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Manufacturing Strength

Fabricated Metal Product Manufacturing in the Twin Cities

Vital Sector

Manufacturing is integral to the Twin Cities' economy. With 4,072 establishments supplying over 165,300 jobs, manufacturing is the metro's second largest employing industry sector. Manufacturing takes the top spot for total annual compensation, however, despite having 80,000 less jobs than healthcare and social assistance. For the average manufacturing worker annual wages equal $68,850. This is 23 percent higher than the annual wage for all industries.

This article will focus on fabricated metal product manufacturing, one of the most distinguishing manufacturing subsectors in the Twin Cities.

From its North American Industrial Classification System (NAICS) definition, fabricated metal product manufacturing industries transform manufactured metal shapes into intermediate or end products. Important processes within this sector include forging, stamping, bending, forming, and machining to shape individual pieces of metal, and welding or assembling to join separate parts together. This industry can be further broken down into the following subsectors: forging and stamping; cutlery and hand-tool manufacturing; architectural and structural metals manufacturing; boiler, tank, and shipping container manufacturing; hardware manufacturing; spring and wire product manufacturing; machine shops; coating, engraving, heat treating, and allied activities; and other fabricated metal product manufacturing.

As of 2014 there were 843 fabricated metal product manufacturing establishments in the Twin Cities, far more than any other Manufacturing subsector. With 24,197 covered jobs, this subsector accounts for over one in seven manufacturing jobs, trailing only computer and electronic product manufacturing (see Table 1).

Feature:

A Higher Level of New Hires

In this issue:

Fabricated Metal Product Manufacturing has a location quotient of 1.33 in the Twin Cities and accounts for 1.7 percent of the metro area's total employment. Anoka County has the greatest concentration with a location quotient of 6.48.

With over 8,400 such manufacturing jobs, this industry accounts for 8 percent of the county's total employment. Location quotients above 1.20 are considered significant and imply the exporting of products or services.

A Sector Hit Hard

Unfortunately, manufacturing has been losing jobs in the Twin Cities, in no small part caused by the recent Great Recession. In steady decline since 2000, manufacturing was hit hard between 2007 and 2010, shedding nearly 25,900 jobs. This 14.2 percent loss was much more severe than the 5.3 percent decline witnessed by the total labor market.

Making up nearly 15 percent of total manufacturing employment, fabricated metal product manufacturing was not spared from the Great Recession. Shedding 4,180 jobs between 2007 and 2010, only printing and related support activities lost more jobs in the manufacturing sector. Most fabricated metal product manufacturing jobs lost in the metro were in Hennepin County, where the sector declined by 18.4 percent. While numeric losses were less than in Hennepin County, Ramsey, Dakota, and Washington counties each lost over one-fifth of their fabricated metal product manufacturing jobs. Anoka County, while losing 878 fabricated metal product jobs, declined by a less severe 10.7 percent (see Table 2).

Table 1: Manufacturing Employment in the Twin Cities, Annual 2014

Industry	Number of Firms	Number of Jobs	Percent of Total Employment	Annual Payroll	Average Annual Wage
Total, All Industries	**78,354**	**1,641,547**	**100.0%**	**$95,452,041,798**	**$55,900**
Manufacturing	**4,072**	**165,322**	**10.1%**	**$11,839,768,016**	**$68,850**
Computer and Electronic Product Manufacturing	319	35,176	21.3%	$3,447,550,562	$94,200
Fabricated Metal Product Manufacturing	843	24,197	14.6%	$1,460,389,796	$58,000
Miscellaneous Manufacturing	577	17,312	10.5%	$1,290,726,854	$71,750
Machinery Manufacturing	381	17,012	10.3%	$1,282,608,594	$72,500
Printing and Related Support Activities	448	14,813	9.0%	$880,352,659	$57,150
Food Manufacturing	247	11,557	7.0%	$534,963,937	$44,500
Plastics and Rubber Products Manufacturing	199	8,864	5.4%	$505,614,472	$54,850
Chemical Manufacturing	154	6,893	4.2%	$559,094,116	$78,000
Paper Manufacturing	82	4,714	2.9%	$304,628,383	$62,100
Electrical Equipment, Appliance, and Component Manufacturing	79	4,612	2.8%	$330,612,762	$68,950
Furniture and Related Product Manufacturing	236	4,242	2.6%	$234,858,749	$53,200
Wood Product Manufacturing	109	3,899	2.4%	$216,929,843	$53,600
Primary Metal Manufacturing	43	3,491	2.1%	$210,642,531	$58,000
Petroleum and Coal Products Manufacturing	16	2,260	1.4%	$245,523,597	$104,850
Nonmetallic Mineral Product Manufacturing	87	1,978	1.2%	$126,104,946	$61,100
Beverage and Tobacco Product Manufacturing	34	1,591	1.0%	$82,468,549	$50,000
Transportation Equipment Manufacturing	75	1,398	0.8%	$78,404,137	$53,850
Textile Product Mills	73	590	0.4%	$19,241,242	$31,350
Apparel Manufacturing	54	324	0.2%	$11,544,045	$34,150
Leather and Allied Product Manufacturing	6	208	0.1%	$9,051,145	$41,800
Textile Mills	11	187	0.1%	$8,457,097	$43,550

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

A Sector Recovers

Contributing $43.7 billion to Minnesota's economy and accounting for 16 percent of the state's gross domestic product, Manufacturing's resurgence since 2010 could not be more welcome. The Twin Cities gained 2,754 fabricated metal product jobs between 2010 and 2014, leading the recovery. With a growth rate of 12.8 percent, this subsector has more than doubled Manufacturing's growth rate of 5.6 percent and far out-paced the total labor market's growth rate of 6.8 percent.

In the Twin Cities Anoka County was responsible for nearly 40 percent of fabricated metal product manufacturing jobs gained between 2010 and 2014. Dakota County also made notable gains in this subsector, growing by 26.8 percent during the same period of time. Only Scott County witnessed losses in this subsector between 2010 and 2014, with most of its manufacturing gains coming from printing and related support activities and food manufacturing.

Overall, fabricated metal product manufacturing in the Twin Cities is still approximately 1,400 jobs or 5.6 percent below its 2007 employment level. Comparatively, all of Manufacturing is 9.4 percent below its 2007 employment level. Both Anoka County and Dakota County, however, have 2014 employment levels in this subsector exceeding their 2007 levels, with Hennepin County still over 1,000 jobs below its pre-recession level (see Table 2).

A Positive Outlook

On the heels of steady employment recovery since 2010, fabricated metal product manufacturing is anticipated to add more jobs in the Twin Cities through 2022. With a projected growth rate of 5.2 percent, this industry is not expected to grow as fast as the total of all industries, but is expected to do much better than Manufacturing as a whole (see Table 3).

With fabricated metal product manufacturing expanding throughout the Twin Cities since 2010 and

Table 2: Fabricated Metal Product Manufacturing Trends in the Twin Cities, Annual 2007-2014

Area	2014 Number of Jobs	Recession Job Change 2007-2010		Recovery Job Change 2010-2014		Overall Job Change 2007-2014	
		Numeric	Percent	Numeric	Percent	Numeric	Percent
Minnesota	42,496	-6,882	-15.8%	5,720	15.6%	-1,162	-2.7%
Seven-County Metro	24,197	-4,180	-16.3%	2,754	12.8%	-1,426	-5.6%
Hennepin County	8,580	-1,766	-18.4%	749	9.6%	-1,017	-10.6%
Anoka County	8,428	-878	-10.7%	1,097	15.0%	219	2.7%
Ramsey County	2,838	-612	-20.0%	394	16.1%	-218	-7.1%
Dakota County	2,695	-552	-20.6%	570	26.8%	18	0.7%
Washington County	686	-196	-24.5%	83	13.8%	-113	-14.1%
Carver County	571	-127	-19.3%	41	7.7%	-86	-13.1%
Scott County	398	-48	-7.7%	-181	-31.3%	-229	-36.5%

Source: DEED QCEW Program

Table 3: Fabricated Metal Product Manufacturing Employment Outlook in the Twin Cities, 2012-2022

Industry	Estimated 2012 Employment	Projected 2022 Employment	Percent Change, 2012-2022	Numeric Change 2012-2022
Total, All Industries	1,738,875	1,871,483	7.6%	132,608
Manufacturing	162,060	156,947	-3.2%	-5,113
Fabricated Metal Product Manufacturing	23,299	24,518	5.2%	1,219

Source: DEED Employment Outlook Tool

Photo: MCSN Corey Hensley

positive growth projected through 2022, a number of occupations are in high demand. One of these occupations is Computer Numerically Controlled Machine Tool Programmers. Through 2022 this occupation is anticipated to grow by 32 percent, with a need for 260 total hires. The $25.47 median hourly wage for Computer-Controlled Machine Tool Operators is also much higher than the cost-of-living wage for a typical family of three in the Twin Cities, $17.92. Other occupations those interested in fabricated metal product manufacturing should check out include welders, machinists, team assemblers, and structural metal fabricators (see Table 4).

Manufacturing's economic importance, especially in the Twin Cities, is often recognized behind Health Care, Construction, and Professional Services. Additionally, Manufacturing jobs are often labeled as dirty and low-paying. Recent trends and realities, however, are cutting into these perceptions. For those interested in rewarding, high-tech, high-paying jobs, look no further than Manufacturing.

by Tim O'Neill
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Table 4: 10 Occupations in Demand in Fabricated Metal Product Manufacturing, Twin Cities

Occupational Title	Median Hourly Wage 2014	Estimated Employment 2012	Projected Employment 2022	2012-2022 Employment Change			
				Percent	Numeric	Replacement Hires	Total Hires
Welders, Cutters, Solderers, and Brazers	$21.24	3,076	3,253	5.8%	177	760	940
Machinists	$23.01	6,706	7,418	10.6%	712	1,540	2,250
First-Line Supervisors of Production and Operating	$28.99	7,015	6,926	-1.3%	-89	990	990
Computer Numerically Controlled Machine Tool Programmers	$25.47	444	585	31.8%	141	120	260
Inspectors, Testers, Sorters, Samplers, and Weighers	$18.98	4,719	4,942	4.7%	223	1,040	1,260
Computer-Controlled Machine Tool Operators, Metal	$19.63	2,387	2,769	16.0%	382	670	1,050
Production Workers, All Other	$14.66	4,581	5,019	9.6%	438	1,200	1,640
Team Assemblers	$14.01	10,777	11,162	3.6%	385	1,700	2,080
General and Operations Managers	$47.35	23,993	25,903	8.0%	1,910	4,490	6,400
Structural Metal Fabricators and Fitters	$19.29	1,310	1,334	1.8%	24	530	550

Source: DEED Employment Outlook Tool, Occupational Employment Statistics (OES) Program

Special Report from Central Minnesota

The Avian Flu Impact

For years Minnesota has been the top producer of turkeys in the country, raising about 45 million in 2014. Central Minnesota is pivotal in these production efforts providing more than 31 percent of turkey inventory and 38 percent of the chicken inventory for the entire state at any given time throughout the year. Poultry and egg production and processing provides thousands of jobs in Central Minnesota.

The H5N2 Avian Influenza is impacting Central Minnesota more than any other region in the state. As of June 5th our state has lost almost 8.9 million birds on 107 farms to this ugly virus. Over 61 percent of the current turkey and chicken losses have occurred in Central Minnesota. The result of this outbreak is visible across rural Minnesota where eerily quiet poultry barns remain idle as piles of decomposing carcasses lie covered by manure and sawdust, "slow-cooking" from the inside out. Once cooked, the remains can be used for fertilizer.

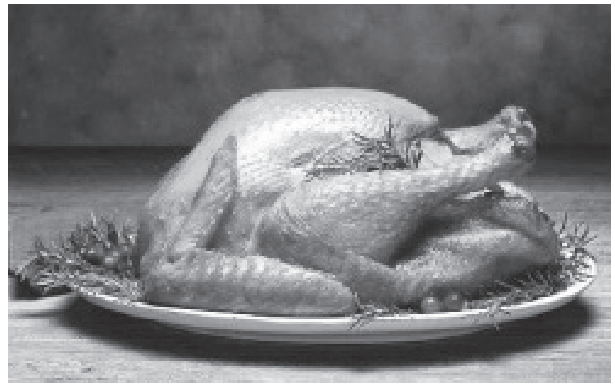
A large complication to this highly pathogenic avian influenza (HPAI) is the relative newness of the strain. The HPAI H5 strain was first confirmed just 6 months ago in December. According to the USDA the first detection in Minnesota was reported on March 4th. Since then 23 counties have confirmed cases of HPAI.

Current losses in Central Minnesota are limited to four counties:

County	Chickens	Turkeys	Combined Losses
Kandiyohi	-	1,496,500	1,496,500
Meeker	-	694,200	694,200
Renville	2,459,000	204,900	2,663,900
Stearns	202,500	596,200	798,700

Source: Minnesota Board of Animal Health

Current guidance from the USDA controls the restocking efforts of infected facilities to prevent cyclical viral infections. After a farm receives confirmation of the virus the entire site is tested. All birds associated with an infected barn are destroyed, and then the farm begins a minimum 28 day composting phase including at least two heat cycles to completely destroy the virus. Following the composting stage, a 21 day cleaning and disinfecting phase is initiated. Unfortunately, these time frames are a starting point and actual timeframes could be longer. All environmental tests must come back negative and all flocks within the control zone must be negative before restocking efforts can begin. Depending on desired processing weight chickens reach slaughter size in 5 to 9 weeks and turkeys take between 16 and 22 weeks.



The exact impact of the avian flu is not quite clear at the moment because employment statistics carry a degree of lag time in this rapidly changing situation. It will take at least six months before accurate employment data is available to evaluate the extent of this ongoing issue. Most recent poultry slaughter data from this April actually show an increase in processing in Minnesota compared to last April by 16 percent for turkeys and 2 percent for chickens. Although slaughter counts are not limited to birds raised only in Minnesota it is probable that the majority of animals slaughtered in Minnesota are also raised in Minnesota.

Industries most relevant to the poultry industry shown in the table below illustrate the high concentration found in Central Minnesota.

While these industries represent those directly engaged in the poultry industry many more industries are and will begin to feel the pinch until the outbreak can be eradicated.

Central Minnesota Poultry Related Industry Statistics, 3rd Qtr. 2014

Industry Title	Central Minnesota	Percent of State Employment	Average Weekly Wage
Total, All Industries	266,305	9.7%	$729
Animal Production and Aquaculture	2,718	25.5%	$598
Poultry and Egg Production	1,150	49.5%	$654
Food Manufacturing	8,046	17.1%	$809
Animal Food Manufacturing	602	35.4%	$864
Poultry Processing	3,475	55.7%	$722

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

by Luke Greiner

Labor Force Estimates

County/Area	Labor Force May 2015	Labor Force Apr 2015	Labor Force May 2014	Employment May 2015	Employment Apr 2015	Employment May 2014	Unemployment May 2015	Unemployment Apr 2015	Unemployment May 2014	Rate of Unemployment May 2015	Rate of Unemployment Apr 2015	Rate of Unemployment May 2014
United States ('000s)												
(Seasonally adjusted)	157,469	157,072	155,613	148,795	148,523	145,814	8,674	8,549	9,799	5.5%	5.4%	6.3%
(Unadjusted)	157,719	156,554	155,841	149,349	148,587	146,398	8,370	7,966	9,443	5.3	5.1	6.1
Minnesota												
(Seasonally adjusted)	3,036,950	3,030,443	2,972,299	2,920,387	2,917,019	2,851,530	116,563	113,424	120,769	3.8	3.7	4.1
(Unadjusted)	3,029,136	3,015,669	2,970,657	2,919,748	2,901,432	2,857,271	109,388	114,237	113,386	3.6	3.8	3.8
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,951,955	1,940,708	1,920,264	1,884,851	1,873,219	1,849,511	67,104	67,489	70,753	3.4	3.5	3.7
Duluth-Superior MSA	144,459	143,087	143,002	137,658	135,872	135,669	6,801	7,215	7,333	4.7	5.0	5.1
Rochester MSA	117,668	117,597	116,139	113,861	113,595	112,208	3,807	4,002	3,931	3.2	3.4	3.4
St. Cloud MSA	109,906	110,536	108,833	105,936	106,298	104,821	3,970	4,238	4,012	3.6	3.8	3.7
Mankato-N Mankato MSA	58,918	59,342	58,267	57,185	57,624	56,465	1,733	1,718	1,802	2.9	2.9	3.1
Fargo-Moorhead MSA	129,365	129,760	129,333	126,165	126,335	126,240	3,200	3,425	3,093	2.5	2.6	2.4
Grand Forks MSA	55,001	55,481	54,107	53,213	53,632	52,445	1,788	1,849	1,662	3.3	3.3	3.1
Region One	**50,224**	**50,567**	**47,714**	**47,998**	**47,871**	**45,770**	**2,226**	**2,696**	**1,944**	**4.4**	**5.3**	**4.1**
Kittson	2,482	2,476	2,368	2,375	2,368	2,274	107	108	94	4.3	4.4	4.0
Marshall	5,992	6,025	5,527	5,650	5,545	5,231	342	480	296	5.7	8.0	5.4
Norman	3,539	3,539	3,248	3,382	3,379	3,104	157	160	144	4.4	4.5	4.4
Pennington	9,297	9,398	8,842	8,911	8,705	8,503	386	693	339	4.2	7.4	3.8
Polk	17,704	17,908	16,835	16,887	17,123	16,141	817	785	694	4.6	4.4	4.1
Red Lake	2,327	2,328	2,217	2,219	2,186	2,116	108	142	101	4.6	6.1	4.6
Roseau	8,883	8,893	8,677	8,574	8,565	8,401	309	328	276	3.5	3.7	3.2
Region Two	**43,332**	**42,970**	**41,966**	**41,065**	**40,285**	**39,686**	**2,267**	**2,685**	**2,280**	**5.2**	**6.2**	**5.4**
Beltrami	24,160	24,088	23,324	23,056	22,835	22,198	1,104	1,253	1,126	4.6	5.2	4.8
Clearwater	4,622	4,706	4,394	4,235	4,185	3,971	387	521	423	8.4	11.1	9.6
Hubbard	9,767	9,436	9,546	9,216	8,797	9,040	551	639	506	5.6	6.8	5.3
Lake of the Woods	2,396	2,360	2,324	2,295	2,224	2,219	101	136	105	4.2	5.8	4.5
Mahnomen	2,387	2,380	2,378	2,263	2,244	2,258	124	136	120	5.2	5.7	5.0
Region Three	**165,132**	**163,451**	**163,535**	**156,880**	**154,279**	**154,766**	**8,252**	**9,172**	**8,769**	**5.0**	**5.6**	**5.4**
Aitkin	6,855	6,734	6,842	6,477	6,271	6,441	378	463	401	5.5	6.9	5.9
Carlton	17,717	17,652	17,492	16,876	16,675	16,591	841	977	901	4.7	5.5	5.2
Cook	3,040	2,964	2,984	2,908	2,785	2,819	132	179	165	4.3	6.0	5.5
Itasca	22,402	22,133	22,039	21,067	20,619	20,653	1,335	1,514	1,386	6.0	6.8	6.3
Koochiching	6,264	6,228	6,513	5,750	5,614	5,963	514	614	550	8.2	9.9	8.4
Lake	5,692	5,502	5,696	5,436	5,221	5,440	256	281	256	4.5	5.1	4.5
St. Louis	103,162	102,238	101,969	98,366	97,094	96,859	4,796	5,144	5,110	4.6	5.0	5.0
City of Duluth	46,243	45,719	45,774	44,448	43,873	43,767	1,795	1,846	2,007	3.9	4.0	4.4
Balance of St. Louis County	56,919	56,519	56,195	53,918	53,221	53,092	3,001	3,298	3,103	5.3	5.8	5.5
Region Four	**129,350**	**128,019**	**124,395**	**124,974**	**123,343**	**120,207**	**4,376**	**4,676**	**4,188**	**3.4**	**3.7**	**3.4**
Becker	18,260	17,979	17,921	17,527	17,133	17,236	733	846	685	4.0	4.7	3.8
Clay	36,274	36,416	35,402	35,191	35,342	34,342	1,083	1,074	1,060	3.0	2.9	3.0
Douglas	20,520	20,077	20,024	19,858	19,369	19,381	662	708	643	3.2	3.5	3.2
Grant	3,498	3,471	3,259	3,354	3,300	3,133	144	171	126	4.1	4.9	3.9
Otter Tail	32,404	31,652	31,139	31,215	30,352	29,973	1,189	1,300	1,166	3.7	4.1	3.7
Pope	6,574	6,532	6,033	6,359	6,309	5,851	215	223	182	3.3	3.4	3.0
Stevens	6,215	6,217	5,461	6,067	6,068	5,311	148	149	150	2.4	2.4	2.7
Traverse	1,788	1,812	1,602	1,716	1,735	1,533	72	77	69	4.0	4.2	4.3
Wilkin	3,817	3,863	3,554	3,687	3,735	3,447	130	128	107	3.4	3.3	3.0
Region Five	**83,424**	**82,355**	**81,786**	**79,400**	**77,605**	**77,734**	**4,024**	**4,750**	**4,052**	**4.8**	**5.8**	**5.0**
Cass	14,655	14,013	14,147	13,799	13,020	13,300	856	993	847	5.8	7.1	6.0
Crow Wing	31,532	30,780	31,790	30,048	29,034	30,236	1,484	1,746	1,554	4.7	5.7	4.9
Morrison	17,385	17,532	17,132	16,555	16,507	16,265	830	1,025	867	4.8	5.8	5.1
Todd	13,589	13,729	12,698	13,077	13,137	12,229	512	592	469	3.8	4.3	3.7
Wadena	6,263	6,301	6,019	5,921	5,907	5,704	342	394	315	5.5	6.3	5.2
Region Six East	**67,543**	**67,501**	**63,743**	**65,037**	**64,734**	**61,146**	**2,506**	**2,767**	**2,597**	**3.7**	**4.1**	**4.1**
Kandiyohi	24,936	24,726	23,697	24,095	23,823	22,833	841	903	864	3.4	3.7	3.6
McLeod	19,980	19,922	19,477	19,195	19,098	18,636	785	824	841	3.9	4.1	4.3
Meeker	13,491	13,546	12,674	13,008	12,949	12,181	483	597	493	3.6	4.4	3.9
Renville	9,136	9,307	7,895	8,739	8,864	7,496	397	443	399	4.3	4.8	5.1

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

Labor Force Estimates

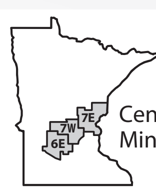
Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development,
Local Area Unemployment Statistics, and North Dakota Job Service, 2015.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	May 2015	Apr 2015	May 2014	May 2015	Apr 2015	May 2014	May 2015	Apr 2015	May 2014	May 2015	Apr 2015	May 2014
Region Six West	**24,325**	**24,203**	**23,061**	**23,206**	**23,190**	**22,167**	**1,119**	**1,013**	**894**	**4.6%**	**4.2%**	**3.9%**
Big Stone	2,681	2,633	2,551	2,578	2,521	2,458	103	112	93	3.8	4.3	3.6
Chippewa	7,183	7,131	6,838	6,873	6,852	6,562	310	279	276	4.3	3.9	4.0
Lac Qui Parle	3,703	3,744	3,584	3,562	3,592	3,446	141	152	138	3.8	4.1	3.9
Swift	5,171	5,086	4,726	4,801	4,817	4,528	370	269	198	7.2	5.3	4.2
Yellow Medicine	5,587	5,609	5,362	5,392	5,408	5,173	195	201	189	3.5	3.6	3.5
Region Seven East	**86,332**	**86,443**	**84,947**	**82,471**	**81,910**	**80,772**	**3,861**	**4,533**	**4,175**	**4.5**	**5.2**	**4.9**
Chisago	29,191	29,158	28,660	28,054	27,912	27,474	1,137	1,246	1,186	3.9	4.3	4.1
Isanti	20,585	20,565	20,285	19,782	19,675	19,379	803	890	906	3.9	4.3	4.5
Kanabec	8,884	8,973	8,726	8,369	8,296	8,166	515	677	560	5.8	7.5	6.4
Mille Lacs	12,896	12,985	12,686	12,226	12,173	11,955	670	812	731	5.2	6.3	5.8
Pine	14,776	14,762	14,590	14,040	13,854	13,798	736	908	792	5.0	6.2	5.4
Region Seven West	**232,186**	**232,505**	**228,894**	**223,840**	**223,561**	**220,328**	**8,346**	**8,944**	**8,566**	**3.6**	**3.8**	**3.7**
Benton	21,707	21,874	21,544	20,802	20,863	20,612	905	1,011	932	4.2	4.6	4.3
Sherburne	49,970	49,834	49,107	48,104	47,821	47,155	1,866	2,013	1,952	3.7	4.0	4.0
Stearns	88,199	88,662	87,289	85,134	85,435	84,209	3,065	3,227	3,080	3.5	3.6	3.5
Wright	72,310	72,135	70,954	69,800	69,442	68,352	2,510	2,693	2,602	3.5	3.7	3.7
Region Eight	**67,327**	**67,565**	**64,312**	**65,171**	**65,301**	**62,218**	**2,156**	**2,264**	**2,094**	**3.2**	**3.4**	**3.3**
Cottonwood	5,919	5,951	5,501	5,684	5,729	5,280	235	222	221	4.0	3.7	4.0
Jackson	6,615	6,600	6,193	6,337	6,342	5,998	278	258	195	4.2	3.9	3.1
Lincoln	3,443	3,488	3,234	3,340	3,359	3,114	103	129	120	3.0	3.7	3.7
Lyon	15,551	15,604	15,218	15,115	15,131	14,762	436	473	456	2.8	3.0	3.0
Murray	5,053	5,056	4,786	4,874	4,837	4,619	179	219	167	3.5	4.3	3.5
Nobles	11,553	11,693	11,059	11,201	11,322	10,724	352	371	335	3.0	3.2	3.0
Pipestone	5,222	5,202	4,722	5,077	5,052	4,574	145	150	148	2.8	2.9	3.1
Redwood	8,119	8,091	7,988	7,813	7,773	7,673	306	318	315	3.8	3.9	3.9
Rock	5,852	5,880	5,611	5,730	5,756	5,474	122	124	137	2.1	2.1	2.4
Region Nine	**131,281**	**132,138**	**128,858**	**126,556**	**127,103**	**124,020**	**4,725**	**5,035**	**4,838**	**3.6**	**3.8**	**3.8**
Blue Earth	38,961	39,242	38,588	37,786	38,059	37,345	1,175	1,183	1,243	3.0	3.0	3.2
Brown	14,553	14,539	14,049	13,944	13,903	13,459	609	636	590	4.2	4.4	4.2
Faribault	7,340	7,399	7,137	7,033	7,064	6,792	307	335	345	4.2	4.5	4.8
Le Sueur	15,845	15,995	15,505	15,202	15,169	14,803	643	826	702	4.1	5.2	4.5
Martin	10,276	10,324	10,084	9,828	9,876	9,689	448	448	395	4.4	4.3	3.9
Nicollet	19,957	20,100	19,679	19,399	19,565	19,120	558	535	559	2.8	2.7	2.8
Sibley	8,616	8,720	8,251	8,290	8,346	7,923	326	374	328	3.8	4.3	4.0
Waseca	9,448	9,481	9,537	9,063	9,071	9,124	385	410	413	4.1	4.3	4.3
Watonwan	6,285	6,338	6,028	6,011	6,050	5,765	274	288	263	4.4	4.5	4.4
Region Ten	**279,425**	**279,193**	**275,112**	**270,241**	**269,576**	**265,361**	**9,184**	**9,617**	**9,751**	**3.3**	**3.4**	**3.5**
Dodge	11,326	11,394	11,110	10,955	10,962	10,724	371	432	386	3.3	3.8	3.5
Fillmore	11,189	11,331	10,841	10,779	10,844	10,438	410	487	403	3.7	4.3	3.7
Freeborn	16,536	16,515	16,253	15,929	15,872	15,610	607	643	643	3.7	3.9	4.0
Goodhue	27,123	27,050	26,601	26,222	26,094	25,649	901	956	952	3.3	3.5	3.6
Houston	10,516	10,666	10,369	10,153	10,267	9,970	363	399	399	3.5	3.7	3.8
Mower	20,603	20,656	20,207	19,945	19,950	19,466	658	706	741	3.2	3.4	3.7
Olmsted	83,192	82,838	82,580	80,619	80,228	79,869	2,573	2,610	2,711	3.1	3.2	3.3
City of Rochester	61,197	60,899	60,778	59,254	58,967	58,703	1,943	1,932	2,075	3.2	3.2	3.4
Rice	36,001	35,764	35,279	34,837	34,529	33,973	1,164	1,235	1,306	3.2	3.5	3.7
Steele	20,797	20,666	20,901	20,106	19,951	20,164	691	715	737	3.3	3.5	3.5
Wabasha	11,961	12,034	11,608	11,508	11,561	11,177	453	473	431	3.8	3.9	3.7
Winona	30,181	30,279	29,363	29,188	29,318	28,321	993	961	1,042	3.3	3.2	3.5
Region Eleven	**1,669,256**	**1,658,761**	**1,642,333**	**1,612,907**	**1,602,675**	**1,583,098**	**56,349**	**56,086**	**59,235**	**3.4**	**3.4**	**3.6**
Anoka	193,109	192,136	190,057	186,226	185,037	182,764	6,883	7,099	7,293	3.6	3.7	3.8
Carver	54,894	54,699	53,820	53,173	52,913	52,040	1,721	1,786	1,780	3.1	3.3	3.3
Dakota	236,008	234,480	232,219	228,279	226,802	224,062	7,729	7,678	8,157	3.3	3.3	3.5
Hennepin	685,233	680,505	674,387	662,027	657,769	650,030	23,206	22,736	24,357	3.4	3.3	3.6
City of Bloomington	47,621	47,338	46,947	45,963	45,667	45,130	1,658	1,671	1,817	3.5	3.5	3.9
City of Minneapolis	232,785	231,023	228,998	224,684	223,239	220,613	8,101	7,784	8,385	3.5	3.4	3.7
Ramsey	282,438	280,620	277,864	272,360	270,627	267,350	10,078	9,993	10,514	3.6	3.6	3.8
City of St. Paul	155,272	154,226	152,622	149,419	148,468	146,670	5,853	5,758	5,952	3.8	3.7	3.9
Scott	79,004	78,612	77,745	76,613	76,132	75,179	2,391	2,480	2,566	3.0	3.2	3.3
Washington	138,570	137,709	136,241	134,229	133,395	131,673	4,341	4,314	4,568	3.1	3.1	3.4

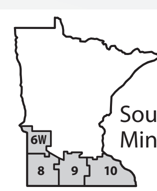
Minneapolis/
St. Paul

Northeast
Minnesota

Northwest
Minnesota



Central
Minnesota



Southern
Minnesota

Industrial Analysis

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

Overview

Seasonally adjusted job growth in Minnesota halted in May as the state lost 200 jobs (0.0 percent). This was the first month without employment gains since January as the state had added at least 7,500 jobs over each of the previous three months. Professional and Business Services lost 4,400 jobs (1.2 percent), and Leisure and Hospitality lost 1,600 (0.6 percent) among other notable declines. Over the year Minnesota added 38,383 jobs (1.4 percent), with only two supersectors, Government (down 2,225 or 0.5 percent) and Mining and Logging (down 209 or 3 percent) shedding employment on the year. The Information supersector returned to the black, up 725 jobs (1.4 percent) in May, and April's previously down estimate for the industry was also revised into annual positive growth.

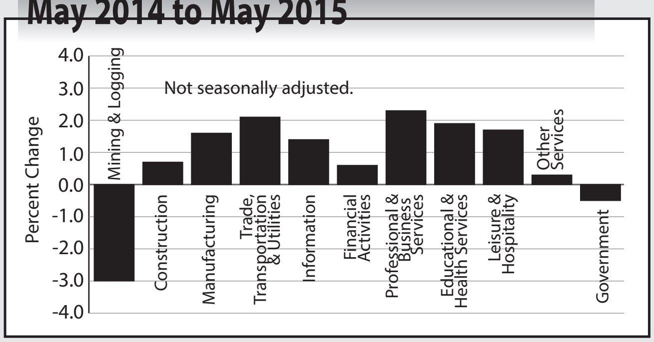
Mining and Logging

Employment in Mining and Logging was down by 300 jobs (4.2 percent) in May as the supersector gave back all of its April gains and then some. For the year Mining and Logging shed 209 jobs (3 percent) from its May 2014 estimates.

Construction

Employment in Construction leveled off somewhat in May as the supersector added just 200 jobs (0.2 percent), seasonally adjusted, following its 2,800 job surge in April. Employment also remained up on an annual basis, as Construction supported an estimated 737 (0.7 percent) more jobs than it did a year prior. The annual gain again came thanks to Specialty Trade Contractors, who were up 1,475 (2.2 percent) on the year, making up for losses of 560 (2.3 percent) in Construction of Buildings and 178 (1 percent) in Heavy and Civil Engineering.

MN Employment Growth
May 2014 to May 2015



Source: Department of Employment and Economic Development, Current Employment Statistics, 2015.

Manufacturing

Employment in Manufacturing dropped in May, down 1,000 jobs (0.3 percent), with both Durable and Non-Durable Goods Manufacturing shedding jobs. Employment increased by 5,054 jobs (1.6 percent) over the year, largely on the back of an increase of 4,385 (2.2 percent) in Durable Goods Manufacturing. While the subsector's growth was shared by a number of components, perhaps the most noteworthy was Fabricated Metal Product Manufacturing, which added 1,357 jobs (3.2 percent). Nondurable Goods Manufacturing was also up on the year, adding 669 jobs (0.6 percent).

Trade, Transportation, and Utilities

Employment in Trade, Transportation, and Utilities was up sharply in May, adding 6,600 jobs (1.3 percent), with employment in all three component sectors expanding. This marked the fourth straight month of seasonally adjusted growth for the supersector and the largest single-month expansion since 1998. Retail Trade had the largest numerical and proportional growth, adding 4,900 jobs or 1.7 percent. For the year Trade, Transportation, and Utilities added 10,817 jobs (2.1 percent) with growth in all three component industries. Wholesale Trade added 1,502 (1.1 percent), Transportation, Warehousing, and Utilities added 1,288 (1.3 percent), and Retail Trade added 8,027 (2.8 percent) thanks in part to the large spike in this month's estimate.

Information

The Information supersector added 200 jobs (0.4 percent) in May as it continued its tumultuous 2015. Information is beginning to show some stability over the year, however, as its added 725 jobs (1.4 percent) over May 2014, and April estimates were revised to move it into positive annual growth in that month as well. That makes three straight months of growth for the supersector, its first such streak since early 2013. The increase comes even though both published subsectors, Telecommunications and Publishing Industries (except Internet), remained down over the year and have been steadily shedding jobs for some time now.

*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 increased by 900 jobs (0.5 percent) in May with the addition of 1,200 jobs (0.9 percent) to the Finance and Insurance sector. This is the second straight month of estimated growth following four months of employment declines in the supersector. Annually, Financial Activities added 1,076 jobs (0.6 percent). Again the gain is thanks to the Finance and Insurance sector which added 1,963 jobs (1.4 percent). The other component sector, Real Estate and Rental and Leasing, lost 887 jobs (2.3 percent).

Professional and Business Services

Professional and Business Services shed 4,400 jobs (1.2 percent) last month. It has been a year of quickly shifting fortunes in the supersector, which added 5,100 jobs in January, lost 3,200 in March, and added 3,400 in April, before giving all of those gains and then some back in May. Most of last month's losses came from Administrative and Support and Waste Management and Remediation Services, which dropped 3,000 jobs (2.1 percent), although all three component sectors saw some decline. Despite the steep losses, employment in the supersector remains up on the year, with 8,248 more jobs (2.3 percent) than in May of 2014. Professional, Scientific, and Technical Services added 3,341 jobs (2.4 percent), and Administrative and Support and Waste Management and Remediation Services added 6,173 (4.6 percent). Management of Companies and Enterprises remains down for the year, off 1,266 jobs (1.6 percent) from May 2014.

Educational and Health Services

Employment in Educational and Health Services dropped slightly in May, down 900 jobs (0.2 percent). This was the second straight month of slight job losses in the supersector following the big jump of 4,800 jobs it saw in March. May's job losses came entirely in the Health Care and Social Assistance component sector which lost 2,100 jobs (0.5 percent), as Educational Services added 1,200 jobs (1.8 percent). On an annual basis, the supersector added 9,340 jobs (1.9 percent). Educational Services was up 2,892 jobs (4.3 percent), while Health Care and Social Assistance contributed an additional 6,448 (1.5 percent) thanks largely to an increase of 4,109 (3.0 percent) in Ambulatory Health Care Services.

Leisure and Hospitality

Leisure and Hospitality employment was down 1,600 (0.6 percent) in May, with a decline of 2,300 (1.0 percent) in Accommodation and Food Services swamping a gain of 700 (1.7 percent) in Arts, Entertainment, and Recreation. Annually, the supersector added 4,526 jobs (1.7 percent), with Accommodation and Food Services up 3,078 (1.4 percent) and Arts, Entertainment, and Recreation up 1,448 (3.3 percent).

Other Services

Other Services lost 200 jobs (0.2 percent) in May, although April's decline was also revised up from -700 to -200. Employment in the supersector remains up on the year, with the supersector supporting 294 (0.3 percent) more jobs than at the same time in 2014. Gains in Repair and Maintenance and in Religious, Grantmaking, Civic, Professional, and Similar Organizations more than make up for the loss of 834 jobs (2.9 percent) in Personal and Laundry Services.

Government

Government employment was up slightly in May, adding 300 jobs (0.1 percent) on a gain of 600 (0.2 percent) in Local Government. State employers shed 300 jobs (0.3 percent) while Federal employment remained flat. Annually, Government employment is down 2,225 jobs (0.5 percent), the largest annual decline of any supersector in the state as Mining and Logging, down 209, was the only other group to contract. Most of those losses came from State Government (down 1,961, 1.9 percent), and specifically from the component State Government Educational Services which lost 2,453 jobs (3.7 percent) on the year.

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	May 2015	April 2015	Mar 2015
Total Nonagricultural	**2,851.9**	**2,852.1**	**2,844.6**
Goods-Producing	**430.8**	**431.9**	**428.0**
Mining and Logging	6.9	7.2	7.0
Construction	108.2	108.0	105.2
Manufacturing	315.7	316.7	315.8
Service-Providing	**2,421.1**	**2,420.2**	**2,416.6**
Trade, Transportation, and Utilities	529.9	523.3	520.2
Information	52.9	52.7	52.8
Financial Activities	179.5	178.6	178.3
Professional and Business Services	358.6	363.0	359.6
Educational and Health Services	507.4	508.3	508.8
Leisure and Hospitality	260.2	261.8	261.9
Other Services	114.2	114.4	114.6
Government	418.4	418.1	420.4

Source: Department of Employment and Economic Development Current Employment Statistics, 2015.

Regional Analysis

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

Employment in the Minneapolis-St. Paul-Bloomington MSA increased dramatically again in May as the metro added 24,727 jobs (1.3 percent). While the increase in employment was fairly large in real numbers, it is worth noting that this is a time of year that regularly sees substantial hiring increases. Warm weather brings additional opportunities in a variety of industries, such as Mining, Logging, and Construction (up 8,508 or 12.7 percent) and Leisure and Hospitality (up 8,381 or 4.7 percent), which often require large amounts of outdoor activity. For the year the metro area added 34,245 jobs (1.8 percent). Professional and Business Services maintained the highest over-the-year actual growth, up 10,453 jobs (3.5 percent), although the largest proportional gain moved to Mining, Logging, and Construction, which was up 2,815 or 3.9 percent. On the other side of the ledger, Other Services (down 340 jobs or 0.4 percent) joined Information (down 54 jobs or 0.1 percent) as the only supersectors to lose employment since May of 2014.

Duluth-Superior MSA

The Duluth-Superior MSA added 2,759 jobs (1.3 percent) in May. The growth was led by Leisure and Hospitality, which added 1,215 jobs (9.2 percent), a strong performance even when compared to previous springs. As would be expected, the MSA also added significant employment in Mining, Logging, and Construction (up 651 or 7.7 percent) and Trade, Transportation, and Utilities (up 649, 2.6 percent). Government (down 144 or 0.5 percent) and Information (down 3 jobs, which still represents a 0.2 percent decline) were the only supersectors to shed jobs in May. Annually, Duluth added 1,798 jobs (1.3 percent). Trade, Transportation, and Utilities added more jobs than any other supersector, up 1,036 (4.1 percent), while the largest proportional growth came in Other Services, which was up 361 (6.1 percent). Annual losses came in Government (down 70, 0.3 percent), Financial Activities (down 247, 4.3 percent), and Educational and Health Services (down 44, 0.1 percent).

Rochester MSA

Employment in the Rochester MSA was up 1,420 (1.2 percent) in May, with the usual spring suspects leading the job growth. Mining, Logging, and Construction added 259 (6.5 percent), Leisure and Hospitality added 479 (4.8 percent), and Trade, Transportation, and Utilities added 382 (2.2 percent). Over-the-year growth in Rochester remained roughly flat from April, as the MSA supported 685 additional jobs (0.6 percent) over May of 2014. One noteworthy job-shedding industry was Mining, Logging, and Construction, which was down 74 jobs (1.7 percent) despite its addition of 259 jobs. The same supersector had shown 6.5 percent growth between Aprils 2014 and 2015. Information was among the notable job adders, up 109 (5.5 percent) from May of 2014.

St. Cloud MSA

The Saint Cloud MSA added 620 jobs (0.6 percent) in May. This growth came in spite of a loss of 316 jobs (2 percent) in Government employment. Leisure and Hospitality added 318 jobs (3.7 percent), Mining, Logging, and Construction added 294 (5.3 percent), and Trade, Transportation, and Utilities added 283 (1.3 percent). Annually, the MSA added 134 jobs (0.1 percent). The additional jobs came in large part thanks to a gain of 1,004 jobs (4.8 percent) in Educational and Health Services, which overcame losses of 650 (7.5 percent) in Professional and Business Services and 232 (3.8 percent) in Mining, Logging, and Construction. After Educational and Health Services, the next largest growth came in Trade, Transportation, and Utilities, which added 112 jobs (0.5 percent) as Retail Trade lost 218 jobs (1.7 percent), Wholesale Trade added those all back with one to spare (up 219, 4.8 percent), and Transportation, Warehousing, and Utilities pitched in an additional 111 jobs (2.9 percent).

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA was up very slightly in May, supporting 78 jobs (0.1 percent) more than in April. A decline of 311 jobs (3.3 percent) among Government employers was countered by an additional 389 jobs (0.8 percent) with Private Sector employers. For the year Mankato added 187 jobs (0.3 percent) with Goods Producers adding 237 jobs (2.4 percent) and Service-Providing employers shedding 50 (0.1 percent).

Fargo-Moorhead MSA

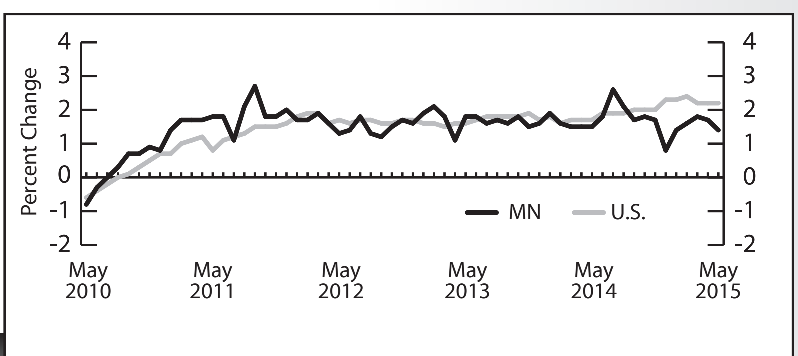
The Fargo-Moorhead MSA added 620 jobs (0.5 percent) in May. Their growth was driven by Mining, Logging, and Construction, which added 740 jobs (9 percent). Annually, employment in Fargo-Moorhead was up 2,145 (1.6 percent). The largest chunk of new jobs came in Trade, Transportation, and Utilities, which added 1,024 (3.4 percent). Professional and Business services employment remained down, off 513 (3.2 percent) following a monthly drop of 181 (1.2 percent) in May.

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA was down 37 (0.1 percent) in May, making it the only MSA in the state to lose employment for the month. Expected gains in Mining, Logging, and Construction (up 357, or 12.1 percent) were overcome by a loss of 421 (2.9 percent) in Government, almost entirely from a decline of 586 (7.8 percent) in State Government. For the year the MSA was up 1,533 jobs (2.7 percent), with Trade, Transportation, and Utilities adding 1,165 (9.4 percent).

by Nick Dobbins

Source: Department of Employment and Economic Development, Current Employment Statistics, 2015 Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2015.



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

Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

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

Industry	Jobs* (Thousands) May 2015	Jobs* (Thousands) Apr 2015	Jobs* (Thousands) May 2014	Percent Change From** Apr 2015	Percent Change From** May 2014	Average Weekly Earnings May 2015	Average Weekly Earnings May 2014	Average Weekly Hours May 2015	Average Weekly Hours May 2014	Average Hourly Earnings May 2015	Average Hourly Earnings May 2014
TOTAL NONFARM WAGE AND SALARY	**2,870.9**	**2,833.4**	**2,832.5**	**1.3%**	**1.4%**	—	—	—	—	—	—
GOODS-PRODUCING	**433.6**	**417.7**	**428.0**	**3.8**	**1.3**	—	—	—	—	—	—
Mining and Logging	**6.9**	**6.6**	**7.1**	**3.7**	**-3.0**	—	—	—	—	—	—
Construction	**111.3**	**97.6**	**110.5**	**14.1**	**0.7**	—	—	—	—	—	—
Specialty Trade Contractors	70.0	62.5	68.5	11.9	2.2	$1,169.6	$1,247.7	37.5	39.9	$31.19	$31.27
Manufacturing	**315.5**	**313.5**	**310.4**	**0.6**	**1.6**	**823.0**	**825.0**	**40.5**	**41.9**	**20.32**	**19.69**
Durable Goods	202.5	200.8	198.1	0.8	2.2	827.0	838.6	40.7	42.7	20.32	19.64
Wood Product Manufacturing	10.7	10.4	10.8	2.8	-0.6	—	—	—	—	—	—
Fabricated Metal Production	43.7	43.4	42.4	0.6	3.2	—	—	—	—	—	—
Machinery Manufacturing	32.8	32.9	32.2	-0.3	1.8	—	—	—	—	—	—
Computer and Electronic Product	45.8	45.4	44.9	0.8	2.0	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.5	25.5	25.0	0.2	2.0	—	—	—	—	—	—
Transportation Equipment	11.8	11.6	11.4	1.6	2.8	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.6	15.6	15.5	0.3	0.7	—	—	—	—	—	—
Nondurable Goods	113.0	112.7	112.3	0.2	0.6	814.4	803.1	40.1	40.6	20.31	19.78
Food Manufacturing	46.1	46.5	44.8	-0.8	2.8	—	—	—	—	—	—
Paper Manufacturing	32.0	32.0	33.3	0.2	-3.9	—	—	—	—	—	—
Printing and Related	23.1	23.0	24.0	0.1	-3.8	—	—	—	—	—	—
SERVICE-PROVIDING	**2,437.3**	**2,415.7**	**2,404.5**	**0.9**	**1.4**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**528.2**	**518.0**	**517.4**	**2.0**	**2.1**	—	—	—	—	—	—
Wholesale Trade	134.3	133.2	132.8	0.8	1.1	924.2	994.3	38.7	39.9	23.88	24.92
Retail Trade	296.4	289.2	288.4	2.5	2.8	404.0	397.6	28.0	27.9	14.43	14.25
Motor Vehicle and Parts	34.5	34.1	33.2	1.2	3.8	—	—	—	—	—	—
Building Material and Garden Equipment	28.2	26.3	28.1	7.3	0.3	—	—	—	—	—	—
Food and Beverage Stores	51.5	50.7	50.9	1.5	1.1	—	—	—	—	—	—
Gasoline Stations	24.3	23.9	23.9	1.9	1.6	—	—	—	—	—	—
General Merchandise Stores	60.7	60.3	59.1	0.7	2.6	316.4	297.2	28.2	27.7	11.22	10.73
Transportation,Warehouse, Utilities	97.5	95.7	96.2	1.9	1.3	—	—	—	—	—	—
Transportation and Warehousing	84.4	82.7	83.4	2.1	1.2	669.3	626.2	34.5	36.6	19.4	17.11
Information	**53.2**	**52.7**	**52.5**	**1.0**	**1.4**	**876.2**	**799.1**	**36.6**	**34.7**	**23.94**	**23.03**
Publishing Industries	20.1	20.2	20.7	-0.3	-2.6	—	—	—	—	—	—
Telecommunications	13.3	13.2	13.4	0.5	-0.9	—	—	—	—	—	—
Financial Activities	**179.4**	**177.6**	**178.3**	**1.0**	**0.6**	—	—	—	—	—	—
Finance and Insurance	140.9	139.5	138.9	1.0	1.4	877.2	932.0	35.2	35.9	24.92	25.96
Credit Intermediation	55.1	54.2	54.9	1.6	0.3	716.7	758.6	35.1	35.7	20.42	21.25
Securities, Commodity Contracts, and Other	18.6	18.6	18.5	0.2	0.5	—	—	—	—	—	—
Insurance Carriers and Related	66.0	65.7	64.3	0.4	2.7	—	—	—	—	—	—
Real Estate and Rental and Leasing	38.5	38.1	39.4	1.0	-2.3	—	—	—	—	—	—
Professional and Business Services	**359.6**	**359.4**	**351.4**	**0.1**	**2.3**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	142.9	145.5	139.6	-1.8	2.4	—	—	—	—	—	—
Legal Services	17.9	17.8	18.1	0.6	-1.0	—	—	—	—	—	—
Accounting, Tax Preparation	16.3	19.5	15.3	-16.2	6.6	—	—	—	—	—	—
Computer Systems Design	36.7	36.7	33.7	0.1	8.9	—	—	—	—	—	—
Management of Companies and Enterprises	76.6	77.0	77.9	-0.6	-1.6	—	—	—	—	—	—
Administrative and Support Services	140.1	136.9	134.0	2.4	4.6	—	—	—	—	—	—
Educational and Health Services	**509.9**	**513.2**	**500.5**	**-0.7**	**1.9**	—	—	—	—	—	—
Educational Services	70.2	72.4	67.3	-3.1	4.3	—	—	—	—	—	—
Health Care and Social Assistance	439.7	440.8	433.3	-0.3	1.5	—	—	—	—	—	—
Ambulatory Health Care	142.3	142.3	138.2	0.0	3.0	1,234.2	1,199.9	35.7	34.6	34.57	34.68
Offices of Physicians	67.1	67.0	66.2	0.1	1.4	—	—	—	—	—	—
Hospitals	105.5	105.5	105.6	0.0	-0.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	106.9	107.2	106.1	-0.2	0.8	430.1	417.3	29.2	29.2	14.73	14.29
Social Assistance	85.0	85.8	83.4	-1.0	1.9	—	—	—	—	—	—
Leisure and Hospitality	**267.0**	**255.3**	**262.5**	**4.6**	**1.7**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	45.0	39.8	43.5	13.1	3.3	—	—	—	—	—	—
Accommodation and Food Services	222.0	215.5	218.9	3.0	1.4	—	—	—	—	—	—
Food Services and Drinking Places	194.5	189.1	191.1	2.9	1.8	260.0	249.1	21.0	21.7	12.38	11.48
Other Services	**114.1**	**113.8**	**113.8**	**0.2**	**0.3**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	63.5	63.9	63.2	-0.7	0.4	—	—	—	—	—	—
Government	**425.9**	**425.6**	**428.1**	**0.1**	**-0.5**	—	—	—	—	—	—
Federal Government	31.3	31.4	31.1	-0.4	0.7	—	—	—	—	—	—
State Government	102.4	106.2	104.4	-3.6	-1.9	—	—	—	—	—	—
State Government Education	63.3	67.4	65.7	-6.1	-3.7	—	—	—	—	—	—
Local Government	292.2	287.9	292.7	1.5	-0.2	—	—	—	—	—	—
Local Government Education	145.1	144.3	147.0	0.5	-1.3	—	—	—	—	—	—

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, 2015.

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

Numbers are unadjusted.

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

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	May 2015	Apr 2015	May 2014	Apr 2015	May 2014	May 2015	May 2014	May 2015	May 2014	May 2015	May 2014
TOTAL NONFARM WAGE AND SALARY	**1,940.3**	**1,915.5**	**1,906.0**	**1.3%**	**1.8%**	—	—	—	—	—	—
GOODS-PRODUCING	**268.9**	**259.2**	**261.8**	**3.7**	**2.7**	—	—	—	—	—	—
Mining, Logging, and Construction	**75.3**	**66.8**	**72.5**	**12.7**	**3.9**	—	—	—	—	—	—
Construction of Buildings	16.1	15.6	16.0	3.5	0.7	—	—	—	—	—	—
Specialty Trade Contractors	50.4	45.9	46.8	9.8	7.6	$1,262.98	$1,277.64	38.4	39.3	$32.89	$32.51
Manufacturing	**193.5**	**192.4**	**189.3**	**0.6**	**2.2**	**869.35**	**853.31**	**40.7**	**42.4**	**21.36**	**20.13**
Durable Goods	132.5	131.4	129.6	0.8	2.2	859.02	869.00	41.2	43.0	20.85	20.20
Fabricated Metal Production	29.9	29.7	28.9	0.6	3.6	—	—	—	—	—	—
Machinery Manufacturing	20.2	20.2	19.9	0.0	1.6	—	—	—	—	—	—
Computer and Electronic Product	36.6	36.2	35.8	1.0	2.3	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.8	23.7	23.4	0.2	1.7	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.4	14.3	14.0	0.4	2.5	—	—	—	—	—	—
Nondurable Goods	61.1	61.0	59.7	0.1	2.2	890.07	819.16	39.7	41.0	22.42	19.96
Food Manufacturing	14.7	14.8	14.3	-0.7	3.0	—	—	—	—	—	—
Printing and Related	15.0	15.0	15.5	0.3	-2.8	—	—	—	—	—	—
SERVICE-PROVIDING	**1,671.4**	**1,656.3**	**1,644.2**	**0.9**	**1.7**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**347.5**	**342.6**	**343.0**	**1.4**	**1.3**	—	—	—	—	—	—
Wholesale Trade	96.9	97.0	96.3	-0.1	0.6	917.19	898.38	38.7	38.2	23.70	23.53
Merchant Wholesalers - Durable Goods	48.2	48.5	47.2	-0.5	2.3	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	27.9	27.6	28.1	1.0	-0.6	—	—	—	—	—	—
Retail Trade	182.8	178.9	180.8	2.2	1.1	440.97	423.40	29.3	29.2	15.05	14.50
Food and Beverage Stores	30.6	30.4	29.9	0.9	2.4	—	—	—	—	—	—
General Merchandise Stores	38.4	38.0	36.9	0.9	4.0	327.57	316.39	29.3	29.0	11.18	10.91
Transportation, Warehouse, Utilities	67.8	66.7	65.9	1.6	2.9	—	—	—	—	—	—
Utilities	7.9	7.9	7.7	0.1	2.8	—	—	—	—	—	—
Transportation and Warehousing	59.9	58.8	58.2	1.8	2.9	777.11	845.80	38.3	44.9	20.29	18.85
Information	**39.5**	**39.4**	**39.6**	**0.4**	**-0.1**						
Publishing Industries	16.2	16.3	16.4	-0.2	-1.1	—	—	—	—	—	—
Telecommunications	9.7	9.7	9.8	-0.2	-1.4	—	—	—	—	—	—
Financial Activities	**146.8**	**145.1**	**145.3**	**1.1**	**1.0**	—	—	—	—	—	—
Finance and Insurance	114.8	113.6	112.7	1.0	1.9	867.73	1,041.92	33.4	36.0	25.98	28.91
Credit Intermediation	39.5	39.1	39.4	1.1	0.3	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.5	16.4	16.7	0.2	-1.4	—	—	—	—	—	—
Insurance Carriers and Related	55.8	55.6	55.4	0.4	0.7	—	—	—	—	—	—
Real Estate and Rental and Leasing	32.0	31.5	32.7	1.5	-2.1	—	—	—	—	—	—
Professional and Business Services	**307.0**	**304.5**	**296.5**	**0.8**	**3.5**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	127.0	127.2	120.8	-0.2	5.2	—	—	—	—	—	—
Legal Services	15.2	15.1	15.3	0.6	-0.8	—	—	—	—	—	—
Architectural, Engineering, and Related	16.7	16.5	16.3	1.0	2.4	—	—	—	—	—	—
Computer Systems Design	32.5	32.5	31.2	-0.1	4.2	—	—	—	—	—	—
Management of Companies and Enterprises	69.1	69.7	70.7	-0.8	-2.3	—	—	—	—	—	—
Administrative and Support Services	110.8	107.6	105.0	3.0	5.5	—	—	—	—	—	—
Employment Services	51.5	51.4	49.3	0.3	4.5	—	—	—	—	—	—
Educational and Health Services	**314.2**	**317.0**	**308.8**	**-0.9**	**1.7**	—	—	—	—	—	—
Educational Services	46.7	47.9	45.5	-2.6	2.7	—	—	—	—	—	—
Health Care and Social Assistance	267.5	269.1	263.4	-0.6	1.6	—	—	—	—	—	—
Ambulatory Health Care	86.2	86.6	83.9	-0.6	2.7	—	—	—	—	—	—
Hospitals	62.2	62.2	62.2	-0.1	0.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	59.0	59.3	58.5	-0.5	0.8	—	—	—	—	—	—
Social Assistance	60.2	60.9	58.8	-1.2	2.3	—	—	—	—	—	—
Leisure and Hospitality	**184.9**	**176.5**	**179.7**	**4.7**	**2.9**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	33.3	29.8	34.0	12.0	-2.0	—	—	—	—	—	—
Accommodation and Food Services	151.6	146.8	145.7	3.3	4.0	275.72	291.57	21.9	23.6	12.59	12.36
Food Services and Drinking Places	137.7	133.5	131.8	3.2	4.5	270.72	286.35	21.3	23.0	12.71	12.45
Other Services	**79.3**	**79.1**	**79.7**	**0.3**	**-0.4**	—	—	—	—	—	—
Repair and Maintenance	14.5	14.3	14.3	0.9	1.5	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.8	42.7	42.8	0.3	0.0	—	—	—	—	—	—
Government	**252.2**	**252.1**	**251.6**	**0.0**	**0.2**	—	—	—	—	—	—
Federal Government	20.4	20.6	20.3	-0.9	0.5	—	—	—	—	—	—
State Government	69.4	72.0	69.7	-3.7	-0.4						
State Government Education	43.0	45.8	43.8	-6.1	-1.8						
Local Government	162.4	159.5	161.6	1.8	0.5						
Local Government Education	90.4	89.7	91.4	0.8	-1.1						

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, 2015.

Employer Survey

Industry	Duluth-Superior MSA Jobs May 2015	Jobs Apr 2015	Jobs May 2014	% Chg. From Apr 2015	% Chg. From May 2014	Rochester MSA Jobs May 2015	Jobs Apr 2015	Jobs May 2014	% Chg. From Apr 2015	% Chg. From May 2014
TOTAL NONFARM WAGE AND SALARY	**136,811**	**134,052**	**135,013**	**2.1%**	**1.3%**	**115,428**	**114,008**	**114,743**	**1.2%**	**0.6%**
GOODS-PRODUCING	**16,371**	**15,626**	**16,161**	**4.8**	**1.3**	**15,233**	**14,746**	**15,009**	**3.3**	**1.5**
Mining, Logging, and Construction	9,139	8,488	8,930	7.7	2.3	4,256	3,997	4,330	6.5	-1.7
Manufacturing	7,232	7,138	7,231	1.3	0.0	10,977	10,749	10,679	2.1	2.8
SERVICE-PROVIDING	**120,440**	**118,426**	**118,852**	**1.7**	**1.3**	**100,195**	**99,262**	**99,734**	**0.9**	**0.5**
Trade, Transportation, and Utilities	26,055	25,406	25,019	2.6	4.1	17,924	17,542	17,757	2.2	0.9
Wholesale Trade	3,355	3,355	3,381	0.0	-0.8	2,643	2,585	2,651	2.2	-0.3
Retail Trade	16,155	15,572	15,313	3.7	5.5	12,240	11,932	12,248	2.6	-0.1
Transportation, Warehouse, Utilities	6,545	6,479	6,325	1.0	3.5	3,041	3,025	2,858	0.5	6.4
Information	1,399	1,402	1,380	-0.2	1.4	2,084	2,076	1,975	0.4	5.5
Financial Activities	5,481	5,425	5,728	1.0	-4.3	2,780	2,781	2,784	0.0	-0.1
Professional and Business Services	8,518	8,410	8,384	1.3	1.6	5,699	5,647	5,947	0.9	-4.2
Educational and Health Services	31,407	31,325	31,451	0.3	-0.1	45,042	44,991	44,960	0.1	0.2
Leisure and Hospitality	14,370	13,155	13,971	9.2	2.9	10,395	9,916	10,290	4.8	1.0
Other Services	6,292	6,241	5,931	0.8	6.1	3,675	3,647	3,698	0.8	-0.6
Government	26,918	27,062	26,988	-0.5	-0.3	12,596	12,662	12,323	-0.5	2.2

Employer Survey

Industry	St. Cloud MSA Jobs May 2015	Jobs Apr 2015	Jobs May 2014	% Chg. From Apr 2015	% Chg. From May 2014	Mankato-North Mankato MSA Jobs May 2015	Jobs Apr 2015	Jobs May 2014	% Chg. From Apr 2015	% Chg. From May 2014
TOTAL NONFARM WAGE AND SALARY	**107,328**	**106,708**	**107,194**	**0.6%**	**0.1%**	**55,657**	**55,579**	**55,470**	**0.1**	**0.3%**
GOODS-PRODUCING	**21,171**	**20,846**	**21,386**	**1.6**	**-1.0**	**10,313**	**10,043**	**10,076**	**2.7**	**2.4**
Mining, Logging, and Construction	5,829	5,535	6,061	5.3	-3.8	--	--	--	--	--
Manufacturing	15,342	15,311	15,325	0.2	0.1	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**86,157**	**85,862**	**85,808**	**0.3**	**0.4**	**45,344**	**45,536**	**45,394**	**-0.4**	**-0.1**
Trade, Transportation, and Utilities	21,557	21,274	21,445	1.3	0.5	--	--	--	--	--
Wholesale Trade	4,743	4,668	4,524	1.6	4.8	--	--	--	--	--
Retail Trade	12,903	12,790	13,121	0.9	-1.7	--	--	--	--	--
Transportation, Warehouse, Utilities	3,911	3,816	3,800	2.5	2.9	--	--	--	--	--
Information	1,571	1,561	1,645	0.6	-4.5	--	--	--	--	--
Financial Activities	4,859	4,797	4,774	1.3	1.8	--	--	--	--	--
Professional and Business Services	8,061	8,133	8,711	-0.9	-7.5	--	--	--	--	--
Educational and Health Services	21,882	21,877	20,878	0.0	4.8	--	--	--	--	--
Leisure and Hospitality	8,967	8,649	9,016	3.7	-0.5	--	--	--	--	--
Other Services	3,718	3,713	3,705	0.1	0.4	--	--	--	--	--
Government	15,542	15,858	15,634	-2.0	-0.6	9,150	9,461	9,388	-3.3	-2.5

Employer Survey

Industry	Fargo-Moorhead MSA Jobs May 2015	Jobs Apr 2015	Jobs May 2014	% Chg. From Apr 2015	% Chg. From May 2014	Grand Forks-East Grand Forks MSA Jobs May 2015	Jobs Apr 2015	Jobs May 2014	% Chg. From Apr 2015	% Chg. From May 2014
TOTAL NONFARM WAGE AND SALARY	**139,916**	**139,296**	**137,771**	**0.5%**	**1.6%**	**58,109**	**58,146**	**56,576**	**-0.1%**	**2.7%**
GOODS-PRODUCING	**18,978**	**18,253**	**19,227**	**4.0**	**-1.3**	**7,113**	**6,948**	**6,867**	**2.4**	**3.6**
Mining, Logging, and Construction	8,966	8,226	8,986	9.0	-0.2	3,315	2,958	3,073	12.1	7.9
Manufacturing	10,012	10,027	10,241	-0.2	-2.2	3,798	3,990	3,794	-4.8	0.1
SERVICE-PROVIDING	**120,938**	**121,043**	**118,544**	**-0.1**	**2.0**	**50,996**	**51,198**	**49,709**	**-0.4**	**2.6**
Trade, Transportation, and Utilities	30,907	30,912	29,883	0.0	3.4	13,593	13,469	12,428	0.9	9.4
Wholesale Trade	9,375	9,341	9,102	0.4	3.0	2,113	2,063	2,035	2.4	3.8
Retail Trade	16,523	16,576	15,612	-0.3	5.8	9,241	9,136	8,306	1.2	11.3
Transportation, Warehouse, Utilities	5,009	4,995	5,169	0.3	-3.1	2,239	2,270	2,087	-1.4	7.3
Information	3,227	3,240	3,287	-0.4	-1.8	603	605	598	-0.3	0.8
Financial Activities	10,734	10,738	10,321	0.0	4.0	1,778	1,768	1,738	0.6	2.3
Professional and Business Services	15,421	15,603	15,934	-1.2	-3.2	3,145	3,140	2,885	0.2	9.0
Educational and Health Services	21,477	21,719	21,352	-1.1	0.6	9,421	9,423	9,555	0.0	-1.4
Leisure and Hospitality	14,940	14,618	13,973	2.2	6.9	6,194	6,068	6,098	2.1	1.6
Other Services	5,357	5,386	5,270	-0.5	1.7	2,104	2,146	2,091	-2.0	0.6
Government	18,875	18,827	18,524	0.3	1.9	14,158	14,579	14,316	-2.9	-1.1

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2015.

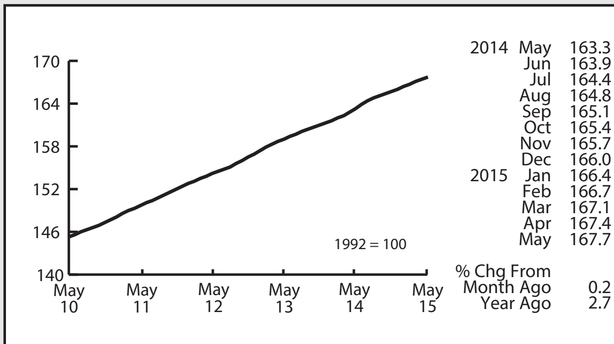
Minnesota Economic Indicators

Highlights

The **Minnesota Index** rose 0.2 percent for the 10th consecutive month in May, a sign that the Minnesota economy continues to expand but at a moderate rate. The U.S. index also rose 0.2 last month marking the fourth month in a row that the U.S. index climbed 0.2 percent. The Minnesota index has trailed the U.S. index in nine of the last 10 months, but the gap has been minimal in most months.

May's index advance was held in check in Minnesota by flat wage and salary employment and a small uptick in the unemployment rate, increasing from 3.7 to 3.8 percent. The uptick in the unemployment rate was not all negative as the labor force increased by roughly 6,500 workers with household employment increasing 3,400 and unemployment increasing 3,100. Labor force participation in Minnesota reached 70.8 percent, the highest level since September 2011. Minnesota's labor force participation rate is now 7.9 percentage points above the U.S. which is the highest gap since September 2009. The Minnesota index was up 2.7 percent over the last year while the U.S. index was up 3.3 over the same period.

Adjusted **Wage and Salary Employment**, after recording sharp gains during the previous three months, was essentially unchanged as total employment inched down 200 jobs. Private sector payrolls fell by 500 positions while public sector payrolls expanded by 300 positions. Professional and Business Services, Leisure and Hospitality, and Manufacturing payrolls saw the biggest declines. Trade, Transportation, and Utilities added 6,600 jobs, offsetting most of the job loss in other sectors. The 6,600 job expansion in Trade, Transportation, and Utilities was the second largest monthly increase over the last 25 years. This sector's workforce hasn't been this large since May 2007.



Source: The Federal Reserve Bank of Philadelphia, 2015

Minnesota Index

Minnesota's unadjusted over-the-year job growth dipped to 1.4 percent in May while the U.S. rate stayed at 2.2 percent. Minnesota's job growth on a year-over-year basis has lagged behind the U.S. for almost a year now.

Minnesota's adjusted online **Help-Wanted Ads** inched up 0.6 percent in May. Help-wanted ad levels nationally rose 1.5 percent. Help-wanted advertising is up 7.5 percent from a year ago in Minnesota and 8.2 percent nationally. Minnesota's share of national online help-wanted ads (2.4 percent) continues to run ahead of the state's share of national employment, (2.0 percent).

Minnesota's **Purchasing Managers' Index (PMI)** inched down to 51.1, slightly above the three-year low recorded in March. The Minnesota PMI, like the national PMI, ranges between 0 percent and 100 percent with an index number greater than 50 indicating an expansionary economy while a reading under 50 percent forecasting a sluggish economy over the next three to six months. Minnesota's index has trailed the U.S. PMI over the last three months, suggesting that Minnesota's manufacturing will expand slower than the national economy through the rest of the year. Minnesota's PMI ran significantly higher than the national PMI, yet Minnesota's manufacturing employment growth (1.5 percent) was only slightly higher than nationwide growth (1.4 percent).

Adjusted **Manufacturing Hours** partially rebounded in May from a steep drop off in April. May's 40.6 hours was down from a year ago when the average factory workweek was 42.0 hours. The 45-year average for non-recession months is 40.6 hours and 39.7 hours for recession months. It is hard to tell if the lower hours are from slowing manufacturing activity or because the sector has added workers and cut overtime hours. **Manufacturing Earnings** also rebounded in May, climbing to $827.34 but remain in real terms lower than a year ago.

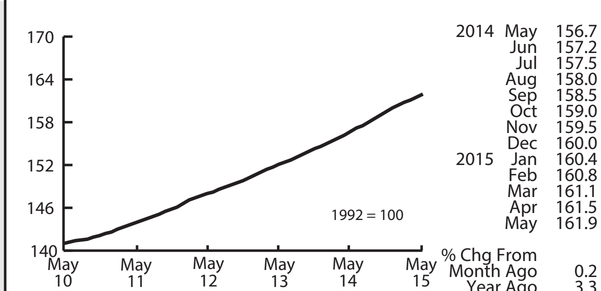
The **Minnesota Leading Index** was revised down significantly in May, declining to 0.77. That is the lowest reading since November 2009. May's reading indicates that Minnesota's GDP will expand by less than 1 percent over the next six months. Minnesota's leading index has trailed the national leading index over the last 12 months. The low reading isn't consistent with most of the other indicators so expect it to be revised up next month.

Adjusted **Residential Building Permits** bounced back in May, climbing 20.4 percent to 1,801. Minnesota's home-building industry is still below the historical average, but residential building permits over the first five months of this year are the highest since 2006.

Adjusted **Initial Claims for Unemployment Benefits (UB)** climbed 3.2 percent in May but remain comfortably low which suggest that Minnesota's job market will remain solid through the summer.

by Dave Senf

United States Index

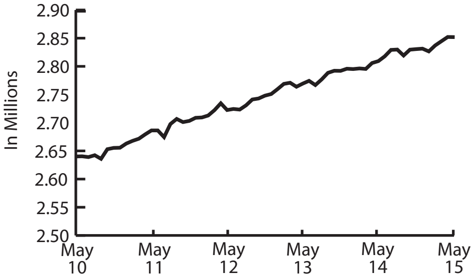


Source: The Federal Reserve Bank of Philadelphia, 2015

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

2014	Dec	2.8314
2015	Jan	2.8265
	Feb	2.8370
	Mar	2.8446
	Apr	2.8521
	May	2.8519

% Chg From Month Ago 0.0

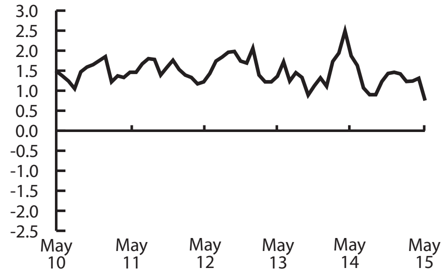
unadjusted

2014	May	2.8325
2015	May	2.8709

% Chg From Year Ago 1.4%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Minnesota Leading Index

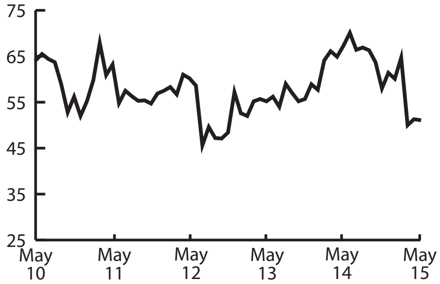


2014	May	1.87
	Jun	1.63
	Jul	1.07
	Aug	0.90
	Sep	0.90
	Oct	1.23
	Nov	1.43
	Dec	1.46
2015	Jan	1.42
	Feb	1.23
	Mar	1.24
	Apr	1.31
	May	0.77

% Chg From Month Ago -41.2
Year Ago -58.6

Source: The Federal Reserve Bank of Philadelphia, 2015

Purchasing Managers' Index

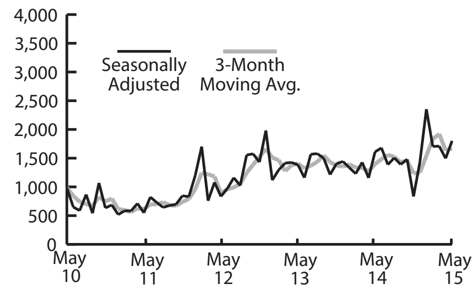


2014	May	67.3
	Jun	70.1
	Jul	66.4
	Aug	66.9
	Sep	66.3
	Oct	63.7
	Nov	58.0
	Dec	61.4
2015	Jan	60.1
	Feb	64.7
	Mar	50.0
	Apr	51.3
	May	51.1

% Chg From Month Ago -0.4
Year Ago -24.1

Source: Creighton University, Mid-America Survey of Business Conditions, 2015

Residential Building Permits



2014	Dec	1,440
2015	Jan	2,352
	Feb	1,704
	Mar	1,709
	Apr	1,496
	May	1,801

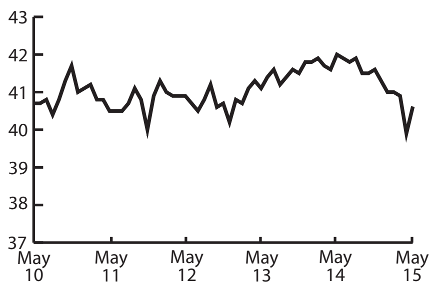
% Chg From Month Ago 20.4

2014	May	2,034
2015	May	2,210

% Chg From Year Ago 8.7%

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2015

Average Weekly Manufacturing Hours



seasonally adjusted

2014	Dec	41.3
2015	Jan	41.0
	Feb	41.0
	Mar	40.9
	Apr	39.9
	May	40.6

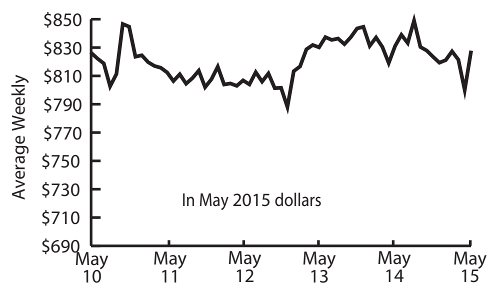
% Chg From Month Ago 1.7

2014	May	41.9
2015	May	40.5

% Chg From Year Ago -3.3%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Manufacturing Earnings



seasonally adjusted

2014	Dec	819.32
2015	Jan	821.12
	Feb	827.32
	Mar	821.42
	Apr	799.97
	May	827.34

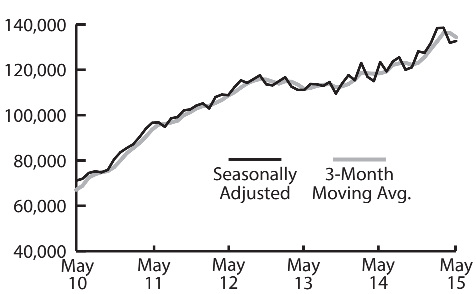
% Chg From Month Ago 3.4

2014	May	826.85
2015	May	822.96

% Chg From Year Ago -0.5%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Online Help-Wanted Advertising

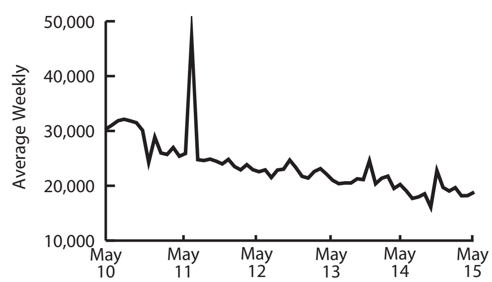


2014	May	123,400
	Jun	119,300
	Jul	123,700
	Aug	125,500
	Sep	120,000
	Oct	121,100
	Nov	128,100
	Dec	127,500
2015	Jan	131,800
	Feb	138,400
	Mar	138,500
	Apr	131,900
	May	132,700

% Chg From Month Ago 0.6
Year Ago 7.5

Source: The Conference Board Inc., 2015

Initial UB Claimants



seasonally adjusted

2014	Dec	19,704
2015	Jan	19,036
	Feb	19,654
	Mar	18,176
	Apr	18,199
	May	18,784

% Chg From Month Ago 3.2

2014	May	16,505
2015	May	15,286

% Chg From Year Ago -7.4%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2015

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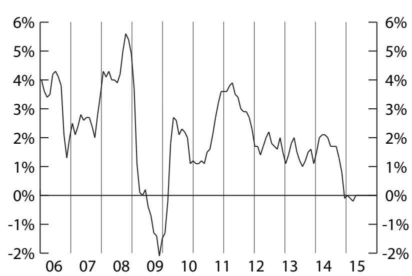
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.4 percent in May on a seasonally adjusted basis. The gasoline index increased sharply, rising 10.4 percent. Other energy indices were mixed, with the fuel oil index rising but the electricity index declining. The food index was unchanged. The index for all items less food and energy rose 0.1 percent. The indices for shelter, airline fares, and medical care increased. The indices for apparel, household furnishings and operations, and used cars and trucks all declined.

The all items index was unchanged for the 12 months ending May after showing a 0.2 percent decline for the 12 months ending April. The energy index fell 16.3 percent, with the gasoline index down 25.0 percent despite rising in May. The food index increased 1.6 percent, and the index for all items less food and energy rose 1.7 percent.

Percent Change From One Year Ago



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.

What's Going On?

Turning Employment Plans into Employment, Part of New VRS Pilot Project

In August DEED's Vocational Rehabilitation Services will launch a pilot project focused on supporting clients who receive SSDI benefits. The emphasis is on developing an employment plan for clients within 30 days of their applying for services and providing vocational rehabilitation counseling, financial education, and labor market information. Clients will be supported in making informed career choices and encouraged to move into the world of earning a livable wage. Eight teams from Crookston, Duluth, Anoka, North Minneapolis, Woodbury, Burnsville, Mankato, and Marshall will help move the pilot project forward.

For more information, call Chris McVey at 651-259-7357 or email chris.mcvey@state.mn.us

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

Minnesota
Department of Employment and Economic Development

A Higher Level of New Hires

Hiring Activity

As Minnesota's economy has recovered, hiring activity has picked up across the state. In the second quarter of 2015 total non-farm employment was up 1.7 percent over the past year and had expanded nearly 8 percent since 2010. According to estimates from DEED's Current Employment Statistics (CES) program, the state regained more than 205,000 jobs from April of 2010 to April of 2015, including a huge boost of more than 45,000 jobs in the past year.

By sector, the most impressive job increases occurred in Construction, Professional and Business Services, Leisure and Hospitality, Educational and Health Services, and Manufacturing. The state also saw growth in Other Services, Financial Activities, and Trade, Transportation, and Utilities. In contrast, only the Information, Government, and Mining and Logging sectors suffered year-over-year job declines. In response, Minnesota's labor force continued growing, surpassing 3 million available workers in early 2015. Of those workers just over 2.9 million were employed and less than 115,000 were unemployed and actively seeking work in April, driving the state's unemployment rate below 4.0 percent.

Those were significant improvements compared to April of 2010 when the state had just over 2.9 million total labor force participants, 2.7 million employed workers, and almost 220,000 unemployed workers. Since then, the workforce expanded by more than 80,000 new workers, a steady 2.7 percent increase, while the number of unemployed workers was essentially cut in half (see Table 1).

Help Wanted

The increase in jobs coupled with the decline in unemployed job seekers has led to very tight labor market conditions across the state, which will only intensify as baby boomers retire and job growth continues. During the fourth quarter of 2014, employers in Minnesota reported a total of 88,900 vacancies which was the second highest number ever recorded.

Job vacancies increased 47 percent over the prior year and 163 percent since the fourth quarter of 2010, when the state's economy began working its way out of the Great Recession. Statewide, there are now just 1.1 unemployed job seekers for each job vacancy, which is also the second lowest number on record.

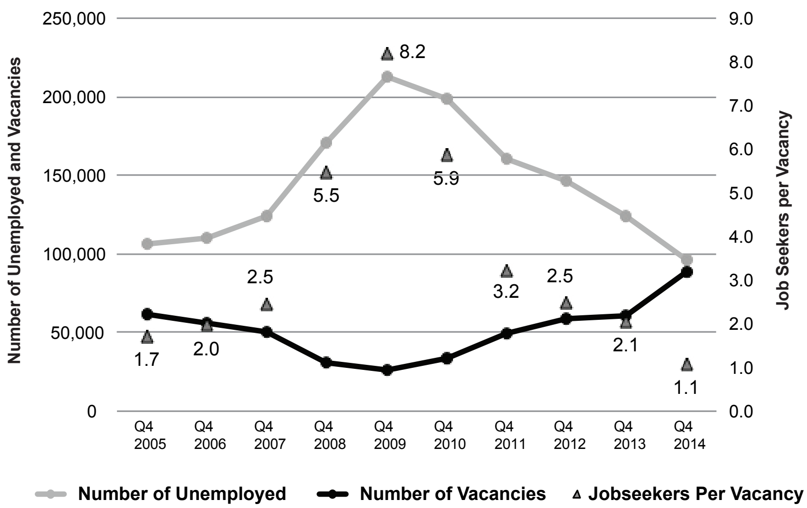
The current 1.1-to-1 ratio was down from 2.1 job seekers per job opening the year prior and way down from about six unemployed people for each vacancy in the fourth quarter of 2010. After having their pick of qualified applicants just five years ago, some employers are now scrambling to find applicants at all (see Figure 1).

Table 1. Minnesota Labor Force Statistics, 2010-2015

	April 2010	April 2011	April 2012	April 2013	April 2014	April 2015
Available Labor Force	2,934,149	2,934,641	2,934,695	2,956,051	2,962,016	3,014,775
Employed Workers	2,715,352	2,740,904	2,776,249	2,806,012	2,835,415	2,900,979
Unemployed Workers	218,797	193,738	158,446	150,039	126,601	113,796
Unemployment Rate	7.5%	6.6%	5.4%	5.1%	4.3%	3.8%

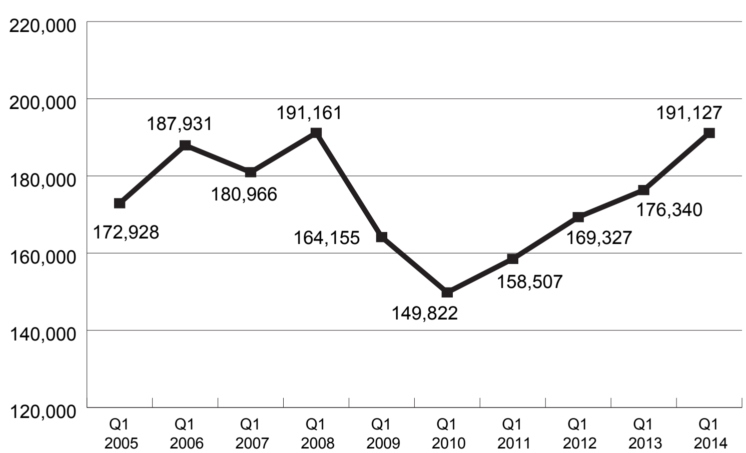
Source: DEED Local Area Unemployment Statistics (LAUS) program

Figure 1: Minnesota Job Vacancies and Unemployed Workers



Source: DEED Job Vacancy Survey, LAUS Statistics

Figure 2: Minnesota New Hires, Stable



Source: DEED Quarterly Workforce Indicators (QWI) program

Vacancy Characteristics

The largest number of openings was found in the Health Care and Social Assistance industry, followed by Accommodation and Food Services, Retail Trade, and Manufacturing. Combined, those four industries now account for almost 60 percent of total job vacancies in the state and provided two-thirds of the increase in vacancies over the past year.

About 40 percent of the job vacancies were for part-time employment, defined as fewer than 35 hours per week, which has been surprisingly consistent each of the past five years. Likewise, about 40 percent of the jobs required some level of postsecondary education or training beyond a high school diploma, which has also been very consistent over time.

The median or 50th percentile wage offer for all job vacancies was $13.29 per hour in the fourth quarter of 2014, which was up 2.2 percent from the prior year. However, wage offers were highly correlated with experience and education requirements: on average, the more education and/or experience required, the higher the wage offer.

New Hires

Job vacancy data prove that the competition for applicants is picking up. Beyond just posting new job openings, however, in order actually to add jobs, employers actually have to hire new workers. To examine the amount of hiring activity in the state, this article uses New Hires, Stable data from DEED's Quarterly Workforce Indicators (QWI) program.

Unlike statistics tabulated from firm or person-level data, the QWI source data are unique job-level data that link workers to their employers using the Census Bureau's Longitudinal Employer-Household Dynamics program, which covers over 95 percent of U.S. private sector jobs. Much of these data are collected via a unique federal-state data sharing collaboration, the Local Employment Dynamics (LED) partnership.

"Because of this link, labor market data in the QWI are available by worker age, sex, educational attainment, and race/ethnicity. This allows for analysis by demographics of a particular local labor market or industry... Links between workers and firms also allow the QWI to identify worker flows — hires, separations, and turnover — as well as net employment growth. As most hiring activity is the consequence of worker turnover rather than employment growth, a focus on employment growth alone may misrepresent employment opportunity in the local labor market."[1]

New Hires, Stable are defined as the "estimated number of workers who started a job that they had not held within the past year, and the job turned into a job that lasted at least a full quarter with a given employer. Jobs are counted as a stable hire in the first quarter of full quarter employment, rather than the first quarter of employment."[2]

Comparing the number of stable new hires in the first quarter of the past five years shows the extent of the recovery in hiring activity across the state. New hires fell from just over 191,000 in the first quarter of 2008, as the Great Recession was setting in, to just under 150,000 new hires in the first quarter of 2010 at the nadir of the recession. Hiring activity has steadily climbed back to just over 191,000 new hires in the first quarter of 2014 (see Figure 2).

[1]Quarterly Workforce Indicators 101. http://lehd.ces.census.gov/doc/QWI_101.pdf

[2]DEED Quarterly Workforce Indicators. www.mn.gov/deed/data/data-tools/qwi

New Hires by Sector

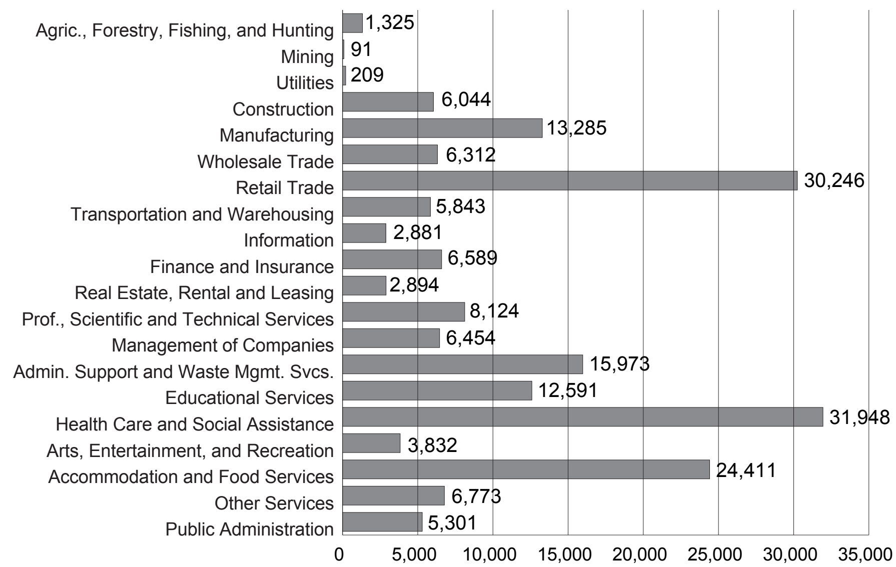
Health Care and Social Assistance had the largest amount of stable new hires in the most recent quarter, with just under 32,000 new hires. But it was followed closely by Retail Trade, which also hired over 30,000 workers. Accommodation and Food Services also recorded almost 24,500 stable new hires in the first quarter of 2014. Combined, those three industries accounted for almost half of the total new hires in the state.

The next largest number of stable new hires were logged in Administrative Support and Waste Management Services, which includes staffing agencies — suggesting that even those temporary job opportunities are becoming more permanent. That industry had nearly 16,000 stable new hires in the first quarter of 2014, many of whom were placed in the Manufacturing industry, which had13,285 stable new hires of its own (see Figure 3).

New Hires by Education

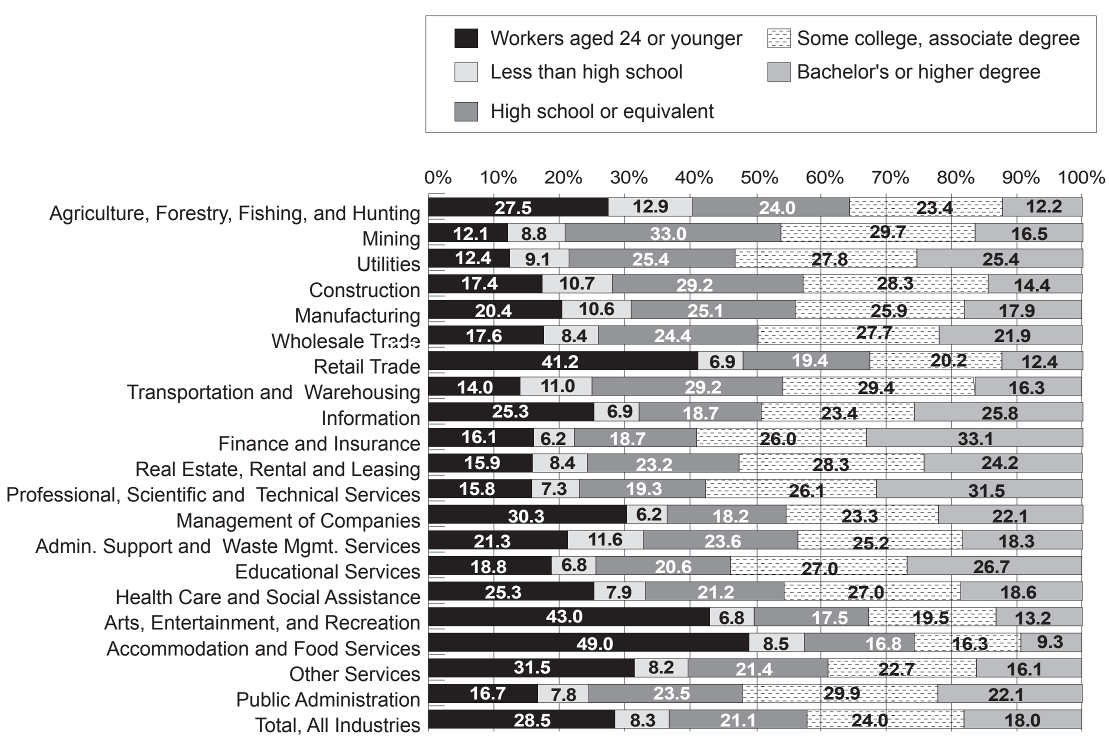
As shown in Figure 3, the Educational Services industry reported about 12,600 stable new hires, of which 53.7 percent of those workers had some college or an Associate's, Bachelor's, or advanced degree. That was one of the highest rates of hiring activity for workers with college experience, behind just Finance and Insurance and Professional, Scientific, and Technical Services (see Figure 4).

Figure 3: Minnesota New Hires, Stable, Q1 2014



Source: DEED QWI program

Figure 4: Minnesota New Hires, Stable by Educational Attainment, Q1 2014



Source: DEED QWI program

About 42 percent of stable new hires in the first quarter of 2014 had some college experience, including 18 percent that had a Bachelor's degree or higher. Workers with higher education made up a larger portion (45.4%) of new hires back in 2010, although they often displaced workers with a high school diploma or less and younger workers.

The percentage of stable new hires who were 24 years or younger increased in the past five years, now accounting for 28.5 percent of total new hires. However, certain industries like Accommodation and Food Services (49.0%), Arts, Entertainment, and Recreation (43.0%), and Retail Trade (41.2%) all relied much more heavily on these younger workers.

The number and percentage of stable new hires with a high school diploma or less improved even faster during the recovery, comprising 29.5 percent of new hires overall, compared to 27.1 percent of hires in 2010. Mining (41.8%), Transportation and Warehousing (40.3%), Construction (39.9%), Agriculture (36.9%), Manufacturing (35.8%), and Utilities (34.4%) all did the most new hiring of high school graduates or less.

New Hires by Age Group

The biggest increase in new hires occurred in the youngest age groups, which got hit hardest during the recession. Teenage labor force participation rates have been dropping over time, but as employers have found it more difficult to find new available workers, teens are pouring back into the labor market and are finding long-lasting employment. The state saw an increase of nearly 5,200 more stable new hires in the 14-18 year old age group from 2010 to 2014, a 51.0 percent increase, which was about twice as fast as total hiring activity picked up.

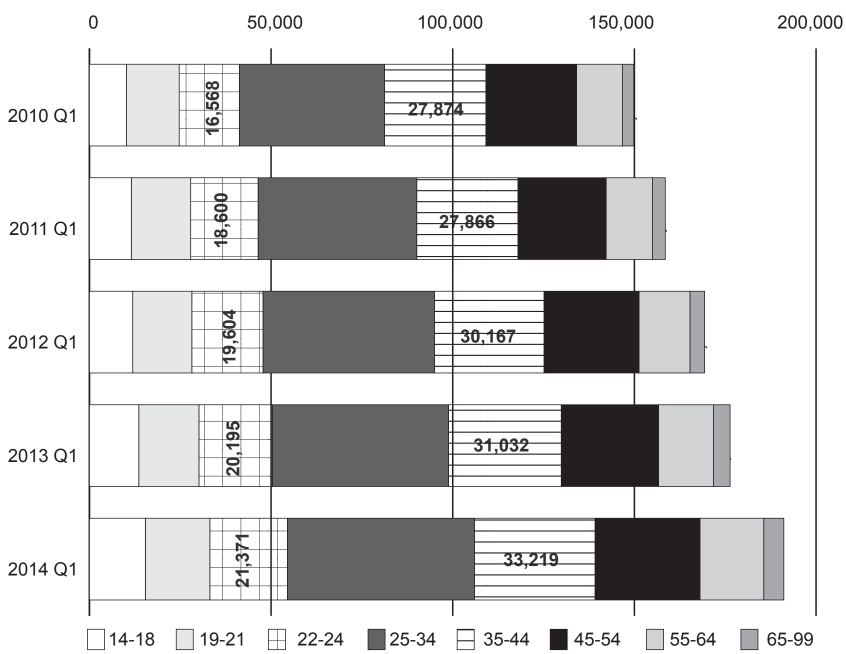
On the other end of the age spectrum, the fastest increase in stable new hire activity between 2010 and 2014 actually occurred in the oldest age group — the number of stable new hires jumped 79.4 percent for workers aged 65 years and over, nearly three times as fast as total hiring increased.

The largest hiring expansion occurred for workers in their prime working years, from 25 to 54 years of age. This accounted for 60 percent of total stable new hire activity and a net gain of more than 20,000 new hires from the first quarter of 2010 to the first quarter of 2014 (see Figure 5).

In recent years, industries like Accommodation and Food Services, Retail Trade, and Arts, Entertainment, and Recreation have increasingly relied on younger or less educated workers, while other industries such as Finance and Insurance, Professional and Technical Services, and Educational Services continue to hire workers with higher educational attainment. As baby boomers continue retiring and employers keep adding new jobs, Minnesota's labor market will continue to tighten. Employers in different industries will need to have different strategies to bring in qualified workers to meet their demands.

by Cameron Macht
Research Analysis and Outreach Manager
Department of Employment and Economic Development

Figure 5: Minnesota New Hires, Stable, by Age Group, 2010 - 2014



Source: DEED QWI program