EMPLOYMENT AND ECONOMIC DEVELOPMENT

Minnesota Employment Review

Review ONLINE

mn.gov/deed/review

September 2017 Data...October 2017 Issue

Regional Resilience

Determining industry clusters in a regional economy has been an important tool of regional planners and policy makers for decades. Regional industry clusters show communities the nuance of their economies, identify trends, and may suggest how communities can adapt to them. In particular, the Blakely and Green-Leigh quadrant method (see Figure 1) clusters industry sectors by how well they withstand economic fluctuation. This method is unique in that it offers a matrix of sustainability, categorizing regional industries by their response to economic change over time.

With this method regional industries are grouped into four quadrants - transforming, growing, emerging, and declining - based on both the current local concentration of employment and employment change from 2011-2016. The combined analysis of these two factors produces a unique look at industry clusters, rather than those produced by employment concentration alone. For example, despite a low concentration of jobs in Northwest Minnesota, *Computer and Electronic Product Manufacturing* has had significant, locally-driven employment gains since 2011, landing it in the 'emerging' quadrant cluster. Such analysis of economic change may provide insight into which industries are thriving and why in Northwest Minnesota.

Figure 1. Quadrant Analysis Method of Regional Industry Clusters

Not Competitive	Competitive	
Transforming	Growing	High-Regional Concentration of Employment
Declining	Emerging	Low-Regional Concentration of Employment

Source: Blakely, E,J, & Green-Leigh, N. (2010)

According to the model an industry sector is either deemed locally 'competitive' or not by using shift-share analysis to separate statewide influence from regional employment changes. Industry sectors with positive regional shift-share land in both the 'growing' and 'emerging' quadrants, depending on their local concentration of jobs in 2016.

Regional Development

As noted, 'emerging' industries do not appear to be influential on the surface, but local trends are feeding growth and demand attention. These include sectors such as *Management of Companies and Enterprises, Chemical*

Features:

In this issue:

Manufacturing, and *Computer Systems Design and Related Services*. Market forces, including innovative technology and practices, have made 'emerging' industries an important part of the economic future in Northwest Minnesota. In particular, *workforce innovation* improves the regional economy by supporting local workers who constantly develop their skillsets, thereby addressing the unique social and economic challenges communities face and improving economic sustainability.

Regional industries in the 'growing' quadrant cluster, on the other hand, are already established pillars of the regional economy, having led employment growth in Northwest Minnesota since at least 2011. *Machinery Manufacturing* in Northwest Minnesota exemplifies the combination of local job concentration and locally-driven growth that makes the regional economy unique and sustainable.

Figure 2 illustrates this trend. From 2011-2016 employment in *Machinery Manufacturing* grew by 25.8 percent in Northwest Minnesota, compared to 8.6 percent statewide. Had *Machinery Manufacturing* in Northwest Minnesota grown at the same rate as the state, it would have added approximately 252 jobs. Instead, the region added 754 jobs, signaling employment gains that are locally driven, as opposed to mere reflection of overall statewide trends.

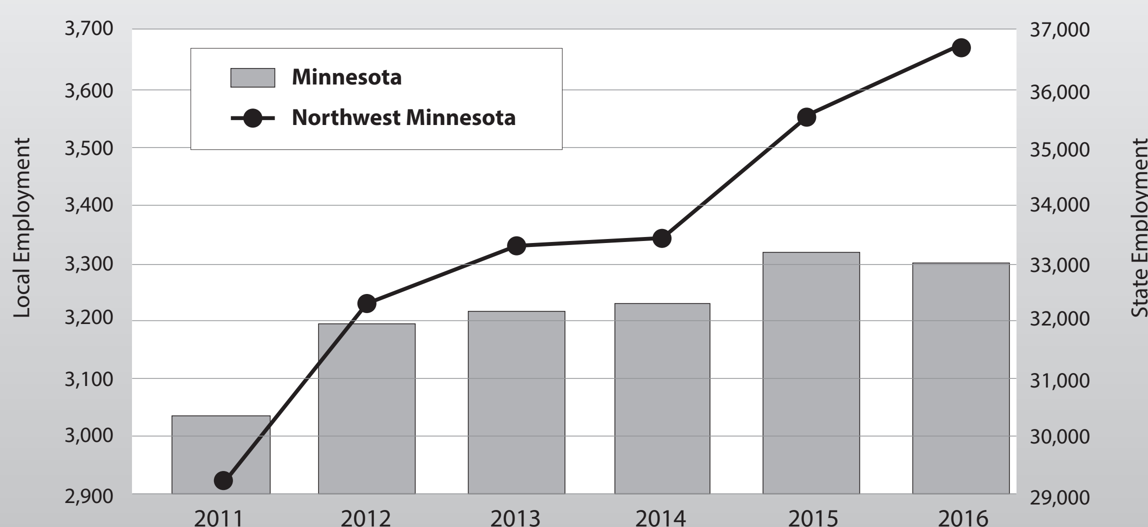
In addition to being locally 'competitive', *Machinery Manufacturing* and other 'growing' industries in Northwest Minnesota have a location quotient above 1.0, meaning the ratio of jobs in these sectors are higher in the local economy than they are statewide. For example, although *Machinery Manufacturing* accounts for only 1.2 percent of total jobs in the state, the industry is responsible for 1.7 percent of jobs in Northwest Minnesota. As a result, 11.1 percent of Machinery Manufacturing jobs in Minnesota were in the Northwest planning region in 2016.

Weathering Change

Unfortunately, economic shifts also mean some industries become less relevant than in the past. For a variety of reasons, including changes in the available workforce, consumer habits, and other market forces, economic conditions in Northwest Minnesota have not been as suitable to some employers, leading to small gains compared to statewide industry growth or even regional employment loss. Either way, the regional shift is negative, signaling that some change may be required for these industries to regain a foothold in the region.

Some industries with a negative regional shift-share remain stable because of their size and long-term presence in Northwest Minnesota. These 'transforming' industries are large sources of employment, but their regional employment change from 2011-2016 was negative or less than the state average. Given their relative size in Northwest Minnesota, the response of 'transforming' industries to economic change is important to

Figure 2. Machinery Manufacturing Employment Change, 2011-2016



Source: DEED Quarterly Census of Employment and Wages

Table 1. 2016 Northwest Minnesota Industry Clusters, Quadrant Analysis Model

TRANSFORMING (High LQ, Low Shift-Share)	LQ	Regional Shift
Transportation Equipment Manufacturing	4.97	-85
Wood Product Manufacturing	3.95	-266
Support Activities Agriculture and Forestry	3.05	-96
Gasoline Stations	1.99	-132
Heavy and Civil Engineering Construction	1.97	-431
Building Material and Garden Supplies Dealers	1.51	-169
Elementary and Secondary Schools	1.41	-162
Nursing and Residential Care Facilities	1.38	-933
Motor Vehicle and Parts Dealers	1.34	-103
Food and Beverage Stores	1.31	-351
Merchant Wholesalers, Nondurable Goods	1.30	-63
Fabricated Metal Product Manufacturing	1.19	-49
Truck Transportation	1.14	-235
Telecommunications	1.11	-21

GROWING (High LQ, High Shift-Share)	LQ	Regional Shift
Hospitals	1.19	595
Merchant Wholesalers, Durable Goods	1.22	545
Machinery Manufacturing	1.43	502
Crop Production	3.95	341
Primary Metal Manufacturing	1.53	139
Pipeline Transportation	6.32	128
Construction of Buildings	1.27	118
Animal Production and Aquaculture	2.27	102
Amusement, Gambling, and Recreation	1.52	105
Admin. of Environ. Quality Programs	1.84	98
Accommodation	2.18	93
Religious, Civic and Professional Orgs	1.18	91
Executive, Legislative and Other Gov.	2.00	63
General Merchandise Stores	1.36	57
Textile Product Mills	2.27	44
National Security and International Affairs	2.90	37
Forestry and Logging	4.20	35
Nonmetallic Mineral Product Mfg.	1.23	34

DECLINING (Low LQ, Low Shift-Share)	LQ	Regional Shift
Apparel Manufacturing	0.28	-20
Real Estate	0.56	-27
Clothing and Clothing Accessories Stores	0.47	-28
Other Professional, Scientific, and Tech Svcs.	0.54	-31
Warehousing and Storage	0.19	-36
Publishing Industries (except Internet)	0.49	-37
Sporting Goods, Hobby, Book, and Music Stores	0.83	-41
Computer and Electronic Product Mfg.	0.25	-42
Support Activities for Transportation	0.42	-44
Other Schools and Instruction	0.83	-53
Performing Arts, Spectator Sports, and Related	0.53	-72
Furniture and Home Furnishings Stores	0.56	-94
Architectural, Engineering, and Related Svcs.	0.42	-102
Internet Providers and Data Processing Svcs.	0.05	-119
Justice, Public Order and Safety Activities	0.57	-124
Non-store Retailers	0.79	-142
Advertising and Related Services	0.59	-158
Personal and Laundry Services	0.61	-195
Accounting, Tax, Bookkeeping, and Payroll	0.65	-209
Mgmt. Scientific and Technical Consulting	0.10	-342
Furniture and Related Product Mfg.	0.79	-406
Specialty Trade Contractors	0.86	-588
Credit Intermediation and Related	0.74	-607

EMERGING (Low LQ, High Shift-Share)	LQ	Regional Shift
Admin. and Support Services	0.43	660
Mgmt. of Companies and Enterprises	0.15	310
Miscellaneous Manufacturing	0.45	255
Insurance Carriers and Related	0.41	191
Securities, Financial Investments, and Related	0.26	132
Computer Systems Design and Related Svcs.	0.12	122
Educational Support Services	0.79	96
Chemical Manufacturing	0.38	88
Printing and Related Support Activities	0.77	74
Scientific Research and Development Svcs.	0.60	52
Couriers and Messengers	0.66	51
Wholesale Electronic Markets	0.29	39
Specialized Design Services	0.42	38
Plastics and Rubber Products Manufacturing	0.72	34
Museums and Historical Sites	0.45	23
Natural Gas Distribution	0.65	23
Waste Management and Remediation Svcs.	0.91	22

Source: DEED Quarterly Census of Employment and Wages, 2011-2106 the overall regional economy but, intentionally or not, their growth has slowed. In some cases employers may be simply adapting to labor market fluctuation and managing their employment levels accordingly. In other instances employment loss may be connected to a decrease in production or services rendered.

Overall, there are 19 industry subsectors in Northwest Minnesota with location quotients > 1.00 that had no locally-driven employment gains from 2011-2016 (see Table 1). At 4.95, *Transportation Equipment Manufacturing* had the highest regional location quotient of any three-digit NAICS sector in 2016. This amounts to a regional concentration of jobs five times that of the industry statewide. However, regional employment growth from 2011-2016 was only 1.9 percent - less than half the rate statewide. *Transportation Equipment Manufacturing* employment grew 4.4 percent statewide during the same period, signaling the industry has not been as competitive in Northwest Minnesota of late.

There are still other industries in Northwest Minnesota that fall into the 'declining' quadrant. They also have a negative regional shift-share from 2011-2016, but with a location quotient < 1.00. Given the latter, these industries often represent many of the region's small businesses and entrepreneurs who are struggling to add workers. However, other industry data may illuminate some of the changes in these industries. For example, the negative shift-share in *Specialty Trade Contractors* looks to be a consequence of statewide growth rather than a regional slump. Over 16,000 jobs were added to *Specialty Trade Contractors* statewide, 635 in Northwest Minnesota. The region has not been able to leverage the statewide boon as much as other parts of the state, yet the regional growth rate of 14.5 percent still exceeded the regional and statewide growth rates for total jobs overall (see Table 2).

Conclusion

There are many ways to cluster regional industries, but the quadrant method is unique in showing how Northwest Minnesota has been affected by economic change. In particular, it provides initial direction about how each industry is changing and how it might respond. From there it is up to communities, development professionals, and industry leaders to determine how best to leverage or counter the economic conditions in Northwest Minnesota and the state. Some tools, such as workforce development, are readily apparent and apply in nearly all situations. Others will require a closer look at industry dynamics to determine where and how to get involved.

Table 2. Industry Employment Statistics, 2016

						2011-2016	
NAICS	Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	Change in Jobs	Percent Change
000000	State of Minnesota	160,849	2,813,963	$152,827,293,003	$54,288	210,437	8.1%
000023	Construction	15,412	122,771	$7,752,034,483	$63,024	24,167	24.5%
000238	**Specialty Trade Contractors**	**10,026**	**74,331**	**$4,418,020,434**	**$59,332**	**16,365**	**28.2%**
000000	Northwest Minnesota	16,134	219,267	$8,333,043,701	$33,960	11,052	5.3%
000023	Construction	2,021	11,001	$546,845,116	$49,192	1,313	13.6%
000238	**Specialty Trade Contractors**	**1,170**	**4,954**	**$210,381,019**	**$42,224**	**629**	**14.5%**

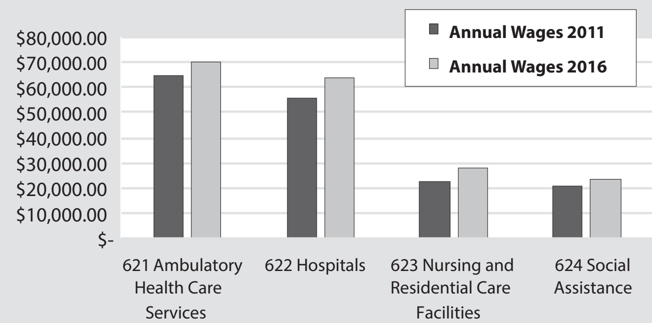
Source: DEED Quarterly Census of Employment & Wages (QCEW)

by Chet Bodin

NAICS 62: Healthcare and Social Assistance

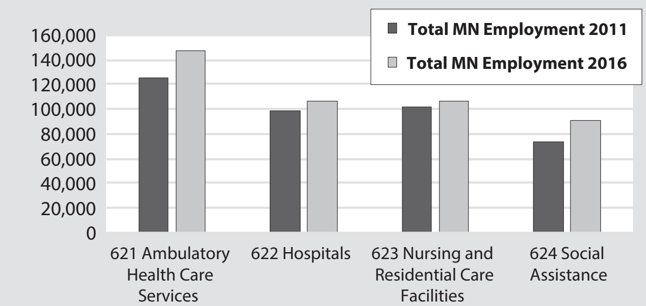
This industry is the 800 pound gorilla of the economy. Nobody wants to admit they need to use either half of it, but it's the economy's private employment growth engine at the moment, so somebody is using it since its employment is up 12.8% over the past five years in Minnesota. Nationally it represents 15.7% of the private employment, compared to five years ago when it represented 15.2%. Part of this increase in Minnesota comes from the wide range of services it covers: Offices of Physicians to Child Day Care Services with intermediate stops at Hospitals, Nursing Care Facilities, and a wide range of Social Assistance. Graph 1 shows the breakdown of wages by three digits of NAICS and Graph 2 the breakdown of employment:

Graph 1: Annual MN Wages by Industry 2011, 2016



Source: Quarterly Census of Employment and Wages

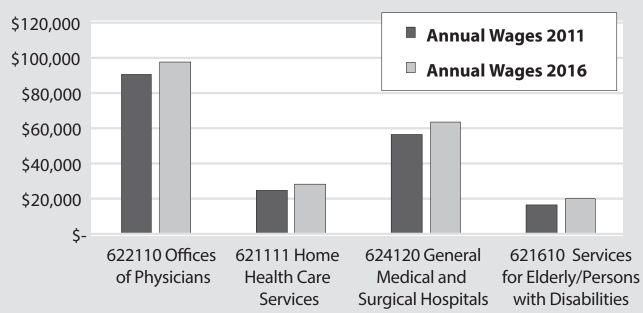
Graph 2: Total MN Employment by Industry 2011, 2016



Source: Quarterly Census of Employment and Wages

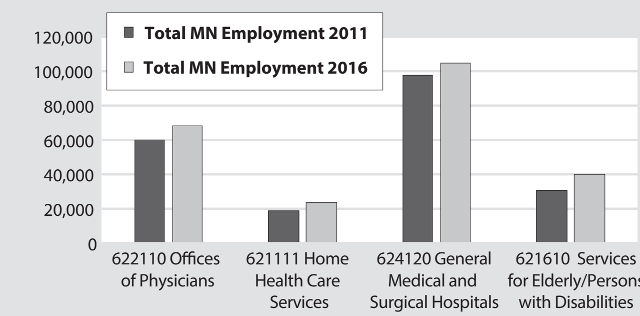
Some of the subsectors have higher employment that others and thus matter more to the economy. The top four six-digit codes and their employment and wage data for 2016 are shown in Graph 3:

Graph 3: Annual MN Wages by Industry 2011, 2016



Source: Quarterly Census of Employment and Wages

Graph 4: Total MN Employment by Industry 2011, 2016



Source: Quarterly Census of Employment and Wages

While many of the occupations included in NAICS 62 involve considerable training and skills, the industry also has occupations that are available with on-the-job training. Education makes the difference. Table 1 shows a selection of wage data and education requirements at both ends of the spectrum:

Table 1

Occupation	Education	Median Wage
Surgeons	Professional Degree	$168,000
Registered Nurses	Associates or Bachelor's	$75,400
Social Workers	Bachelor's or Graduate	$54,121
Personal Care Aides	High School or Less	$24,315
Childcare Workers	High School or Less	$23,629

Source: Occupational Employment Statistics

by Derek Teed

Labor Force Estimates

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Sept 2017	Aug 2017	Sept 2016	Sept 2017	Aug 2017	Sept 2016	Sept 2017	Aug 2017	Sept 2016	Sept 2017	Aug 2017	Sept 2016
United States ('000s)												
(Seasonally adjusted)	161,146	160,571	159,830	154,345	153,439	151,926	6,801	7,132	7,904	4.2%	4.4%	4.9%
(Unadjusted)	161,049	160,863	159,636	154,494	153,576	151,977	6,556	7,287	7,658	4.1	4.5	4.8
Minnesota												
(Seasonally adjusted)	3,069,062	3,054,016	3,000,839	2,956,912	2,937,775	2,880,872	112,150	116,241	119,967	3.7	3.8	4.0
(Unadjusted)	3,071,418	3,082,486	3,001,492	2,982,201	2,972,649	2,892,541	89,217	109,837	108,951	2.9	3.6	3.6
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	2,007,165	2,009,767	1,948,632	1,949,993	1,940,573	1,880,207	57,172	69,194	68,425	2.8	3.4	3.5
Duluth-Superior MSA	144,668	144,585	141,995	139,403	137,849	134,879	5,265	6,736	7,116	3.6	4.7	5.0
Rochester MSA	119,804	121,685	118,212	116,857	118,113	114,594	2,947	3,572	3,618	2.5	2.9	3.1
St. Cloud MSA	110,680	110,858	109,016	107,569	107,122	105,116	3,111	3,736	3,900	2.8	3.4	3.6
Mankato-N Mankato MSA	60,495	58,668	59,315	59,043	56,926	57,575	1,452	1,742	1,740	2.4	3.0	2.9
Fargo-Moorhead MSA	139,420	139,851	136,606	136,862	137,012	133,632	2,558	2,839	2,974	1.8	2.0	2.2
Grand Forks MSA	56,344	55,687	57,330	55,157	54,109	55,928	1,187	1,578	1,402	2.1	2.8	2.4
Region One	**46,778**	**47,121**	**47,068**	**45,301**	**45,003**	**45,295**	**1,477**	**2,118**	**1,773**	**3.2**	**4.5**	**3.8**
Kittson	2,243	2,318	2,259	2,180	2,233	2,186	63	85	73	2.8	3.7	3.2
Marshall	5,274	5,438	5,360	5,073	5,167	5,100	201	271	260	3.8	5.0	4.9
Norman	3,264	3,359	3,301	3,154	3,206	3,164	110	153	137	3.4	4.6	4.2
Pennington	8,996	9,126	8,870	8,745	8,767	8,541	251	359	329	2.8	3.9	3.7
Polk	16,788	16,491	17,038	16,259	15,681	16,448	529	810	590	3.2	4.9	3.5
Red Lake	2,243	2,299	2,260	2,171	2,185	2,152	72	114	108	3.2	5.0	4.8
Roseau	7,970	8,090	7,980	7,719	7,764	7,704	251	326	276	3.1	4.0	3.5
Region Two	**43,691**	**43,888**	**42,762**	**42,063**	**41,797**	**40,691**	**1,628**	**2,091**	**2,071**	**3.7**	**4.8**	**4.8**
Beltrami	24,217	24,042	23,583	23,356	22,929	22,527	861	1,113	1,056	3.6	4.6	4.5
Clearwater	4,595	4,630	4,536	4,366	4,348	4,238	229	282	298	5.0	6.1	6.6
Hubbard	10,145	10,379	9,945	9,783	9,926	9,435	362	453	510	3.6	4.4	5.1
Lake of the Woods	2,350	2,465	2,311	2,250	2,336	2,215	100	129	96	4.3	5.2	4.2
Mahnomen	2,384	2,372	2,387	2,308	2,258	2,276	76	114	111	3.2	4.8	4.7
Region Three	**163,675**	**164,587**	**161,828**	**157,394**	**156,433**	**153,139**	**6,281**	**8,154**	**8,689**	**3.8**	**5.0**	**5.4**
Aitkin	7,024	7,168	6,927	6,748	6,837	6,563	276	331	364	3.9	4.6	5.3
Carlton	17,666	17,624	17,322	17,066	16,858	16,526	600	766	796	3.4	4.3	4.6
Cook	3,295	3,242	3,276	3,226	3,164	3,172	69	78	104	2.1	2.4	3.2
Itasca	21,283	21,998	21,533	20,192	20,522	19,988	1,091	1,476	1,545	5.1	6.7	7.2
Koochiching	6,031	6,246	6,155	5,723	5,823	5,708	308	423	447	5.1	6.8	7.3
Lake	5,436	5,514	5,483	5,281	5,324	5,246	155	190	237	2.9	3.4	4.3
St. Louis	102,940	102,795	101,132	99,158	97,905	95,936	3,782	4,890	5,196	3.7	4.8	5.1
City of Duluth	46,386	46,080	45,173	44,821	44,255	43,365	1,565	1,825	1,808	3.4	4.0	4.0
Balance of St. Louis County	56,554	56,715	55,959	54,337	53,650	52,571	2,217	3,065	3,388	3.9	5.4	6.1
Region Four	**126,464**	**128,104**	**124,552**	**123,203**	**124,127**	**120,530**	**3,261**	**3,977**	**4,022**	**2.6**	**3.1**	**3.2**
Becker	17,968	18,559	17,872	17,446	17,888	17,180	522	671	692	2.9	3.6	3.9
Clay	36,478	35,875	35,525	35,526	34,723	34,466	952	1,152	1,059	2.6	3.2	3.0
Douglas	20,442	20,826	20,068	19,970	20,259	19,459	472	567	609	2.3	2.7	3.0
Grant	3,152	3,263	3,166	3,071	3,157	3,051	81	106	115	2.6	3.2	3.6
Otter Tail	31,369	32,280	30,957	30,538	31,272	29,884	831	1,008	1,073	2.6	3.1	3.5
Pope	6,218	6,346	6,135	6,079	6,186	5,958	139	160	177	2.2	2.5	2.9
Stevens	5,520	5,564	5,510	5,391	5,416	5,357	129	148	153	2.3	2.7	2.8
Traverse	1,712	1,775	1,737	1,665	1,726	1,692	47	49	45	2.7	2.8	2.6
Wilkin	3,605	3,616	3,582	3,517	3,500	3,483	88	116	99	2.4	3.2	2.8
Region Five	**83,824**	**85,679**	**82,669**	**81,134**	**82,383**	**79,128**	**2,690**	**3,296**	**3,541**	**3.2**	**3.8**	**4.3**
Cass	15,103	15,517	14,745	14,563	14,837	13,987	540	680	758	3.6	4.4	5.1
Crow Wing	32,654	33,390	32,009	31,641	32,222	30,699	1,013	1,168	1,310	3.1	3.5	4.1
Morrison	17,374	17,698	17,287	16,796	16,972	16,554	578	726	733	3.3	4.1	4.2
Todd	12,639	12,886	12,525	12,290	12,442	12,062	349	444	463	2.8	3.4	3.7
Wadena	6,054	6,188	6,103	5,844	5,910	5,826	210	278	277	3.5	4.5	4.5
Region Six East	**64,869**	**65,358**	**64,539**	**63,102**	**63,053**	**62,190**	**1,767**	**2,305**	**2,349**	**2.7**	**3.5**	**3.6**
Kandiyohi	24,215	24,475	23,907	23,656	23,755	23,172	559	720	735	2.3	2.9	3.1
McLeod	19,398	19,518	19,461	18,835	18,819	18,690	563	699	771	2.9	3.6	4.0
Meeker	13,071	13,242	12,929	12,687	12,744	12,453	384	498	476	2.9	3.8	3.7
Renville	8,185	8,123	8,242	7,924	7,735	7,875	261	388	367	3.2	4.8	4.5

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

Labor Force Estimates

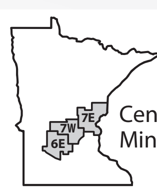
Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development,
Local Area Unemployment Statistics, and North Dakota Job Service, 2017.

County/Area	Labor Force Sept 2017	Labor Force Aug 2017	Labor Force Sept 2016	Employment Sept 2017	Employment Aug 2017	Employment Sept 2016	Unemployment Sept 2017	Unemployment Aug 2017	Unemployment Sept 2016	Rate of Unemployment Sept 2017	Rate of Unemployment Aug 2017	Rate of Unemployment Sept 2016
Region Six West	**23,078**	**23,759**	**23,157**	**22,405**	**22,889**	**22,309**	**673**	**870**	**848**	**2.9%**	**3.7%**	**3.7%**
Big Stone	2,645	2,715	2,637	2,564	2,623	2,545	81	92	92	3.1	3.4	3.5
Chippewa	6,870	7,018	6,855	6,656	6,745	6,604	214	273	251	3.1	3.9	3.7
Lac Qui Parle	3,421	3,559	3,485	3,332	3,446	3,356	89	113	129	2.6	3.2	3.7
Swift	4,924	5,085	4,956	4,782	4,889	4,744	142	196	212	2.9	3.9	4.3
Yellow Medicine	5,218	5,382	5,224	5,071	5,186	5,060	147	196	164	2.8	3.6	3.1
Region Seven East	**87,043**	**87,392**	**85,048**	**84,165**	**83,844**	**81,459**	**2,878**	**3,548**	**3,589**	**3.3**	**4.1**	**4.2**
Chisago	29,595	29,639	28,796	28,714	28,577	27,712	881	1,062	1,084	3.0	3.6	3.8
Isanti	20,818	20,880	20,274	20,154	20,054	19,452	664	826	822	3.2	4.0	4.1
Kanabec	8,901	9,056	8,761	8,590	8,653	8,343	311	403	418	3.5	4.5	4.8
Mille Lacs	12,826	12,870	12,529	12,352	12,296	11,936	474	574	593	3.7	4.5	4.7
Pine	14,903	14,947	14,688	14,355	14,264	14,016	548	683	672	3.7	4.6	4.6
Region Seven West	**236,123**	**236,441**	**230,887**	**229,408**	**228,355**	**222,699**	**6,715**	**8,086**	**8,188**	**2.8**	**3.4**	**3.5**
Benton	21,710	21,773	21,359	21,077	20,986	20,575	633	787	784	2.9	3.6	3.7
Sherburne	51,060	51,119	49,620	49,563	49,307	47,819	1,497	1,812	1,801	2.9	3.5	3.6
Stearns	88,970	89,085	87,657	86,492	86,136	84,541	2,478	2,949	3,116	2.8	3.3	3.6
Wright	74,383	74,464	72,251	72,276	71,926	69,764	2,107	2,538	2,487	2.8	3.4	3.4
Region Eight	**63,970**	**65,158**	**63,846**	**61,786**	**62,434**	**61,493**	**2,184**	**2,724**	**2,353**	**3.4**	**4.2**	**3.7**
Cottonwood	5,325	5,609	5,351	4,771	4,931	4,881	554	678	470	10.4	12.1	8.8
Jackson	5,917	6,073	5,897	5,681	5,782	5,660	236	291	237	4.0	4.8	4.0
Lincoln	3,220	3,263	3,250	3,141	3,175	3,151	79	88	99	2.5	2.7	3.0
Lyon	14,995	15,096	14,936	14,631	14,610	14,489	364	486	447	2.4	3.2	3.0
Murray	4,724	4,829	4,731	4,563	4,646	4,565	161	183	166	3.4	3.8	3.5
Nobles	11,139	11,128	11,105	10,809	10,730	10,734	330	398	371	3.0	3.6	3.3
Pipestone	4,721	4,849	4,715	4,610	4,713	4,572	111	136	143	2.4	2.8	3.0
Redwood	8,141	8,455	8,117	7,898	8,120	7,818	243	335	299	3.0	4.0	3.7
Rock	5,788	5,856	5,744	5,682	5,727	5,623	106	129	121	1.8	2.2	2.1
Region Nine	**132,268**	**131,343**	**130,681**	**128,648**	**126,934**	**126,253**	**3,620**	**4,409**	**4,428**	**2.7**	**3.4**	**3.4**
Blue Earth	39,944	38,744	39,160	38,957	37,541	37,971	987	1,203	1,189	2.5	3.1	3.0
Brown	14,716	14,861	14,684	14,338	14,394	14,167	378	467	517	2.6	3.1	3.5
Faribault	7,131	7,244	7,227	6,896	6,946	6,939	235	298	288	3.3	4.1	4.0
Le Sueur	15,731	15,791	15,348	15,259	15,201	14,787	472	590	561	3.0	3.7	3.7
Martin	10,133	10,473	10,100	9,802	10,071	9,713	331	402	387	3.3	3.8	3.8
Nicollet	20,551	19,924	20,155	20,086	19,385	19,604	465	539	551	2.3	2.7	2.7
Sibley	8,355	8,378	8,272	8,137	8,128	7,992	218	250	280	2.6	3.0	3.4
Waseca	9,374	9,396	9,463	9,101	9,053	9,104	273	343	359	2.9	3.7	3.8
Watonwan	6,333	6,532	6,272	6,072	6,215	5,976	261	317	296	4.1	4.9	4.7
Region Ten	**281,879**	**284,227**	**277,689**	**274,643**	**275,247**	**268,806**	**7,236**	**8,980**	**8,883**	**2.6**	**3.2**	**3.2**
Dodge	11,392	11,620	11,285	11,087	11,213	10,918	305	407	367	2.7	3.5	3.3
Fillmore	11,115	11,321	11,117	10,823	10,953	10,721	292	368	396	2.6	3.3	3.6
Freeborn	15,988	16,348	15,887	15,504	15,777	15,334	484	571	553	3.0	3.5	3.5
Goodhue	26,699	26,908	26,405	25,986	26,026	25,526	713	882	879	2.7	3.3	3.3
Houston	10,434	10,293	10,284	10,172	9,994	9,938	262	299	346	2.5	2.9	3.4
Mower	20,560	20,803	20,309	20,091	20,225	19,688	469	578	621	2.3	2.8	3.1
Olmsted	85,499	86,734	84,098	83,472	84,335	81,610	2,027	2,399	2,488	2.4	2.8	3.0
City of Rochester	62,769	63,602	61,753	61,266	61,899	59,899	1,503	1,703	1,854	2.4	2.7	3.0
Rice	37,338	37,594	36,216	36,361	36,284	35,052	977	1,310	1,164	2.6	3.5	3.2
Steele	21,631	21,359	21,267	21,059	20,579	20,567	572	780	700	2.6	3.7	3.3
Wabasha	11,798	12,010	11,712	11,475	11,612	11,345	323	398	367	2.7	3.3	3.1
Winona	29,425	29,237	29,109	28,613	28,249	28,107	812	988	1,002	2.8	3.4	3.4
Region Eleven	**1,717,757**	**1,719,425**	**1,666,770**	**1,668,951**	**1,660,147**	**1,608,550**	**48,806**	**59,278**	**58,220**	**2.8**	**3.4**	**3.5**
Anoka	197,180	197,393	191,571	191,397	190,376	184,506	5,783	7,017	7,065	2.9	3.6	3.7
Carver	57,104	57,138	55,559	55,619	55,352	53,715	1,485	1,786	1,844	2.6	3.1	3.3
Dakota	241,580	241,697	234,442	234,964	233,702	226,496	6,616	7,995	7,946	2.7	3.3	3.4
Hennepin	705,958	706,796	684,376	685,678	682,073	660,606	20,280	24,723	23,770	2.9	3.5	3.5
City of Bloomington	48,091	48,143	46,622	46,719	46,474	45,011	1,372	1,669	1,611	2.9	3.5	3.5
City of Minneapolis	241,463	241,928	234,167	234,271	233,039	225,704	7,192	8,889	8,463	3.0	3.7	3.6
Ramsey	291,038	291,452	282,507	282,323	280,834	272,080	8,715	10,618	10,427	3.0	3.6	3.7
City of St. Paul	159,613	159,898	154,951	154,672	153,856	149,060	4,941	6,042	5,891	3.1	3.8	3.8
Scott	82,253	82,299	79,813	80,190	79,766	77,308	2,063	2,533	2,505	2.5	3.1	3.1
Washington	142,644	142,650	138,502	138,780	138,044	133,839	3,864	4,606	4,663	2.7	3.2	3.4

Minneapolis/
St. Paul

Northeast
Minnesota

Northwest
Minnesota



Central
Minnesota

Southern
Minnesota

Industrial Analysis

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

Overview

Minnesota added 6,400 jobs (0.2 percent) in September on a seasonally adjusted basis. The monthly growth erased all of August's 5,800 job decline. The monthly increase was concentrated among service providing industries, as Goods Producers shed 200 jobs. Private Service Providers added 4,900 jobs (0.2 percent) while public sector employers added 1,700 (0.4 percent), concentrated primarily at the Local Government level. Annually Minnesota employers added 41,259 jobs (1.4 percent). This represented another decline in over-the-year growth from August's 51,150 jobs increase, and the third consecutive month of shrinking over-the-year growth after reaching our post-recession peak of 2.8 percent annual growth in June. September's annual growth was split among industry groups, as Goods Producers added 9,909 jobs (2.2 percent), and Service Providers added 31,350 (1.3 percent). Private sector employers added 37,897 jobs, and Government employers added 3,362 (0.8 percent).

Mining and Logging

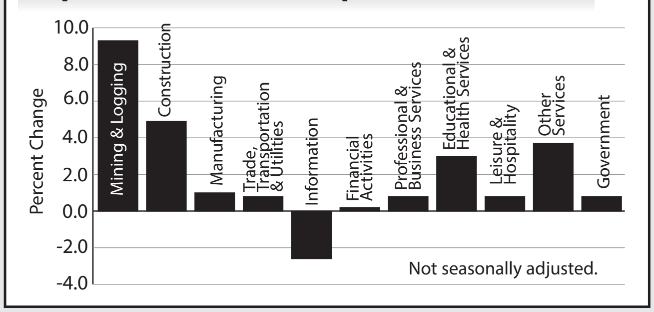
Employment in the Mining and Logging supersector was up in September as the industry group added 200 jobs (2.9 percent). This was the first time the growth came on the heels of three consecutive months of static employment. It also represents the highest seasonally adjusted employment level for the supersector since the spring if 2015. Over the year, Mining and Logging employers added 619 jobs (9.3 percent). While remaining high, the over-the-year growth rate continued its gradual decrease as we put more distance between present levels and the industry group's recent low point in early 2016.

Construction

Employment in Construction was off slightly in September, losing 400 jobs (0.3 percent) on a seasonally adjusted basis. It was the third straight month of over-the-month declines for the supersector, and six of nine months in 2017 have shown job losses. Annually, however, the supersector added 6,239 jobs (4.9 percent). The growth continued to come from the Specialty Trade Contractors component sector, which added 6,016 jobs (7.5 percent) thanks in large part to the addition of 4,298 jobs (12.4 percent) among Building Equipment Contractors. Heavy and Civil Engineering Construction added 430 jobs (2.1 percent), and Construction of Buildings was off by 207 jobs (0.8 percent).

MN Employment Growth

September 2016 to September 2017



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

Manufacturing

Employment in the Manufacturing supersector was flat in September at 321,000 jobs. Durable Goods Manufacturers added 600 jobs (0.3 percent) while Non-Durable Goods lost the same amount (down 0.5 percent) Manufacturers have not lost employment since May's 600 job decline. Annually the supersector continued to add employment, up 3,051 (1 percent) over September of 2016. Durable Goods Manufacturers added 1,817 jobs with small amounts of growth among multiple component sectors including Medical Equipment and Supplies Manufacturing, which added 388 jobs (2.4 percent). Non-Durable Goods Manufacturing employment also grew, up 1,234 (1.1 percent) over September of 2016.

Trade, Transportation , and Utilities

Trade, Transportation, and Utilities employment was up slightly in September, adding 600 jobs (0.1 percent) on the month. Wholesale Trade experienced strong growth, adding 2,300 jobs (1.7 percent), but many of those jobs were given back in the other two component sectors as Transportation, Warehousing, and Utilities lost 1,600 jobs (1.5 percent), and Retail Trade lost 100 (0.0 percent). Annually the supersector added 4,156 jobs (0.8 percent) with growth in all three component sectors. Wholesale Trade added 1,358 jobs (1 percent) which was the fastest over-the-year growth of the three as Durable Goods Wholesalers added 1,621 (2.5 percent) while their counterpart in Nondurable Goods lost 1,171 jobs (2.7 percent). Retail Trade added the most jobs, up 2,935 or 1 percent, with the growth spread among multiple component industry groups.

Information

Employment in the Information supersector was off by 1,700 (3.3 percent) in September. It was the largest seasonally adjusted over-the-month decrease in the supersector since 1996. Annually Information employment was off by 1,340 (2.6 percent). It was the second month of over-the-year losses in the supersector, after a string of seven month of over-the-year growth. Both published component sectors lost jobs, with Publishing Industries (except Internet) getting the larger part of the losses, off by 838 (4.4 percent) on the year.

*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 employers added 700 jobs (0.4 percent) in September. Finance and Insurance added 1,100 (0.8 percent), but the other half of the supersector, Real Estate and Rental and Leasing, lost 400 (1.2 percent). Annually Financial Activities employment was up slightly, adding 425 jobs (0.2 percent). As was the case over the month, the two component sectors were moving in different directions. Finance and Insurance continued its nearly three-year streak of over-the-year growth, adding 2,402 jobs (1.7 percent), but was dragged down by its counterpart in Real Estate and Rental and Leasing, which lost 1,977 jobs (5.7 percent).

Professional and Business Services

Professional and Business Services employment was up by 3,600 (1 percent) in September. Administrative and Support and Waste Management and Remediation Services led the way, adding 5,100 jobs or 3.7 percent. The other two component sectors lost jobs, with Professional, Scientific, and Technical Services off by 1,300 (0.8 percent) and Management of Companies and Enterprises down 200 (0.2 percent). Annually the supersector added 2,886 jobs (0.8 percent). Management of Companies and Enterprises was up 2,705 (3.5 percent). Administrative and Support and Waste Management and Remediation Services added 3,561 jobs (2.5 percent) on the back of a recently resurgent Employment Services sector, which was up 3,350 (5.3 percent) on the year. That marked five straight months of over-the-year growth for the sector, after it had struggled with over-the-year losses for most of the previous year.

Educational and Health Services

Educational and Health Services employment was up by 2,000 (0.4 percent) in September on a seasonally adjusted basis. Educational Services added 500 jobs (0.8 percent), and Health Care and Social Assistance added 1,500 (0.3 percent). Annually the supersector added 15,511 (3 percent) as it remained one of the most consistent areas of employment growth in Minnesota. Educational Services employment actually declined over the year for the second straight month, off by 3,128 (4.5 percent) from September 2016. However, Health Care and Social assistance continued its strong expansion, adding 18,639 jobs (4.1 percent). The component sector has maintained annual employment growth of over 3 percent consistently since November of 2016.

Leisure and Hospitality

Leisure and Hospitality employers lost 1,700 jobs (0.6 percent) in September on a seasonally adjusted basis. That decline compounded an already bad August estimate to bring the supersector to a total loss of 7,300 jobs over the previous two months. However, the supersector gained 8,200 jobs in the two months prior to that, suggesting that the recent dramatic movement may have more to do with shifting seasonality than with changes to the overall employment level in Leisure and Hospitality. Annually the supersector added 2,104 jobs (0.8 percent). Accommodation and Food Services added 5,023 jobs (2.2 percent), entirely thanks to growth in food services, but Arts, Entertainment, and Recreation employment was down 2,919 (6.3 percent) over-the-year.

Other Services

Other Services employers added 1,400 jobs (1.2 percent) in September, making back all of the 800 lost jobs from August and then some. Annually the supersector added 4,246 jobs (3.6 percent). Repair and Maintenance employers added 1,233 jobs (5.6 percent), and Religious, Grantmaking, Civic, Professional, and Similar Organizations added 2,566 (4 percent).

Government

Government employers added 1,700 jobs (0.4 percent) in September. Most of this came from Local Government, which added a seasonally-adjusted 1,800 jobs (0.6 percent). Federal employment also grew by 0.6 percent (200 jobs). Annually Government employers added 3,362 jobs (0.8 percent).

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	September 2017	August 2017	July 2017
Total Nonagricultural	**2,955.3**	**2,948.9**	**2,954.7**
Goods-Producing	**449.4**	**449.6**	**449.1**
Mining and Logging	7.1	6.9	6.9
Construction	121.3	121.7	122.1
Manufacturing	321.0	321.0	320.1
Service-Providing	**2,505.9**	**2,499.3**	**2,505.6**
Trade, Transportation, and Utilities	539.0	538.4	535.8
Information	49.7	51.4	50.9
Financial Activities	176.3	175.6	175.3
Professional and Business Services	380.5	376.9	375.4
Educational and Health Services	542.6	540.6	546.2
Leisure and Hospitality	266.7	268.4	274.0
Other Services	120.5	119.1	119.9
Government	430.6	428.9	428.1

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

Regional Analysis

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

Employment in the Minneapolis-St. Paul MSA was down very slightly in September, off by 909 jobs (0.0 percent). The MSA has had flat employment growth every September since 2013. As is generally the case this time of year, declines in other industries were countered by sharp growth in Government education employment (up 16,210 or 6.9 percent). Local Government Educational Services added 11,293 jobs or 14.7 percent. The most prominent job losses came in Leisure and Hospitality, which was off 4,988 (2.6 percent). Mining, Logging, and Construction also dropped sharply, losing 1,909 jobs or 2.1 percent. Annually metro area employment was up by 42,524 (2.1 percent). This is the third consecutive month of declines in the over-the-year employment growth rate. However, the region had the largest over-the-year change of any metro area in Minnesota, and it is the fifteenth consecutive month that the area's growth rate has exceeded that of the state. All supersectors save two (Information and Financial Activities) added jobs. The biggest growth, both in proportional change and total jobs added, was once again Educational and Health Services (up 14,294 or 4.4 percent). Health Care and Social Assistance contributed all of the growth, as Educational Services lost 1,723 jobs (3.8 percent). The growth in health care was largely shared by three component sectors: Ambulatory Health Care Service (up 5,621 or 6.3 percent), Hospitals (up 3,200, 5.3 percent), and Social Assistance (up 6,575, 9.9 percent).

Duluth-Superior MSA

The Duluth-Superior MSA added 423 jobs (0.3 percent) in September. Unlike the state and Twin Cities metro, Duluth traditionally adds jobs in September, if only a few. Government led the growth, adding 2,004 jobs (8.2 percent), split between State (up 906 or 13.4 percent) and Local (up 1,102 or 6.9 percent) employment. Literally every other published supersector in Duluth lost jobs. The biggest decline, both proportionally and in actual jobs, came in Leisure and Hospitality, which was off by 526 (3.4 percent). Over the year Duluth added 1,839 jobs (1.3 percent). Mining, Logging, and Construction did most of the heavy lifting, adding 899 jobs (9.2 percent) on the year. Leisure and Hospitality added 345 jobs (2.4 percent), and Financial Activities grew by 164 (2.8 percent).

Rochester MSA

Employment in the Rochester MSA was down by 1,835 (1.5 percent) in September. It was the largest monthly decline of any MSA in the state. Rochester was also the only MSA to lose public sector jobs on the month, down 53 (0.4 percent). The steepest decline in the area came in Professional and Business Services (off 229 or 3.9 percent). Every published supersector in Rochester lost jobs in September. Over the year, employment in Rochester was up by 1,100 (0.9 percent). The only notable decline came in Trade, Transportation, and Utilities (down 243 or 1.3 percent), with losses in all three component sectors. Mining, Logging, and Construction had the most noteworthy growth, adding 385 jobs (8.1 percent).

St. Cloud MSA

Employment growth in the Saint Cloud MSA was largely flat in September as the MSA lost six jobs (0.0 percent). Seasonal gains in Government (up 898 or 6.5 percent) offset losses in most of the other supersectors. The only other industry group to add jobs for the month was Manufacturing (up 15 or 0.1 percent). The sharpest decline came in Leisure and Hospitality (down 360 jobs or 3.9 percent). Annually employment in the Saint Cloud MSA was up by 1,367 (1.2 percent). Two supersectors once again drove most of the over-the-year growth, as Mining, Logging, and Construction added 730 jobs or 10.2 percent, and Educational and Health Services added 736 jobs or 3.4 percent.

Mankato-North Mankato MSA

The Mankato-North Mankato MSA added 1,876 jobs (3.3 percent) in September. This was the second fastest growth of any MSA in Minnesota and the fastest of any MSA entirely within the state. Unlike most other MSAs, private sector employment in Mankato grew on the month, adding 516 jobs (1.1 percent). Annually the Mankato-North Mankato MSA added 691 jobs (1.2 percent). Goods producers added 304 jobs (3 percent), and service providers added 387 (0.8 percent).

Fargo-Moorhead MSA

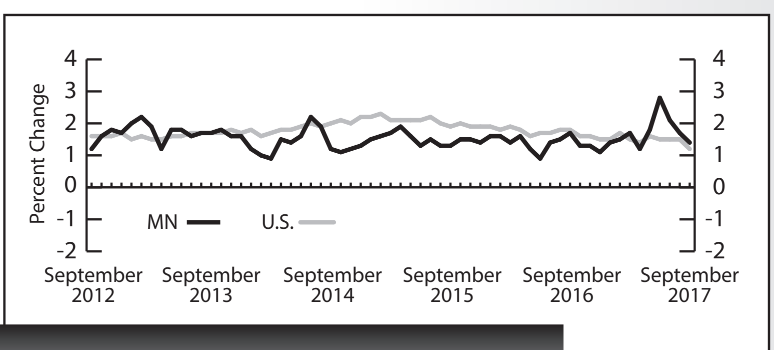
The Fargo-Moorhead MSA added 2,823 jobs (2 percent) in September. While Government employment showed the largest growth (up 2,734 or 16.9 percent), private sector employers also added jobs (up 89 or 0.1 percent). Outside the public sector, the fastest growing supersector in both proportional and actual growth was Professional and Business Services, which added 203 jobs (1.2 percent). Annually the Fargo-Moorhead area added 2,718 jobs (1.9 percent). The only areas to shed jobs were Trade, Transportation, and Utilities (down 168 or 0.5 percent) and Information (down 119 or 3.6 percent).

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA added 2,342 jobs (4.2 percent) in September, the fastest monthly growth of any MSA in Minnesota. Government employers added 2,243 jobs (18.2 percent). In spite of the strong monthly growth, the Grand Forks-East Grand Forks MSA remained the only MSA in the state to lose jobs on an annual basis, down 1,176 (2 percent). The losses continued thanks to weak over-the-year performance in Mining, Logging, and Construction (down 1,143 or 23.8 percent).

by Nick Dobbins

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



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

Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

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

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Sept 2017	Aug 2017	Sept 2016	Aug 2017	Sept 2016	Sept 2017	Sept 2016	Sept 2017	Sept 2016	Sept 2017	Sept 2016
TOTAL NONFARM WAGE AND SALARY	**2,964.5**	**2,975.7**	**2,923.3**	**-0.4%**	**1.4%**	—	—	—	—	—	—
GOODS-PRODUCING	**463.2**	**470.5**	**453.3**	**-1.5**	**2.2**	—	—	—	—	—	—
Mining, Logging, and Construction	**140.6**	**144.4**	**133.7**	**-2.7**	**5.1**	—	—	—	—	—	—
Mining and Logging	**7.3**	**7.4**	**6.7**	**-1.8**	**9.3**	—	—	—	—	—	—
Construction	**133.3**	**137.0**	**127.0**	**-2.7**	**4.9**	—	—	—	—	—	—
Specialty Trade Contractors	86.4	89.4	80.3	-3.4	7.5	$1,331.30	$1,285.88	40.8	39.7	$32.63	$32.39
Manufacturing	**322.7**	**326.1**	**319.6**	**-1.0**	**1.0**	**866.47**	**831.92**	**41.3**	**41.7**	**20.98**	**19.95**
Durable Goods	203.5	204.6	201.7	-0.5	0.9	909.56	833.81	41.4	40.3	21.97	20.69
Wood Product Manufacturing	11.6	11.8	11.3	-1.8	1.9	—	—	—	—	—	—
Fabricated Metal Production	42.1	42.1	42.1	-0.1	0.0	—	—	—	—	—	—
Machinery Manufacturing	31.9	32.3	32.8	-1.3	-2.6	—	—	—	—	—	—
Computer and Electronic Product	45.5	45.9	45.5	-0.8	0.2	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	26.6	26.8	26.3	-0.7	1.2	—	—	—	—	—	—
Transportation Equipment	10.6	10.7	10.8	-1.3	-2.7	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.3	16.4	15.9	-0.6	2.4	—	—	—	—	—	—
Nondurable Goods	119.2	121.5	117.9	-1.9	1.0	799.69	827.08	41.2	43.9	19.41	18.84
Food Manufacturing	48.7	49.0	48.1	-0.8	1.2	—	—	—	—	—	—
SERVICE-PROVIDING	**2,501.3**	**2,505.2**	**2,469.9**	**-0.2**	**1.3**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**536.0**	**542.0**	**531.9**	**-1.1**	**0.8**	—	—	—	—	—	—
Wholesale Trade	133.0	133.9	131.7	-0.6	1.0	895.65	880.50	39.3	38.5	22.79	22.87
Retail Trade	299.2	305.7	296.3	-2.1	1.0	448.45	431.00	28.6	28.6	15.68	15.07
Motor Vehicle and Parts	35.5	36.3	35.0	-2.3	1.4	—	—	—	—	—	—
Building Material and Garden Equipment	26.2	27.3	26.2	-4.0	0.0	—	—	—	—	—	—
Food and Beverage Stores	55.4	56.9	55.2	-2.5	0.4	—	—	—	—	—	—
Gasoline Stations	25.6	26.0	25.2	-1.3	1.8	—	—	—	—	—	—
General Merchandise Stores	59.4	60.6	59.2	-1.9	0.5	402.87	374.24	30.2	30.6	13.34	12.23
Transportation,Warehouse, Utilities	103.8	102.5	103.9	1.3	-0.1	—	—	—	—	—	—
Transportation and Warehousing	91.4	90.1	91.4	1.5	0.0	715.97	726.60	33.9	35.6	21.12	20.41
Information	**49.5**	**51.3**	**50.8**	**-3.6**	**-2.6**	**1,044.03**	**1,028.45**	**33.7**	**34.5**	**30.98**	**29.81**
Publishing Industries	18.4	18.6	19.2	-0.9	-4.4	—	—	—	—	—	—
Telecommunications	11.8	11.9	12.1	-0.7	-2.2	—	—	—	—	—	—
Financial Activities	**176.6**	**178.1**	**176.2**	**-0.9**	**0.2**	—	—	—	—	—	—
Finance and Insurance	143.7	144.0	141.3	-0.2	1.7	1,103.31	1,031.76	36.9	36.0	29.90	28.66
Credit Intermediation	63.3	63.5	62.5	-0.3	1.3	809.64	755.59	36.0	34.9	22.49	21.65
Securities, Commodity Contracts, and Other	19.2	19.5	19.4	-1.5	-0.7	—	—	—	—	—	—
Insurance Carriers and Related	61.2	61.0	59.5	0.3	2.9	—	—	—	—	—	—
Real Estate and Rental and Leasing	32.9	34.1	34.9	-3.7	-5.7	—	—	—	—	—	—
Professional and Business Services	**380.2**	**384.1**	**377.3**	**-1.0**	**0.8**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	154.0	156.3	157.4	-1.5	-2.1	—	—	—	—	—	—
Legal Services	18.0	18.3	18.1	-1.5	-0.5	—	—	—	—	—	—
Accounting, Tax Preparation	16.1	16.2	16.2	-0.8	-0.6	—	—	—	—	—	—
Computer Systems Design	36.8	37.4	36.8	-1.7	0.0	—	—	—	—	—	—
Management of Companies and Enterprises	81.1	82.2	78.4	-1.4	3.5	—	—	—	—	—	—
Administrative and Support Services	145.0	145.5	141.5	-0.3	2.5	—	—	—	—	—	—
Educational and Health Services	**539.3**	**537.1**	**523.8**	**0.4**	**3.0**	—	—	—	—	—	—
Educational Services	65.6	58.5	68.8	12.1	-4.5	—	—	—	—	—	—
Health Care and Social Assistance	473.7	478.6	455.0	-1.0	4.1	—	—	—	—	—	—
Ambulatory Health Care	158.5	160.6	150.1	-1.3	5.6	1,388.24	1,265.55	37.0	35.4	37.52	35.75
Offices of Physicians	74.5	74.1	72.1	0.5	3.4	—	—	—	—	—	—
Hospitals	109.1	108.8	105.8	0.2	3.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	109.2	109.6	107.3	-0.4	1.7	465.98	485.89	28.8	29.2	16.18	16.64
Social Assistance	97.0	99.5	91.8	-2.6	5.6	—	—	—	—	—	—
Leisure and Hospitality	**275.8**	**290.6**	**273.7**	**-5.1**	**0.8**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	43.2	51.3	46.1	-15.8	-6.3	—	—	—	—	—	—
Accommodation and Food Services	232.6	239.3	227.6	-2.8	2.2	—	—	—	—	—	—
Food Services and Drinking Places	205.6	210.0	199.3	-2.1	3.2	276.20	276.72	20.0	20.9	13.81	13.24
Other Services	**120.5**	**120.0**	**116.2**	**0.4**	**3.7**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	67.1	67.1	64.6	0.0	4.0	—	—	—	—	—	—
Government	**423.5**	**401.9**	**420.1**	**5.4**	**0.8**						
Federal Government	32.3	32.3	32.1	0.2	0.7						
State Government	104.9	93.6	104.7	12.0	0.2						
State Government Education	62.5	53.1	63.1	17.6	-1.1						
Local Government	286.2	276.0	283.3	3.7	1.0						
Local Government Education	137.1	120.9	134.7	13.4	1.8						

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

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

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

Numbers are unadjusted.

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

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Sept 2017	Aug 2017	Sept 2016	Aug 2017	Sept 2016	Sept 2017	Sept 2016	Sept 2017	Sept 2016	Sept 2017	Sept 2016
TOTAL NONFARM WAGE AND SALARY	**2,020.9**	**2,021.8**	**1,978.4**	**0.0%**	**2.1%**	—	—	—	—	—	—
GOODS-PRODUCING	**289.6**	**292.9**	**281.1**	**-1.1**	**3.1**	—	—	—	—	—	—
Mining, Logging, and Construction	**87.1**	**89.0**	**84.0**	**-2.1**	**3.6**	—	—	—	—	—	—
Construction of Buildings	17.8	18.0	17.6	-1.2	1.2	—	—	—	—	—	—
Specialty Trade Contractors	58.8	60.5	55.4	-2.7	6.1	$1,393.87	$1,406.87	39.7	40.3	$35.11	$34.91
Manufacturing	**202.5**	**203.9**	**197.0**	**-0.7**	**2.8**	**918.45**	**889.46**	**41.9**	**41.7**	**21.92**	**21.33**
Durable Goods	138.8	139.3	133.9	-0.4	3.6	950.34	881.76	42.2	41.3	22.52	21.35
Fabricated Metal Production	29.8	29.8	29.4	0.1	1.3	—	—	—	—	—	—
Machinery Manufacturing	19.9	20.2	20.2	-1.3	-1.3	—	—	—	—	—	—
Computer and Electronic Product	37.0	37.3	36.9	-0.9	0.3	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	24.9	25.1	24.6	-0.6	1.2	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.9	14.9	14.6	-0.5	1.6	—	—	—	—	—	—
Nondurable Goods	63.8	64.6	63.1	-1.2	1.0	856.57	902.27	41.4	42.4	20.69	21.28
Food Manufacturing	15.3	15.4	15.3	-1.0	-0.2	—	—	—	—	—	—
Printing and Related	14.7	14.8	14.9	-0.4	-1.2	—	—	—	—	—	—
SERVICE-PROVIDING	**1,731.3**	**1,728.9**	**1,697.3**	**0.1**	**2.0**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**360.0**	**363.5**	**354.8**	**-1.0**	**1.5**	—	—	—	—	—	—
Wholesale Trade	97.5	97.9	96.9	-0.4	0.7	865.23	857.47	38.2	38.4	22.65	22.33
Merchant Wholesalers - Durable Goods	49.2	49.0	48.5	0.3	1.4	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	28.4	28.9	28.0	-1.5	1.7	—	—	—	—	—	—
Retail Trade	189.0	193.6	186.4	-2.4	1.4	465.10	450.76	29.7	29.5	15.66	15.28
Food and Beverage Stores	34.3	35.3	34.1	-2.8	0.4	—	—	—	—	—	—
General Merchandise Stores	36.3	37.1	36.2	-2.3	0.4	395.52	383.25	30.9	31.7	12.80	12.09
Transportation, Warehouse, Utilities	73.5	72.1	71.5	2.0	2.7	—	—	—	—	—	—
Utilities	7.5	7.5	7.5	0.3	-0.1	—	—	—	—	—	—
Transportation and Warehousing	66.0	64.5	64.0	2.2	3.1	764.26	714.06	37.1	36.1	20.60	19.78
Information	**37.6**	**38.5**	**38.3**	**-2.2**	**-1.8**						
Publishing Industries	14.5	14.6	15.2	-0.9	-4.6	—	—	—	—	—	—
Telecommunications	8.7	8.7	8.7	-0.5	-0.7	—	—	—	—	—	—
Financial Activities	**141.9**	**144.1**	**142.2**	**-1.5**	**-0.2**	—	—	—	—	—	—
Finance and Insurance	115.4	116.3	114.0	-0.7	1.3	1,196.85	1,085.76	37.1	36.0	32.26	30.16
Credit Intermediation	46.8	47.3	46.6	-1.0	0.5	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	17.0	17.4	17.4	-2.2	-1.9	—	—	—	—	—	—
Insurance Carriers and Related	51.6	51.6	50.0	0.0	3.2	—	—	—	—	—	—
Real Estate and Rental and Leasing	26.5	27.8	28.2	-4.8	-6.1	—	—	—	—	—	—
Professional and Business Services	**331.1**	**333.7**	**323.0**	**-0.8**	**2.5**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	139.6	140.7	138.3	-0.8	0.9	—	—	—	—	—	—
Legal Services	15.4	15.7	15.5	-1.7	-0.4	—	—	—	—	—	—
Architectural, Engineering, and Related	19.0	19.0	18.5	-0.3	2.9	—	—	—	—	—	—
Computer Systems Design	33.8	34.1	34.2	-1.0	-1.3	—	—	—	—	—	—
Management of Companies and Enterprises	74.2	74.9	71.4	-1.0	3.9	—	—	—	—	—	—
Administrative and Support Services	117.4	118.1	113.3	-0.6	3.6	—	—	—	—	—	—
Employment Services	56.7	54.5	53.6	4.0	5.7	—	—	—	—	—	—
Educational and Health Services	**336.9**	**336.4**	**322.6**	**0.1**	**4.4**	—	—	—	—	—	—
Educational Services	44.1	39.2	45.8	12.5	-3.8	—	—	—	—	—	—
Health Care and Social Assistance	292.8	297.2	276.8	-1.5	5.8	—	—	—	—	—	—
Ambulatory Health Care	95.1	97.5	89.5	-2.5	6.3	—	—	—	—	—	—
Hospitals	63.8	64.0	60.6	-0.3	5.3	—	—	—	—	—	—
Nursing and Residential Care Facilities	60.7	62.1	60.1	-2.3	1.0	—	—	—	—	—	—
Social Assistance	73.1	73.5	66.6	-0.5	9.9	—	—	—	—	—	—
Leisure and Hospitality	**190.1**	**195.1**	**188.8**	**-2.6**	**0.7**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	36.8	40.2	36.0	-8.7	2.0	—	—	—	—	—	—
Accommodation and Food Services	153.4	154.9	152.7	-1.0	0.4	296.61	298.42	20.8	21.5	14.26	13.88
Food Services and Drinking Places	138.3	139.4	138.7	-0.8	-0.2	289.48	287.70	20.3	21.0	14.26	13.70
Other Services	**81.3**	**81.6**	**79.9**	**-0.4**	**1.8**	—	—	—	—	—	—
Repair and Maintenance	15.3	15.2	14.9	0.8	2.8	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.5	42.7	42.1	-0.6	1.0	—	—	—	—	—	—
Government	**252.2**	**236.0**	**247.8**	**6.9**	**1.8**						
Federal Government	21.4	21.4	21.3	0.3	0.7						
State Government	69.5	61.4	68.6	13.4	1.3						
State Government Education	41.1	34.9	40.4	17.9	1.9						
Local Government	161.2	153.3	157.9	5.2	2.1						
Local Government Education	88.2	76.9	85.5	14.7	3.1						

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

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

Employer Survey

Industry	Duluth-Superior MSA Jobs Sept 2017	Jobs Aug 2017	Jobs Sept 2016	% Chg. From Aug 2017	% Chg. From Sept 2016	Rochester MSA Jobs Sept 2017	Jobs Aug 2017	Jobs Sept 2016	% Chg. From Aug 2017	% Chg. From Sept 2016
TOTAL NONFARM WAGE AND SALARY	**138,328**	**137,905**	**136,489**	**0.3%**	**1.3%**	**120,309**	**122,144**	**119,209**	**-1.5%**	**0.9%**
GOODS-PRODUCING	**18,066**	**18,473**	**17,172**	**-2.2**	**5.2**	**16,093**	**16,334**	**15,622**	**-1.5**	**3.0**
Mining, Logging, and Construction	10,714	11,025	9,815	-2.8	9.2	5,141	5,227	4,756	-1.6	8.1
Manufacturing	7,352	7,448	7,357	-1.3	-0.1	10,952	11,107	10,866	-1.4	0.8
SERVICE-PROVIDING	**120,262**	**119,432**	**119,317**	**0.7**	**0.8**	**104,216**	**105,810**	**103,587**	**-1.5**	**0.6**
Trade, Transportation, and Utilities	25,255	25,407	24,988	-0.6	1.1	17,769	18,131	18,012	-2.0	-1.3
Wholesale Trade	3,311	3,312	3,195	0.0	3.6	2,764	2,810	2,777	-1.6	-0.5
Retail Trade	15,703	15,767	15,456	-0.4	1.6	12,221	12,650	12,338	-3.4	-0.9
Transportation, Warehouse, Utilities	6,241	6,328	6,337	-1.4	-1.5	2,784	2,671	2,897	4.2	-3.9
Information	1,353	1,370	1,382	-1.2	-2.1	1,885	1,902	1,893	-0.9	-0.4
Financial Activities	6,080	6,172	5,916	-1.5	2.8	2,752	2,773	2,672	-0.8	3.0
Professional and Business Services	8,346	8,426	8,401	-0.9	-0.7	5,657	5,886	5,557	-3.9	1.8
Educational and Health Services	31,703	31,829	31,751	-0.4	-0.2	48,735	49,289	48,340	-1.1	0.8
Leisure and Hospitality	14,912	15,438	14,567	-3.4	2.4	10,816	11,145	10,693	-3.0	1.2
Other Services	6,234	6,415	6,134	-2.8	1.6	4,045	4,074	3,977	-0.7	1.7
Government	26,379	24,375	26,178	8.2	0.8	12,557	12,610	12,443	-0.4	0.9

Employer Survey

Industry	St. Cloud MSA Jobs Sept 2017	Jobs Aug 2017	Jobs Sept 2016	% Chg. From Aug 2017	% Chg. From Sept 2016	Mankato MSA Jobs Sept 2017	Jobs Aug 2017	Jobs Sept 2016	% Chg. From Aug 2017	% Chg. From Sept 2016
TOTAL NONFARM WAGE AND SALARY	**110,427**	**110,433**	**109,060**	**0.0%**	**1.3%**	**58,210**	**56,334**	**57,519**	**3.3**	**1.2%**
GOODS-PRODUCING	**23,108**	**23,348**	**22,369**	**-1.0**	**3.3**	**10,258**	**10,371**	**9,954**	**-1.1**	**3.1**
Mining, Logging, and Construction	7,859	8,114	7,129	-3.1	10.2	--	--	--	--	--
Manufacturing	15,249	15,234	15,240	0.1	0.1	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**87,319**	**87,085**	**86,691**	**0.3**	**0.7**	**47,952**	**45,963**	**47,565**	**4.3**	**0.8**
Trade, Transportation, and Utilities	22,057	22,350	22,264	-1.3	-0.9	--	--	--	--	--
Wholesale Trade	4,866	4,938	4,643	-1.5	4.8	--	--	--	--	--
Retail Trade	13,354	13,641	13,631	-2.1	-2.0	--	--	--	--	--
Transportation, Warehouse, Utilities	3,837	3,771	3,990	1.8	-3.8	--	--	--	--	--
Information	1,583	1,613	1,628	-1.9	-2.8	--	--	--	--	--
Financial Activities	4,973	5,014	5,018	-0.8	-0.9	--	--	--	--	--
Professional and Business Services	8,697	8,769	8,610	-0.8	1.0	--	--	--	--	--
Educational and Health Services	22,517	22,296	21,781	1.0	3.4	--	--	--	--	--
Leisure and Hospitality	8,881	9,241	8,953	-3.9	-0.8	--	--	--	--	--
Other Services	3,811	3,900	3,748	-2.3	1.7	--	--	--	--	--
Government	14,800	13,902	14,689	6.5	0.8	10,073	8,713	9,923	15.6	1.5

Employer Survey

Industry	Fargo-Moorhead MSA Jobs Sept 2017	Jobs Aug 2017	Jobs Sept 2016	% Chg. From Aug 2017	% Chg. From Sept 2016	Grand Forks-East Grand Forks MSA Jobs Sept 2017	Jobs Aug 2017	Jobs Sept 2016	% Chg. From Aug 2017	% Chg. From Sept 2016
TOTAL NONFARM WAGE AND SALARY	**145,331**	**142,508**	**142,613**	**2.0%**	**1.9%**	**57,847**	**55,505**	**59,023**	**4.2%**	**-2.0%**
GOODS-PRODUCING	**20,788**	**21,073**	**19,784**	**-1.4**	**5.1**	**8,155**	**8,110**	**8,892**	**0.6**	**-8.3**
Mining, Logging, and Construction	10,666	10,985	10,201	-2.9	4.6	3,666	3,766	4,809	-2.7	-23.8
Manufacturing	10,122	10,088	9,583	0.3	5.6	4,489	4,344	4,083	3.3	9.9
SERVICE-PROVIDING	**124,543**	**121,435**	**122,829**	**2.6**	**1.4**	**49,692**	**47,395**	**50,131**	**4.9**	**-0.9**
Trade, Transportation, and Utilities	30,601	30,571	30,769	0.1	-0.6	11,601	11,709	11,922	-0.9	-2.7
Wholesale Trade	9,183	9,237	9,056	-0.6	1.4	1,866	1,880	1,898	-0.7	-1.7
Retail Trade	15,705	15,686	16,109	0.1	-2.5	7,569	7,651	7,740	-1.1	-2.2
Transportation, Warehouse, Utilities	5,713	5,648	5,604	1.2	2.0	2,166	2,178	2,284	-0.6	-5.2
Information	3,146	3,145	3,265	0.0	-3.6	574	574	592	0.0	-3.0
Financial Activities	9,520	9,552	9,290	-0.3	2.5	1,849	1,843	1,834	0.3	0.8
Professional and Business Services	16,936	16,733	15,892	1.2	6.6	3,083	3,078	3,107	0.2	-0.8
Educational and Health Services	23,887	23,750	23,626	0.6	1.1	9,944	9,799	9,731	1.5	2.2
Leisure and Hospitality	14,025	14,022	13,966	0.0	0.4	6,158	6,158	6,469	0.0	-4.8
Other Services	5,500	5,457	5,436	0.8	1.2	1,918	1,912	1,938	0.3	-1.0
Government	18,921	16,187	18,697	16.9	1.2	14,565	12,322	14,538	18.2	0.2

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

Minnesota Economic Indicators

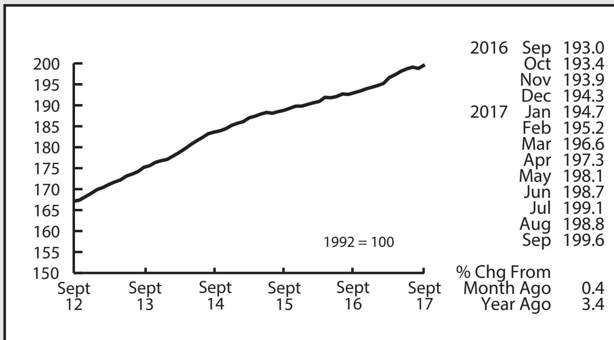
Highlights

The **Minnesota Index** rebounded from its drop in August by increasing 0.4 percent in September, the largest monthly jump since May. The rebound was fueled by an uptick in wage and salary employment, a drop in the unemployment rate, and climbing wage disbursements. Minnesota's index outpaced the U.S. index for the sixth time this year as the U.S. index advanced 0.2 percent.

Minnesota's unadjusted unemployment rate dropped to a 17-year low of 2.9 percent in September. Another year of even moderate job growth will generate extremely tight labor markets last experienced in the state in 1998 and 1999. Minnesota's index has advanced 3.4 percent over the year compared to the U.S. increase of 2.5 percent.

Minnesota's adjusted **Wage and Salary Employment** bounced back from a loss of 5,800 jobs in August with a gain of 6,400 jobs in September. Private sector payrolls were up 4,700 while public sector jobs increased by 1,700. Job loss was confined to three sectors with Information and Leisure and Hospitality cutting employment the most. Professional and Business Services, Educational and Health Services, plus Government and Other Services expanded payrolls the most.

Minnesota's unadjusted over-the-year job growth fell to 1.4 in September but once again surpassed the U.S. rate which was held to 1.2 percent by hurricanes. Minnesota's over-the-year growth has been higher than the national rate for the last five months. This is the longest monthly string of above-the-U.S. rate since 2011. Minnesota's monthly job growth, on a year- over-year basis using unadjusted job numbers, has been faster than the U.S. growth 57.6 percent of the time with data going back to 1950.



Source: The Federal Reserve Bank of Philadelphia, 2017

Minnesota Index

Online Help-Wanted Ads reversed a two month trend of decline in September increasing by 2.7 which topped the nationwide 0.1 percent increase. The Conference Board, which publishes the online job postings data, also calculates a supply/demand ratio for states which compares unemployed workers to online help-wanted ads. Minnesota's ratio was .87, the third lowest behind Colorado (.66) and North Dakota (.68).

A ratio of 1.0 implies that for every unemployed worker there is an online help-wanted ad. A ratio below 1 implies that there are more online help-wanted ads than unemployed workers. The U.S. rate is 1.52. Hawaii and New Hampshire are the two other states that have a supply/demand ratio below 1.0. Louisiana and Kentucky have the highest ratios with 2.91 and 2.63 respectively.

Minnesota's **Purchasing Managers' Index (PMI)** dipped for the third month in a row to a still solid 59.4. The average is 54.0 over the 23-year history of the PMI. A reading above 50 suggests manufacturing activity in the state is expanding. The corresponding national index rose to 60.8, its highest reading since 2004. The Mid-American index also advanced, ticking up to 58.2.

Adjusted **Manufacturing Hours** remained unchanged for the third straight month at 41.1 hours per week. Average weekly **Manufacturing Earnings**, however, inched up to $856.36. Look no further than the 2.6 percent average over-the-year increase in factory earnings through September for evidence of the 2017 rebound in Minnesota manufacturing.

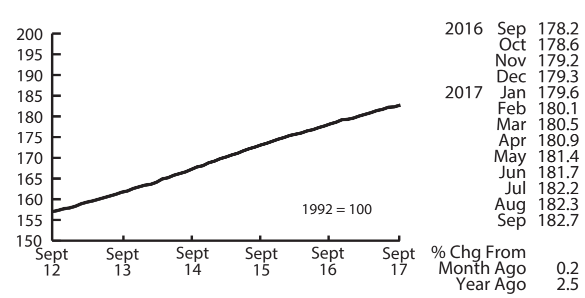
The **Minnesota Leading Index**, after hitting a two-year low last month, rebounded strongly in September, climbing to 1.8. The average reading since 1982 is 1.5, so the September reading points toward above average economic growth in Minnesota over the next six months.

Adjusted **Residential Building Permits** edged up in September to 1,956 but continue to remain below higher levels recorded earlier in the year. Fewer apartment building permits are being filed, suggesting that the apartment building boom has probably reached its peak. Home-building will be up in 2017 compared to 2016, but the promise of a break out year early in the year looks to have faded away.

Adjusted **Initial Claims for Unemployment Benefits (UB)** dipped slightly in September to 16,380, the lowest level since January. Total initial claims are headed for the lowest annual total since 2000. The low initial claims level is a reflection of low layoff rates. Employers are having enough problems finding workers to hire, so they are hanging on to their workforce. Minnesota's unadjusted average monthly over-the-year job growth through the first nine months of 2017 is 1.8 percent. That tops the U.S. rate of 1.5 percent and all of the neighboring states – Iowa (0.9 percent), North Dakota (0.7 percent), South Dakota (1.1 percent), and Wisconsin (1.0 percent).

by Dave Senf

United States Index

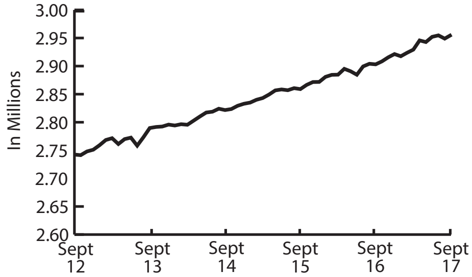


Source: The Federal Reserve Bank of Philadelphia, 2017

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

Minnesota Economic Indicators

Wage and Salary Employment



seasonally adjusted

2017	Apr	2.9457
	May	2.9428
	Jun	2.9521
	Jul	2.9547
	Aug	2.9489
	Sept	2.9553

% Chg From Month Ago 0.2

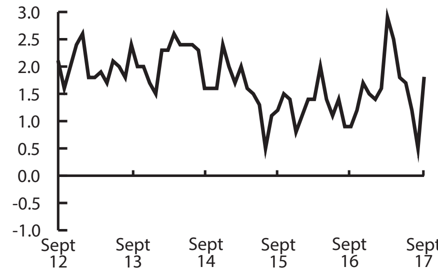
unadjusted

2016	Sept	2.9233
2017	Sept	2.9645

% Chg From Year Ago 1.4

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

Minnesota Leading Index

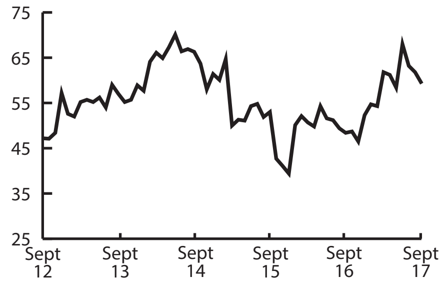


2016	Sep	0.9
	Oct	1.2
	Nov	1.7
	Dec	1.5
2017	Jan	1.4
	Feb	1.6
	Mar	2.9
	Apr	2.5
	May	1.8
	Jun	1.7
	Jul	1.2
	Aug	0.5
	Sep	1.8

% Chg From
Month Ago 277.8
Year Ago 104.0

Source: The Federal Reserve Bank of Philadelphia, 2017

Purchasing Managers' Index

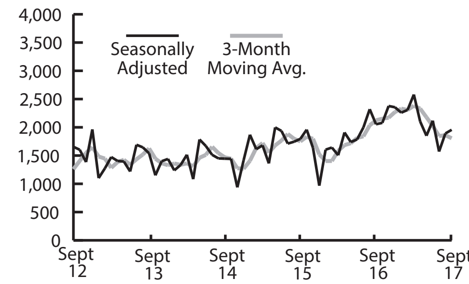


2016	Sep	48.4
	Oct	48.7
	Nov	46.5
	Dec	52.3
2017	Jan	54.7
	Feb	54.3
	Mar	61.8
	Apr	61.2
	May	58.4
	Jun	68.0
	Jul	63.2
	Aug	61.8
	Sep	59.4

% Chg From
Month Ago -3.9
Year Ago 22.7

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

Residential Building Permits



seasonally adjusted

2017	Apr	2,103
	May	1,850
	Jun	2,118
	Jul	1,571
	Aug	1,891
	Sept	1,956

% Chg From Month Ago 3.5

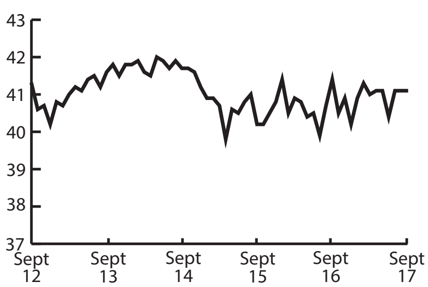
unadjusted

2016	Sept	2,563
2017	Sept	2,365

% Chg From Year Ago -7.7

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

Average Weekly Manufacturing Hours



seasonally adjusted

2017	Apr	41.1
	May	41.1
	Jun	40.4
	Jul	41.1
	Aug	41.1
	Sept	41.1

% Chg From Month Ago 0.0

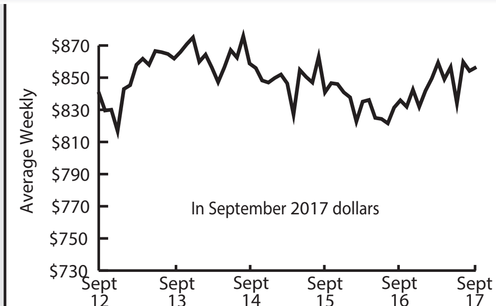
unadjusted

2016	Sept	41.7
2017	Sept	41.3

% Chg From Year Ago -1.0

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

Manufacturing Earnings



seasonally adjusted

2017	Apr	849.01
	May	856.52
	Jun	834.08
	Jul	859.74
	Aug	854.20
	Sept	856.36

% Chg From Month Ago 0.3

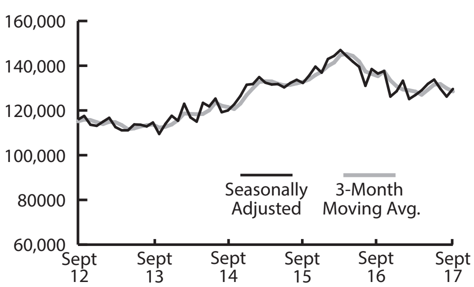
unadjusted

2016	Sept	831.92
2017	Sept	866.47

% Chg From Year Ago 4.2

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

Online Help-Wanted Advertising

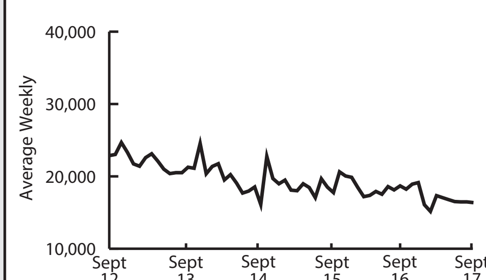


2016	Sep	136,500
	Oct	137,600
	Nov	126,200
	Dec	128,600
2017	Jan	133,300
	Feb	125,100
	Mar	126,900
	Apr	129,000
	May	131,900
	Jun	133,800
	Jul	129,700
	Aug	126,200
	Sep	129,600

% Chg From
Month Ago 2.7
Year Ago -5.1

Source: The Conference Board Inc., 2017

Initial UB Claimants



seasonally adjusted

2017	Apr	17,058
	May	16,782
	Jun	16,518
	Jul	16,472
	Aug	16,475
	Sept	16,380

% Chg From Month Ago -0.6

unadjusted

2016	Sept	12,895
2017	Sept	10,929

% Chg From Year Ago -15.2

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

Minnesota Employment Review

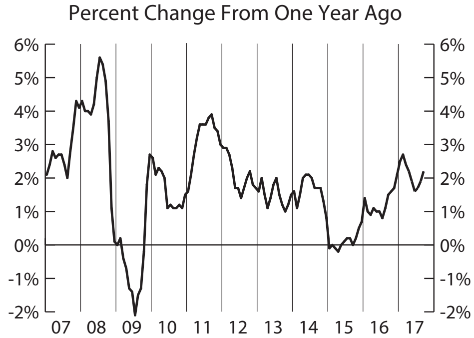
DEED
Labor Market Information Office
1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351
651.259.7400 (voice)
1.888.234.1114 (toll free)
651.296.3900 (TTY)
1.800.657.3973 (TTY toll free)
e-mail :
DEED.lmi@state.mn.us
Internet :
mn.gov/deed/lmi

Labor Market Information Help Line:
651.259.7384

PRE-SORTED
FIRST-CLASS MAIL
POSTAGE & FEES
PAID
PERMIT NO. 8717

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

The Consumer Price Index for All Urban Consumers (CPI-U) rose 0.5 percent in September on a seasonally adjusted basis the U.S. Bureau of Labor Statistics reported today. The gasoline index increased 13.1 percent and accounted for about three-fourths of the seasonally adjusted all items increase. Other major energy component indices were mixed, and the food index rose slightly.



The all items index rose 2.2 percent for the 12 months ending September; the 12-month change has been accelerating since it was 1.6 percent in June.

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

For more information on the U.S. CPI or the semi-annual Minneapolis-St. Paul CPI, call: 651.259.7384 or toll free 1.888.234.1114.

The employment and unemployment data in this publication were produced in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

Editor in Chief:
Carol Walsh

Editor:
M. B. Hummel

Technical Editor:
Sue Hartley

Statistics:
Nick Dobbins

Writers:
Chet Bodin
Nick Dobbins
Mark Schultz
Dave Senf
Derek Teed

Graphics/Layout: and Website Preparation:
Mary Moe

Commissioner:
Shawntera Hardy

LMI Office Director:
Steve Hine

Assistant Director and Technical Supervisor:
Oriane Casale

The Last Word

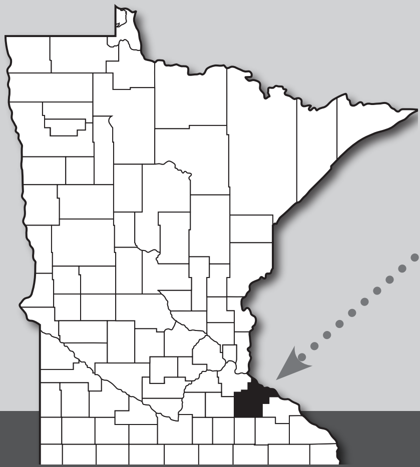
NEW from the U.S. Bureau of Labor Statistics: Occupational Requirements Survey

The Occupational Requirements Survey – ORS – is a new survey designed to provide information about work-related requirements – physical demands, environmental exposure, education and training, and mental requirements – found in jobs in the U.S. Developed under an agreement with the Social Security Administration, the survey goal is to collect and publish occupational information that the SSA can use to help make decisions for their disability programs. The ORS is designed to capture requirements based on typical tasks related to critical job functions and is not focused on specific skills or experience of any worker.

ORS brochure: **https://www.bls.gov/ncs/ors/ORS_trifold_web_version.pdf**

For more information: **https://www.bls.gov/ncs/ors/home.htm**

EMPLOYMENT AND ECONOMIC DEVELOPMENT



CountySnapshot

Goodhue

Past

Goodhue County was formed on March 5th, 1853. Hamline University was initially in the city of Red Wing, but it closed its doors in the midst of the Civil War because enrollment was too low, before opening again in 1869, this time in St. Paul. During the mid-1800's, Goodhue County was a leader in wheat production, enjoying the largest production of wheat country-wide and shipping the wheat up and down the mighty Mississippi River. However, between two mill fires in Red Wing in the 1880's and the changing transportation landscape from developing railroad routes, by the beginning of the 1900's farmers in surrounding counties began to ship their wheat to mills located in Minneapolis.

Future

Goodhue County saw a population increase of almost 6,000 residents from 1990 to 2016, a jump of 14.7 percent. Additionally, the county's labor force also saw a significant increase during this 16-year period, increasing by over 5,800 people (27.9 percent). Despite this increase in population and labor force, Goodhue County is an exporter of labor, with more residents leaving the county (13,456) for work than commute in from other counties (10,154) than who live and work in the county (11,317). The largest number of the workers commute into the county from Pierce County, WI, and Dakota County, MN, while the highest number of residents commute to Olmsted and Dakota Counties for work. As the economy continues to tighten, the population of Goodhue County is anticipated to decline by almost 2,000 people (4.1 percent), and the labor force is projected to see a similar decline of about 1,330 workers (5.5 percent).

Trends

Four industries make up just over 75 percent of the 21,473 total jobs in Goodhue County: Manufacturing (20.7 percent in 90 firms), Trade, Transportation, and Utilities (20.6 percent in 330 firms), Education and Health Services (20.3 percent in 149 firms), and Leisure and Hospitality (15.1 percent in 129 firms). Food Manufacturing makes up the largest portion of the 4,453 Manufacturing sector jobs at 15.3 percent, followed by Plastics and Rubber Manufacturing which comprises 10.8 percent. Since 2006 the total number of jobs in the county has increased by 0.6 percent (131 jobs). Despite this general increase across all industries, only the Manufacturing and Education and Health Services sectors saw an increase in jobs, with Manufacturing jumping 16.2 percent (948 jobs) and Education and Health Services seeing an increase of 10.2 percent (419 jobs). Trade, Transportation, and Utilities dropped by 8.1 percent (391 jobs), and Leisure and Hospitality saw a decline of 3.2 percent (109 jobs).

Economy

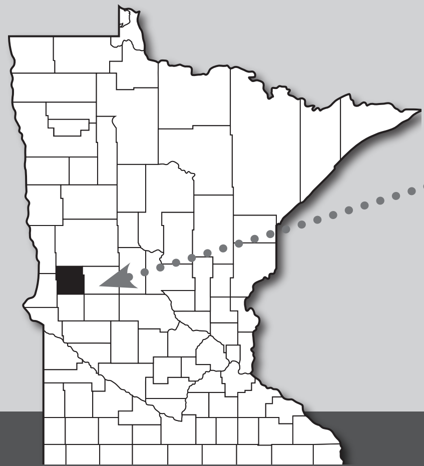
2016 Estimates	Goodhue County	Minnesota
Population	46,676	5,519,952
Labor Force (8/2017)	26,903	3,3,082,329
Average Unemployment (8/2017)	3.3%	3.6%
Average Household Income (2015)	$72,699	$80,444
Cost of Living (Individual)	$28,136	$29,856
Cost of Living (Average Family)	$51,125	$55,200

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

Industry

	Top Industries of Employment	Total Employment, 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**21,473**	**0.6%**	**$44,460**	**34.9%**
1	Manufacturing	4,453	16.2%	$49,920	19.6%
2	Trade, Transportation, and Utilities	4,418	-8.1%	$52,780	43.8%
3	Education and Health Services	4,361	10.6%	$44,616	34.9%
4	Leisure and Hospitality	3,253	-3.2%	$25,584	27.1%

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



CountySnapshot Grant

Past

Grant County came to be in 1868 and was named after the 18th president, Ulysses S. Grant. The county seat is Elbow Lake although the only stoplight in Grant County is in Herman, and it is also home to three ghost towns – Hereford, which is now home to a single cemetery, Pomme de Terre, which met its end when a railroad was not built through it, and Thorsburg,

Future

Grant County experienced a decrease of 290 residents from 1990 to 2016, shrinking 4.6 percent. Despite this decrease in population, the labor force in Grant County saw a 15 percent increase, 427 people, during this 16-year period. While approximately 1,076 residents remain in the county for work, a substantial number (1,597) of residents leave the county for their jobs while only 925 non-residents commute into the county for work. Otter Tail and Douglas Counties send the most non-residents into the county for work as well as the being the counties that most Grant County residents commute to for work, Douglas receiving more than Otter Tail. The county's population is projected to decline 347 people from 2020 to 2040 (5.9%) and, as the economy continues to tighten, the labor force is projected to also see a decline estimated at a loss of 127 workers (4.4 percent).

Trends

Of the total industries within Grant County, four comprise 72.5 percent of the estimated 1,870 jobs, including Education and Health Services (31.7 percent in 20 firms), Trade, Transportation, and Utilities (23.5 percent in 56 firms), Construction (10 percent in 36 firms), and Public Administration (8.1 percent in 19 firms). In general, the county saw a small decrease in total jobs in the last 10 years (2006-2016), a drop of only 10 jobs (0.5 percent), with both the Education and Health Services and Construction super sectors seeing declines of 12 (2 percent) and 11 jobs (6 percent), respectively. Despite these job declines, Trade, Transportation, and Utilities saw a rather significant increase of 104 jobs (31.0 percent) while Public Administration experienced a much smaller increase of 12 jobs (8.6 percent).

Economy

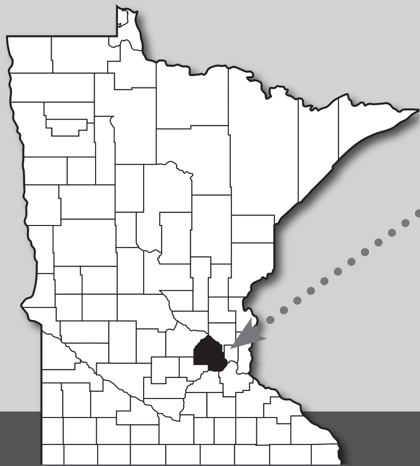
2016 Estimates	Grant County	Minnesota
Population	5,956	5,519,952
Labor Force (8/2017)	3,262	3,082,329
Average Unemployment (8/2017)	3.2%	3.6%
Average Household Income (2015)	$64,181	$80,444
Cost of Living (Individual)	$27,359	$29,856
Cost of Living (Average Family)	$45,196	$55,200

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

Industry

	Top Industries of Employment	Total Employment, 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**1,870**	**-0.5%**	**$36,348**	**46.5%**
1	Education and Health Services	592	-2.0%	$34,476	51.0%
2	Trade, Transportation, and Utilities	440	31.0%	$37,128	33.2%
3	Construction	172	-6.0%	$41,340	36.8%
4	Public Administration	151	+8.6%	$40,456	49.6%

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



CountySnapshot Hennepin

Past

Hennepin County was established on March 6, 1852, and Minneapolis was chosen as the county seat two years later. Originally, the plan was to name it Snelling County, but to honor Father Louis Hennepin, who first explored the area in 1680, the name Hennepin County was chosen. During its formative years the county population's commitment to public education was evident as residents in almost every township approved school funding. By 1851 public schools were up and running in the city of Minneapolis, and the University of Minnesota was chartered.

Future

Over the last 16 years Hennepin County experienced an increase of 200,052 residents or 19.4 percent. The county's labor force also increased 10.1 percent or 62,342 participants during this time. The county's population and labor force are also projected to increase, with the population estimated to grow by just over 204,000 (15.8 percent) and the labor force, despite a tightening labor market, is expected to see growth of about 43,300 participants or 6 percent growth. Almost 461,500 people both live and work in the county, but a large number (166,367) of residents leave to work outside of the county. However, Hennepin County is a labor importer with a substantial number of workers (over 447,000) commuting into the county for their jobs. Ramsey and Dakota counties send in the most commuters, but also draw the most Hennepin County residents for work.

Trends

Just over 71 percent of the total jobs across all industries within Hennepin County is made up of four industries – Education and Health Services (21.9 percent or 197,592 jobs in 4,542 firms), Professional and Business Services (21.7 percent or 195,623 jobs in 8,105 firms), Trade, Transportation, and Utilities (18.1 percent or 163,393 jobs in 7,223 firms), and Financial Activities (9.5 percent or 85,198 jobs in 4,394 firms). In general, the county saw a decent sized increase in total jobs in the last 10 years (2006-2016), with a jump of 58,291 jobs (6.9 percent). Interestingly, in 2006 Education and Health Services was the third largest industry, but with a jump of 24.2 percent (38,474 jobs) it was number one in 2016. Additionally, Professional and Business Services added an additional 34,288 jobs during this time, a jump of 21.3 percent. Unfortunately, both Trade, Transportation, and Utilities and Financial Activities saw declines of 3.4 percent (5,654) and 5.3 percent (4,485) jobs, respectively, from 2006 to 2016.

Economy

2016 Estimates	Hennepin County	Minnesota
Population	1,232,486	5,519,952
Labor Force (8/2017)	707,001	3,082,329
Average Unemployment (8/2017)	3.5%	3.6%
Average Household Income (2015)	$92,879	$80,444
Cost of Living (Individual)	$31,724	$29,856
Cost of Living (Average Family)	$61,777	$55,200

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

Industry

	Total Employment	Total Employment, 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**901,225**	**6.9%**	**$66,872**	**26.5%**
1	Education and Health Services	197,592	24.2%	$53,456	18.3%
2	Professional and Business Services	195,623	21.3%	$86,996	33.5%
3	Trade, Transportation, and Utilities	163,393	-3.4%	$57,824	26.8%
4	Financial Activities	85,198	-5.3%	$107,380	32.6%

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

CountySnapshot Houston

Past

Situated in the southeast corner of the state, Houston County saw its beginning in 1854 when a land office opened in the city of Brownsville. Its position in the state made it a “natural entry point” when the first settlers were moving in from the east. Spanning about 24 miles top to bottom, and close to the same size east to west, the county is located in the “Driftless area,” which is a small portion of the Midwest region that was safe from the coverage of ice and glaciers that occurred during the last stage of glaciation.

Future

From 1990 to 2016 Houston county saw a small increase in the population, jumping from 18,497 to 18,814 (317 residents or 1.7 percent). During the same 16 years, the labor force saw over double that, gaining 716 participants (7.3 percent). Unfortunately, the population and labor force are projected to decrease in the future, with the population expected to drop by 1,710 (9.1 percent) from 2016 to 2040 and the labor force projected to drop by 1,477 (14.9 percent) from 2016 to 2030. Of the workers in the county, 3,450 both live and work in the county while an additional 2,125 commute in from the surrounding areas. Houston County, however, is a net exporter of labor with almost 6,500 county residents leaving the county for their jobs. The county sees the most non-residents commuting in from La Crosse and Winona Counties as well as sends the most residents to the same two counties for work.

Economy

2016 Estimates	Houston County	Minnesota
Population	18,814	5,519,952
Labor Force (8/2017)	10,297	3,082,329
Average Unemployment (8/2017)	2.9%	3.6%
Average Household Income (2015)	$64,686	$80,444
Cost of Living (Individual)	$26,941	$29,856
Cost of Living (Average Family)	$47,017	$55,200

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

Trends

2016 annual averages show that an estimated 71.2 percent of all jobs in Houston County are made up of only four industries. Those four industries are Education and Health Services (1,556 jobs, 30.2 percent in 55 establishments), Trade, Transportation, and Utilities (1,044 jobs, 20.3 percent in 89 establishments), Manufacturing (600 jobs, 20.3 percent in 23 establishments), and Public Administration (469 jobs, 9.1 percent in 16 establishments). Overall, Houston County saw a very small decrease in the number of jobs from 2006 to 2016, dropping by only five, a change of just 0.1 percent. Surprisingly, given that the Southeast region is a bit of a powerhouse when it comes to Manufacturing, that industry saw a significant decline in jobs throughout the county, dropping by almost 30 percent (28.4 percent) during this time period, going from 838 Manufacturing jobs in 2006 to 600 jobs in 2016. The remaining three industries that make up the top four all saw increases ranging from 4.7 percent (21 more jobs in Public Administration) to 9.3 percent (133 additional Education and Health Services jobs).

Industry

	Top Industries of Employment	Total Employment, 2016	Percent Change 2006-2016	Average Annual Wages	Percent Change 2006-2016
	Total, All Industries	**5,150**	**-0.1%**	**$32,236**	**28.2%**
1	Education and Health Services	1,556	9.3%	$30,264	23.3%
2	Trade, Transportation, and Utilities	1,044	6.7%	$31,096	29.7%
3	Manufacturing	600	-28.4%	$37,388	43.2%
4	Public Administration	469	4.7%	$29,432	30.7%

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

by Mark Schultz