

March 2024 Employment Analysis

(Embargoed until 10 am Thursday, April 18, 2024)

Over-the-Month Overview

- The unemployment rate remained at 2.7% in March 2024 from the prior month. The labor force increased by 3,018 people over the month to 3,097,736 people. The number of employed increased by 3,029 workers, and the number of unemployed decreased by 11 people. The labor force participation rate ticked up one-tenth of a percentage to 68.0%.
- Minnesota gained 11,000 jobs in the last month on a seasonally adjusted basis, translating to 0.4% change. The private sector gained 8,000 jobs, up 0.3%. The U.S. total nonfarm employment increased by 303,000 jobs, or 0.2%. The U.S. private sector gained 232,000 jobs, also 0.2%.
- Five supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month, including:
 - Leisure and Hospitality gained 5,000 jobs, up 1.9%
 - Government gained 3,000 jobs, up 0.7%
 - Education and Health Services gained 2,800 jobs, up 0.5%
 - Construction gained 2,700 jobs, up 2.1%
 - Other Services gained 500 jobs, up 0.4%
- Mining & Logging had no change over the month.
- Five supersectors lost jobs over the month:
 - Financial Activities lost 900 jobs, down 0.5%
 - Information lost 700, down 1.6%
 - Professional & Business Services lost 700 jobs, down 0.2%
 - Manufacturing lost 500 jobs, down 0.2%
 - Trade, Transportation and Utilities lost 200 jobs, down 0.0%
- Minnesota lost 414,500 jobs from February through April 2020 and has since recovered 443,500 jobs as of March 2024, which brings Minnesota to 101.0% of the number of jobs prior to the Pandemic Recession on a seasonally adjusted basis. The private sector lost 384,100 jobs from February through April 2020 and has regained 402,400 jobs as of March, or 100.7% recovered.
- Calculating seasonally adjusted 2-month job change, Minnesota gained 7,700 jobs in November-January, up 0.3%; gained 10,900 jobs in December-February, up 0.4%; and gained 14,000 jobs in January-March, up 0.5%. Nationally, the U.S. grew 0.3% in November-January, 0.3% in December-February, and 0.4% in January-March.

Over-the-Year Job Growth

- Minnesota gained 47,508 payroll jobs, up 1.6%, over the year. The private sector gained 23,161 jobs, up 0.9% over the year.
- Six supersectors posted positive annual growth:
 - Government gained 24,347 jobs, up 5.8%, outpacing the U.S. growth rate of 3.0%. Growth was healthy across all sectors, especially Local Government (7.0%).
 - Education and Health Services gained 24,552 jobs, up 4.4%. Growth was propelled by the Healthcare and Social Assistance sector (5.4%) despite declines in the Educational Services sector (-2.3%). The U.S. grew at similar rate of 4.3%.
 - Leisure and Hospitality gained 10,990 jobs, up 4.4%. All sectors grew. Nationally, this supersector grew 2.8%.
 - Trade, Transportation, and Utilities gained 8,153 jobs, up 1.6% compared to 0.5% nationally. Retail Trade (2.0%) and Wholesale Trade (2.8%) grew while Transportation, Warehousing, and Utilities declined (-0.9%).
 - Other Services gained 4,147 jobs, up 3.7%, outpacing the national rate of 1.9%. All sectors posted growth.
 - Mining and Logging gained 557 jobs, up 9.4% compared to 1.8% nationally.
- Five supersectors lost jobs over the year:
 - Professional & Business Services lost 13,900 jobs, down 3.6%, while the U.S. grew 0.7%. Most sectors saw decline, the biggest percentage decline was in Employment Services (-13.3%).
 - Financial Activities lost 5,579 jobs over the year, down 2.9%, while the U.S. rate grew 0.8%. Losses were consistent in every sector.
 - Manufacturing lost 3,195 jobs, down 1.0%, while the U.S. grew 0.2%. Both Durable Goods and Non-Durable Goods Manufacturing sectors experienced loss.
 - Information lost 2,198 jobs, down 4.9%. All subsectors saw decline. The U.S. also experienced decline in this supersector, down 1.3%.
 - Construction lost 366 jobs, down 0.3%. Losses were consistent across most sectors except for Heavy and Civil Engineering Construction, which continued high growth at 23.7%. The U.S. Construction supersector grew 3.6%.
- Overall U.S. employment grew 1.9% over the year with the private sector up 1.7%. All supersectors grew except Information.

March Over the Year (OTY) Employment Growth by Industry Sector Not Seasonally Adjusted			
Industry Supersector	MN OTY Job Change	MN OTY Growth Rate (%)	US OTY Growth Rate (%)
Total	47,508	1.6	1.9
Private	23,161	0.9	1.7

Mining & Logging	557	9.4	1.8
Construction	-366	-0.3	3.6
Manufacturing	-3,195	-1.0	0.2
Trade, Transport. & Utilities	8,153	1.6	0.5
Information	-2,198	-4.9	-1.3
Financial Activities	-5,579	-2.9	0.8
Prof. & Business Services	-13,900	-3.6	0.7
Ed. & Health Services	24,552	4.4	4.3
Leisure & Hospitality	10,990	4.4	2.8
Other Services	4,147	3.7	1.9
Government	24,347	5.8	3.0

Wage and Hour Data

- Average hourly wages for all private sector workers increased 14 cents to \$36.99 in March 2024 over the month. Over the year average hourly earnings increased \$1.70, up 4.8%.
 - Nationally private sector wages increased 3 cents over the month and rose 4.1% over the year.
 - The CPI inflation index for all urban consumers rose 3.5% over the year in March.
- At 33 hours per week, Minnesota’s March average work week did not change from the month prior. Over-the-year it decreased by six-tenths of an hour.
 - Nationally, the average work week increased by one-tenth of an hour over the month to 34.2 hours. Over-the-year, it did not change.

Unemployment Data

- The unemployment rate stayed at 2.7% in March on a seasonally adjusted basis. The number of employed increased by 3,029 workers, and the number of unemployed decreased 11. The employment to population ratio stayed at 66.1% compared to the prior month.
- The labor force increased 3,018 people over the month, totaling 3,097,763 people in March. The labor force participation rate ticked up one-tenth of a percentage point to 68%. Minnesota’s labor force was 33,832 people fewer than in February 2020 when the participation rate was at 70%.
- Nationally, over the month, the unemployment rate ticked down one-tenth of a percentage point to 3.8% and the employment to population ratio ticked up two-tenths of a percentage point to 60.3%. The labor force participation rate increased two-tenths of a percentage point to 62.7%.

Industry Details

Mining and Logging: Employment in Mining and Logging was flat over the month (OTM) in March, holding at 6,800 seasonally adjusted jobs. Employment in the supersector is off by 100 jobs so far in 2024.

Over the year, Mining and Logging employers added 557 jobs, or 9.4%. This was greater than the national growth of 1.8%, though it is also the lowest annual proportional growth for the supersector since November of 2023.

Construction: Construction employers added 2,700 jobs (2%) OTM in March. It was the first month of seasonally adjusted growth for the supersector since December. This also marks the highest employment level in the supersector since October.

Over the year, Construction employers lost 366 jobs, or 0.3%. This was an improvement over February, when OTY growth was at -1.2%. Strong growth in Heavy and Civil Engineering (up 2,736 jobs, or 23.7%) helped check the losses in the supersector as both other major component sectors, Construction of Buildings and Specialty Trade Contractors, shed jobs on the year (off 692 or 2.4%, and 2,410 or 3.1%, respectively).

Manufacturing: Employment in Manufacturing was off by 500 (0.2%) OTM in March. Both component sectors posted negative growth, with Durable Goods down by 400 jobs (0.2%) and Non-Durable Goods down by 100 jobs (0.1%). It was the first negative monthly growth for the supersector since December.

Over the year, Manufacturing employment was down by 3,195, or 1%. Durable Goods manufacturers lost 2,196 jobs (1.1%) with losses coming primarily in Fabricated Metal Product Manufacturing (down 1,185, or 2.6%). Non-Durable Goods manufacturing was down by 999 jobs (0.9%), despite the fact that the only major published component sector, Food Manufacturing, added 590 jobs (1.3%).

Trade, Transportation, and Utilities: Employment in Trade, Transportation and Utilities was mostly flat in March, down by 200 jobs (0.0%). Gains in Retail Trade (up 300, or 0.1%) were offset by losses in Wholesale Trade (down 200, 0.1%) and Transportation, Warehousing and Utilities (down 300, 0.3%). The supersector has lost jobs in each of the last two months, but is still up slightly so far in 2024, on a seasonally adjusted basis.

Over the year, Trade, Transportation and Utilities employers added 8,153 jobs, or 1.6%. This was stronger than the national growth of 0.5%. Wholesale Trade employment was up 3,665 (2.8%) and Retail Trade was up 5,499 (2%). Transportation, Warehousing and Utilities employment was off by 1,011 (0.9%), with Transportation and Warehousing down 1,372, or 1.4%.

Information: Information employment was down by 700 (1.6%) OTM in March. It was the largest proportional decline of any supersector in the state, following two months of seasonally adjusted growth.

Over the year, Information employers lost 2,198 jobs, or 4.9%, a slight improvement over February's 5% decline. Publishing employers lost 999 jobs (5.1%) and Telecommunications was off by 305 (3.4%).

Financial Activities: Employment in Financial Activities was down by 900 (0.5%) OTM in March. Finance and Insurance lost 700 jobs (1.6%) and Real Estate and Rental and Leasing lost 200 jobs (0.6%).

Over the year, Financial Activities employers lost 5,579 jobs, or 2.9%, with declines in both published component sectors. The 2.9% decline is worse than February's 2.4% loss, and marks the lowest proportional annual growth for the supersector. It was also the lowest OTY growth since 2009, as Financial Activities faced relatively fewer lost jobs than other supersectors due to the 2020 COVID outbreak.

Professional and Business Services: Professional and Business Services employers lost 700 jobs (0.2%) OTM in March. Management of Companies was off by 900 (1%) and Administrative and Support and Waste Management was down 500 (0.4%), while Professional, Scientific and Technical Services added 700 jobs (0.4%).

On an annual basis, the supersector lost 13,900 jobs (3.6%). It has not added jobs over a twelve month period since June of 2023. Professional, Scientific and Technical Services lost 1,823 jobs (1.1%), Management of Companies lost 2,746 jobs (3.1%) and Administrative and Support and Waste Management lost 9,331 jobs (7.4%). Employment Services was down 13.3% (7,539 jobs), the largest proportional loss of any published component sector but an improvement over February's 14% decline.

Education and Health Services: Education and Health Services added 2,800 jobs, or 0.5%, OTM in March. The supersector has added jobs in every month going back to November of 2022. The March growth came entirely in Health Care and Social Assistance, which added 4,000 jobs (0.8%), while Educational Services lost 1,200 jobs (1.6%).

Over the year, the supersector added 24,552 jobs (4.4%). This was the largest real job growth of any supersector in the state, and outpaced the national growth of 4.3%. Health Care and Social Assistance added 26,319 jobs (5.4%), with Nursing and Residential Care Facilities up 6.6%, while Educational Services employers lost 1,767 jobs (2.3%).

Leisure and Hospitality: Employment in Leisure and Hospitality was up by 5,000 (1.9%) OTM in March. It was the most jobs added in any supersector in the state. Arts, Entertainment and Recreation added 1,400 jobs, and Accommodation and Food Services added 3,600 jobs (1.6%).

Over the year, the supersector added 10,990 jobs (4.4%), which was an improvement over February's 2.2% growth, and better than the national 2.8% OTY growth. Arts, Entertainment and Recreation employment was up 707 (1.7%) and Accommodation and Food Services was up 10,283 (4.9%).

Other Services: Other Services employment was up by 500 (0.4%) OTM in March. It was the second consecutive month of growth in the supersector, which has not lost jobs on a seasonally adjusted basis since April of 2023.

Over the year, employment in Other Services was up 4,147 (3.7%). This was slightly down from February’s 4% annual growth. All published component sectors added jobs on the year, with Religious, Grantmaking, Civic and Professional Organizations up 2,271 jobs (3.7%), Personal and Laundry Services up 1,377 jobs (5.2%) and Repair and Maintenance up 499 jobs (2.1%).

Government: Government employers added 3,000 jobs (0.7%) OTM in March. It was the eighth consecutive month of seasonally adjusted positive growth for the supersector. Every level of government added jobs on the month, with the most real and proportional growth coming at the Local Government level, up 2,400 jobs, or 0.8%.

Over the year, Government employers added 24,347 jobs (5.8%). This was greater than the national growth of 3%. Every published component sector added jobs on the year. Federal employers added 1,100 jobs (3.4%), State employers added 3,310 (3.2%) and Local employers added 19,937 jobs (7%). Educational and non-educational components at the state and local levels both added jobs on the year.

Over-the-Year Job Growth by MSAs

March data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	22,337	1.2
Duluth-Superior MN-WI MSA	159	0.1
Rochester MSA	3,984	3.3
St. Cloud MSA	1,347	1.3
Mankato MSA	362	0.6
Fargo-Moorhead ND-MN MSA (February)	1,400	0.9
Grand Forks-East Grand Forks ND-MN MSA (February)	900	1.7
La Crosse-Onalaska WI-MN (February)	1,800	2.3

**Labor Market Information Office
MN Department of Employment and Economic Development
April 18, 2024**