEED 2020-2030 Employment Outlook*

OCCUPATIONS IN DEMAND

According to DEED's Occupations in Demand tool, there are over 500 occupations in demand (OID) in Northwest Minnesota, and about 300 occupations are showing relatively high demand. Training and education requirements of these occupations range from short-term on-the-job training to postsecondary education and advanced degrees. Most OID require a high school diploma or less, and less than one-third require a bachelor's degree or higher. While OID exist in every sector, the region's major industries are well represented as many of the jobs are concentrated in health care and social assistance, education, and manufacturing. There are also OID employed in many industries, including managers, accountants, and computer support (Table 12).

Table 12. Northwest Minnesota Occupations in Demand by Education Level, 2022

High School or Less	Vocational Training	Some College or Assoc. Degree	Bachelor's Degree or Higher
Heavy & Tractor-Trailer Truck Drivers ($51,692)	Nursing Assistants ($37,961)	Registered Nurses ($81,165)	General & Operations Managers ($67,488)
Cashiers ($28,802)	Licensed Practical & Licensed Vocational Nurses ($51,299)	Police & Sheriff's Patrol Officers ($64,102)	School Teachers ($62,823)
Home Health & Personal Care Aides ($32,976)	Automotive Service Technicians & Mechanics ($47,005)	Dental Hygienists ($84,508)	Accountants & Auditors ($64,490)
Retail Salespersons ($31,063)	Machinists ($48,430)	Clinical Laboratory Techs ($61,816)	Special Education Teachers ($63,611)
Maintenance & Repair Workers, General ($48,600)	Electricians ($62,857)	Radiologic Techs ($68,070)	Child, Family & School Social Workers ($62,810)
Teaching Assistants, Except Postsecondary ($37,015)	Medical Assistants ($46,584)	Computer Network Support Specialists ($71,089)	Business Operations Specialists ($60,668)
Janitors & Cleaners, Except Maids ($37,767)	Dental Assistants ($51,999)	Surgical Technologists $52,040/yr	Substance abuse & mental health counselors ($47,988)
Stockers & Order Fillers ($39,215)	Computer User Support Specialists ($56,923)	Industrial Engineering Techs ($53,775)	Medical & Health Services Managers ($98,584)
Laborers & Freight, Stock, Material Movers ($39,548)	Farm Equipment Mechanics & Service Technicians ($52,147)	Forest & Conservation Techs ($51,299)	Human Resources Specialists ($65,009)
Office Clerks, General ($40,135)	Emergency Medical Technicians ($39,707)	Paralegals & Legal Assistants ($53,542)	Financial Managers ($108,199)

Source: DEED Occupations in Demand

ECONOMY

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Northwest Minnesota was home to 18,086 business establishments providing 221,564 covered jobs in 2022, with a total payroll of nearly $11 billion. That was about 7.8% of total employment in the state of Minnesota. Average annual wages were $49,394 in the region, which was $21,331 lower than the state's average annual wage (Table 13).

Table 13. Northwest Industry Employment Statistics, 2022

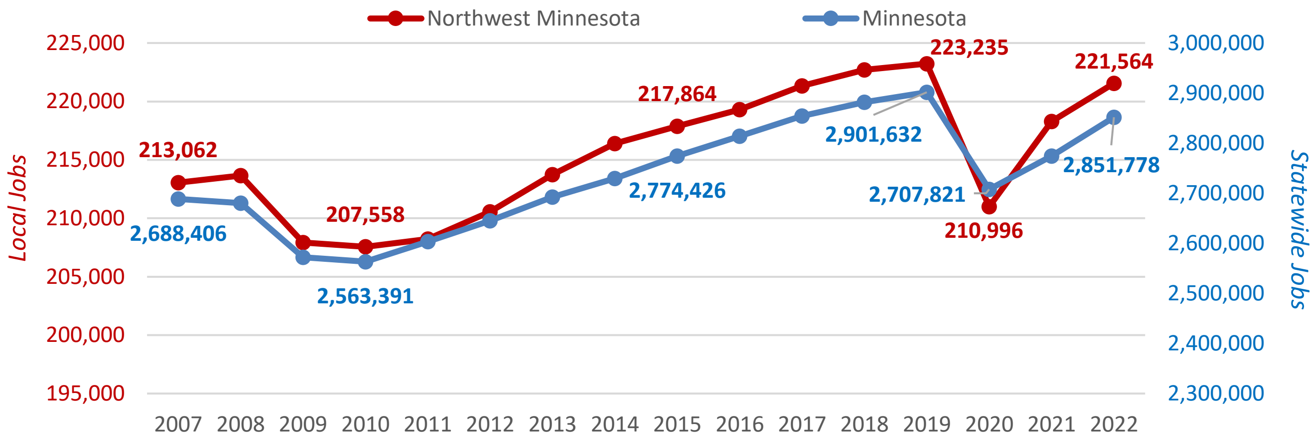
Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	*2021-2022*		*2019-2022*	
					Change in Jobs	*Percent Change*	*Change in Jobs*	*Percent Change*
Northwest Minnesota	**18,086**	**221,564**	**$10,943,971,268**	**$49,394**	***+3,273***	***+1.5%***	***-1,671***	***-0.7%***
EDR 1 – Northwest	2,812	35,817	$1,882,381,204	$52,556	*+518*	*+1.5%*	*-681*	*-1.9%*
EDR 2 – Headwaters	2,493	32,208	$1,589,161,911	$49,341	*+863*	*+2.8%*	*-349*	*-1.1%*
EDR 4 – West Central	7,333	90,521	$4,548,945,318	$50,253	*+1,889*	*+2.1%*	*-646*	*-0.7%*
EDR 5 – North Central	5,448	63,016	$2,923,482,835	$46,393	*+1*	*+0.0%*	*+3*	*+0.0%*
State of Minnesota	**199,603**	**2,851,778**	**$198,839,398,672**	**$69,725**	***+77,490***	***+2.8%***	***-49,854***	***-1.7%***

Source: DEED Quarterly Census of Employment & Wages (QCEW)

In terms of employment, EDR 4 – West Central is the largest region in Northwest Minnesota; followed by EDR 5– North Central. EDR 2 – Headwaters has the smallest economy in terms of jobs, payrolls, and firms. EDR 1 – Northwest had about 3,600 more jobs than EDR 2 and had the highest average annual wages in the region. Due to the COVID-19 pandemic, the state, The Northwest Planning Region, and three of the four EDRs recorded job losses from 2019 to 2022, while EDR 5 had no net change. The Northwest Planning Region had slower job growth than the state from 2021 to 2022 but was closer to 2019 employment in 2022.

Prior to the pandemic, Northwest Minnesota grew employment over the past 15 years, gaining just over 8,500 net new jobs from 2007 to 2022. As with Minnesota statewide, job growth was significantly curtailed by two recessions: The Great Recession from 2008-2009, and the 2020 pandemic recession. Both the Northwest Region and Minnesota fully recovered all the jobs lost during the Great Recession by 2013. Between 2013 and 2019, the region added just over 9,500 jobs, experiencing a 4.4% gain, compared to 7.8% growth statewide. In 2020, Northwest lost 12,239 jobs, a 5.5% decrease compared to the state's 6.7% drop from 2019 to 2020. By 2022 The Northwest was back to 99% of the 2019 employment level prior to the pandemic (Figure 16).

Figure 16. Industry Employment Statistics, 2007-2022



Source: DEED QCEW program

With 38,260 jobs at 1,868 establishments, the Health Care and Social Assistance industry employs the most people in Northwest Minnesota, accounting for 17.3% of total jobs in the region. The share of Health Care and Social Assistance jobs dropped from 18.1% in 2020 as the pandemic and its aftereffects have been a challenge for worker recruitment and retention. The sector's 2019 to 2022 employment decline was driven by the loss of 1,293 jobs (-10.7%) in the Nursing & Residential Care Facilities subsector. Hospitals also lost jobs, down 520 (-4.2%), as did Ambulatory Health Care Services, down 176 (-2.1%). However, Social Assistance, the smallest of the four healthcare subsectors, gained 1,055 jobs (16.8%) from 2019 to 2022.

The second largest industry in Northwest is Manufacturing, with 29,870 jobs or 13.5% of total jobs. Manufacturing increased employment from 2019 to 2022, with 392 (1.3%) more jobs than prior to the pandemic recession. In addition, average annual wages in manufacturing ($61,349) were nearly $12,000 higher than the overall regional average ($49,394).

Retail Trade is the third largest industry, with 12.6% of total employment, while the closely related Accommodation and Food Services industry was fifth largest with 9.3% of total employment. Combined, these industries offer more than one in every five (21.9%) jobs in the region, but annual wages are still relatively low in these service-providing industries. Other large industries in Northwest include Educational Services, Public Administration, Construction, and Wholesale Trade which all have greater concentrations of employment in the region than statewide.

Due to the pandemic, 11 of the 20 industry sectors lost jobs since 2019. Construction stands out with the largest job gains and the fastest growth since 2019, even as it gave back some of the rapid job gains of 2020 to 2021. Wholesale Trade is the second biggest job gainer. Public Administration took the biggest employment hit since 2019 while Management of Companies had the most rapid employment decline (Table 14).

Table 14. Northwest Minnesota Industry Employment Statistics, 2022

	2022 Annual Data				2021-2022		2019-2022	
NAICS Industry Title	Number of Firms	Number of Jobs	Total Payroll ($1,000s)	Avg. Annual Wage	Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	**18,086**	**221,564**	**$10,943,971**	**$49,394**	**+3,273**	**+1.5%**	**-1,671**	**-0.7%**
Health Care & Social Assistance	1,868	38,260	$2,081,955	$54,416	-236	-0.6%	-925	-2.4%
Manufacturing	829	29,870	$1,832,509	$61,349	+971	+3.4%	+392	+1.3%
Retail Trade	2,286	27,914	$920,572	$32,979	+722	+2.7%	+70	+0.3%
Educational Services	410	22,072	$1,076,811	$48,786	+750	+3.5%	-611	-2.7%
Accommodation & Food Services	1,616	21,458	$460,638	$21,467	+1,225	+6.1%	-836	-3.7%
Public Administration	725	15,328	$845,134	$55,137	+71	+0.5%	-1,138	-6.9%
Construction	2,361	12,507	$806,999	$64,524	-967	-7.2%	+1,137	+10.0%
Wholesale Trade	641	11,876	$772,916	$65,082	+367	+3.2%	+726	+6.5%
Other Services	1,649	6,780	$194,361	$28,667	+262	+4.0%	+49	+0.7%
Transportation & Warehousing	887	5,954	$309,535	$51,988	-225	-3.6%	-163	-2.7%
Finance & Insurance	859	5,867	$418,495	$71,330	-1	0.0%	-94	-1.6%
Agriculture, Forestry, Fish & Hunt	954	5,412	$280,184	$51,771	+185	+3.5%	+124	+2.3%
Professional & Technical Services	897	4,563	$291,178	$63,813	-126	-2.7%	-188	-4.0%
Admin. Support & Waste Mgmt. Svcs.	716	4,027	$158,038	$39,245	-88	-2.1%	-48	-1.2%
Arts, Entertainment, & Recreation	421	3,544	$79,894	$22,544	+346	+10.8%	+5	+0.1%
Information	307	2,585	$148,483	$57,440	+33	+1.3%	-15	-0.6%
Real Estate & Rental & Leasing	485	1,519	$66,454	$43,749	-8	-0.5%	+9	+0.6%
Utilities	69	1,238	$124,163	$100,293	-6	-0.5%	-45	-3.5%
Management of Companies	65	570	$61,232	$107,425	-11	-1.9%	-125	-18.0%
Mining	44	216	$14,421	$66,763	+8	+3.8%	+6	+2.9%

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

EMPLOYMENT DEMOGRAPHICS

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Over one-quarter (25.2%) of workers in the region were 55 years or older, compared to 22.1% statewide and just 21.3% in the region one decade earlier. In contrast, the percentage of workers under age 25 was falling. However, the number of hours worked increased the most for workers aged 20 to 24, as did their wages (Table 15).

Table 15. Workforce Demographics by Age Group and Gender, Total of All Industries, 2012-2022

Northwest Minnesota	Percentage of Workers		*Percent of Workers, Minnesota*		Median Hourly Wage		Median Hours Worked (Per Qtr.)	
	2022	2012	2022	2012	2022	2012	2022	2012
Total, all ages	100.0%	100.0%	100.0%	100.0%	$20.89	$13.85	391	393
19 years & under	8.2%	8.8%	6.6%	6.3%	$14.07	$7.91	121	123
20 to 24 years	9.1%	11.2%	9.2%	11.3%	$18.11	$10.14	293	259
25 to 44 years	39.9%	37.1%	43.6%	42.3%	$23.53	$15.25	457	452
45 to 54 years	17.6%	21.6%	18.4%	21.9%	$25.64	$16.83	477	480
55 to 64 years	18.0%	16.5%	16.7%	14.7%	$23.61	$16.50	469	461
65 years & over	7.2%	4.8%	5.4%	3.5%	$18.11	$12.10	224	207
Male	100.0%	100.0%	100.0%	100.0%	$20.89	$13.85	391	393
Female	8.2%	8.8%	6.6%	6.3%	$14.07	$7.91	121	123

Source: DEED Quarterly Employment Demographics

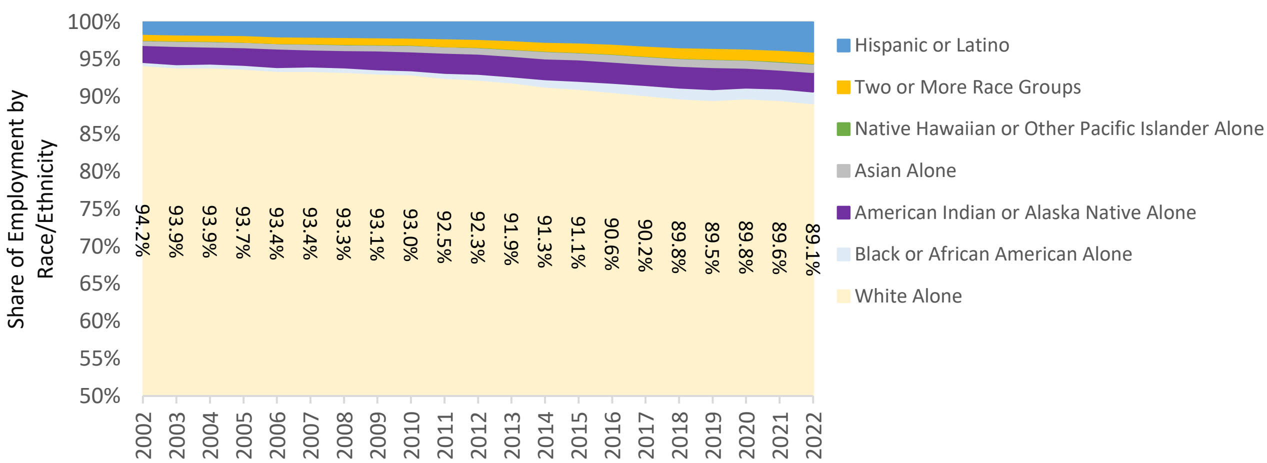
Wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-fulltime jobs in industries like Retail Trade and Accommodation & Food Services, these two age groups enjoyed the fastest percentage increase in wages from 2012 to 2022. Wages were highest for workers aged 45 to 54.

Despite the current tight labor market, hours worked hardly changed overall since 2012. However, there were large increases in hours worked for aged 20 to 24 (+13%) and 65 years & over (+8%). Moreover, hours worked trended higher for all age groups except those aged 19 years & under (-1.4%) and 45 to 54 (-0.6%). Thus, the large drop in the share of workers aged 45 to 54 (-4%), which continues to work the most hours, outweighed the increases in hours of other age groups. Although males continued to work more hours than females, over the decade females increased hours 2.1% while males decreased 0.8%, narrowing the gap in hours worked.

EMPLOYMENT DIVERSITY

People of color held 10.9% of the jobs in the Northwest Minnesota Planning Region, according to data from the Quarterly Workforce Indicators program. In 2022, that equaled 23,906 jobs held by BIPOC workers, compared to 195,748 jobs held by workers who were White Alone. BIPOC workers held just 5.8% of total jobs in 2002, meaning their employment almost doubled (a 1.9-fold increase) over 20 years (Figure 17).

Figure 17. Employment by Race & Ethnicity, All Industries, Northwest Minnesota, 2002-2022

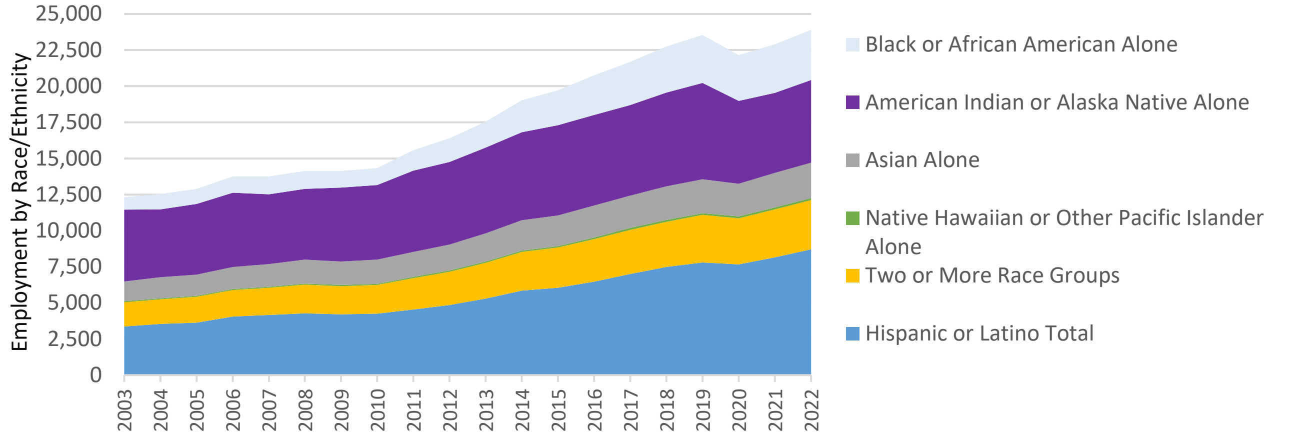


Source: DEED, Census LEHD Quarterly Workforce Indicators

Workers of color have filled an additional 12,503 jobs in the region since 2002, accounting for over 55% of the 22,696 new jobs added. With 8,713 jobs, Hispanic or Latino was the largest group of color in the region's economy, after increasing more than 175% (two-and-three-quarter-fold) since 2002. American Indian or Alaska Native was the next largest group of color in the region's economy, with 5,719 jobs in 2022 and growing over 27%. However, American Indians had the largest pandemic declines, losing 14.1% of their jobs since the peak of 6,661 in 2019 due to a subdued casino employment rebound since the pandemic. Black or African American had 3,470 jobs in 2022, with the fastest growth of 315% (over 4-fold) since 2002. Two or More Races held 3,411 jobs in the area, more than doubling since 2002. With 2,459 jobs in 2022, Asians experienced a gain of 1,154 or 88% since 2002.

Besides Whites and American Indians, all other racial and ethnic groups increased employment from 2019 to 2022 during the pandemic recovery, filling much neded positions in an extremely tight labor market. Jobs held by white workers declined by 2.9% from 2019 to 2022, while jobs held by BIPOC workers increased 1.5%. Jobs held by Hipanic or Latino workers increased the most at 921, and also the fastst at 12% (Figure 18).

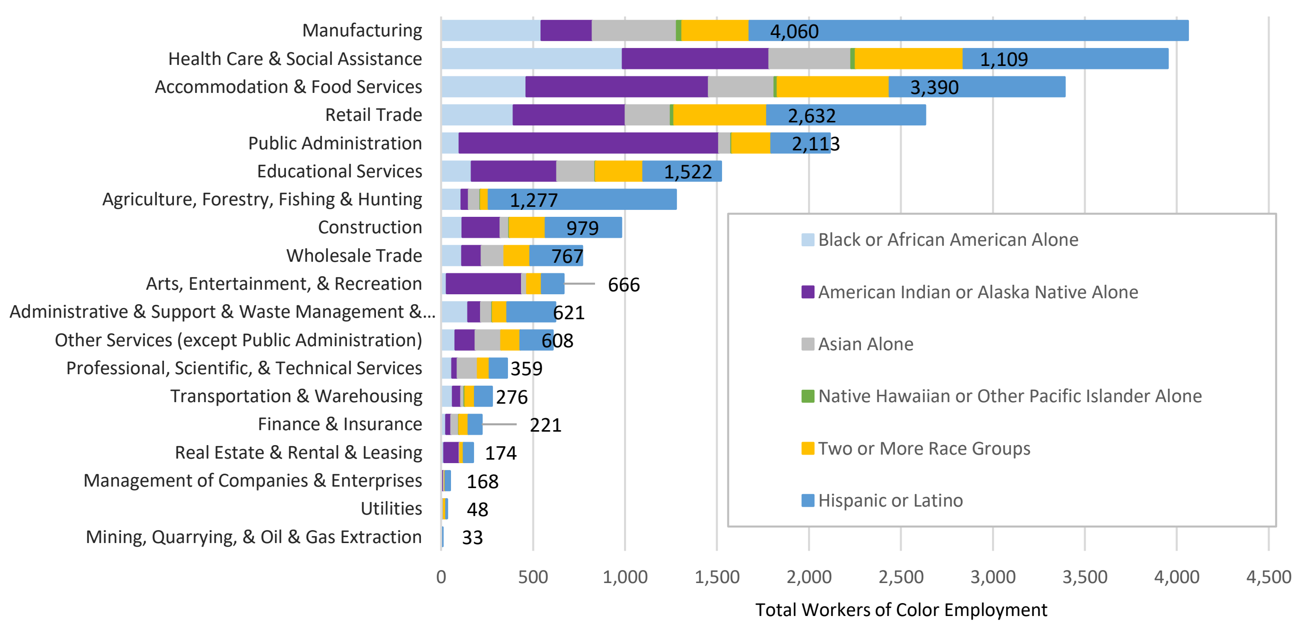
Figure 18. Workers of Color Employment, All Industries, Northwest Minnesota, 2002-2022



Source: DEED, Census LEHD Quarterly Workforce Indicators

Most industry sectors in Northwest Minnesota are non-diverse, but there are industries that rely more heavily on workers of color (Figure 19). Agriculture, Forestry, Fishing & Hunting had 23% of jobs held by people of color, the largest share of any industry sector, and with a high representation of Hispanic or Latino workers filling 1,017 jobs. Arts, Entertainment & Recreation had 19% of jobs held by people of color, with 408 American Indians, reflecting casino employment. Likewise, the Public Administration workforce was 15.5% people of color with 1,411 American Indians, which reflects tribal government employment. The Accommodation and Food Services workforce was 16.1% people of color, with broad representation of racial and ethnic groups. In addition to employing the largest number of BIPOC people, Manufacturing also had an above average 14.1% share of people of color, with significant numbers from every group. Manufacturing also had the largest numbers of Hispanic or Latino, Asian, and Native Hawaiian or Other Pacific Islander workers of any industry sector. The Food Manufacturing subsector is staffed by 26% Hispanic or Latino workers. While Health Care & Social Assistance had the second largest number of workers of color, its 10.7% share of BIPOC workers is slightly below average for all industries. However, the Nursing and Residential Care subsector has a larger than average 13.1% share of workers of color.

Figure 19. Workers of Color Employment by Industry, Northwest Minnesota, 2022



Source: DEED, Census LEHD Quarterly Workforce Indicators

INDUSTRY PROJECTIONS

As noted above, the 26-county Northwest Planning Area is projected to grow 5.1% from 2020 to 2030, a gain of 12,719 new jobs. Health Care & Social Assistance is expected to add the most jobs. Not only is it the region's largest industry, it is also the third fastest growing and accounts for over 35% of the total increase in jobs by 2030. Arts, Entertainment & Recreation and Accommodation & Food Services are the fastest growing and second-fastest growing industries, with a large portion of this growth reflecting the rebound in employment after large losses in the pandemic recession. Likewise, Other Services is another fast-growing sector that experienced large employment losses in 2020 and is ripe for a subsequent rebound (Table 16).

Table 16. Northwest Industry Projections, 2020-2030

Industry	Estimated Employment 2020	Projected Employment 2030	*Percent Change 2020-2030*	*Numeric Change 2020-2030*
Total, All Industries	**250,722**	**263,441**	***+5.1%***	***+12,719***
Health Care & Social Assistance	36,901	41,390	*+12.2%*	*+4,489*
Manufacturing	27,999	28,618	*+2.2%*	*+619*
Retail Trade	26,846	25,467	*-5.1%*	*-1,379*
Public Administration	22,824	23,240	*+1.8%*	*+416*
Educational Services	22,015	23,101	*+4.9%*	*+1,086*
Accommodation & Food Services	17,040	20,515	*+20.4%*	*+3,475*
Wholesale Trade	11,829	12,347	*+4.4%*	*+518*
Construction	10,693	11,157	*+4.3%*	*+464*
Other Services, Ex. Public Admin	9,052	10,144	*+12.1%*	*+1,092*
Transportation & Warehousing	6,436	6,741	*+4.7%*	*+305*
Finance & Insurance	6,053	6,227	*+2.9%*	*+174*
Agriculture, Forestry, Fish & Hunt	5,574	5,505	*-1.2%*	*-69*
Professional & Technical Services	4,927	5,360	*+8.8%*	*+433*
Arts, Entertainment & Recreation	3,406	4,303	*+26.3%*	*+897*
Administrative & Waste Services	3,889	4,139	*+6.4%*	*+250*
Information	2,276	2,229	*-2.1%*	*-47*
Real Estate & Rental & Leasing	1,425	1,414	*-0.8%*	*-11*
Utilities	1,135	970	*-14.5%*	*-165*
Management of Companies	660	665	*+0.8%*	*+5*
Mining	216	235	*+8.8%*	*+19*

Source: DEED 2020-2030 Employment Outlook

NONEMPLOYER ESTABLISHMENTS

Northwest Minnesota was home to 43,063 self-employed businesses or "nonemployers" in 2019, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Northwest saw a slight increase in nonemployers over the past decade, with that increase driven by growth in Economic Development Region 4 – West Central. The two northernmost economic development regions saw declines, while Region 5 was steady. In total, these Northwest Area nonemployers generated sales receipts of over $2 billion in 2019 (Table 17).

Table 17. Nonemployer Statistics, 2019

	2019		*2009-2019*	
	Number of Firms	Receipts ($1,000s)	*Change in Firms*	*Percent Change*
Northwest Minnesota	**43,063**	**$2,024,647**	***+744***	***+1.8%***
Region 1	5,710	$234,348	*-202*	*-3.4%*
Region 2	5,894	$248,071	*-202*	*-3.3%*
Region 4	18,502	$897,148	*+1,060*	*+6.1%*
Region 5	12,957	$645,080	*+88*	*+0.7%*
Minnesota	**418,080**	**$20,377,253**	***+39,926***	***+10.6%***

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Like other parts of Greater Minnesota, agriculture is also a key industry in Northwest, with 19,830 farms producing just under $4.2 billion in the market value of products sold in 2017, according to the U.S. Department of Agriculture. That was the second highest value of the six planning regions in the state. Region 4 led the way with 7,857 farms, followed by Region 1 with 4,891 farms (Table 18).

Table 18. Census of Agriculture, 2017

	Number of Farms	Market Value of Products Sold	*State Rank*
Northwest Minnesota	**19,380**	**$4,173,089,000**	***2***
Region 1	4,891	$1,299,434,000	*6*
Region 2	1,826	$185,479,000	*12*
Region 4	7,857	$2,015,632,000	*4*
Region 5	4,806	$672,544,000	*9*
Minnesota	**68,822**	**$18,395,390,000**	

Source: 2017 Census of Agriculture

Upon request, this information can be made available in alternate formats for people with disabilities by contacting Anthony Schaffhauser at (320) 441-6594 or at anthony.schaffhauser@state.mn.us.