EMPLOYMENT AND ECONOMIC DEVELOPMENT

Review ONLINE

Minnesota Employment Review

mn.gov/deed/review

August 2019 Data...September 2019 Issue

Is Graduating from High School Still Relevant?

The short answer is yes. Not graduating from high school nowadays will severely limit employment opportunities, probably for life. Back when our grandparents or great grandparents were in school, it was somewhat common to drop out of school, but they often had good reason like the Great Depression and limited options. Three and four generations ago most farms relied heavily on human labor to operate, often pulling children from school to work the fields and tend to livestock, but it was frequently a matter of livelihood. Work or go broke or hungry or both.

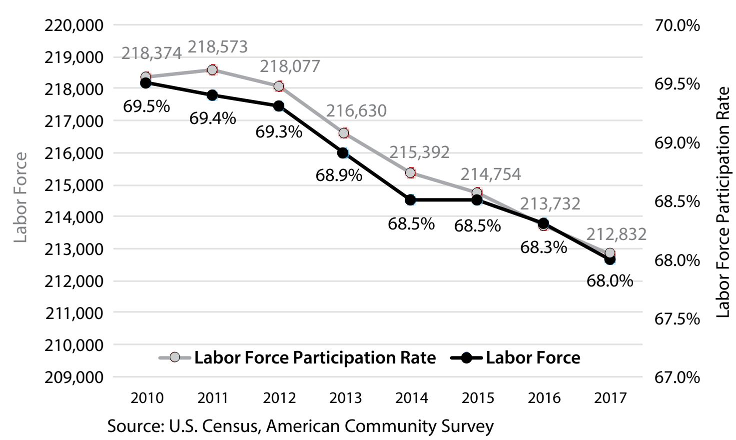
Since those days much has changed. Our economy relies on far less labor in the agriculture industry, and opportunities for workers without a high school diploma have shifted. Workers just entering the labor force who lack this valuable accomplishment will find themselves with far fewer employment options that provide a livable wage than their grandparents or great grandparents had. The relationship between completing high school or GED and employment is evident in poverty data.

Fluctuations of Opportunity

Employment opportunities depend greatly on labor market conditions, and the unique trends in southwest Minnesota give workers with the lowest levels of educational attainment a bit of a leg up.

Not only has the regional labor force seen a 2.5 percent decline since the start of this decade, a drop of 5,542 labor force participants, but the region's labor force participation rate has also seen steady declines over the years, dropping from 69.5 percent in 2010 to 68.0 percent in 2017. So it appears that part of the reason the region is seeing a very tight labor force is because fewer people are actively participating in the labor force (fewer people working or looking for work).

Figure 1. Labor Force and Labor Force Participation Rate Trends, Southwest Minnesota, 2010-2017



Source: U.S. Census, American Community Survey

Given the region's

current reality, many employers are finding themselves having to do one or more things to attract and retain employees. First, some are considering applicants whom they wouldn't have considered in the past, such as those with a criminal background or lack of work history. Second, some are increasing their starting wages and/or either beginning to offer benefits or increasing the benefits that an employee is eligible for. Other incentives some employers are utilizing to attract and retain employees are hiring bonuses, paid time off, and flexible scheduling. So what else can employers do to find employees to fill their job vacancies?

One additional consideration for employers is trying to attract individuals from groups that have low labor force participation rates.

One such group is those who do not have a high school diploma. The labor force participation rate among individuals with less than a high school diploma is markedly lower than that of the region's total labor force between the ages of 25 and 64 as well as compared to other levels of educational achievement.

Like the trend seen in the total labor force outlined in Figure 1, the labor force participation rates for the prime working age population and individuals with less than a high school diploma have both decreased since 2010 (see Figure 2). Thus, as employers are looking at applicants without a high school education to fill job vacancies, subsequently opening up opportunities for those with this level of education, fewer of these individuals are participating in the labor force over time.

Ten years ago, when the last recession was peaking, not having a high school diploma made it very difficult to find work as employers had access to a large supply of people with high school education or higher looking to find work when demand for employees was low. In today's labor market things have changed, and many employers may find themselves having to consider individuals without a high school education to fill their vacancies. But since people without a high school diploma have a much higher chance of living in poverty, there is an opportunity amidst a tight labor market to capitalize on decreasing educational requirements and help people in poverty to get jobs or get better jobs if they are already employed.

More than one in five residents of southwest Minnesota who don't have a high school diploma live in poverty. Or put another way, people who lack a high school diploma are nearly three times more likely to live in poverty than the population that has achieved at least a high school diploma (see Figure 3).

Table 1. Southwest Minnesota Employment Characteristics, 2017

Characteristic	In Labor Force	Labor Force Participation Rate	Unemployment Rate
Population, 25 to 64 years	161,437	84.8%	2.8%
Less than High School Diploma	9,494	68.8%	3.5%
High School Diploma or Equivalent	47,576	81.4%	2.2%
Some College or Assoc. Degree	63,243	87.4%	2.5%
Bachelor's Degree or Higher	41,129	90.1%	1.3%

Source: U.S. Census, American Community Survey

Not just a Diploma

Graduating from high school is not just something to check off to move to higher levels of education. Throughout secondary school, students are gaining highly sought after employment skills. According to TalentNeuron, a software analytics company that searches job postings for keywords, the five most frequently cited skills for job openings in Minnesota are:

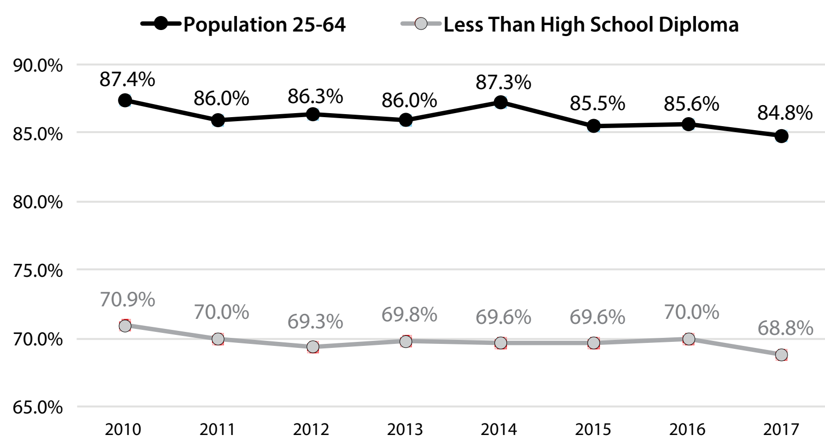
1. Oral and written communication skills
2. Detail oriented
3. Problem solving
4. Microsoft Office
5. Integrity

The skills employers are most commonly looking for are the basic foundation, and they apply to a broad variety and level of occupations. Many are the same skills that students begin to learn in our secondary schools and become reinforced and honed through work.

It's plausible that leaving school without being able to prove basic mastery of skills like communication and problem solving could limit the types of work a high school dropout can find. However, according to the most recent Census data, it's more common for people in poverty to have a part-time job than it is for them not to work at all. And even more challenging is that one in 10 people living in poverty work full-time jobs (see Figure 4). Getting a job isn't enough to get out of poverty for many workers.

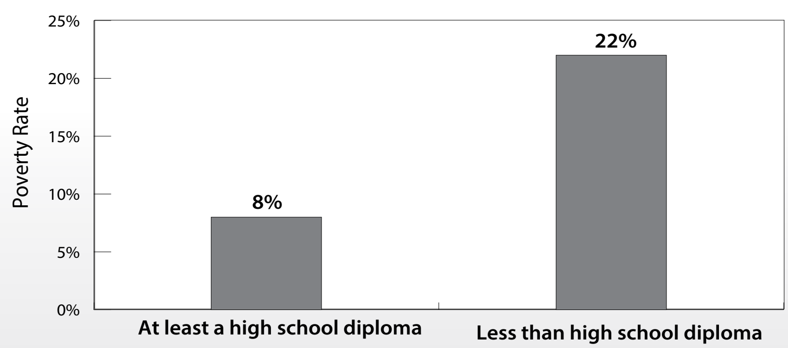
Since poverty reflects family size relative to the number of earners in a household, single parents need to earn higher incomes to be above the poverty threshold than a single

Figure 2. Labor Force Participation Trends for Population 25 to 64 and Less than High School Diploma 2017



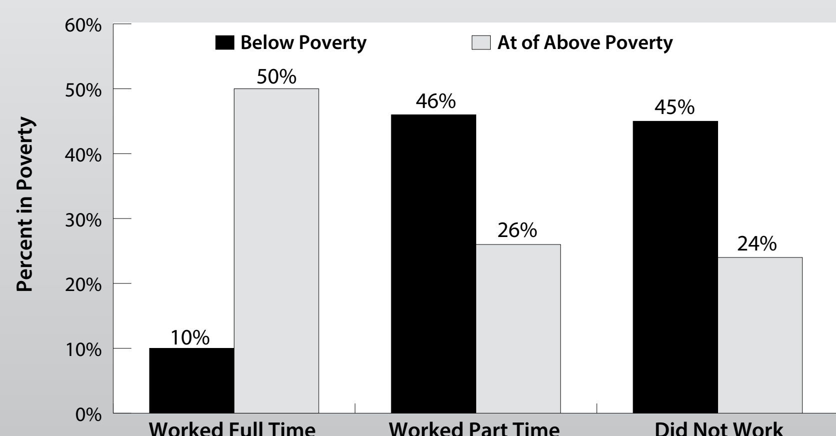
Source: U.S. Census, American Community Survey

Figure 3. Poverty Rates for Southwest Minnesotans 25 Years and Older



Source: U.S. Census Bureau, ACS 2013-2017

Figure 4. Work Experience for Southwest Minnesotans in Poverty



Source: U.S. Census Bureau, ACS 2013-2017 person without children. This is also the main reason why a larger share of women working full-time live in poverty than men.

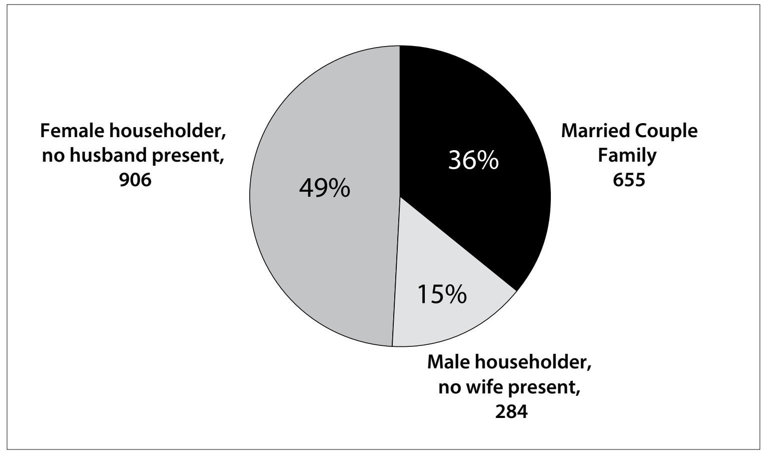
Almost half of family householders with low educational attainment (less than high school diploma) living in poverty are females in the region, compared to just 15 percent for men. It's a curious statistic that likely reflects the higher proportion of unmarried women or no-longer-married women to have children or other relatives living with them compared to men. Combined, unmarried men- and women-led family households make up two thirds of the families without a high school diploma that live in poverty (see Figure 5).

All is Not Lost

Although the barriers for workers without a high school diploma are considerable, this population appears to be benefitting from the expanding economy and tight labor market. Averaging the median wages at various education levels for each county in southwest Minnesota and examining two separate, five-year periods shows wage growth for each education level. Workers without a high school diploma have enjoyed faster wage growth than any other educational group (see Figure 6).

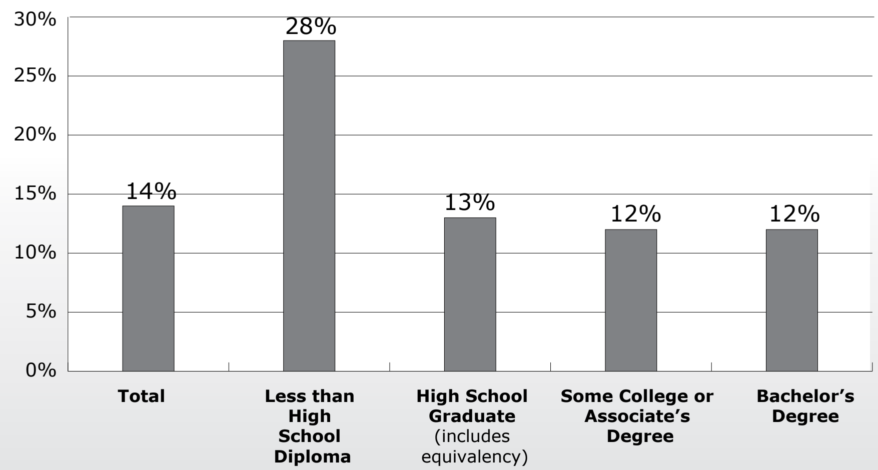
It's important for populations that face barriers in the labor market to take advantage of the current economic conditions to gain experience and skills before a downturn. Increasing the labor force participation rate for people without a high school diploma could help them gain valuable skills that could provide necessary employment stability throughout changing economic conditions.

Figure 5. Types of Families for People without a High School Diploma Who LIve in Poverty, Southwest Minnesota



Source: U.S. Census Bureau, ACS 2013-2017

Figure 6. Average Median Wage Growth from 2012-2017, Southwest Minnesota



Source: U.S. Census Bureau, ACS 2013-2017

by Luke Greiner and Mark Schultz

Regional Spotlight
Southwest Minnesota

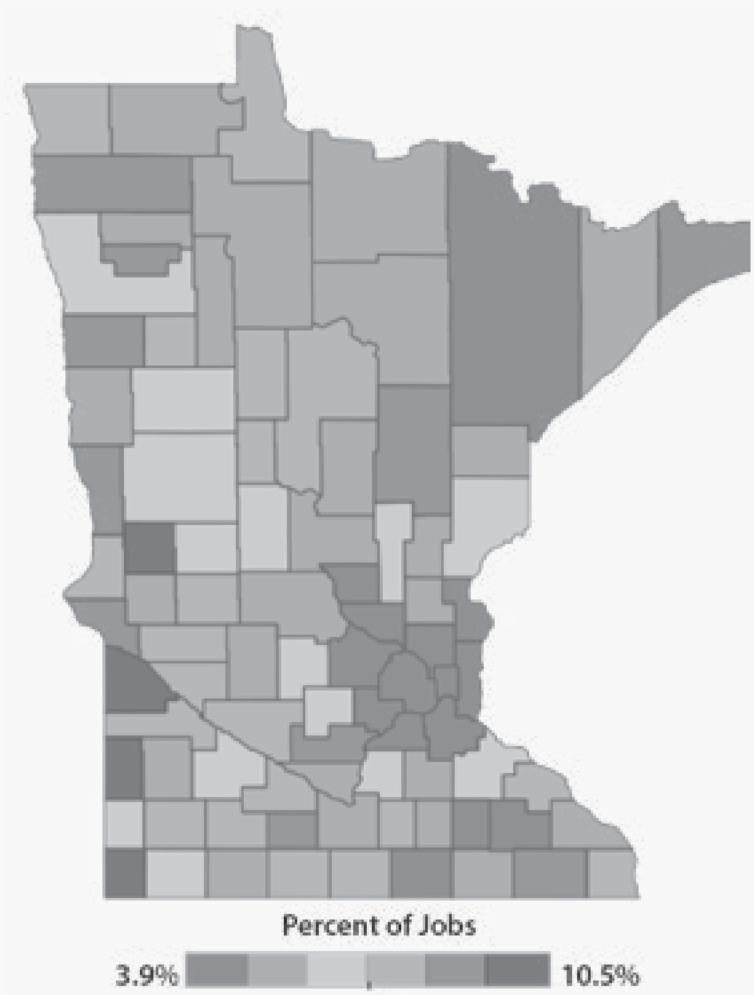
Fun With Statistics

By now the conversations of changing demographics have reached far and wide. Organizations of all sorts are working to position themselves to ease the transition of baby boomers leaving our labor market. According the DEED's Quarterly Employment Demographic data, parts of rural Minnesota depend to a larger degree on older workers, those 65 years or older. Mapping the share of jobs by county reveals how regional economic hubs, including the Twin Cities, might be better situated to withstand the loss of a large generation in the labor force. It's likely that since these regional economic hubs have mostly been adding a healthy number of jobs over the past decade that they are filling newly created entry level jobs with young workers. Whereas counties with negative or very slow job growth have a relatively smaller share of new entry level jobs that young workers typically pursue with or without higher education. Even college grads usually start in entry level job.

The highest share of jobs held by young workers is mostly found in the collar counties to the north of the Twin Cities that have an abundance of communities with large numbers of young families. It's also easy to see the impact that colleges have on rural communities by attracting young workers. Workers 20-to-24 hold a significantly larger share of employment in rural counties with colleges like Beltrami, Blue Earth, Clay, Lyon, St. Louis, Stearns, Stevens, and Winona Counties. Consequently the counties between those regional hubs, and counties with a college have a larger share of jobs held by workers 65 years or older.

by Luke Greiner

Share of Jobs Held by Workers 65 Years and Older



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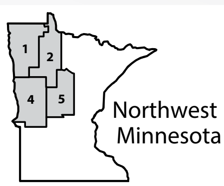
Labor Force Estimates

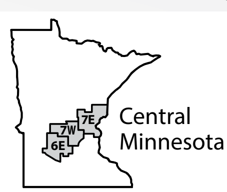
County/Area	Labor Force Aug 2019	Labor Force Jul 2019	Labor Force Aug 2018	Employment Aug 2019	Employment Jul 2019	Employment Aug 2018	Unemployment Aug 2019	Unemployment Jul 2019	Unemployment Aug 2018	Rate of Unemployment Aug 2019	Rate of Unemployment Jul 2019	Rate of Unemployment Aug 2018
United States ('000s)												
(Seasonally adjusted)	163,922	163,351	161,776	157,878	157,288	155,542	6,044	6,063	6,234	3.7%	3.7%	3.9%
(Unadjusted)	164,019	164,941	161,909	157,816	158,385	155,539	6,203	6,556	6,370	3.8	4.0	3.9
Minnesota												
(Seasonally adjusted)	3,112,506	3,107,128	3,069,657	3,009,030	3,002,544	2,984,059	103,476	104,584	85,598	3.3	3.4	2.8
(Unadjusted)	3,130,150	3,156,133	3,073,160	3,036,202	3,051,742	2,992,833	93,948	104,391	80,327	3.0	3.3	2.6
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	2,041,161	2,051,514	2,022,398	1,981,678	1,987,011	1,972,544	59,483	64,503	49,854	2.9	3.1	2.5
Duluth-Superior MSA	143,947	145,174	143,272	138,477	139,228	138,597	5,470	5,946	4,675	3.8	4.1	3.3
Rochester MSA	128,015	129,364	121,576	124,706	125,724	118,949	3,309	3,640	2,627	2.6	2.8	2.2
St. Cloud MSA	113,778	114,489	111,692	110,555	111,019	108,922	3,223	3,470	2,770	2.8	3.0	2.5
Mankato-N Mankato MSA	60,914	61,147	60,893	59,222	59,362	59,613	1,692	1,785	1,280	2.8	2.9	2.1
Fargo-Moorhead MSA	138,503	139,312	137,550	135,678	136,253	134,538	2,825	3,059	3,012	2.0	2.2	2.2
Grand Forks MSA	53,888	54,301	53,476	52,527	52,722	52,040	1,361	1,579	1,436	2.5	2.9	2.7
Region One	**46,301**	**47,452**	**45,169**	**44,705**	**45,459**	**43,770**	**1,596**	**1,993**	**1,399**	**3.4**	**4.2**	**3.1**
Kittson	2,358	2,448	2,259	2,278	2,350	2,209	80	98	50	3.4	4.0	2.2
Marshall	5,281	5,505	5,135	5,095	5,284	4,947	186	221	188	3.5	4.0	3.7
Norman	3,335	3,547	3,248	3,210	3,378	3,126	125	169	122	3.7	4.8	3.8
Pennington	8,801	8,845	8,626	8,579	8,565	8,420	222	280	206	2.5	3.2	2.4
Polk	16,488	16,914	16,021	15,897	16,136	15,479	591	778	542	3.6	4.6	3.4
Red Lake	2,206	2,244	2,162	2,120	2,146	2,087	86	98	75	3.9	4.4	3.5
Roseau	7,832	7,949	7,718	7,526	7,600	7,502	306	349	216	3.9	4.4	2.8
Region Two	**44,409**	**44,922**	**43,280**	**42,714**	**42,977**	**41,699**	**1,695**	**1,945**	**1,581**	**3.8**	**4.3**	**3.7**
Beltrami	24,868	24,883	24,273	23,967	23,882	23,435	901	1,001	838	3.6	4.0	3.5
Clearwater	4,411	4,522	4,325	4,170	4,235	4,087	241	287	238	5.5	6.3	5.5
Hubbard	10,401	10,677	10,090	10,030	10,241	9,749	371	436	341	3.6	4.1	3.4
Lake of the Woods	2,458	2,527	2,351	2,346	2,404	2,268	112	123	83	4.6	4.9	3.5
Mahnomen	2,271	2,313	2,241	2,201	2,215	2,160	70	98	81	3.1	4.2	3.6
Region Three	**165,955**	**167,470**	**162,128**	**159,349**	**160,093**	**156,534**	**6,606**	**7,377**	**5,594**	**4.0**	**4.4**	**3.5**
Aitkin	7,244	7,331	7,073	6,938	6,975	6,825	306	356	248	4.2	4.9	3.5
Carlton	17,789	17,975	17,325	17,099	17,220	16,767	690	755	558	3.9	4.2	3.2
Cook	3,422	3,470	3,319	3,331	3,361	3,261	91	109	58	2.7	3.1	1.7
Itasca	22,610	22,760	21,953	21,465	21,467	20,983	1,145	1,293	970	5.1	5.7	4.4
Koochiching	6,133	6,247	6,051	5,768	5,812	5,748	365	435	303	6.0	7.0	5.0
Lake	5,788	5,837	5,761	5,619	5,648	5,623	169	189	138	2.9	3.2	2.4
St. Louis	102,969	103,850	100,646	99,129	99,610	97,327	3,840	4,240	3,319	3.7	4.1	3.3
City of Duluth	46,317	46,641	45,419	44,882	45,100	44,066	1,435	1,541	1,353	3.1	3.3	3.0
Balance of St. Louis County	56,652	57,209	55,227	54,247	54,510	53,261	2,405	2,699	1,966	4.2	4.7	3.6
Region Four	**130,693**	**132,704**	**127,030**	**127,013**	**128,250**	**123,956**	**3,680**	**4,454**	**3,074**	**2.8**	**3.4**	**2.4**
Becker	19,637	19,326	18,900	19,093	18,647	18,425	544	679	475	2.8	3.5	2.5
Clay	36,069	36,382	35,268	35,105	35,242	34,386	964	1,140	882	2.7	3.1	2.5
Douglas	21,632	21,851	21,132	21,065	21,226	20,670	567	625	462	2.6	2.9	2.2
Grant	3,308	3,435	3,237	3,200	3,301	3,141	108	134	96	3.3	3.9	3.0
Otter Tail	32,606	33,664	31,640	31,585	32,328	30,852	1,021	1,336	788	3.1	4.0	2.5
Pope	6,638	6,815	6,413	6,474	6,614	6,293	164	201	120	2.5	2.9	1.9
Stevens	5,497	5,669	5,370	5,362	5,523	5,256	135	146	114	2.5	2.6	2.1
Traverse	1,753	1,849	1,666	1,698	1,790	1,625	55	59	41	3.1	3.2	2.5
Wilkin	3,553	3,713	3,404	3,431	3,579	3,308	122	134	96	3.4	3.6	2.8
Region Five	**86,551**	**87,810**	**84,043**	**83,635**	**84,431**	**81,542**	**2,916**	**3,379**	**2,501**	**3.4**	**3.8**	**3.0**
Cass	15,443	15,651	15,007	14,867	15,017	14,491	576	634	516	3.7	4.1	3.4
Crow Wing	33,781	33,877	32,931	32,730	32,744	32,042	1,051	1,133	889	3.1	3.3	2.7
Morrison	17,657	18,081	17,079	17,071	17,406	16,601	586	675	478	3.3	3.7	2.8
Todd	13,740	14,105	13,242	13,301	13,583	12,843	439	522	399	3.2	3.7	3.0
Wadena	5,930	6,096	5,784	5,666	5,681	5,565	264	415	219	4.5	6.8	3.8
Region Six East	**67,202**	**68,206**	**65,485**	**65,097**	**65,872**	**63,816**	**2,105**	**2,334**	**1,669**	**3.1**	**3.4**	**2.5**
Kandiyohi	25,311	25,774	24,486	24,590	24,956	23,928	721	818	558	2.8	3.2	2.3
McLeod	19,662	19,855	19,388	19,010	19,158	18,915	652	697	473	3.3	3.5	2.4
Meeker	13,281	13,477	13,035	12,878	13,046	12,699	403	431	336	3.0	3.2	2.6
Renville	8,948	9,100	8,576	8,619	8,712	8,274	329	388	302	3.7	4.3	3.5

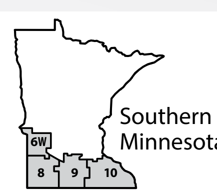
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

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

County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Aug 2019	Jul 2019	Aug 2018	Aug 2019	Jul 2019	Aug 2018	Aug 2019	Jul 2019	Aug 2018	Aug 2019	Jul 2019	Aug 2018
Region Six West	**23,261**	**24,311**	**22,543**	**22,523**	**23,321**	**21,922**	**738**	**990**	**621**	**3.2%**	**4.1%**	**2.8%**
Big Stone	2,506	2,648	2,447	2,441	2,564	2,384	65	84	63	2.6	3.2	2.6
Chippewa	6,927	7,126	6,666	6,699	6,832	6,502	228	294	164	3.3	4.1	2.5
Lac Qui Parle	3,377	3,573	3,325	3,276	3,439	3,208	101	134	117	3.0	3.8	3.5
Swift	5,078	5,345	4,940	4,918	5,090	4,799	160	255	141	3.2	4.8	2.9
Yellow Medicine	5,373	5,619	5,165	5,189	5,396	5,029	184	223	136	3.4	4.0	2.6
Region Seven East	**88,173**	**88,992**	**86,833**	**85,204**	**85,698**	**84,266**	**2,969**	**3,294**	**2,567**	**3.4**	**3.7**	**3.0**
Chisago	30,147	30,390	29,666	29,210	29,360	28,868	937	1,030	798	3.1	3.4	2.7
Isanti	21,390	21,530	21,086	20,702	20,789	20,478	688	741	608	3.2	3.4	2.9
Kanabec	8,909	9,017	8,750	8,616	8,659	8,468	293	358	282	3.3	4.0	3.2
Mille Lacs	12,869	12,996	12,651	12,390	12,474	12,236	479	522	415	3.7	4.0	3.3
Pine	14,858	15,059	14,680	14,286	14,416	14,216	572	643	464	3.8	4.3	3.2
Region Seven West	**242,008**	**243,618**	**236,996**	**235,254**	**236,247**	**230,994**	**6,754**	**7,371**	**6,002**	**2.8**	**3.0**	**2.5**
Benton	22,058	22,159	21,438	21,398	21,459	20,845	660	700	593	3.0	3.2	2.8
Sherburne	52,423	52,739	51,701	50,917	51,079	50,399	1,506	1,660	1,302	2.9	3.1	2.5
Stearns	91,720	92,330	89,072	89,157	89,560	86,815	2,563	2,770	2,257	2.8	3.0	2.5
Wright	75,807	76,390	74,785	73,782	74,149	72,935	2,025	2,241	1,850	2.7	2.9	2.5
Region Eight	**64,253**	**66,748**	**62,262**	**62,336**	**64,268**	**60,553**	**1,917**	**2,480**	**1,709**	**3.0**	**3.7**	**2.7**
Cottonwood	5,803	6,203	5,626	5,584	5,868	5,297	219	335	329	3.8	5.4	5.8
Jackson	5,748	6,169	5,638	5,583	5,779	5,481	165	390	157	2.9	6.3	2.8
Lincoln	3,313	3,490	3,144	3,212	3,376	3,079	101	114	65	3.0	3.3	2.1
Lyon	14,683	15,032	14,266	14,250	14,523	13,885	433	509	381	2.9	3.4	2.7
Murray	4,923	5,103	4,719	4,758	4,921	4,609	165	182	110	3.4	3.6	2.3
Nobles	11,330	11,622	10,971	10,990	11,235	10,707	340	387	264	3.0	3.3	2.4
Pipestone	5,150	5,311	4,947	5,026	5,167	4,861	124	144	86	2.4	2.7	1.7
Redwood	7,568	7,909	7,396	7,325	7,622	7,184	243	287	212	3.2	3.6	2.9
Rock	5,735	5,909	5,555	5,608	5,777	5,450	127	132	105	2.2	2.2	1.9
Region Nine	**133,515**	**135,462**	**129,900**	**129,509**	**130,896**	**126,649**	**4,006**	**4,566**	**3,251**	**3.0**	**3.4**	**2.5**
Blue Earth	40,175	40,259	38,944	39,013	39,055	38,029	1,162	1,204	915	2.9	3.0	2.3
Brown	14,801	15,022	14,337	14,375	14,537	13,975	426	485	362	2.9	3.2	2.5
Faribault	7,172	7,313	7,021	6,932	7,024	6,833	240	289	188	3.3	4.0	2.7
Le Sueur	16,048	16,287	15,760	15,569	15,753	15,338	479	534	422	3.0	3.3	2.7
Martin	10,539	10,973	10,248	10,168	10,382	9,940	371	591	308	3.5	5.4	3.0
Nicollet	20,739	20,888	20,065	20,209	20,307	19,660	530	581	405	2.6	2.8	2.0
Sibley	8,558	8,855	8,295	8,307	8,579	8,102	251	276	193	2.9	3.1	2.3
Waseca	8,946	9,052	8,965	8,646	8,715	8,689	300	337	276	3.4	3.7	3.1
Watonwan	6,537	6,813	6,265	6,290	6,544	6,083	247	269	182	3.8	3.9	2.9
Region Ten	**289,246**	**292,052**	**283,035**	**281,186**	**283,047**	**276,232**	**8,060**	**9,005**	**6,803**	**2.8**	**3.1**	**2.4**
Dodge	12,226	12,448	11,888	11,872	12,053	11,582	354	395	306	2.9	3.2	2.6
Fillmore	11,839	12,191	11,454	11,533	11,845	11,188	306	346	266	2.6	2.8	2.3
Freeborn	15,911	16,294	15,645	15,426	15,710	15,223	485	584	422	3.0	3.6	2.7
Goodhue	27,395	27,673	26,896	26,652	26,813	26,260	743	860	636	2.7	3.1	2.4
Houston	10,571	10,746	10,219	10,299	10,436	9,997	272	310	222	2.6	2.9	2.2
Mower	20,559	20,737	20,176	19,989	20,090	19,672	570	647	504	2.8	3.1	2.5
Olmsted	91,247	91,694	89,127	88,969	89,198	87,291	2,278	2,496	1,836	2.5	2.7	2.1
City of Rochester	67,540	67,878	63,957	65,823	65,993	62,666	1,717	1,885	1,291	2.5	2.8	2.0
Rice	37,439	37,703	36,531	36,281	36,447	35,535	1,158	1,256	996	3.1	3.3	2.7
Steele	20,537	20,560	20,501	19,879	19,812	19,948	658	748	553	3.2	3.6	2.7
Wabasha	12,703	13,031	12,278	12,332	12,628	11,978	371	403	300	2.9	3.1	2.4
Winona	28,819	28,975	28,320	27,954	28,015	27,558	865	960	762	3.0	3.3	2.7
Region Eleven	**1,748,584**	**1,756,388**	**1,724,459**	**1,697,678**	**1,701,183**	**1,680,900**	**50,906**	**55,205**	**43,559**	**2.9**	**3.1**	**2.5**
Anoka	200,329	201,180	197,671	194,489	194,870	192,615	5,840	6,310	5,056	2.9	3.1	2.6
Carver	59,062	59,533	58,105	57,431	57,746	56,767	1,631	1,787	1,338	2.8	3.0	2.3
Dakota	244,885	245,858	241,449	237,780	238,194	235,525	7,105	7,664	5,924	2.9	3.1	2.5
Hennepin	719,761	722,995	709,922	698,825	700,134	691,845	20,936	22,861	18,077	2.9	3.2	2.5
City of Bloomington	47,684	47,971	46,997	46,211	46,297	45,749	1,473	1,674	1,248	3.1	3.5	2.7
City of Minneapolis	247,171	248,214	242,948	239,722	240,171	236,785	7,449	8,043	6,163	3.0	3.2	2.5
Ramsey	295,387	296,675	291,280	286,221	286,799	283,386	9,166	9,876	7,894	3.1	3.3	2.7
City of St. Paul	162,250	162,846	160,520	156,945	157,262	156,109	5,305	5,584	4,411	3.3	3.4	2.7
Scott	84,427	84,756	83,293	82,178	82,358	81,373	2,249	2,398	1,920	2.7	2.8	2.3
Washington	144,733	145,391	142,739	140,754	141,082	139,389	3,979	4,309	3,350	2.7	3.0	2.3







Industrial Analysis

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

Overview

Minnesota employers added 1,100 jobs (0.0 percent) in August on a seasonally adjusted basis, the same number of jobs the state lost in July. August's gain was concentrated among private-sector service providers (up by 1,700 or 0.1 percent) as public sector employment was flat, and goods producers lost 600 jobs (0.1 percent). On the year the state added 11,812 jobs (0.4 percent) with growth split between goods producers (up 5,485 or 1.2 percent) and service providers (up 6,327 or 0.3 percent). Since briefly dipping into slightly negative over-the-year job growth in February, the state has rebounded with six consecutive months of positive over-the-year growth.

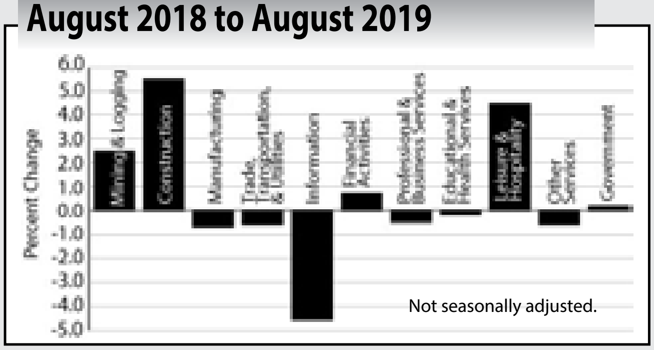
Mining and Logging

Mining and Logging employment was static in August, remaining at 6,800 jobs. That marked six consecutive months of stable employment in the supersector, with the only variance in 2019 coming in February when employment briefly dropped to 6,700. Annually the Mining and Logging supersector added 179 jobs (2.5 percent). Over-the-year growth has remained above 2 percent in every month since March's -0.1 percent mark.

Construction

Employers in the Construction industry added 100 jobs (0.1 percent) in August. This represented the fourth consecutive month of seasonally-adjusted growth in the supersector, suggesting a strong summer for Minnesota builders. Annually Construction employers added 7,600 jobs (5.5 percent), the largest proportional growth rate of any supersector. Specialty Trade Contractors led the way, adding 8,193 jobs (9.4 percent). Heavy and Civil Engineering Construction was down by 1,131 (5.4 percent) on the year.

MN Employment Growth
August 2018 to August 2019



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

Manufacturing

Manufacturers lost 700 jobs (0.2 percent) in August with all of those losses coming in Durable Goods Manufacturing. Employment growth in Non-Durable Goods Manufacturing was flat, marking the first time since February the sector didn't lose jobs over the month. Annually Manufacturing employment was off by 2,294 (0.7 percent), with both major component sectors shedding jobs. Durable Goods was off by 1,000 (0.5 percent), and Non-Durable Goods was off by 1,294 (1.1 percent).

Trade, Transportation, and Utilities

Employment in Trade, Transportation, and Utilities was down 500 (0.1 percent) in August. Wholesale Trade lost 800 jobs (0.6 percent), and Transportation, Warehousing, and Utilities lost 200 (0.2 percent). Retail Trade added 500 jobs (0.2 percent). All three components lost jobs on the year, leading to a decline of 2,996 (0.6 percent) in the supersector. Transportation, Warehousing, and Utilities saw the steepest drop, off by 1.2 percent or 1,213 jobs.

Information

The Information supersector added 800 jobs (1.7 percent) in August. That is the largest adjusted over-the-month job growth for the supersector since before the recession and may be the result of an as-yet-unidentified seasonal variance. On the year the supersector lost 2,270 jobs (4.6 percent). Information employment growth in Minnesota has been consistently negative for over two years.

*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

Employment in Financial Activities was up by 1,100 (0.6 percent) on the month. Finance and Insurance housed all of the growth, gaining 0.7 percent while Real Estate and Rental and Leasing employment remained flat. Over the year Financial Activities employment was up by 1,386 (0.7 percent). Finance and Insurance was up 2,272 (1.5 percent) while Real Estate and Rental and Leasing employment was down by 886 (2.4 percent).

Professional and Business Services

Professional and Business Services lost 1,200 jobs (0.3 percent) in August. Employment was off by 0.6 percent in both Management of Companies and Enterprises (-500) and Administrative and Support and Waste Management and Remediation Services (-800). On the year Professional and Business Services lost 1,811 jobs (0.5 percent), in spite of the addition of 4,233 jobs (2.6 percent) in the largest component sector, Professional, Scientific, and Technical Services. The loss was primarily caused by the continued declines in Employment Services which was off by 9,967 jobs (17 percent), a new post-recession worst for the industry.

Educational and Health Services

Employment in Educational and Health Services was off by 1,800 (0.3 percent) in August. Educational Services employment was down by 500 (0.7 percent), and Health Care and Social Assistance was down by 1,300 (0.3 percent). Over the year Educational and Health Services employment was down by 1,271 (0.2 percent). Educational Services added 2,831 (4.8 percent), while the larger Health Care and Social Assistance sector lost 4,102 (0.9 percent) thanks to declines of 2,468 (2.3 percent) in Nursing and Residential Care Facilities and 2,701 (2.8 percent) in Social Assistance.

Leisure and Hospitality

Leisure and Hospitality led all supersectors in seasonally adjusted growth, adding 2,700 jobs (1 percent) on the month. Both components contributed as Arts, Entertainment and Recreation added 1,500 jobs (3.4 percent), and Accommodation and Food Services added 1,200 (0.5 percent). Prior to August estimates the supersector had lost 2,700 jobs since March. Leisure and Hospitality employers added 13,097 jobs (4.5 percent) on the year. That is the largest real over-the-year job growth, and the second-strongest proportional growth for any supersector in the state after Construction. Accommodation and Food Services drove the annual growth, adding 11,836 jobs or 4.9 percent, with most of that coming from the food services component.

Other Services

Other Services employment was up by 600 (0.5 percent) in August after losing 1,300 jobs in the prior month. On the year the supersector lost 676 jobs (0.6 percent). All of that loss came in Personal and Laundry Services (down 1,146 or 4 percent) as both Repair and Maintenance (up 356, 1.6 percent) and Religious, Grantmaking, Civic, Professional, and Similar Organizations (114, 0.2 percent) added jobs on the year.

Government

Government employment was flat in August as the addition of 400 jobs (1.2 percent) at the Federal level was erased by equivalent combined losses at the State and Local levels. Annually public sector employment was up by 868 jobs (0.2 percent) as Federal employers added 730 jobs (2.3 percent), and State employers added 382 (0.4 percent).

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	Aug 2019	Jul 2019	Jun 2019
Total Nonagricultural	**2,963.7**	**2,962.6**	**2,963.7**
Goods-Producing	**457.7**	**458.3**	**457.2**
Mining and Logging	6.8	6.8	6.8
Construction	130.6	130.5	129.5
Manufacturing	320.3	321.0	320.9
Service-Providing	**2,506.0**	**2,504.3**	**2,506.5**
Trade, Transportation, and Utilities	532.3	532.8	532.7
Information	47.8	47.0	47.1
Financial Activities	186.6	185.5	185.5
Professional and Business Services	376.5	377.7	378.0
Educational and Health Services	541.8	543.6	543.3
Leisure and Hospitality	280.4	277.7	278.9
Other Services	114.3	113.7	115.0
Government	426.3	426.3	426.0

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

Regional Analysis

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

Employment in the Minneapolis-St. Paul-Bloomington MSA was down by 4,014 jobs (0.2 percent) in August, roughly matching the state's over-the-month decline. Notable declines were present in Manufacturing (down 1,086 or 0.5 percent), Professional and Business Services (down 1,539, 0.5 percent), Government (down 1,707, 0.7 percent), and Educational and Health Services (down 2,455, 0.7 percent). In all, five of the 10 published supersectors lost jobs on the month. Among the supersectors that showed positive growth, the largest in both real and proportional terms was Leisure and Hospitality, adding 1,656 jobs or 0.8 percent, with growth in both component sectors. Over the year the metro area lost 933 jobs (0.0 percent). The decline is notable as it marks the area as the only MSA in the state to lose jobs on the year. Employment in Minnesota as a whole was up by 0.4 percent, despite the fact that the metro area accounts for over two-thirds of the state's total employment. Educational and Health Services was down sharply on the year, off by 7,747 jobs (2.3 percent), the largest proportional and real job loss of any supersector in the area. Losses were mostly concentrated in the Health Care and Social Assistance component (down 7,636 or 2.6 percent) with Ambulatory Health Care Services losing 2,370 jobs (2.5 percent), Nursing and Residential Care Facilities losing 1,720 (2.9 percent), and Social Assistance losing 4,428 (6.1 percent).

Duluth-Superior MSA

Employment in the Duluth-Superior MSA was off by 445 jobs (0.3 percent) in August, outpacing Minnesota's loss of 0.2 percent. Mining, Logging, and Construction lost 265 jobs (2.4 percent), and Educational and Health Services lost 300 (1 percent). Trade, Transportation, and Utilities was a bright spot for the MSA, adding 167 jobs (0.7 percent) thanks to an increase of 184 jobs (2.8 percent) in Transportation, Warehousing, and Utilities. Over the year Duluth added 1,191 jobs (0.9 percent). Over-the-year job growth in the MSA has been climbing each month since June and outpaced the state's 0.4 percent over-he-year growth in August. Mining, Logging, and Construction had the strongest growth, both proportionally and in real jobs, as the supersector added 807 jobs or 7.9 percent. Professional and Business Services also had notable job growth, adding 412 jobs or 5.2 percent. Educational and Health Services employment was down by 421 (1.3 percent) over-the-year, and Financial Activities was off by 143 (2.5 percent).

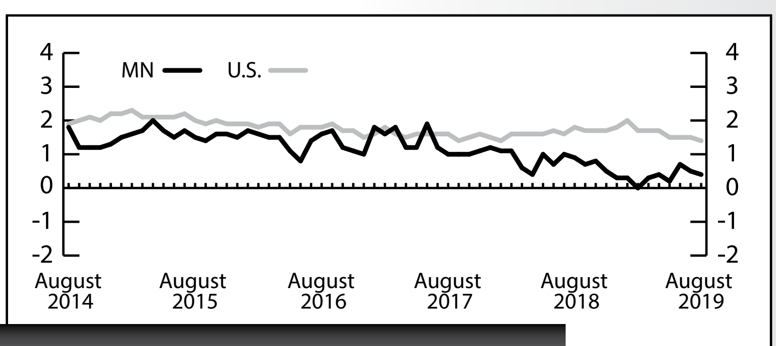
Rochester MSA

The Rochester MSA lost 144 jobs (0.1 percent) in August. Educational and Health Services led the decline, down 594 jobs (1.2 percent) while Manufacturing employers lost 189 jobs (1.6 percent). Trade, Transportation, and Utilities employment was up by 312 (1.7 percent) with Retail Trade adding 336 jobs (2.6 percent). On the year the Rochester MSA added 919 jobs (0.7 percent). Manufacturers added 345 jobs (3.1 percent), and Mining, Logging, and Construction employment was up by 203 (3.9 percent). Educational and Health Services employment was down by 292 (0.6 percent), and the largest proportional decline came in Information where employment was off by 3.4 percent (56 jobs).

St. Cloud MSA

The Saint Cloud MSA added 465 jobs (0.4 percent) in August. Government employers added 391 jobs (2.9 percent), with State Government contributing 239 of those jobs (up 8.2 percent). Leisure and Hospitality added 205 jobs (2.4 percent) on the month.

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



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

Annually the MSA added 1,497 jobs (1.4 percent), easily outpacing the state's 0.4 percent over-the-year growth. Mining, Logging, and Construction continued to do well on an annual basis, adding 863 jobs or 11.1 percent. Educational and Health Services also had a strong showing, up by 675 jobs or 3.1 percent. Leisure and Hospitality employment was down by 229 jobs (2.6 percent) on the year.

Mankato-North Mankato MSA

The Mankato-North Mankato MSA added 611 jobs (1.1 percent) in August which represented the largest proportional over-the-month job growth of any MSA in the state, coming on the heels of one of the worst performances in the state in July when employment was down by 2.9 percent. August's growth came entirely from service providers who added 692 jobs (1.5 percent) while goods producers lost 81 jobs (0.7 percent). Annually the Mankato-North Mankato MSA added 924 jobs (1.6 percent), the strongest over-the-year job growth of any Minnesota MSA. Growth was consistent across published categories, with goods producers adding 278 jobs (2.6 percent) and service providers adding 646 (1.4 percent).

Fargo-Moorhead MSA

The Fargo-Moorhead MSA added 485 jobs (0.3 percent) in August. Professional and Business Services added 474 jobs (2.8 percent), the largest proportional growth of any supersector. The steepest decline came in Mining, Logging, and Construction which was off by 2.1 percent or 211 jobs. Over the year the MSA added 853 jobs (0.6 percent). Trade, Transportation, and Utilities lost 831 jobs (2.8 percent) thanks to the loss of 1,075 jobs (6.9 percent) in Retail Trade. Those losses, however, were more than made up for by growth in other supersectors. Notably, Professional and Business Services added 1,080 jobs (6.7 percent), the largest real and proportional growth of any supersector in the Fargo-Moorhead area.

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA added 574 jobs (1.1 percent) in August. Leisure and Hospitality employment was up by 258 (4.5 percent), and Trade, Transportation, and Utilities employment was up by 223 (2.1 percent). On the year the MSA added 298 jobs (0.6 percent). Professional and Business Services added 203 jobs (5.9 percent). Government employers lost 262 jobs (2.2 percent).

by Nick Dobbins

Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

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

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Aug 2019	Jul 2019	Aug 2018	Jul 2019	Aug 2018	Aug 2019	Aug 2018	Aug 2019	Aug 2018	Aug 2019	Aug 2018
TOTAL NONFARM WAGE AND SALARY	**2,992.4**	**2,997.0**	**2,980.6**	**-0.2%**	**0.4%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**477.2**	**478.6**	**471.7**	**-0.3**	**1.2**	—	—	—	—	—	—
Mining, Logging, and Construction	**151.8**	**152.0**	**144.0**	**-0.1**	**5.4**	—	—	—	—	—	—
Mining and Logging	**7.2**	**7.2**	**7.1**	**1.1**	**2.5**	—	—	—	—	—	—
Construction	**144.6**	**144.8**	**137.0**	**-0.2**	**5.5**	—	—	—	—	—	—
Specialty Trade Contractors	95.3	95.8	87.1	-0.6	9.4	$1,273.49	$1,305.04	39.1	39.8	$32.57	$32.79
Manufacturing	**325.3**	**326.6**	**327.6**	**-0.4**	**-0.7**	**938.54**	**901.55**	**41.2**	**41.7**	**22.78**	**21.62**
Durable Goods	206.7	208.5	207.7	-0.9	-0.5	973.24	939.55	40.4	41.1	24.09	22.86
Wood Product Manufacturing	12.3	12.2	12.0	0.1	2.0	—	—	—	—	—	—
Fabricated Metal Production	44.2	44.7	44.1	-1.1	0.0	—	—	—	—	—	—
Machinery Manufacturing	34.6	34.9	34.1	-0.8	1.4	—	—	—	—	—	—
Computer and Electronic Product	46.6	46.8	46.1	-0.4	1.2	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	27.4	27.5	27.2	-0.2	0.8	—	—	—	—	—	—
Transportation Equipment	11.1	11.1	11.0	-0.2	1.0	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.5	16.5	16.3	0.0	1.7	—	—	—	—	—	—
Nondurable Goods	118.7	118.1	120.0	0.4	-1.1	883.15	840.07	42.5	42.6	20.78	19.72
Food Manufacturing	47.9	47.5	49.4	0.8	-3.0	—	—	—	—	—	—
SERVICE-PROVIDING	**2,515.2**	**2,518.4**	**2,508.9**	**-0.1**	**0.3**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**536.3**	**536.0**	**539.3**	**0.1**	**-0.6**	—	—	—	—	—	—
Wholesale Trade	131.7	132.9	132.3	-0.9	-0.5	1,096.91	1,040.93	39.7	39.7	27.63	26.22
Retail Trade	300.7	300.0	301.9	0.2	-0.4	452.34	467.93	27.7	29.1	16.33	16.08
Motor Vehicle and Parts	37.0	37.0	36.4	0.0	1.8	—	—	—	—	—	—
Building Material and Garden Equipment	27.9	28.6	27.5	-2.4	1.4	—	—	—	—	—	—
Food and Beverage Stores	58.5	58.1	56.9	0.7	2.8	—	—	—	—	—	—
Gasoline Stations	26.6	26.5	26.4	0.5	0.7	—	—	—	—	—	—
General Merchandise Stores	58.9	58.9	62.0	0.0	-5.0	408.69	411.42	28.5	29.9	14.34	13.76
Transportation,Warehouse, Utilities	104.0	103.1	105.2	0.8	-1.2	—	—	—	—	—	—
Transportation and Warehousing	91.6	90.7	92.8	1.0	-1.3	742.58	761.45	32.3	31.9	22.99	23.87
Information	**47.6**	**47.0**	**49.8**	**1.1**	**-4.6**	**0.00**		**0.0**		**0.00**	
Publishing Industries	18.6	18.7	19.2	-0.1	-3.0	—	—	—	—	—	—
Telecommunications	11.4	11.5	12.2	-0.5	-5.9	—	—	—	—	—	—
Financial Activities	**188.2**	**187.7**	**186.8**	**0.3**	**0.7**	—	—	—	—	—	—
Finance and Insurance	152.7	151.9	150.4	0.5	1.5	1,181.26	1,205.38	37.1	37.1	31.84	32.49
Credit Intermediation	66.0	65.5	65.0	0.7	1.5	823.18	786.71	36.7	36.9	22.43	21.32
Securities, Commodity Contracts, and Other	20.8	20.6	20.7	0.7	0.6	—	—	—	—	—	—
Insurance Carriers and Related	65.9	65.8	64.7	0.2	1.8	—	—	—	—	—	—
Real Estate and Rental and Leasing	35.5	35.7	36.4	-0.7	-2.4	—	—	—	—	—	—
Professional and Business Services	**382.4**	**383.7**	**384.2**	**-0.3**	**-0.5**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	168.2	168.3	164.0	0.0	2.6	—	—	—	—	—	—
Legal Services	18.4	18.5	18.4	-0.3	0.0	—	—	—	—	—	—
Accounting, Tax Preparation	14.8	14.9	14.4	-0.5	2.9	—	—	—	—	—	—
Computer Systems Design	34.9	35.5	37.2	-1.6	-6.2	—	—	—	—	—	—
Management of Companies and Enterprises	82.3	82.7	82.2	-0.6	0.1	—	—	—	—	—	—
Administrative and Support Services	131.9	132.7	138.0	-0.6	-4.4	—	—	—	—	—	—
Educational and Health Services	**538.3**	**542.1**	**539.6**	**-0.7**	**-0.2**	—	—	—	—	—	—
Educational Services	61.6	64.0	58.8	-3.7	4.8	—	—	—	—	—	—
Health Care and Social Assistance	476.7	478.1	480.8	-0.3	-0.9	—	—	—	—	—	—
Ambulatory Health Care	158.2	158.7	158.2	-0.4	0.0	1,114.05	1,310.12	33.8	37.4	32.96	35.03
Offices of Physicians	76.4	76.3	75.5	0.2	1.2	—	—	—	—	—	—
Hospitals	116.5	116.5	115.4	0.0	0.9	—	—	—	—	—	—
Nursing and Residential Care Facilities	106.9	106.9	109.3	0.0	-2.3	513.74	471.41	27.8	27.6	18.48	17.08
Social Assistance	95.2	96.0	97.9	-0.9	-2.8	—	—	—	—	—	—
Leisure and Hospitality	**306.8**	**303.6**	**293.7**	**1.1**	**4.5**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	55.6	53.8	54.4	3.4	2.3	—	—	—	—	—	—
Accommodation and Food Services	251.2	249.8	239.3	0.5	4.9	—	—	—	—	—	—
Food Services and Drinking Places	218.0	216.6	206.5	0.6	5.6	308.74	285.49	21.5	20.9	14.36	13.66
Other Services	**115.1**	**114.2**	**115.7**	**0.8**	**-0.6**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	64.4	64.3	64.3	0.2	0.2	—	—	—	—	—	—
Government	**400.7**	**404.2**	**399.8**	**-0.9**	**0.2**						
Federal Government	32.8	32.4	32.0	1.2	2.3						
State Government	91.7	93.1	91.3	-1.6	0.4						
State Government Education	49.3	50.6	49.8	-2.5	-1.0						
Local Government	276.2	278.7	276.5	-0.9	-0.1						
Local Government Education	120.5	122.2	120.7	-1.4	-0.1						

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, 2019.

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

Numbers are unadjusted.

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

Industry	Jobs* (Thousands) Aug 2019	Jobs* (Thousands) Jul 2019	Jobs* (Thousands) Aug 2018	Percent Change From** Jul 2019	Percent Change From** Aug 2018	Production Workers Hours and Earnings: Average Weekly Earnings Aug 2019	Average Weekly Earnings Aug 2018	Average Weekly Hours Aug 2019	Average Weekly Hours Aug 2018	Average Hourly Earnings Aug 20198	Average Hourly Earnings Aug 2018
TOTAL NONFARM WAGE AND SALARY	**2,026.4**	**2,030.4**	**2,027.3**	**-0.2%**	**0.0%**	-	-	-	-	-	-
GOODS-PRODUCING	**297.8**	**298.5**	**293.0**	**-0.2**	**1.6**	-	-	-	-	-	-
Mining, Logging, and Construction	**95.0**	**94.6**	**90.9**	**0.4**	**4.4**	-	-	-	-	-	-
Construction of Buildings	19.7	19.6	19.3	0.6	2.2	-	-	-	-	-	-
Specialty Trade Contractors	61.3	61.2	60.1	0.1	2.0	$1,410.66	$1,366.39	40.7	39.4	$34.66	$34.68
Manufacturing	**202.8**	**203.9**	**202.1**	**-0.5**	**0.4**	**969.33**	**928.19**	**40.9**	**41.4**	**23.70**	**22.42**
Durable Goods	139.1	140.3	137.6	-0.8	1.1	999.69	979.22	40.1	41.3	24.93	23.71
Fabricated Metal Production	30.6	31.1	30.5	-1.4	0.3	-	-	-	-	-	-
Machinery Manufacturing	20.6	20.8	20.7	-0.7	-0.4	-	-	-	-	-	-
Computer and Electronic Product	38.1	38.2	37.6	-0.2	1.6	-	-	-	-	-	-
Navigational, Measuring, Electromedical and Control	25.7	25.8	25.4	-0.2	1.3	-	-	-	-	-	-
Medical Equipment and Supplies Manufacturing	15.7	15.7	15.4	0.4	2.4	-	-	-	-	-	-
Nondurable Goods	63.7	63.7	64.4	0.1	-1.1	912.49	831.50	42.6	41.7	21.42	19.94
Food Manufacturing	15.2	15.0	15.7	1.7	-2.9	-	-	-	-	-	-
Printing and Related	13.5	13.6	13.8	-0.2	-2.0	-	-	-	-	-	-
SERVICE-PROVIDING	**1,728.6**	**1,731.9**	**1,734.3**	**-0.2**	**-0.3**	-	-	-	-	-	-
Trade, Transportation, and Utilities	**362.3**	**362.1**	**362.5**	**0.1**	**-0.1**	-	-	-	-	-	-
Wholesale Trade	95.2	95.7	95.6	-0.5	-0.4	1,208.08	1,027.58	39.3	38.2	30.74	26.90
Merchant Wholesalers - Durable Goods	56.2	56.5	55.3	-0.7	1.5	-	-	-	-	-	-
Merchant Wholesalers - Nondurable Goods	32.2	32.3	32.7	-0.3	-1.5	-	-	-	-	-	-
Retail Trade	192.5	192.4	193.3	0.0	-0.4	481.01	486.17	28.7	29.9	16.76	16.26
Food and Beverage Stores	36.6	36.3	35.9	0.8	1.8	-	-	-	-	-	-
General Merchandise Stores	38.7	38.7	39.5	-0.1	-2.0	396.66	398.42	27.7	29.6	14.32	13.46
Transportation, Warehouse, Utilities	74.7	74.0	73.7	0.9	1.4	-	-	-	-	-	-
Utilities	7.5	7.6	7.6	-0.6	-0.6	-	-	-	-	-	-
Transportation and Warehousing	67.2	66.4	66.1	1.1	1.6	943.02	815.96	39.0	34.9	24.18	23.38
Information	**37.4**	**37.2**	**38.3**	**0.4**	**-2.3**	-	-	-	-	-	-
Publishing Industries	15.4	15.4	15.6	0.0	-1.5	-	-	-	-	-	-
Telecommunications	7.3	7.3	7.8	0.4	-6.1	-	-	-	-	-	-
Financial Activities	**152.3**	**152.5**	**152.0**	**-0.1**	**0.2**	-	-	-	-	-	-
Finance and Insurance	123.3	123.3	122.9	0.0	0.3	1,318.13	1,253.90	37.5	37.7	35.15	33.26
Credit Intermediation	49.2	49.1	49.1	0.3	0.2	-	-	-	-	-	-
Securities, Commodity Contracts, and Other	18.3	18.2	18.6	0.6	-1.4	-	-	-	-	-	-
Insurance Carriers and Related	55.8	56.0	55.2	-0.5	1.0	-	-	-	-	-	-
Real Estate and Rental and Leasing	29.0	29.2	29.1	-0.6	-0.2	-	-	-	-	-	-
Professional and Business Services	**328.0**	**329.6**	**330.5**	**-0.5**	**-0.8**	-	-	-	-	-	-
Professional, Scientific, and Technical Services	147.5	147.5	144.4	0.0	2.2	-	-	-	-	-	-
Legal Services	15.9	15.9	15.9	-0.2	0.1	-	-	-	-	-	-
Architectural, Engineering, and Related	20.7	20.8	19.8	-0.1	4.7	-	-	-	-	-	-
Computer Systems Design	32.2	33.0	34.2	-2.4	-5.7	-	-	-	-	-	-
Management of Companies and Enterprises	75.9	76.4	75.5	-0.7	0.5	-	-	-	-	-	-
Administrative and Support Services	104.6	105.7	110.7	-1.0	-5.4	-	-	-	-	-	-
Employment Services	43.6	43.7	49.5	-0.3	-11.9	-	-	-	-	-	-
Educational and Health Services	**327.5**	**330.0**	**335.3**	**-0.7**	**-2.3**	-	-	-	-	-	-
Educational Services	40.4	42.1	40.5	-4.0	-0.3	-	-	-	-	-	-
Health Care and Social Assistance	287.1	287.9	294.8	-0.3	-2.6	-	-	-	-	-	-
Ambulatory Health Care	91.7	92.5	94.1	-0.9	-2.5	-	-	-	-	-	-
Hospitals	69.2	69.0	68.3	0.2	1.3	-	-	-	-	-	-
Nursing and Residential Care Facilities	58.6	57.7	60.3	1.5	-2.9	-	-	-	-	-	-
Social Assistance	67.7	68.7	72.1	-1.4	-6.1	-	-	-	-	-	-
Leisure and Hospitality	**206.9**	**205.3**	**201.2**	**0.8**	**2.8**	-	-	-	-	-	-
Arts, Entertainment, and Recreation	42.3	41.4	41.9	2.2	1.0	-	-	-	-	-	-
Accommodation and Food Services	164.6	163.8	159.3	0.5	3.3	334.11	316.96	22.2	22.4	15.05	14.15
Food Services and Drinking Places	148.0	147.2	143.6	0.6	3.1	326.53	311.74	21.9	22.0	14.91	14.17
Other Services	**81.0**	**80.5**	**80.4**	**0.6**	**0.7**	-	-	-	-	-	-
Repair and Maintenance	15.6	15.1	14.7	3.4	5.7	-	-	-	-	-	-
Religious, Grantmaking, Civic, Professional Organizations	43.1	43.0	43.1	0.3	0.0	-	-	-	-	-	-
Government	**233.1**	**234.8**	**234.1**	**-0.7**	**-0.4**						
Federal Government	21.6	21.4	21.3	1.0	1.5						
State Government	61.1	61.7	61.1	-1.0	0.0						
State Government Education	32.7	33.3	33.5	-1.7	-2.1						
Local Government	150.4	151.7	151.7	-0.8	-0.9						
Local Government Education	73.7	74.7	74.8	-1.3	-1.4						

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

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

Employer Survey

Industry	Duluth-Superior MSA Jobs Aug 2019	Jobs Jul 2019	Jobs Aug 2018	% Chg. From Jul 2019	% Chg. From Aug 2018	Rochester MSA Jobs Aug 2019	Jobs Jul 2019	Jobs Aug 2018	% Chg. From Jul 2019	% Chg. From Aug 2018
TOTAL NONFARM WAGE AND SALARY	**136,874**	**137,319**	**135,683**	**-0.3%**	**0.9%**	**125,996**	**126,140**	**125,077**	**-0.1%**	**0.7%**
GOODS-PRODUCING	**18,981**	**19,257**	**18,134**	**-1.4**	**4.7**	**16,996**	**17,205**	**16,448**	**-1.2**	**3.3**
Mining, Logging, and Construction	10,982	11,247	10,175	-2.4	7.9	5,414	5,434	5,211	-0.4	3.9
Manufacturing	7,999	8,010	7,959	-0.1	0.5	11,582	11,771	11,237	-1.6	3.1
SERVICE-PROVIDING	**117,893**	**118,062**	**117,549**	**-0.1**	**0.3**	**109,000**	**108,935**	**108,629**	**0.1**	**0.3**
Trade, Transportation, and Utilities	24,544	24,377	24,793	0.7	-1.0	18,454	18,142	18,057	1.7	2.2
Wholesale Trade	3,266	3,264	3,252	0.1	0.4	2,876	2,889	2,910	-0.4	-1.2
Retail Trade	14,601	14,620	15,210	-0.1	-4.0	13,047	12,711	12,479	2.6	4.6
Transportation, Warehouse, Utilities	6,677	6,493	6,331	2.8	5.5	2,531	2,542	2,668	-0.4	-5.1
Information	1,250	1,247	1,302	0.2	-4.0	1,608	1,618	1,664	-0.6	-3.4
Financial Activities	5,522	5,535	5,665	-0.2	-2.5	2,810	2,805	2,830	0.2	-0.7
Professional and Business Services	8,301	8,285	7,889	0.2	5.2	6,371	6,366	6,192	0.1	2.9
Educational and Health Services	31,217	31,517	31,638	-1.0	-1.3	50,843	51,437	51,135	-1.2	-0.6
Leisure and Hospitality	16,516	16,582	15,955	-0.4	3.5	12,147	11,910	12,175	2.0	-0.2
Other Services	6,711	6,683	6,667	0.4	0.7	3,796	3,833	3,797	-1.0	0.0
Government	23,832	23,836	23,640	0.0	0.8	12,971	12,824	12,779	1.1	1.5

Employer Survey

Industry	St. Cloud MSA Jobs Aug 2019	Jobs Jul 2019	Jobs Aug 2018	% Chg. From Jul 2019	% Chg. From Aug 2018	Mankato MSA Jobs Aug 2019	Jobs Jul 2019	Jobs Aug 2018	% Chg. From Jul 2019	% Chg. From Aug 2018
TOTAL NONFARM WAGE AND SALARY	**111,191**	**110,726**	**109,694**	**0.4%**	**1.4%**	**57,383**	**56,772**	**56,459**	**1.1**	**1.6%**
GOODS-PRODUCING	**24,603**	**24,648**	**23,347**	**-0.2**	**5.4**	**10,816**	**10,897**	**10,538**	**-0.7**	**2.6**
Mining, Logging, and Construction	8,643	8,663	7,780	-0.2	11.1	--	--	--	--	--
Manufacturing	15,960	15,985	15,567	-0.2	2.5	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**86,588**	**86,078**	**86,347**	**0.6**	**0.3**	**46,567**	**45,875**	**45,921**	**1.5**	**1.4**
Trade, Transportation, and Utilities	22,434	22,471	22,806	-0.2	-1.6	--	--	--	--	--
Wholesale Trade	5,178	5,205	5,161	-0.5	0.3	--	--	--	--	--
Retail Trade	13,063	13,056	13,669	0.1	-4.4	--	--	--	--	--
Transportation, Warehouse, Utilities	4,193	4,210	3,976	-0.4	5.5	--	--	--	--	--
Information	1,298	1,294	1,390	0.3	-6.6	--	--	--	--	--
Financial Activities	5,427	5,382	5,265	0.8	3.1	--	--	--	--	--
Professional and Business Services	8,728	8,772	8,735	-0.5	-0.1	--	--	--	--	--
Educational and Health Services	22,138	22,165	21,463	-0.1	3.1	--	--	--	--	--
Leisure and Hospitality	8,605	8,400	8,834	2.4	-2.6	--	--	--	--	--
Other Services	3,871	3,898	3,854	-0.7	0.4	--	--	--	--	--
Government	14,087	13,696	14,000	2.9	0.6	8,467	8,085	8,169	4.7	3.6

Employer Survey

Industry	Fargo-Moorhead MSA Jobs Aug 2019	Jobs Jul 2019	Jobs Aug 2018	% Chg. From Jul 2019	% Chg. From Aug 2018	Grand Forks-East Grand Forks MSA Jobs Aug 2019	Jobs Jul 2019	Jobs Aug 2018	% Chg. From Jul 2019	% Chg. From Aug 2018
TOTAL NONFARM WAGE AND SALARY	**141,819**	**141,334**	**140,966**	**0.3%**	**0.6%**	**54,013**	**53,439**	**53,715**	**1.1%**	**0.6%**
GOODS-PRODUCING	**20,058**	**20,247**	**20,161**	**-0.9**	**-0.5**	**7,800**	**7,823**	**7,663**	**-0.3**	**1.8**
Mining, Logging, and Construction	9,721	9,932	9,774	-2.1	-0.5	3,307	3,358	3,339	-1.5	-1.0
Manufacturing	10,337	10,315	10,387	0.2	-0.5	4,493	4,465	4,324	0.6	3.9
SERVICE-PROVIDING	**121,761**	**121,087**	**120,805**	**0.6**	**0.8**	**46,213**	**45,616**	**46,052**	**1.3**	**0.4**
Trade, Transportation, and Utilities	29,358	29,631	30,189	-0.9	-2.8	10,857	10,634	11,087	2.1	-2.1
Wholesale Trade	9,014	9,058	8,911	-0.5	1.2	1,924	1,928	1,884	-0.2	2.1
Retail Trade	14,439	14,713	15,514	-1.9	-6.9	6,715	6,612	7,000	1.6	-4.1
Transportation, Warehouse, Utilities	5,905	5,860	5,764	0.8	2.5	2,218	2,094	2,203	5.9	0.7
Information	3,058	3,086	3,041	-0.9	0.6	541	540	551	0.2	-1.8
Financial Activities	10,740	10,690	11,058	0.5	-2.9	2,025	2,031	1,961	-0.3	3.3
Professional and Business Services	17,327	16,853	16,247	2.8	6.7	3,631	3,582	3,428	1.4	5.9
Educational and Health Services	25,541	25,503	24,578	0.2	3.9	9,888	9,813	9,630	0.8	2.7
Leisure and Hospitality	14,283	13,989	14,416	2.1	-0.9	6,014	5,756	5,747	4.5	4.7
Other Services	4,945	4,961	4,885	-0.3	1.2	1,837	1,867	1,966	-1.6	-6.6
Government	16,509	16,374	16,391	0.8	0.7	11,420	11,393	11,682	0.2	-2.2

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

Minnesota Economic Indicators

Highlights

The **Minnesota Index** jumped to an all-time high of 138.9 in August, climbing by 0.4 percent. The index's climb was supported by an increase in wage and salary employment and a drop in the state's unemployment rate. The U.S. index increased by 0.2 percent.

The August reading was 0.8 percent higher than a year ago compared to the U.S. annual gain of 2.8 percent. Minnesota's economic growth over the last 12 months has been significantly slower than U.S. growth.

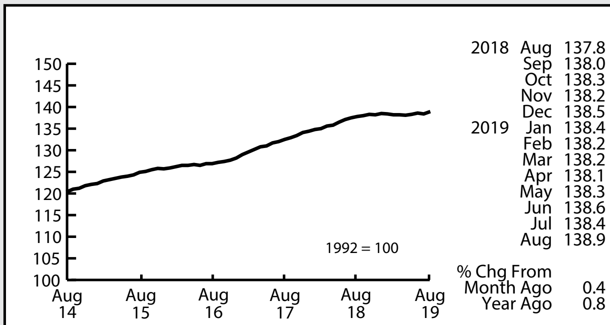
Adjusted **Wage and Salary Employment** bounced back in August as 1,100 jobs were added, the same number of jobs that were cut in July. Minnesota's seasonally adjusted wage and salary employment is up only 2,600 through August. Minnesota added 18,100 jobs over the same period in 2018. Job growth in the state has nearly stalled out even though jobs have increased in six of the eight months so far this year. Job estimates from October 2018 to September 2019 will be benchmarked in March next year. The revised job numbers are expected to show slightly higher job growth but annual job growth will be down for the fourth straight year.

The private sector accounted for all 1,100 jobs as public sector jobs were unchanged from last month. All of the job growth was in service providing industries as goods producing employment retreated for the first time in six months. Minnesota manufacturers cut payroll totals in August after adding to their payrolls over the previous two months. Leisure and Hospitality along with Financial Activities added the most workers while Educational and Health Services and Professional and Business Services cut the most workers.

Online Help-Wanted Ads zigzagged down in August to 141,500, a 4.3 percent drop-off. Job postings nationally tailed off 1.5 percent in August which pushed Minnesota's share of nationwide online help-wanted ads down a notch to 2.7 percent compared to the state's 2.0 percent of U.S. wage and salary employment. Labor demand continues to remain robust in Minnesota based on online job postings.

Minnesota's **Purchasing Managers' Index (PMI)** dipped for the third consecutive month to 48.6, the first sub-50 reading in almost three years. The other two comparable indices fell below 50 in August with the Mid-America Business Index slipping to 49.3 and the Institute of Supply Management's national PMI sliding to 49.1. Manufacturing activity has been slowing across the U.S. and Minnesota for almost a year now as tariffs wars with trade partners and slowing global economic growth take a toll on manufacturers.

Adjusted average weekly **Manufacturing Hours** slipped sharply for the second month in a row to 40.6 hours in August. That is the shortest factory workweek since April and is consistent with the sliding PMI index. After setting a record-high paycheck in June, average weekly **Manufacturing Earnings**, adjusted for inflation and seasonality, have fallen for the second straight month in August to $935.85. Real manufacturing earnings, adjusted for inflation but not seasonality, were up 2.6 percent from a year ago. Since last August real factory paycheck have averaged 3.9 percent monthly gains.



Source: The Federal Reserve Bank of Philadelphia, 2019

Minnesota Index

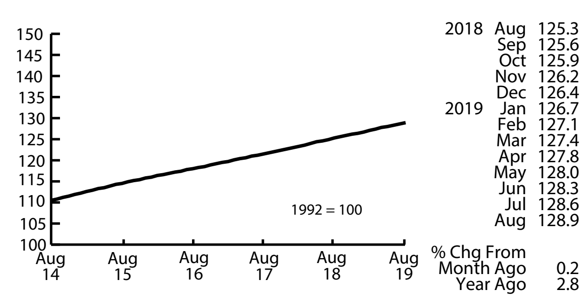
The **Minnesota Leading Index** spiked up to 1.0 in August, its highest level in 12 months. The 37-year monthly average is 1.4, so the 1.0 reading suggests that Minnesota's economic growth through the rest of the year will be slightly below the historical rate. The state's reading ranked 30th, right below South Dakota and slightly ahead of Nebraska. The U.S. leading index was 1.4 percent, indicating that over the next six months Minnesota's economic growth will continue to lag the national pace.

Residential Building Permits rose for the second month in August, this time to 2,524. Minnesota home building permits accounted for 2.6 percent of all U.S. home building permits issued in August which is slightly higher than the state's 1.9 percent population share. The level of home-building permits has been strong throughout the year, indicating that home building activity in the state is running significantly ahead of the 2018 pace.

Seasonally Adjusted **Initial Claims for Unemployment Benefits (UB)** tailed off in August after having inched up the previous two months. The 15,453 initial claims in August were the second lowest monthly level this year, just a tad higher than May's 15,432. The initial claims level remains extremely low by historical standards, indicating that Minnesota's slow job growth is likely more related to an extremely tight labor market than to any drop in demand for workers.

by Dave Senf

United States Index

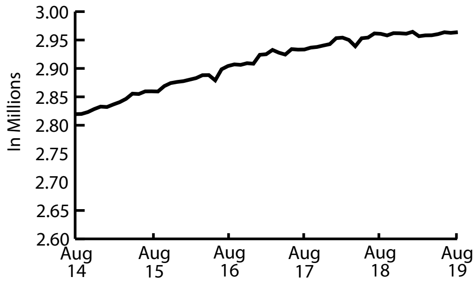


Source: The Federal Reserve Bank of Philadelphia, 2019

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

Minnesota Economic Indicators

Wage and Salary Employment



seasonally adjusted

2019	Mar	2.9582
	Apr	2.9584
	May	2.9604
	Jun	2.9637
	Jul	2.9626
	Aug	2.9637

% Chg From Month Ago 0.0

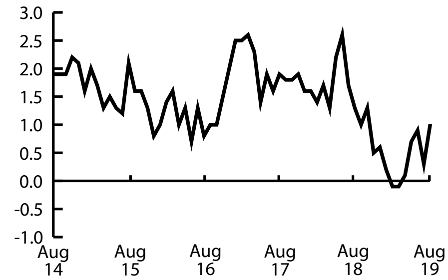
unadjusted

2018	Aug	2.9806
2019	Aug	2.9924

% Chg From Year Ago 0.4

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

Minnesota Leading Index

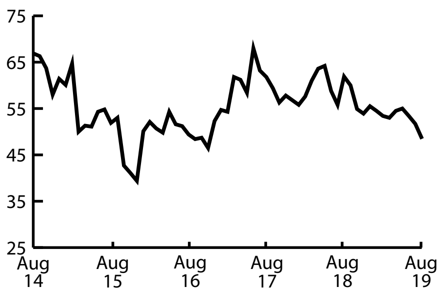


2018	Aug	1.3
	Sep	1.0
	Oct	1.3
	Nov	0.5
	Dec	0.6
2019	Jan	0.2
	Feb	-0.1
	Mar	-0.1
	Apr	0.1
	May	0.7
	Jun	0.9
	Jul	0.3
	Aug	1.0

% Chg From Month Ago 215.5
Year Ago -20.1

Source: The Federal Reserve Bank of Philadelphia, 2019

Purchasing Managers' Index

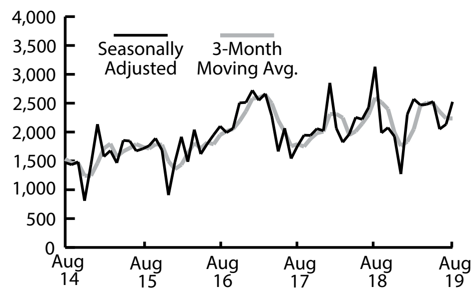


2018	Aug	61.9
	Sep	60.0
	Oct	54.9
	Nov	53.9
	Dec	55.5
2019	Jan	54.5
	Feb	53.4
	Mar	53.0
	Apr	54.5
	May	55.0
	Jun	53.4
	Jul	51.7
	Aug	48.6

% Chg From Month Ago -6.0
Year Ago -21.5

Source: Creighton University, Mid-America Survey of Business Conditions, 2019

Residential Building Permits



seasonally adjusted

2019	Mar	2,471
	Apr	2,479
	May	2,528
	Jun	2,051
	Jul	2,133
	Aug	2,524

% Chg From Month Ago 18.3

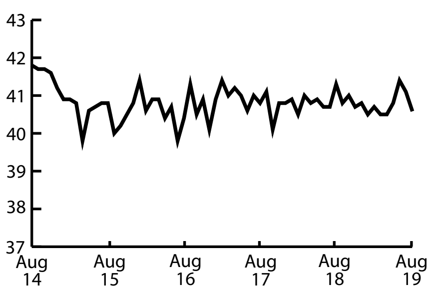
unadjusted

2018	Aug	4,176
2019	Aug	3,304

% Chg From Year Ago -20.9

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2019

Average Weekly Manufacturing Hours



seasonally adjusted

2019	Mar	40.5
	Apr	40.5
	May	40.8
	Jun	41.4
	Jul	41.1
	Aug	40.6

% Chg From Month Ago -1.2

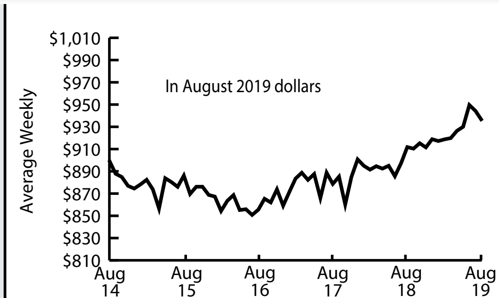
unadjusted

2018	Aug	41.7
2019	Aug	41.2

% Chg From Year Ago -1.2

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

Manufacturing Earnings



seasonally adjusted

2019	Mar	919.84
	Apr	926.38
	May	930.02
	Jun	949.60
	Jul	944.25
	Aug	935.85

% Chg From Month Ago -0.9

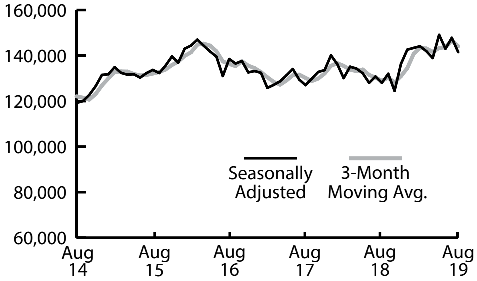
unadjusted

2018	Aug	914.97
2019	Aug	938.54

% Chg From Year Ago 2.6

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

Online Help-Wanted Advertising

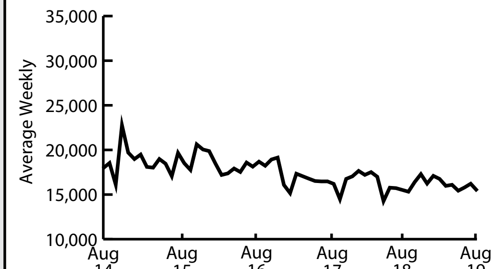


2018	Aug	128000
	Sep	132000
	Oct	124500
	Nov	136300
	Dec	142600
2019	Jan	143350
	Feb	144100
	Mar	141900
	Apr	138900
	May	149100
	Jun	143000
	Jul	147800
	Aug	141500

% Chg From Month Ago -4.3
Year Ago 10.5

Source: The Conference Board Inc., 2019

Initial UB Claimants



seasonally adjusted

2019	Mar	15,971
	Apr	16,092
	May	15,432
	Jun	15,792
	Jul	16,214
	Aug	15,453

% Chg From Month Ago -4.7

unadjusted

2018	Aug	10,547
2019	Aug	9,627

% Chg From Year Ago -8.7

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2019

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

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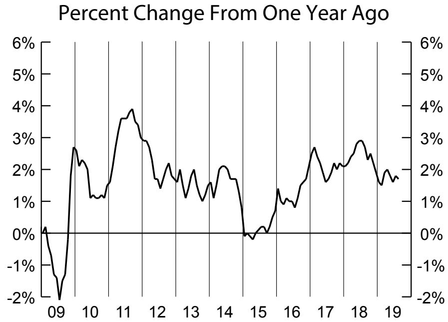
U.S. Consumer Price Index for All Urban Consumers (CPI-U)

The U.S. Bureau of Labor Statistics reported that The Consumer Price Index for All Urban Consumers (CPI-U) was unchanged in August on a seasonally adjusted basis after rising 0.1 percent in July. Increases in the indices for shelter, transportation, used cars and trucks, and medical services outweighed decreases in energy costs.

Percent Change From One Year Ago



The all items index increased 1.7 percent for the 12 months ending August.

www.bls.gov/cpi/

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: *Oriane Casale, Nick Dobbins, Luke Greiner, Sue Hartley, Bettsy Hjelseth, Tim O'Neill, Mark Schultz, Dave Senf*

Graphics/Layout: and Website Preparation: *Mary Moe*

Commissioner: *Steve Grove*

LMI Office Director: *Steve Hine*

Assistant Director and Technical Supervisor: *Oriane Casale*

What's Going On?

Grants to Reduce Southeast Asian Economic Disparities

DEED has recently awarded eight grants totaling $1.9 million under the Southeast Asian Economic Disparities Relief Competitive Grant program. This program funds organizations that provide services that relieve economic disparities to individuals 18 years and older from Southeast Asian communities through workforce recruitment and development, job creation, assistance to smaller organizations to increase capacity, and outreach. Organizations awarded grants are: Hmong American Partnership, Karen Organization of Minnesota, Hmong Cultural Center, CAPI USA, Asian Economic Development Association, Workforce Development, Inc., Vietnamese Social Services of Minnesota, and Southeast Asian Refugee Community.

For more information: DEED Grants Aim to Reduce Southeast Asian Economic Disparities or mn.gov/deed/newscenter/social-media/deed-developments/#/detail/appId/1/id/407283

EMPLOYMENT AND ECONOMIC DEVELOPMENT

2019
Second Quarter Job Vacancies

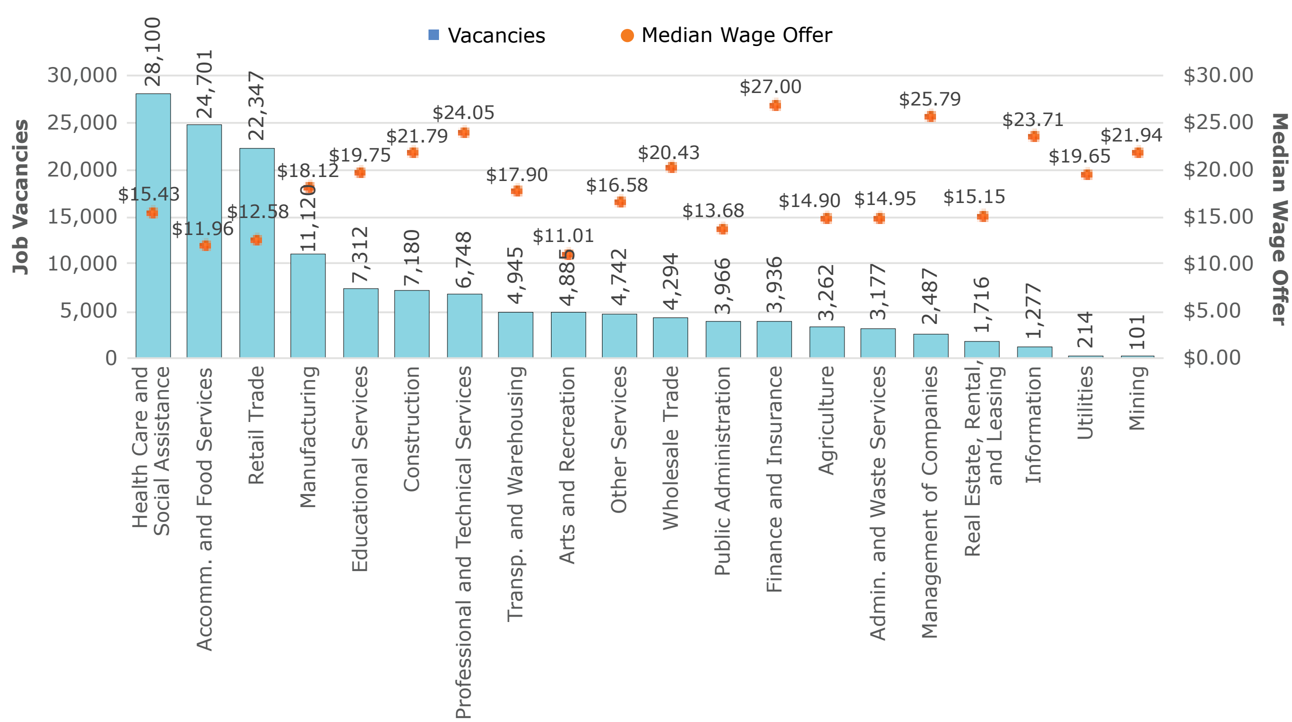
Once again the number of job vacancies in Minnesota has hit an all-time high. In the second quarter of 2019 employers across the state reported 146,513 job vacancies. In the second quarter of 2018 Minnesota had 142,282 job vacancies. The job vacancy rate in the second quarter of 2019 was 5.3 percent or 5.3 vacancies per 100 jobs. This is the highest job vacancy rate the state has had since the job vacancy survey began in 2001. The median hourly wage offer for these 146,513 vacancies was $15.00, which was a slight increase from the previous year's $14.54.

Industrial Breakdown

Minnesota is experiencing tight labor market conditions. With a record high number of job vacancies, a record high job vacancy rate, and low unemployment, there are more vacancies than people looking to fill them. So where is most of the demand? The top three industries with job openings in the second quarter of 2019 were Health Care and Social Assistance (28,100 job vacancies), Accommodation and Food Services (24,701 job vacancies), and Retail Trade (22,347 job vacancies). These three industries accounted for over half (51.3 percent) of the state's total job openings (see Figure 1). The highest such rates were in Agriculture, Forestry, Fishing, and Hunting (14.9 percent), Accommodation and Food Services (10.5 percent), and Arts, Entertainment, and Recreation (9.0 percent).

For all industries the highest median hourly wage offerings were in Finance and Insurance ($27.00), Management of Companies and Enterprises ($25.79), and Professional and Technical Services ($24.05). Vacancies in these industries typically require more post-secondary education. Those industries where post-secondary education is most often required include Professional and Technical Services (73 percent), Educational Services (73 percent), and Management of Companies and Enterprises (60 percent).

Figure 1. Job Vacancies and Median Wage Offer by Industry



Occupational Breakdown

Besides showing industry sectors, the job vacancy survey also allows you to analyze demand by occupational groups and specific occupations. For example, the top three occupations with the highest number of vacancies in Minnesota were Retail Salespersons (7,811 vacancies), Combined Food Preparation and Serving workers (7,186 vacancies), and Personal Care Aides (6,181 vacancies). These three occupations accounted for 14.5 percent of total vacancies. Table 1 lists the top 10 occupations with the most vacancies in the state. Of those 10 occupations, the vacancy rate was the highest for First-Line Supervisors of Food Preparation and Serving Workers (20.2 percent), Social and Human Service Assistants (17.1 percent), and First-Line Supervisors of Retail Sales Workers (16.6 percent). With a large number of vacancies and robust vacancy rates, the need for workers in these three occupations is especially high.

If you take a closer look at these top 10 occupations with the most vacancies, you will notice that their median hourly wage offers are typically lower. Except for Heavy and Tractor-Trailer Truck Drivers and First-Line Supervisors of Food Preparation and Serving Workers, each occupation had a median hourly wage offer below the median hourly wage offer for the total of all occupations,

Table 1. Top 10 Occupations with the Most Vacancies in Minnesota, Q2 2019

				2016 – 2019 Change	
Occupation	Vacancies	Vacancy Rate	Median Hourly Wage Offer	Percent Change in Vacancies	Median Hourly Wage Offer
Total, All Occupations	**146,513**	**5.3%**	**$15.00**	**50.1%**	**7.1%**
Retail Salespersons	7,811	8.9%	$12.06	125.9%	8.7%
Combined Food Prep and Serving Workers	7,186	10.9%	$11.10	136.7%	13.5%
Personal Care Aides	6,181	8.2%	$12.05	82.4%	9.8%
Cashiers	3,641	5.5%	$11.41	58.3%	13.6%
First-Line Supervisors of Retail Sales Workers	3,375	16.6%	$14.99	98.2%	11.5%
First-Line Supervisors of Food Prep and Serving Workers	3,256	20.2%	$15.32	70.2%	32.4%
Nursing Assistants	3,245	10.3%	$14.00	31.6%	8.7%
Waiters and Waitresses	2,692	5.3%	$10.21	32.9%	14.2%
Heavy and Tractor-Trailer Truck Drivers	2,659	7.6%	$20.97	32.6%	29.8%
Social and Human Service Assistants	2,567	17.1%	$14.97	301.1%	15.3%

Source: MN DEED Job Vacancy Survey

$15.00 (see Table 1). You should also notice that these occupations do not require high levels of post-secondary education, if any at all.

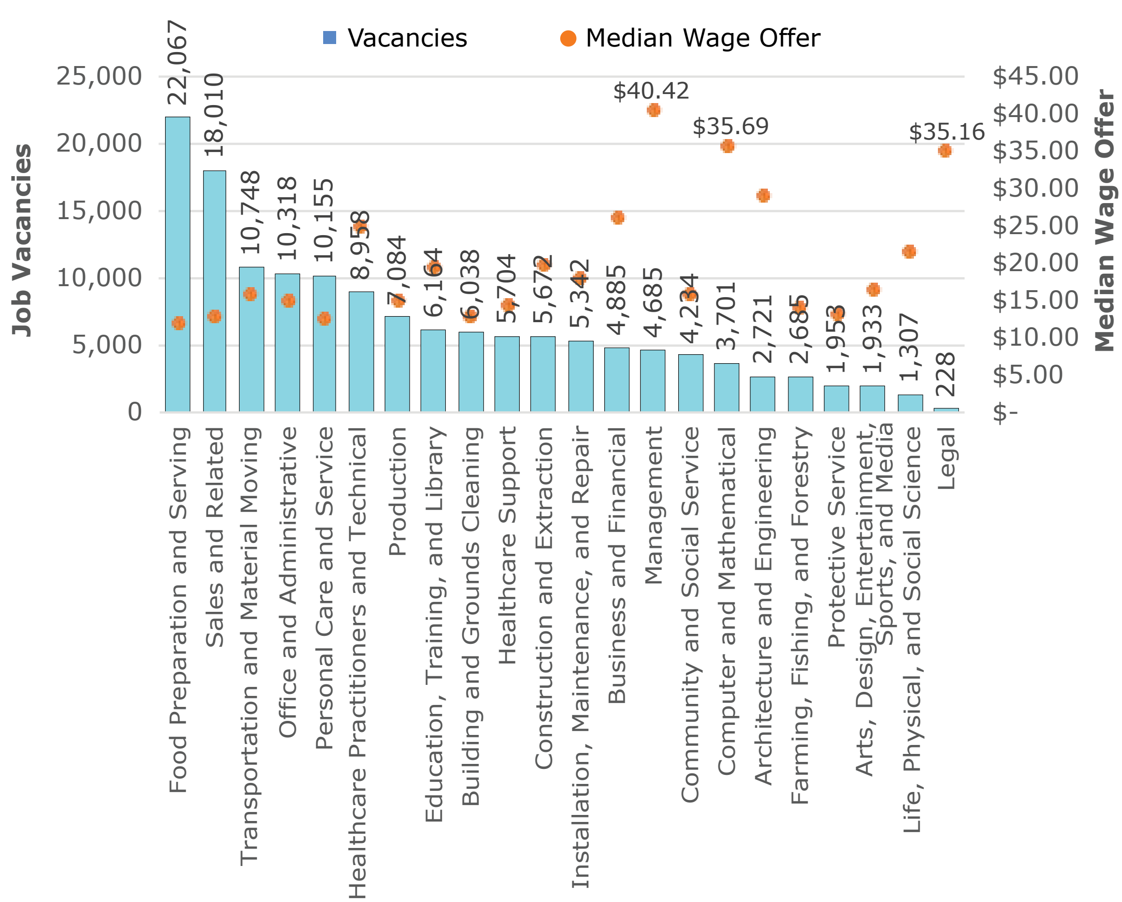
Demand for workers across Minnesota is rising. More specifically, the number of total job vacancies increased by 50.1 percent between the second quarters of 2016 and 2019. This is equivalent to nearly 50,000 more job vacancies. For those occupations with the most current vacancies, growth since 2016 has been highest for Social and Human Service Assistants (301.1 percent), Combined Food Preparation and Serving Workers (136.7 percent), and Retail Salespersons (125.9 percent). All of these occupations witnessed higher wage growth between the second quarters of 2016 and 2019 than overall wage growth.

Zooming out, the three major occupational groups with the most job openings during the second quarter of 2019 were Food Preparation and Serving (22,067 job vacancies), Sales and Related (18,010 job vacancies), and Transportation and Material Moving (10,748 job vacancies). These three occupational groups accounted for over one-third (34.7 percent) of total job openings. The vacancy rate was highest in Farming, Fishing, and Forestry (67.5 per 100 filled jobs), Food Preparation and Serving (9.1), and Community and Social Service (7.3). Those occupational groups with the highest median hourly wage offerings were Management ($40.42), Computer and Mathematical ($35.69), and Legal ($35.16) (see Figure 2).

Regional Differences

Regionally 86,044 or 58.7 percent of all job vacancies were in the Twin Cities Seven-County Metro Area. Greater Minnesota had 60,469 or 41.3 percent of all job vacancies. The job vacancy rate for the Twin Cities Metro Area and Greater Minnesota were 5.0 and 5.8, respectively. The overall median wage offer in the Twin Cities Metro Area was $15.88, which compared to $14.04 in Greater

Figure 2. Job Vacancies and Median Wage Offer by Occupation



Minnesota. The Twin Cities Metro Area had 0.6 job seekers for each vacancy, and Greater Minnesota had 0.8 job seekers for each vacancy.

Job vacancy data for Greater Minnesota can be broken down even further. For example, Southeast Minnesota had the highest number of job vacancies in Greater Minnesota with 13,672, while Northeast Minnesota had the lowest number of job vacancies with 7,885. Southwest Minnesota had the highest job vacancy rate at 7.0 percent, while Central Minnesota had the lowest job vacancy rate at 4.9 percent. Central Minnesota had the highest median hourly wage offer at $14.55, while Northeast Minnesota had the lowest median hourly wage offer at $13.13. By industry Health Care and Social Assistance accounted for the highest number of vacancies in each planning region of Minnesota, except for Northeast Minnesota where Accommodation and Food Services took the top spot.

Educational and Experience Level

While the number of job vacancies has continued to increase over time, the educational requirements to fill the open positions have also changed. Where change has been the most significant is for those job vacancies requiring either no formal education or bachelor's degrees. For example, in the second quarter of 2013, an estimated 25 percent of job vacancies required no formal education. As of the second quarter of 2019, that share has increased to 37 percent. On the other end of the spectrum, in the second quarter of 2013, 21 percent of job vacancies required a bachelor's degree. As of the second quarter of 2019, that number has decreased to 14 percent.

The amount of work experience required for job vacancies has also changed dramatically between the second quarters of 2013 and 2019. In the second quarter of 2013 one-third (33 percent) of vacancies required less than one year of experience. This increased to over half (55 percent) in the second quarter of 2019. In the second quarter of 2013, nearly two in five vacancies (39 percent) required four or more years of experience. This decreased to one in 10 vacancies (10 percent) in the second quarter of 2019. These changes show that over time the job vacancies we are seeing across the state are typically requiring less education and experience to fill. This may be caused by the increased and persistently tight labor market conditions being felt by employers across Minnesota.

Table 2. Job Vacancies by Minnesota Planning Region, Q2 2019

Minnesota Planning Region	Number of Job Vacancies	Job Vacancy Rate	Median Wage Offer	Require Post-Secondary Education	Requiring One Plus Years Experience	Requiring Certificate or License
Northwest	13,020	5.8%	$14.28	21%	30%	36%
Northeast	7,885	5.5%	$13.13	23%	39%	36%
Southwest	12,458	7.0%	$13.85	22%	37%	37%
Southeast	13,672	5.6%	$14.38	21%	37%	30%
Central	13,434	4.9%	$14.55	28%	41%	33%
Twin Cities	86,044	5.0%	$15.88	34%	51%	32%

Source: MN DEED Job Vacancy Survey

by Oriane Casale, Sue Hartley, Bettsy Hjelseth, and Tim O'Neill

Minnesota Industry Snapshot

NAICS 722 Food Services and Drinking Places

It's all about the food. More specifically, Food Services and Drinking Places. This industry is one of the most easily-recognizable sectors, comprising restaurants, bars, tap rooms, taverns, cocktail lounges, caterers, food trucks, refreshments stands, and food service contractors. If food or drink is involved, you can bet that the services are in this industry sector.

As of annual 2018, 10,523 establishments were supplying just over 198,000 jobs in Food Services and Drinking Places across Minnesota. Nearly 173,500 of these jobs or 87.6 percent were in Restaurants. 10,587 jobs (5.3 percent) were in Drinking Places that serve alcoholic beverages, 10,044 jobs (5.1 percent) were in Food Service Contractors, 3,496 jobs (1.8 percent) were in Catering firms, and 444 jobs (0.2 percent) were in Mobile Food Services. Highly concentrated occupations within this industry typically require less education and have lower median wages, but are highly in demand across the state (see Table 1).

Table 1. Food Services and Drinking Places Highly Concentrated Occupations in Minnesota

			2016-2026 Employment Change	
Occupation	Employment	Median Wage	Projected Openings*	Percent
Combined Food Prep and Serving Workers	66,060	$11.57	70,610	12.0%
Waiters and Waitresses	50,490	$11.09	39,148	2.5%
Cooks, Restaurant	28,480	$14.29	17,376	7.2%
First-Line Supervisors of Food Prep and Serving Workers	16,130	$17.86	8,987	5.5%
Bartenders	16,790	$10.83	8,459	-0.9%
Food Preparation Workers	8,670	$12.98	8,122	3.9%
Dishwashers	7,390	$12.09	5,617	0.3%
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	6,890	$11.61	7,811	2.2%
Cashiers	65,840	$11.72	60,124	-0.4%
Dining Room and Cafeteria Attendants	4,420	$10.27	3,716	3.4%

*Projected Openings include both net new openings and replacement openings projected between 2016 and 2026
Source: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

Trends

Employment trends in Food Services and Drinking Places have largely followed overall employment trends in recent years. During the Great Recession between 2007 and 2010, Food Services and Drinking Places lost 8,140 jobs, declining by 4.5 percent. Total employment during this time declined by 4.7 percent. Between 2010 and 2018 Food Services and Drinking Places gained 24,940 jobs, expanding by 14.4 percent. This slightly outpaced total employment growth during that time, 12.4 percent. More recently, between 2013 and 2018 employment growth in this industry has been most prominent in the Metro Area and Southeast Minnesota (see Table 2).

Interestingly, where the number of establishments in Food Services and Drinking Places declined by 688 (-6.7 percent) between 2006 and 2015, such establishments have spiked upwards by 868 (9.0 percent) in the last two years.

Table 2. Food Services and Drinking Places Employment in Minnesota

Area	Number of Firms	Number of Jobs	Share of MN Food Services and Drinking Places Jobs	2013-2017 Job Change	Average Annual Wage
Minnesota	**10,523**	**198,064**	**100.0%**	**13,661 (7.4%)**	**$18,876**
Metro Area	5,812	124,054	62.6%	10,437 (9.2%)	$20,904
Central MN	1,115	19,221	9.7%	367 (1.9%)	$15,080
Southeast MN	942	16,685	8.4%	1,361 (8.9%)	$16,900
Northwest MN	1,105	15,161	7.7%	556 (3.8%)	$14,716
Northeast MN	687	11,413	5.8%	769 (7.2%)	$15,652
Southwest MN	763	11,108	5.6%	204 (1.9%)	$13,572

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

Minnesota Industry Snapshot

NAICS 113 Forestry and Logging

According to the North American Industrial Classification System (NAICS), industries in the Forestry and Logging subsector grow and harvest timber on a long production cycle, 10 years or more. Because of this, activities with shorter production cycles, like Christmas tree production, are actually classified in Crop Production. Forestry and Logging also involves reforestation and timber production, which typically require the use of specialized machinery. Establishments gathering forest products, such as gums, barks, balsam needles, fibers, and truffles, are also included in this subsector.

With 221 establishments supplying 944 jobs, Forestry and Logging is a very small but highly-specialized industry sector in Minnesota. This sector is also highly concentrated in northern Minnesota. More specifically, about half (47.9 percent) of the state's Forestry and Logging jobs are located in Northeast Minnesota, with another third (33.3 percent) located in Northwest Minnesota. Taken together, four of every five of the state's Forestry and Logging jobs are in Northeast and Northwest Minnesota.

When we think about Forestry and Logging, occupations that come to mind usually include logging equipment operators, foresters, mobile heavy equipment mechanics, and sawing machine operators. These occupations can be physically demanding, with workers spending most of their time outdoors, sometimes in poor weather conditions and isolated areas. Typically, just a high school diploma is needed for these occupations, and median wages fall north of $30 per hour for foresters. Numerous other occupations, from heavy truck drivers to office clerks to supervisors are also found in this industry sector (see Table 1).

Table 1. Forestry and Logging Highly-Concentrated Occupations in Minnesota

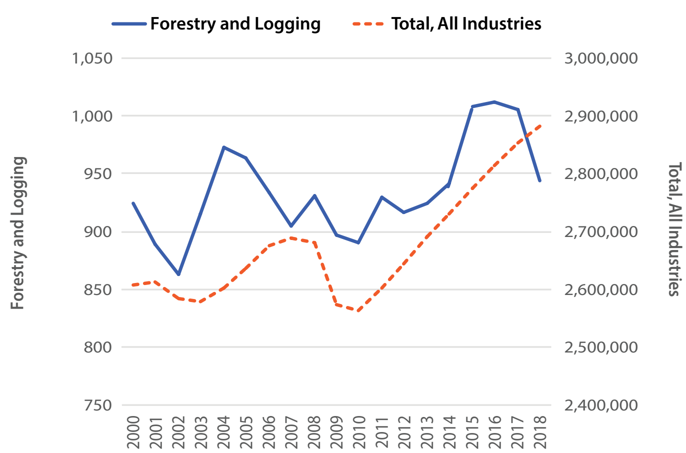
			2016-2026 Employment Change	
Occupation	**Employment**	**Median Wage**	**Projected Openings***	**Percent**
Logging Equipment Operators	370	$19.57	929	8.6%
Heavy and Tractor-Trailer Truck Drivers	35,420	$22.09	19,259	6.4%
First-Line Supervisors or Farming, Fishing, and Forestry Workers	200	$28.28	319	11.2%
Office Clerks, General	55,750	$17.03	33,336	-2.4%
Mobile Heavy Equipment Mechanics	3,440	$27.96	1,452	7.4%
Secretaries and Administrative Assistants	12,320	$26.15	7,176	-17.2%
Laborers and Freight, Stock, and Material Movers, Hand	40,900	$15.53	21,813	5.5%
Foresters	380	$31.27	91	5.6%
Sawing Machine Setters, Operators, and Tenders, Wood	940	$14.66	558	4.4%
Bookkeeping, Accounting, and Auditing Clerks	32,090	$20.34	21,936	-2.8%

*Projected Openings include both net new openings and replacement openings projected between 2016 and 2026
Source: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

Trends

Statewide employment in Forestry and Logging has seesawed over the past two decades, with especially large swings in 2004, 2015, and 2018 (see Figure 1). It should also be noted that the number of Forestry and Logging establishments dropped from 221 in 2006 to 190 in 2012, before rising back to 221 in 2018. Between 2016 and 2026 this industry is projected to grow by 6.7 percent in Minnesota, equivalent to nearly 200 jobs.

Figure 1. Forestry and Logging Trends in Minnesota 2000-2018



Minnesota Industry Snapshot

NAICS 337 Furniture and Related Product Manufacturing

Wondering where your countertops, kitchen cabinets, office furniture, or even mattresses are made? There's a chance they may be produced right here in the State of Minnesota. As of annual 2018, 494 establishments supplied 9,632 jobs in Furniture and Related Product Manufacturing in the state. Broken down, over half of these jobs (5,066 jobs) were in Wood Kitchen Cabinet and Countertop Manufacturing, just over a quarter (2,595 jobs) were in Office Furniture (including Fixtures) Manufacturing, over one-tenth (1,234 jobs) were in Household and Institutional Furniture Manufacturing, and nearly one-tenth (727 jobs) were in Mattress Manufacturing.

Regionally, while the Metro Area had the most Furniture and Related Product Manufacturing jobs of any planning region in the state (4,126 such jobs), Central Minnesota (2,759 such jobs) and Southeast Minnesota (1,450 such jobs) had higher concentrations of employment in this industry subsector. To get an idea of those occupations within Furniture and Related Product Manufacturing, see Table 1.

Table 1. Furniture and Related Product Manufacturing Highly Concentrated Occupations in Minnesota

			2016-2026 Employment Change	
Occupation	Employment	Median Wage	Projected Openings*	Percent
Cabinetmakers and Bench Carpenters	2,780	$19.40	1,460	3.1%
Assemblers and Fabricators, All Other	32,050	$16.02	18,217	-14.6%
First-Line Supervisors of Production and Operating Workers	12,050	$29.47	4,219	3.0%
Laborers and Freight, Stock, and Material Movers, Hand	40,900	$15.53	21,813	5.5%
Furniture Finishers	560	$17.61	263	0.4%
Sewing Machine Operators	2,160	$13.35	1,485	-2.0%
Carpenters	16,220	$23.77	8,852	5.6%
Sales Representatives, Wholesale and Manufacturing	34,190	$31.08	13,486	5.8%
Shipping, Receiving, and Traffic Clerks	14,860	$17.07	5,437	-0.1%
General and Operations Managers	45,400	$43.59	12,580	7.4%

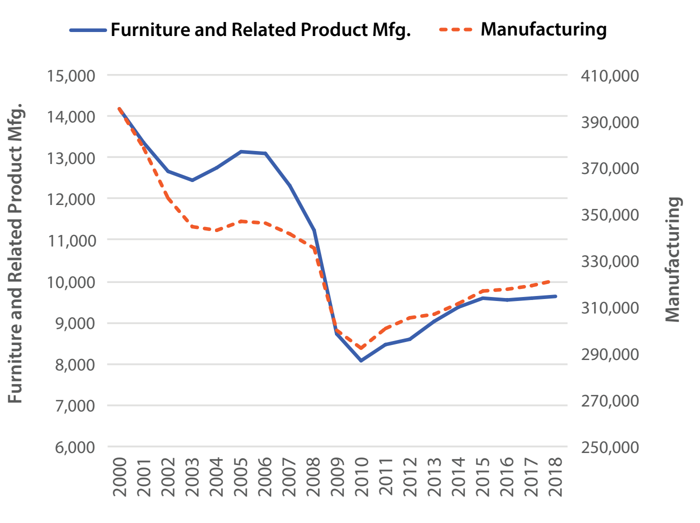
*Projected Openings include both net new openings and replacement openings projected between 2016 and 2026
Source: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

Trends

Employment levels in Furniture and Related Product Manufacturing were severely affected in the years before and during the Great Recession. More specifically, between 2005 and 2010 this subsector of manufacturing lost 5,061 jobs in Minnesota, declining by 38.6 percent (see Figure 1). Comparatively, overall manufacturing employment levels declined by 15.8 percent between 2005 and 2010. Employment in the total labor market declined by 2.9 percent during that period of time.

Since reaching a statewide low of 8,059 jobs in 2010, employment levels in Furniture and Related Product Manufacturing have rebounded slightly. Between 2010 and 2018 this subsector added 1,573 jobs, expanding by 19.5 percent. Comparatively, total manufacturing employment expanded by 10.1 percent, and employment in the total labor market expanded by 12.4 percent. Looking forward, the Department of Employment and Economic Development (DEED) projects employment in Furniture and Related Product Manufacturing to decline by 1.4 percent between 2016 and 2026. This is equivalent to approximately 135 jobs.

Figure 1. Furniture and Related Product Manufacturing Trends in Minnesota, 2000-2018



Minnesota Industry Snapshot

NAICS 442 Furniture and Home Furnishings Stores

After reading all about Furniture and Related Product Manufacturing in the previous industry snapshot, you may want to discover more about where much of this furniture may go: Furniture and Home Furnishings Stores. According to the North American Industry Classification System (NAICS), establishments in this subsector retail new furniture and home furnishings from fixed point-of-sale locations. Fairly self-explanatory with the industry title. You may not realize what's included, however, from this industry title. Beyond your typical household, office, and outdoor furniture, this industry includes those establishments that retail beds and mattresses, rugs and carpets, vinyl floor coverings and floor tile, curtains and drapes, picture frames, kitchenware, bath shops, linen stores, and even wood-burning stove stores.

As of annual 2018, 841 establishments were supplying 8,800 jobs in Furniture and Home Furnishings Stores in Minnesota. As such, this is a fairly small subsector, making up about 3 percent of the state's total retail trade employment. Zooming in on this subsector reveals that over half (54.7 percent) of its employment is in Furniture Stores, with the other half distributed among Floor Covering Stores, All Other Home Furnishings Stores, and a very small share in Window Treatment Stores (see Table 1). See Table 2 for those occupations that are highly concentrated in Furniture and Home Furnishings Stores.

Trends

Statewide employment in Furniture and Home Furnishings Stores hit a pre-recessionary peak of 11,814 jobs in 2006. Over the next four years this subsector would lose 3,565 jobs, declining by 30.2 percent. For reference, total employment declined by 4.2 percent during that time. Between 2010 and 2017 the subsector regained just over 900 jobs, growing by 11.0 percent, which was similar to total employment growth during that time of 11.3 percent. More recently, between 2017 and 2018 Furniture and Home Furnishings Stores employment declined by 3.9 percent, equivalent to 355 jobs. This recent loss was all from Home Furnishings Stores.

Table 1. Furniture and Home Furnishings Stores Employment in Minnesota, 2018

Industry (NAICS)	Number of Firms	Number of Jobs	Average Annual Wage	2013 – 2018 Job Change
Total, All Industries	**175,211**	**2,881,140**	**$58,032**	**188,970 (7.0%)**
Retail Trade (44 - 45)	18,649	298,489	$30,680	11,547 (4.0%)
Furniture and Home Furnishings Stores (442)	841	8,800	$37,752	155 (1.8%)
Furniture Stores (442110)	335	4,813	$42,640	273 (6.0%)
Floor Covering Stores (442210)	204	1,267	$48,984	85 (7.2%)
Window Treatment Stores (442291)	33	133	$51,376	15 (12.7%)
All Other Home Furnishings Stores (442299)	269	2,586	$22,412	-218 (-7.8%)

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

Table 2. Furniture and Home Furnishings Stores Highly-Concentrated Occupations in Minnesota

Occupation	Employment	Median Wage	2016-2026 Employment Change	
			Projected Openings*	Percent
Retail Salespersons	84,240	$11.60	54,695	-1.0%
Cashiers	66,230	$10.78	60,124	-0.4%
First-Line Supervisors of Retail Sales Workers	21,250	$18.94	10,079	5.4%
Laborers and Freight, Stock, and Material Workers, Hand	40,900	$15.53	21,813	5.5%
Stock Clerks and Order Fillers	34,550	$12.71	19,781	3.4%
Light Truck or Delivery Services Drivers	15,550	$17.58	8,107	5.6%
Office Clerks, General	55,750	$17.03	33,336	-2.4%
General and Operations Managers	45,400	$43,59	12,580	7.4%
Customer Service Representatives	57,240	$18.11	29,943	0.7%
Bookkeeping, Accounting, and Auditing Clerks	32,090	$20.34	21,936	-2.8%

*Projected Openings include both net new openings and replacement openings projected between 2016 and 2026
Source: BLS Industry-Occupation Matrix, DEED Occupational Employment Statistics (OES), DEED Employment Outlook

by Tim O'Neill