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Department of Employment and Economic Development

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Making You Feel At Home

Real estate agents say that a house feels empty until there is furniture in it, and then it feels more like a home, making it easier to sell. Central Minnesota is home to more than one-fourth of the state's employment in furniture and related product manufacturing, including one-third of the state's jobs in kitchen cabinet manufacturing.

Through 2012 the 13-county Central Minnesota planning region was home to 122 Furniture and Related Product Manufacturing establishments, providing 2,285 covered jobs and just under $94 million in total payroll. The largest segment in the region is Household and Institutional Furniture and Kitchen Cabinet Manufacturing, which provided 1,897 jobs at 108 firms, with a payroll of $74.4 million. The region also has a small but significant concentration of employment in Office Furniture Manufacturing, offering 388 jobs at 14 firms (Table 1).

Couldn't Stand the Heat

In the first half of the last decade demand for furniture and kitchen cabinets heated up along with the red-hot housing market, especially in Central Minnesota. From 2002 to 2006 total employment in kitchen cabinet manufacturing grew twice as fast in Central Minnesota (+23.4%) as in the state of Minnesota as a whole (+12.4%), with the Central

Table 1

Central Minnesota Industry Employment Statistics, 2012

		2012 Annual Data				
NAICS Industry Title	**NAICS Code**	**Number of Firms**	**Number of Jobs**	**Percent of Statewide Jobs**	**Total Payroll**	**Average Annual Wages**
Total, All Industries	**0**	**17,479**	**254,123**	**9.6%**	**$9,270,803,237**	**$36,452**
Furniture and Related Product Manufacturing	337	122	2,285	26.5%	$93,647,713	$40,976
Household and Institutional Furniture and Kitchen Cabinet Manufacturing	3371	108	1,897	34.2%	$74,410,703	$39,208
Office Furniture (including Fixtures) Manufacturing	3372	14	388	15.2%	$19,237,010	$49,556

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

Feature:

A New Minimum?

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Regional Spotlight CENTRAL MINNESOTA

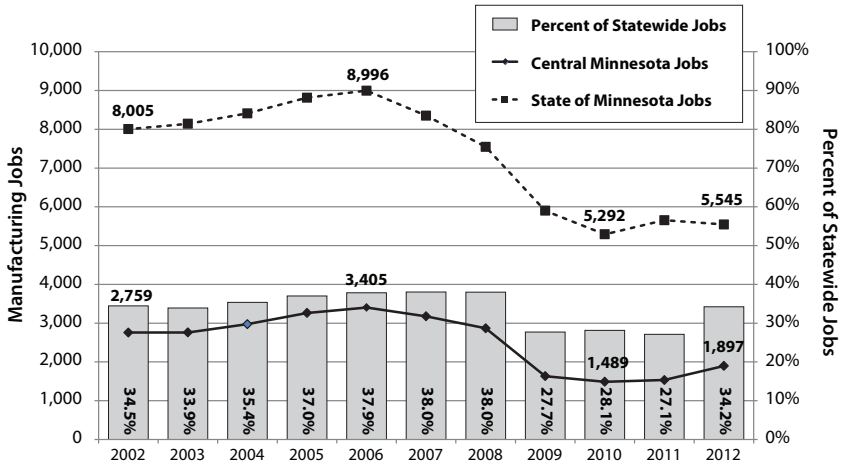
region accounting for 38 percent of statewide employment at the high point of the industry in 2006.

But as the housing market cooled off, the craving for kitchen cabinets also went cold. From the peak in 2006 to the trough in 2010, Central Minnesota sliced more than 56 percent of its jobs in Household Furniture and Kitchen Cabinet Manufacturing, while the state lost 41.2 percent. Office furniture manufacturers rolled back more than one-third of their jobs in the state (-33.7%) and one-fourth of the jobs in the region (-27.7%).

As the housing industry has recovered and building has restarted, Kitchen Cabinet Manufacturing has started to simmer again. Jobs in Central Minnesota jumped 27.4 percent from 2010 to 2012, which was more than five times as fast as the state as a whole, which gained 4.8 percent (Figure 1).

Figure 1

Household Furniture and Kitchen Cabinet Manufacturing Jobs, 2002 - 2012



Source: DEED QCEW program

Restocking the Cupboards

Despite the recent gains the Household and Institutional Furniture and Kitchen Cabinet Manufacturing sector still has only two-thirds of the jobs it started with in 2002, and would need to add almost 1,500 more jobs to get back to the employment peak reached in 2006. That would require several years of unprecedented growth — the region gained less than half that many jobs from 2002 to 2006 — and simply may never be attained again.

However, the sector has already outperformed DEED's Employment Projections for the next decade. According to DEED's industry projections, the Household and Institutional Furniture and Kitchen Cabinet Manufacturing sector was expected to grow from 1,490 jobs in 2010 to 1,730 jobs in 2020, but as shown above, was already closing in on 1,900 jobs in 2012. If the sector keeps adding jobs at the current rate — just over 200 net new jobs per year — it would surpass the previous record in 2019.

Job growth in Office Furniture Manufacturing was much more measured in the last two years, increasing by just 1 percent in Central Minnesota and 6.2 percent statewide. But the Office Furniture Manufacturing sector is expected to see much faster growth in the next decade, expanding as much as 40 percent through 2020, which would bring it back to the previous employment peak.

Long term, the fate of the industry is closely tied to the housing market, so more ups and downs are likely on the way. Job growth may heat up again as people start moving and building new houses or remodeling their kitchens, or employment may level off or drop again if they stay in place (Table 2).

Good Things Come in Small Packages

Not surprisingly, many Household and Institutional Furniture and Kitchen Cabinet manufacturers responded to the downturn by downsizing their operations. In 2006 there were an average of 26 employees at each of the 133 Household and Institutional Furniture and Kitchen Cabinet Manufacturing establishments in Central Minnesota and 30 employees at each of the 18 Office Furniture Manufacturers. By 2010 the average firm had downsized to 14 and 24 employees, respectively, while the number of firms dropped to 107 and 14, respectively.

Most of the remaining furniture manufacturers are small businesses, including 83.3 percent that have less than 20 employees, and 53.9 percent that had between one and four employees. Instead, only four furniture manufacturers in the region had 100 or more employees, with three of those building kitchen cabinets and the other building office furniture (Figure 2).

Table 2

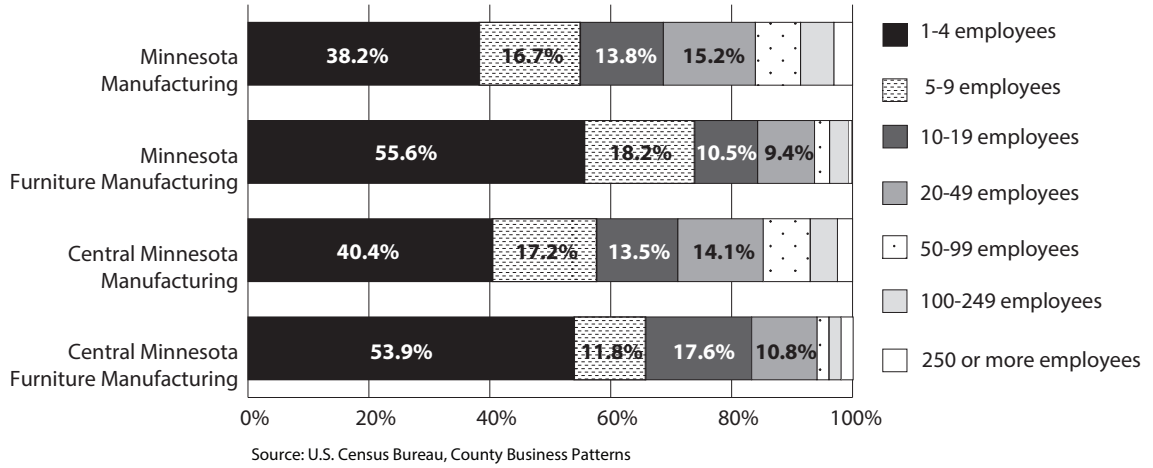
Central Minnesota Industry Employment Projections, 2010 to 2020

NAICS Industry Title	NAICS Code	Estimated Employment 2010	Projected Employment 2020	Percent Change 2010 - 2020	Numeric Change 2010 - 2020
Total, All Industries	**0**	**281,615**	**333,237**	**+18.3%**	**+51,622**
Furniture and Related Product Manufacturing	337	1,875	2,270	+21.1%	+395
Household and Institutional Furniture and Kitchen Cabinet Manufacturing	3371	1,490	1,730	+16.1%	+240
Office Furniture (including Fixtures) Manufacturing	3372	385	540	+40.3%	+155

Source: DEED 2010 to 2020 Employment Projections

Figure 2

Manufacturing Employers by Size Class, 2011



Source: U.S. Census Bureau, County Business Patterns

Measure Twice, Cut Once

Fortunately, the remaining employees are accustomed to the cutting, having been trained to cut, saw, and finish furniture and cabinets. Job seekers may be interested because many of the jobs still available in the sector require a high school diploma or less and short- to moderate-term on-the-job training, yet pay above average wages and have above average growth rates.

More than half of the top occupations in demand are projected to grow faster than average in Central Minnesota, including the five occupations most closely tied to the industry: upholsterers, sawing machine operators, woodworking machine operators, carpenters, and cabinetmakers and bench carpenters.

As an example, cabinetmakers and bench carpenters earn a median hourly wage of $16.86 in Central Minnesota, compared to $16.14 for the total of all occupations, and are expected to grow 31.5 percent from 2010 to 2020, which is 13 percent faster than the total of all occupations. Entry-level cabinetmakers and bench carpenters typically need a high school diploma or equivalent, as well as three months to one year of on-the-job training.

Nine of the top 10 occupations in demand in both the Household and Institutional Furniture and Kitchen Cabinet Manufacturing sector and the Office Furniture Manufacturing sector can be gained with a high school diploma or less, with the lone exception being first-line supervisors of production workers, which often also require some sort of postsecondary non-degree award as well as related work experience (Table 3).

Table 3

Occupations in Demand in Furniture & Related Product Manufacturing in Central Minnesota

Occupational Title	Median Hourly Wage	Estimated Regional Employment 2010	Projected Regional Employment 2020	Percent Change 2010 - 2020	Numeric Change 2010 - 2020	2010 - 2020 Replacement Openings*	Education Requirements	On-the-job Training Requirements
Total, All Occupations	**$16.14**	**281,615**	**333,237**	**+18.3%**	**+51,622**	**+66,890**		
Cabinetmakers and Bench Carpenters	$16.86	482	634	+31.5%	+152	+120	High school diploma or equivalent	Moderate term on-the-job training
Assemblers and Fabricators, All Other	$13.23	1,304	1,711	+31.2%	+407	+260	High school diploma or equivalent	Moderate term on-the-job training
Carpenters	$20.90	2,107	2,745	+30.3%	+638	+450	High school diploma or equivalent	Apprenticeship
Welders, Cutters, Solderers, and Brazers	$17.90	1,276	1,648	+29.2%	+372	+340	High school diploma or equivalent	Moderate term on-the-job training
Woodworking Machine Operators	$13.99	316	393	+24.4%	+77	+30	High school diploma or equivalent	Short term on-the-job training
Sawing Machine Operators	$16.04	163	201	+23.3%	+38	+40	High school diploma or equivalent	Short term on the job training
Laborers and Freight, Stock, and Material Movers, Hand	$12.09	2,960	3,602	+21.7%	+642	+950	Less than high school	Short term on-the-job training
Upholsterers	$14.56	96	116	+20.8%	+20	+20	High school diploma or equivalent	Moderate term on-the-job training
Sales Representatives, Wholesale and Manufacturing	$26.96	2,228	2,612	+17.2%	+384	+520	High school diploma or equivalent	Moderate term on-the-job training
Furniture Finishers	$8.83	39	45	+15.4%	+6	+10		
Industrial Truck and Tractor Operators	$16.99	842	970	+15.2%	+128	+240	Less than high school	Short term on-the-job training
Helpers-Production Workers	$11.00	784	893	+13.9%	+109	+130	Less than high school	Short term on-the-job training
First-Line Supervisors of Production Workers	$24.97	1,650	1,863	+12.9%	+213	+220	Postsecondary non-degree award	None
Cutting, Punching, and Press Machine Operators	$14.44	909	1,026	+12.9%	+117	+70	High school diploma or equivalent	Moderate term on-the-job training
Team Assemblers	$14.71	2,066	2,300	+11.3%	+234	+410	High school diploma or equivalent	Moderate term on-the-job training
Shipping, Receiving, and Traffic Clerks	$14.91	1,210	1,311	+8.3%	+101	+310	High school diploma or equivalent	Moderate term on-the-job training
Sewing Machine Operators	$10.75	139	143	+2.9%	+4	+10	Less than high school	Short term on-the-job training

Source: Bureau of Labor Statistics, DEED Occupational Employment & Wage Statistics (OES), DEED 2010-2020 Employment Projections

Cutting Class

A high school education and one year of training can get a worker in the door, but new technology and more sophisticated machinery require workers to continue with their training. Becoming a skilled woodworker often takes three or more years, with workers needing to read blueprints, set up machines, and plan work sequences.

According to the Bureau of Labor Statistics' Occupational Outlook Handbook, "people seeking woodworking jobs can enhance their employment and advancement prospects by completing high school and getting training in computer applications and math."[1]

"Skill with computers and computer-controlled machinery is increasingly important. Those who have advanced skills, including in mathematics and computers, should have the best job opportunities in manufacturing industries."[2]

Job analysis shows that some woodworkers further their education at technical schools or community colleges, while others attend postsecondary training in wood technology, furniture manufacturing, wood engineering, and production management, all of which become more important as woodworking technology advances.

by Cameron Macht
Labor Market Information Office
Minnesota Department of Employment and Economic Development

[1]Woodworkers. www.bls.gov/ooh/production/woodworkers.htm
[2]Woodworkers. www.bls.gov/ooh/production/woodworkers.htm

Regional Spotlight CENTRAL MINNESOTA

Measuring Minnesota

One key to building a healthy workforce is having an educated population, and education is an area where Minnesota shines. Relative to the nation and to our similarly high-achieving neighbors in the Midwest, Minnesota's workforce is very well-educated, providing a solid foundation for our strong economy.

Minnesota's population is among the best educated in the nation. According to the most recent estimates (2012) from the Current Population Survey (CPS), 92.5 percent of Minnesotans age 25 years and older are at least high school graduates, which is the highest rate among Midwest states as defined by the U.S. Census Bureau. As the table illustrates, every Midwestern state boasts an above average percentage of high school graduates relative to the national population: 89.2 percent of the Midwest population has a diploma or equivalent, versus 84.8 percent in the South and 85.1 in the West. Minnesota also has the highest proportion of bachelor's degree holders in the region at 33.2 percent. The Midwest does not, however, fare as well in this category, with only three states in the region coming in above the national average of 29.1 percent.

Minnesota also excels, on the opposite end of the education scale, as a region-low 3.1 percent of the population has less than a ninth grade education, compared to a national average of 5.8 percent. The Midwest region leads the way nationally in this category at 3.9 percent, with the next lowest being the Northeast region at 5.1 percent.

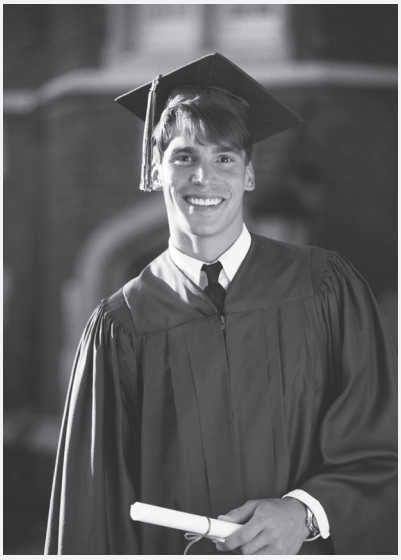
Some of Minnesota's high rate of education may be helped by the attractiveness of the Minneapolis-Saint Paul Metro to educated young people. The metro area ranked 11th in the nation for incoming migration of people ages 25-34 between 2010 and 2012.[1] This tracks with speculation that young people from neighboring areas such as Iowa, Wisconsin, and the Dakotas often move to the more opportunity-rich Twin Cities once they complete their education.

Regardless of the cause, the high education rates of Minnesota's population bode well for the continued health of our economy.

Educational Attainment of Population, 25 Years and Over

State	Percent high school graduate or higher	Percent bachelor's degree or higher
Minnesota	**92.5%**	**33.2%**
North Dakota	91.7%	27.9%
Iowa	91.6%	26.3%
Wisconsin	90.7%	27.1%
Nebraska	90.5%	29.0%
South Dakota	90.5%	26.3%
Kansas	90.2%	30.4%
Michigan	89.2%	26.0%
Ohio	88.8%	25.2%
Missouri	88.0%	26.4%
Illinois	87.6%	31.6%
Indiana	87.6%	23.4%
United States	86.4%	29.1%

Source: U.S. Census Bureau, 2012 American Community Survey, One-year estimates



by Nick Dobbins

[1] 2012 Current Population Survey 3-year estimates, U.S. Census Bureau. Analysis by William H. Frey at the Brookings Institute: **www.brookings.edu/research/opinions/2013/11/15-millennial-senior-post-recession-frey#**

See also: **http://blogs.wsj.com/washwire/2013/11/14/millennials-flock-to-washington-after-abandoning-city-in-recession/?mod=wsj_streaming_stream**

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, 2013.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Nov 2013	Oct 2013	Nov 2012	Nov 2013	Oct 2013	Nov 2012	Nov 2013	Oct 2013	Nov 2012	Nov 2013	Oct 2013	Nov 2012
United States ('000s)												
(Seasonally adjusted)	155,294	154,839	155,319	144,386	143,568	143,277	10,907	11,272	12,042	7.0%	7.3%	7.8%
(Unadjusted)	155,046	154,918	154,953	144,775	144,144	143,549	10,271	10,773	11,404	6.6	7.0	7.4
Minnesota												
(Seasonally adjusted)	2,965,652	2,964,556	2,974,038	2,828,209	2,822,202	2,811,535	137,443	142,354	162,503	4.6	4.8	5.5
(Unadjusted)	2,969,149	2,966,842	2,970,560	2,846,125	2,844,965	2,824,951	123,024	121,877	145,609	4.1	4.1	4.9
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,873,618	1,870,441	1,868,444	1,799,261	1,794,090	1,778,542	74,357	76,351	89,902	4.0	4.1	4.8
Duluth-Superior MSA	144,985	142,941	144,719	137,200	135,505	136,149	7,785	7,436	8,570	5.4	5.2	5.9
Rochester MSA	104,087	103,792	104,743	100,525	100,163	100,668	3,562	3,629	4,075	3.4	3.5	3.9
St. Cloud MSA	108,820	108,809	108,158	104,436	104,539	103,083	4,384	4,270	5,075	4.0	3.9	4.7
Mankato-N Mankato MSA	58,039	58,081	58,479	56,246	56,133	56,151	1,793	1,948	2,328	3.1	3.4	4.0
Fargo-Moorhead MSA	117,377	118,522	119,191	114,375	115,799	115,551	3,002	2,723	3,640	2.6	2.3	3.1
Grand Forks MSA	53,847	53,703	54,418	52,240	52,348	52,563	1,607	1,355	1,855	3.0	2.5	3.4
Region One	**51,060**	**50,702**	**51,033**	**49,002**	**48,960**	**48,788**	**2,058**	**1,742**	**2,245**	**4.0**	**3.4**	**4.4**
Kittson	2,657	2,688	2,674	2,564	2,596	2,565	93	92	109	3.5	3.4	4.1
Marshall	5,419	5,449	5,477	5,100	5,195	5,114	319	254	363	5.9	4.7	6.6
Norman	3,601	3,653	3,627	3,459	3,512	3,453	142	141	174	3.9	3.9	4.8
Pennington	9,425	9,393	9,478	9,061	9,058	9,088	364	335	390	3.9	3.6	4.1
Polk	18,745	18,293	18,510	18,018	17,745	17,763	727	548	747	3.9	3.0	4.0
Red Lake	2,415	2,397	2,403	2,294	2,302	2,283	121	95	120	5.0	4.0	5.0
Roseau	8,798	8,829	8,864	8,506	8,552	8,522	292	277	342	3.3	3.1	3.9
Region Two	**39,539**	**39,479**	**39,966**	**37,044**	**37,335**	**37,157**	**2,495**	**2,144**	**2,809**	**6.3**	**5.4**	**7.0**
Beltrami	21,949	21,745	22,233	20,710	20,629	20,786	1,239	1,116	1,447	5.6	5.1	6.5
Clearwater	4,090	4,022	4,080	3,701	3,725	3,710	389	297	370	9.5	7.4	9.1
Hubbard	8,935	9,063	9,043	8,311	8,552	8,344	624	511	699	7.0	5.6	7.7
Lake of the Woods	2,145	2,189	2,167	2,011	2,078	2,020	134	111	147	6.2	5.1	6.8
Mahnomen	2,420	2,460	2,443	2,311	2,351	2,297	109	109	146	4.5	4.4	6.0
Region Three	**167,780**	**166,169**	**168,218**	**158,112**	**157,413**	**157,634**	**9,668**	**8,756**	**10,584**	**5.8**	**5.3**	**6.3**
Aitkin	7,195	7,274	7,229	6,727	6,894	6,724	468	380	505	6.5	5.2	7.0
Carlton	17,680	17,442	17,764	16,821	16,616	16,726	859	826	1,038	4.9	4.7	5.8
Cook	2,937	3,123	2,957	2,783	2,989	2,797	154	134	160	5.2	4.3	5.4
Itasca	23,102	23,021	23,515	21,631	21,704	21,801	1,471	1,317	1,714	6.4	5.7	7.3
Koochiching	6,521	6,502	6,496	5,913	6,001	5,913	608	501	583	9.3	7.7	9.0
Lake	6,135	6,258	6,141	5,812	5,983	5,804	323	275	337	5.3	4.4	5.5
St. Louis	104,210	102,549	104,116	98,425	97,226	97,869	5,785	5,323	6,247	5.6	5.2	6.0
City of Duluth	45,586	45,083	45,723	43,493	42,963	43,247	2,093	2,120	2,476	4.6	4.7	5.4
Balance of St. Louis County	58,624	57,466	58,393	54,932	54,263	54,622	3,692	3,203	3,771	6.3	5.6	6.5
Region Four	**125,507**	**125,482**	**125,643**	**120,949**	**121,470**	**120,560**	**4,558**	**4,012**	**5,083**	**3.6**	**3.2**	**4.0**
Becker	17,523	17,441	17,635	16,739	16,766	16,738	784	675	897	4.5	3.9	5.1
Clay	35,329	34,885	35,033	34,263	34,052	33,866	1,066	833	1,167	3.0	2.4	3.3
Douglas	20,572	20,699	20,773	19,850	20,028	19,945	722	671	828	3.5	3.2	4.0
Grant	3,254	3,297	3,247	3,122	3,175	3,090	132	122	157	4.1	3.7	4.8
Otter Tail	30,146	30,345	30,230	28,845	29,175	28,815	1,301	1,170	1,415	4.3	3.9	4.7
Pope	6,541	6,632	6,533	6,325	6,434	6,310	216	198	223	3.3	3.0	3.4
Stevens	6,609	6,663	6,656	6,449	6,493	6,473	160	170	183	2.4	2.6	2.7
Traverse	1,649	1,672	1,644	1,588	1,604	1,581	61	68	63	3.7	4.1	3.8
Wilkin	3,884	3,848	3,892	3,768	3,743	3,742	116	105	150	3.0	2.7	3.9
Region Five	**80,833**	**81,214**	**81,639**	**75,764**	**77,069**	**76,101**	**5,069**	**4,145**	**5,538**	**6.3**	**5.1**	**6.8**
Cass	13,298	13,369	13,579	12,297	12,590	12,424	1,001	779	1,155	7.5	5.8	8.5
Crow Wing	31,659	31,984	32,106	29,546	30,248	29,849	2,113	1,736	2,257	6.7	5.4	7.0
Morrison	17,284	17,282	17,282	16,274	16,467	16,216	1,010	815	1,066	5.8	4.7	6.2
Todd	12,339	12,325	12,376	11,770	11,840	11,734	569	485	642	4.6	3.9	5.2
Wadena	6,253	6,254	6,296	5,877	5,924	5,878	376	330	418	6.0	5.3	6.6
Region Six East	**63,048**	**64,021**	**63,920**	**60,366**	**61,442**	**60,558**	**2,682**	**2,579**	**3,362**	**4.3**	**4.0**	**5.3**
Kandiyohi	23,829	23,807	24,131	22,955	22,970	23,107	874	837	1,024	3.7	3.5	4.2
McLeod	18,829	19,295	19,130	17,953	18,437	17,971	876	858	1,159	4.7	4.4	6.1
Meeker	12,295	12,352	12,412	11,748	11,849	11,698	547	503	714	4.4	4.1	5.8
Renville	8,095	8,567	8,247	7,710	8,186	7,782	385	381	465	4.8	4.4	5.6

*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

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Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2013.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Nov 2013	Oct 2013	Nov 2012	Nov 2013	Oct 2013	Nov 2012	Nov 2013	Oct 2013	Nov 2012	Nov 2013	Oct 2013	Nov 2012
Region Six West	**25,059**	**25,225**	**25,124**	**24,150**	**24,331**	**24,106**	**909**	**894**	**1,018**	**3.6%**	**3.5%**	**4.1%**
Big Stone	2,827	2,881	2,829	2,737	2,788	2,720	90	93	109	3.2	3.2	3.9
Chippewa	7,340	7,350	7,373	7,081	7,098	7,075	259	252	298	3.5	3.4	4.0
Lac Qui Parle	4,168	4,211	4,135	4,021	4,066	3,994	147	145	141	3.5	3.4	3.4
Swift	5,119	5,147	5,128	4,900	4,943	4,891	219	204	237	4.3	4.0	4.6
Yellow Medicine	5,605	5,636	5,659	5,411	5,436	5,426	194	200	233	3.5	3.5	4.1
Region Seven East	**84,266**	**83,885**	**84,397**	**79,762**	**79,855**	**79,089**	**4,504**	**4,030**	**5,308**	**5.3**	**4.8**	**6.3**
Chisago	28,773	28,568	28,701	27,484	27,406	27,181	1,289	1,162	1,520	4.5	4.1	5.3
Isanti	20,807	20,713	20,856	19,904	19,848	19,685	903	865	1,171	4.3	4.2	5.6
Kanabec	7,992	7,964	7,946	7,375	7,465	7,285	617	499	661	7.7	6.3	8.3
Mille Lacs	12,395	12,344	12,542	11,574	11,615	11,581	821	729	961	6.6	5.9	7.7
Pine	14,299	14,296	14,352	13,425	13,521	13,357	874	775	995	6.1	5.4	6.9
Region Seven West	**228,640**	**227,658**	**227,766**	**219,067**	**218,846**	**216,450**	**9,573**	**8,812**	**11,316**	**4.2**	**3.9**	**5.0**
Benton	22,514	22,472	22,328	21,497	21,518	21,219	1,017	954	1,109	4.5	4.2	5.0
Sherburne	49,794	49,386	49,637	47,548	47,414	47,024	2,246	1,972	2,613	4.5	4.0	5.3
Stearns	86,306	86,337	85,831	82,939	83,021	81,864	3,367	3,316	3,967	3.9	3.8	4.6
Wright	70,026	69,463	69,970	67,083	66,893	66,343	2,943	2,570	3,627	4.2	3.7	5.2
Region Eight	**68,572**	**69,144**	**68,746**	**66,388**	**66,536**	**66,218**	**2,184**	**2,608**	**2,528**	**3.2**	**3.8**	**3.7**
Cottonwood	6,429	6,517	6,431	6,191	5,995	6,109	238	522	322	3.7	8.0	5.0
Jackson	7,227	7,350	7,208	7,036	7,090	6,981	191	260	227	2.6	3.5	3.1
Lincoln	3,510	3,565	3,541	3,403	3,458	3,421	107	107	120	3.0	3.0	3.4
Lyon	14,877	14,913	14,981	14,389	14,421	14,425	488	492	556	3.3	3.3	3.7
Murray	5,921	6,001	5,912	5,739	5,806	5,719	182	195	193	3.1	3.2	3.3
Nobles	11,338	11,389	11,367	10,991	11,002	10,989	347	387	378	3.1	3.4	3.3
Pipestone	5,673	5,676	5,652	5,508	5,514	5,466	165	162	186	2.9	2.9	3.3
Redwood	8,246	8,333	8,325	7,925	8,006	7,955	321	327	370	3.9	3.9	4.4
Rock	5,351	5,400	5,329	5,206	5,244	5,153	145	156	176	2.7	2.9	3.3
Region Nine	**131,728**	**132,838**	**132,531**	**126,778**	**127,867**	**126,536**	**4,950**	**4,971**	**5,995**	**3.8**	**3.7**	**4.5**
Blue Earth	38,492	38,516	38,753	37,247	37,173	37,184	1,245	1,343	1,569	3.2	3.5	4.0
Brown	15,066	15,072	15,102	14,466	14,530	14,442	600	542	660	4.0	3.6	4.4
Faribault	7,404	7,669	7,466	7,075	7,351	7,073	329	318	393	4.4	4.1	5.3
Le Sueur	14,419	14,621	14,448	13,663	13,963	13,597	756	658	851	5.2	4.5	5.9
Martin	10,972	11,060	11,014	10,531	10,596	10,488	441	464	526	4.0	4.2	4.8
Nicollet	19,547	19,565	19,727	18,999	18,960	18,967	548	605	760	2.8	3.1	3.9
Sibley	10,228	10,550	10,258	9,886	10,224	9,839	342	326	419	3.3	3.1	4.1
Waseca	10,090	10,212	10,213	9,641	9,781	9,684	449	431	529	4.4	4.2	5.2
Watonwan	5,510	5,573	5,550	5,270	5,289	5,262	240	284	288	4.4	5.1	5.2
Region Ten	**271,410**	**271,155**	**273,624**	**261,421**	**260,956**	**261,712**	**9,989**	**10,199**	**11,912**	**3.7**	**3.8**	**4.4**
Dodge	11,102	11,056	11,144	10,689	10,651	10,704	413	405	440	3.7	3.7	3.9
Fillmore	11,223	11,336	11,226	10,809	10,923	10,722	414	413	504	3.7	3.6	4.5
Freeborn	16,077	16,073	16,239	15,362	15,382	15,403	715	691	836	4.4	4.3	5.1
Goodhue	25,710	25,801	25,807	24,721	24,815	24,636	989	986	1,171	3.8	3.8	4.5
Houston	10,657	10,485	10,687	10,203	10,085	10,151	454	400	536	4.3	3.8	5.0
Mower	21,099	21,027	21,346	20,363	20,258	20,435	736	769	911	3.5	3.7	4.3
Olmsted	81,229	81,043	81,751	78,512	78,229	78,624	2,717	2,814	3,127	3.3	3.5	3.8
City of Rochester	59,293	59,148	59,638	57,232	57,026	57,314	2,061	2,122	2,324	3.5	3.6	3.9
Rice	32,136	32,131	32,412	30,785	30,724	30,708	1,351	1,407	1,704	4.2	4.4	5.3
Steele	21,146	21,290	21,794	20,398	20,509	20,829	748	781	965	3.5	3.7	4.4
Wabasha	11,757	11,693	11,847	11,324	11,283	11,340	433	410	507	3.7	3.5	4.3
Winona	29,274	29,220	29,371	28,255	28,097	28,160	1,019	1,123	1,211	3.5	3.8	4.1
Region Eleven	**1,631,712**	**1,629,867**	**1,627,951**	**1,567,323**	**1,562,886**	**1,550,038**	**64,389**	**66,981**	**77,913**	**3.9**	**4.1**	**4.8**
Anoka	191,227	190,629	191,231	183,358	182,839	181,336	7,869	7,790	9,895	4.1	4.1	5.2
Carver	51,512	51,378	51,348	49,560	49,419	49,013	1,952	1,959	2,335	3.8	3.8	4.5
Dakota	234,017	233,799	233,061	225,174	224,537	222,691	8,843	9,262	10,370	3.8	4.0	4.4
Hennepin	668,048	667,714	666,288	641,531	639,715	634,456	26,517	27,999	31,832	4.0	4.2	4.8
City of Bloomington	48,790	48,730	48,550	46,852	46,719	46,335	1,938	2,011	2,215	4.0	4.1	4.6
City of Minneapolis	218,377	218,432	217,795	209,148	208,556	206,842	9,229	9,876	10,953	4.2	4.5	5.0
Ramsey	276,521	276,298	276,213	265,135	264,385	262,211	11,386	11,913	14,002	4.1	4.3	5.1
City of St. Paul	147,933	147,867	147,830	141,445	141,045	139,885	6,488	6,822	7,945	4.4	4.6	5.4
Scott	75,596	75,537	75,488	72,840	72,634	72,037	2,756	2,903	3,451	3.6	3.8	4.6
Washington	134,791	134,512	134,322	129,725	129,357	128,294	5,066	5,155	6,028	3.8	3.8	4.5

Minneapolis/ St. Paul

Northeast Minnesota

Northwest Minnesota

Central Minnesota

Southern Minnesota

Industrial Analysis

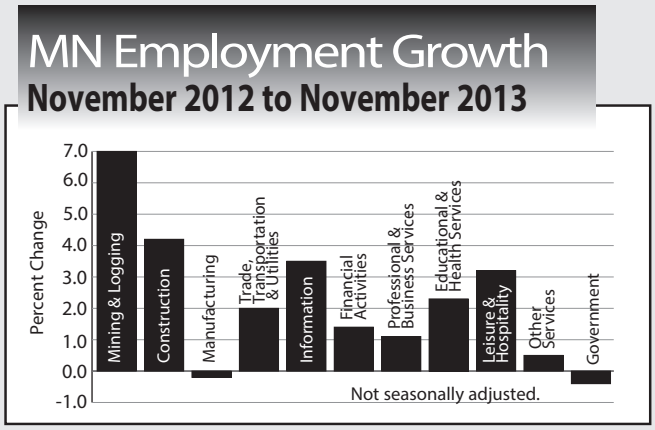
Monthly analysis is based on ***seasonally adjusted*** employment data; yearly analysis is based on ***unadjusted*** employment data.*

Overview

Employment inched down in November, slipping 800 jobs. Private Sector employment climbed 2,400, but that gain was offset by a loss of 3,200 in the Public Sector. Private Sector employment was split with 800 jobs in Private Goods Producing and 1,600 jobs in Private Service Providing. Local Government job cutbacks accounted for all of November's waning Public Sector employment. Information added the most workers increasing jobs 2.4 percent (1,300). Financial Activities rose 0.7 percent (1,200), and Other Services added 1,100 (0.9 percent). Manufacturing employment expanded for the third consecutive month, gaining 400 jobs (0.1 percent). Construction also added 400 jobs (0.4 percent). Government employment plunged 3,200 (0.8 percent). The other big loser was Professional and Business Services which fell 0.5 percent (1,600). Employment growth has zigzagged from one month to the next but has been spread evenly over the year averaging 3,200 jobs per month during the first half of the year and 3,100 per month over the last five months.

Mining and Logging

Employment held steady for the third straight month at 7,500. Employment in the industry is the highest it's been since 2001, but employment growth this year is down from 2012. Most of the recent job growth has been in Mining.



Source: Department of Employment and Economic Development, Current Employment Statistics, 2013.

Construction

Construction employment inched up 400 (0.4 percent). Job growth for 2013 is running behind last year's pace. Employment in the industry is up 12,500 from the recessionary trough in May 2010 but still way below the housing boom peak of 132,000 reached in February 2006. The state lost 46,100 construction jobs from the 2006 peak to the 2010 bottom.

Manufacturing

Manufacturing employment increased for the third straight month, but the gain was a moderate 400 (0.1 percent). Durable Goods Manufacturing added 100 jobs while Non-Durable Goods Manufacturing added 300. Manufacturing employment, after expanding in 2011 and 2012, stumbled during the first half of 2013 before starting to grow during the second half. The recent uptick will leave manufacturing employment at roughly the same level as a year ago.

Trade, Transportation, and Utilities

With a small decline of 300 jobs Trade, Transportation, and Utilities saw a 0.1 percentage point drop on a seasonally adjusted basis for November. After climbing between April and August, Trade, Transportation, and Utilities payrolls have flattened out the last few months. All three component industries have added employment during the year. Wholesale Trade added 2,500 (1.9 percent), Retail Trade added 2,600 (0.9 percent), and Transportation, Warehousing, and Utilities added 2,300 (2.5 percent) jobs over the first 11 months of the year.

Information

Information employment surged in November, jumping 2.4 percent (1,300). The sector, which has been shedding jobs since 2001, hasn't added that many jobs in one month since June 1996. The spike in hiring must be in Internet Service Providers, Web Search Portals, and Data Processing Services or Other Information Services since Publishing and Telecommunications workforces continue to shrink. This sector looks like it will experience annual job growth for the first time in 12 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 rebounded in November, increasing 0.7 percent over the month (1,200). Financial Activities employment has been climbing since bottoming out in January 2010, but the pace has been uneven. If payroll numbers continue to expand at this month's pace, employment will soon exceed the all-time peak of 181.4 reached in March 2006. Finance and Insurance employment increased 300 (0.2 percent), while Real Estate and Rental and Leasing gained 900 workers (2.3 percent). This was the biggest monthly jump since September 2010.

Professional and Business Services

Professional and Business Services employment declined for the fifth straight month, shedding 1,600 jobs over the month (0.5 percent). The industry added 14,000 workers during the first six months of the year but has cut 10,400 positions since June. Professional and Technical Services employment was up 100 (0.1 percent), and 400 jobs were added in Management of Companies (0.5 percent). But Administrative and Support Services employment tumbled 2,100 (1.6 percent).

Educational and Health Services

Employment in Educational and Health Services took a breather from expanding in November with 200 jobs lost. Private Education increased 400 (0.6 percent), but Health and Social Assistance was down 600 (0.1 percent). This sector has added 8,500 (1.7 percent) with Health and Social Assistance accounting for most of the 8,000 jobs added since the beginning of the year.

Leisure and Hospitality

In November, employment in Leisure and Hospitality barely changed with only 100 jobs added. Payrolls were down 600 (1.4 percent) in Arts, Entertainment, and Recreation and up 700 in Accommodation and Food Services (0.3 percent) in November. The industry has added 6,600 workers since the beginning of the year with most of the job expansion occurring in Accommodation and Food Service (up 5,600).

Other Services

Employment in Other Services jumped 1,100 (0.9 percent) in November after having declined the previous two months. Employment as of November is 1.5 percent (1,800 jobs) below the pre-recession peak. Other Services employment is up 1,300 (1.1 percent) for the year.

Government

Government employment slipped for the second straight month, shrinking 3,200 (0.8 percent). Local government payrolls were down 3,500 (1.2 percent) from last month while Federal Government employment increased 200 (0.6 percent), and State Government climbed by 100 (0.1 percent). Government employment is down 0.3 percent — 1,200 jobs — for the year. The job loss has been split between Federal Government (500), State Government (600), and Local Government (100).

by Dave Senf

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	November 2013	October 2013	September 2013
Total Nonagricultural	**2,786.5**	**2,787.3**	**2,776.4**
Goods-Producing	**411.2**	**410.4**	**404.8**
Mining and Logging	7.5	7.5	7.5
Construction	98.4	98.0	96.4
Manufacturing	305.3	304.9	300.9
Service-Providing	**2,375.3**	**2,376.9**	**2,371.6**
Trade, Transportation, and Utilities	517.4	517.7	517.2
Information	56.4	55.1	55.1
Financial Activities	180.1	178.9	179.0
Professional and Business Services	341.5	343.1	344.2
Educational and Health Services	495.1	495.3	490.0
Leisure and Hospitality	253.5	253.4	250.4
Other Services	117.1	116.0	116.6
Government	414.2	417.4	419.1

Source: Department of Employment and Economic Development Current Employment Statistics, 2013.

Regional Analysis

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

Employment slipped 6,604 (0.4 percent) over November and was up 32,818 (1.8 percent) over the year. Private employment dropped 7,234 (0.5 percent) for the month and was up 31,589 over the year (2.0 percent). Government employment increased 630 (0.3 percent) in November and 1,229 (0.5 percent) for the year. Four private sectors lost jobs. Leisure and Hospitality employment declined by 6,112 jobs (3.6 percent). Other job losers were Mining, Logging, and Construction (down 3,879, 5.5 percent), Professional and Business Services (down 1,278, 0.5 percent), and Financial Activities (down 281, 0.2 percent). The big job gainer was Trade, Transportation, and Utilities (up 3,079, 1.0 percent). Local Government Education added 1,326 jobs (1.5 percent). All private sectors have added jobs over the year with Educational and Health Services (11,620), Leisure and Hospitality (6,034), Mining, Logging, and Construction (5,093), Professional and Business Services (3,923), and Manufacturing (2,189) leading the way. Government employment is up 1,229 from a year ago with all the growth occurring in Local Government.

Duluth-Superior MSA

Employment in the Duluth-Superior MSA climbed 579 (0.4 percent) over the month and 1,576 (1.2 percent) over the year. Over the month Private Sector employment rose 381 (0.4 percent) while Government employment climbed 198 (0.7 percent). Gains in the Private Sector were reported by Trade, Transportation, and Utilities (768), Educational and Health Services (163), and Information (105). Job losses were highest in Leisure and Hospitality (257), Mining, Logging, and Construction (242), Professional and Business Services (88), and Manufacturing (74). State Government employment (89) and Local Government employment (145) additions offset a Federal Government employment (36) decline. Over the year the Private Sector added 1,576 jobs (1.2 percent) while Government employment slipped by 328 jobs (1.2 percent). Mining, Logging, and Construction employment fell the most over the year (345, 4.3 percent) while Leisure and Hospitality added the most jobs (1,650, 12.3 percent).

Rochester MSA

Employment in the Rochester MSA was basically unchanged in November as employment dropped by only 50 jobs over the month (0.0 percent) and increased 0.4 percent (452) over the year. Government employment rose 93 (0.9 percent) over the month, but Private Sector employment dropped 0.1 percent (143 jobs). Job cuts were highest in Manufacturing (down 232, 2.3 percent) and Professional and Business Services (down 170, 3.3 percent). The only significant job growth was in Trade, Transportation, and Utilities (up 531, 3.2 percent). Over the year Private Sector employment increased 452 (0.4 percent) with Trade, Transportation, and Utilities adding 650 jobs while Manufacturing cut 222 jobs. Government lost 358 jobs over the year with all three levels of government (Federal, State, and Local) cutting jobs.

St. Cloud MSA

Employment in the St. Cloud MSA tailed off 251 (0.2 percent) over the month and increased 1,722 (1.7 percent) over the year. Government employment rose 182 (1.1 percent) from October while the Private Sector cut 455 jobs (0.5 percent). Employment dipped the most in Mining, Logging, and Construction (299, 4.9 percent) and Educational and Health Services (237, 1.2 percent). Hiring was highest in Trade, Transportation, and Utilities (457, 2.1 percent). State Government payrolls (125, 2.5 percent) expanded the most on the Public Sector side. Over the year employment growth was concentrated in the Private Sector as Government employment was up only 61 jobs from a year ago. Educational and Health Services (856), Mining, Logging, and Construction (803), and Trade, Transportation, and Utilities (381) added the most workers over the year.

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA inched down 33 jobs (0.1 percent) over the month and increased 379 (0.7 percent) over the year. The Private Sector added 27 jobs last month (0.1 percent). Government employment decreased 60 jobs (0.6 percent) during November. All of the Private Sector gain was in Service-Providing industries (up 97, 0.3 percent). Over the year growth was mainly in the Private Sector which added 306 jobs (0.3 percent) while Government employment rose 73 (0.8 percent).

Fargo-Moorhead MSA

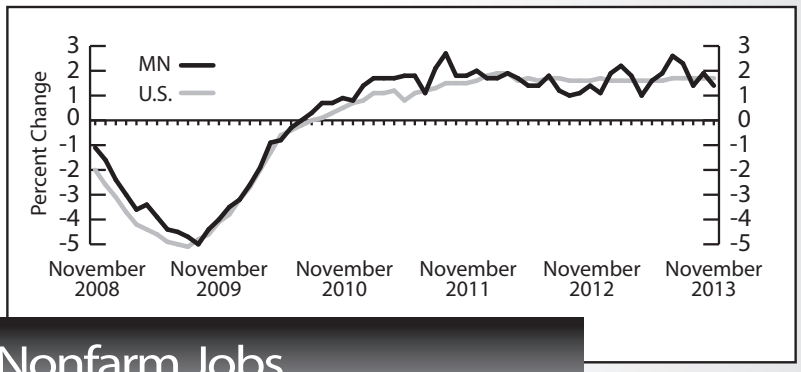
Employment in the Fargo-Moorhead MSA dipped 444 (0.3 percent) over the month and 2,453 (1.90 percent) over the year. Government employment increased 144 (0.8 percent) over the month while Private Sector employment declined 588 (0.5 percent). The leading job generators over the month were Trade, Transportation, and Utilities (up 448, 1.5 percent) and Educational and Health Services (up 129, 0.6 percent). Job cuts were largest in Mining, Logging, and Construction (down 356, 3.6), Professional and Business Services (down 245, 1.6 percent), and Manufacturing (down 64, 0.6 percent).

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA increased 322 (0.6 percent) over the month and 1,076 (1.9 percent) over the year. Government employment increased 138 (0.9 percent) in November while Private Sector employment jumped 184 (0.4 percent). Most of the monthly private employment gains were in Trade, Transportation, and Utilities (up 444, 3.4 percent) while job declines were mostly in Mining, Logging, and Construction (down 259, 5.0 percent) and Manufacturing (down 89, 2.3 percent).

by Dave Senf

Source: Department of Employment and Economic Development, Current Employment Statistics, 2013; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2013.



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

Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

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

Industry	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Nov 2013	Oct 2013	Nov 2012	Oct 2013	Nov 2012	Nov 2013	Nov 2012	Nov 2013	Nov 2012	Nov 2013	Nov 2012
TOTAL NONFARM WAGE AND SALARY	**2,806.2**	**2,816.3**	**2,766.4**	**-0.4%**	**1.4%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**416.7**	**422.6**	**412.8**	**-1.4**	**0.9**	—	—	—	—	—	—
Mining and Logging	**7.6**	**7.7**	**7.1**	**-1.9**	**7.0**	—	—	—	—	—	—
Construction	**103.6**	**109.2**	**99.4**	**-5.1**	**4.2**	—	—	—	—	—	—
Specialty Trade Contractors	65.3	68.6	62.8	-4.8	3.9	$1,241.95	$1,161.03	40.8	39.0	$30.44	$29.77
Manufacturing	**305.5**	**305.7**	**306.3**	**-0.1**	**-0.2**	**832.83**	**782.14**	**41.6**	**40.8**	**20.02**	**19.17**
Durable Goods	195.3	195.4	194.8	-0.1	0.2	836.09	783.90	41.7	40.2	20.05	19.5
Wood Product Manufacturing	10.7	10.8	10.5	-0.5	2.1	—	—	—	—	—	—
Fabricated Metal Production	41.7	41.7	41.7	-0.2	-0.2	—	—	—	—	—	—
Machinery Manufacturing	31.1	31.5	32.0	-1.1	-2.6	—	—	—	—	—	—
Computer and Electronic Product	45.1	45.0	45.1	0.2	-0.1	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.0	25.0	24.8	0.1	0.7	—	—	—	—	—	—
Transportation Equipment	10.2	10.2	10.6	0.1	-4.2	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.9	15.8	15.6	0.7	1.9	—	—	—	—	—	—
Nondurable Goods	110.2	110.2	111.4	0.0	-1.1	827.17	778.96	41.4	41.7	19.98	18.68
Food Manufacturing	44.7	45.1	45.0	-0.8	-0.7	—	—	—	—	—	—
Paper Manufacturing	32.7	32.5	33.5	0.4	-2.4	—	—	—	—	—	—
Printing and Related	23.0	22.9	23.4	0.3	-1.7	—	—	—	—	—	—
SERVICE-PROVIDING	**2,389.5**	**2,393.8**	**2,353.6**	**-0.2**	**1.5**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**527.3**	**520.5**	**516.9**	**1.3**	**2.0**	—	—	—	—	—	—
Wholesale Trade	132.9	133.0	129.9	-0.1	2.3	1,005.44	948.48	39.6	38.0	25.39	24.96
Retail Trade	297.2	290.7	292.8	2.2	1.5	381.13	359.45	28.4	27.8	13.42	12.93
Motor Vehicle and Parts	31.3	31.3	30.9	-0.2	1.3	—	—	—	—	—	—
Building Material and Garden Equipment	24.1	24.5	24.2	-1.4	-0.3	—	—	—	—	—	—
Food and Beverage Stores	51.0	50.9	50.6	0.1	0.6	—	—	—	—	—	—
Gasoline Stations	24.6	24.0	23.6	2.2	4.2	—	—	—	—	—	—
General Merchandise Stores	63.9	61.4	65.1	3.9	-1.9	314.99	313.22	29.8	29.3	10.57	10.69
Transportation,Warehouse, Utilities	97.2	96.8	94.3	0.4	3.1	—	—	—	—	—	—
Transportation and Warehousing	84.4	83.9	81.5	0.7	3.6	621.72	679.95	36.0	39.1	17.27	17.39
Information	**55.7**	**55.0**	**53.8**	**1.2**	**3.5**	**787.25**	**770.72**	**33.6**	**33.7**	**23.43**	**22.87**
Publishing Industries	20.4	20.4	21.1	-0.2	-3.3	—	—	—	—	—	—
Telecommunications	13.5	13.5	13.6	0.2	-0.5	—	—	—	—	—	—
Financial Activities	**178.7**	**179.6**	**176.3**	**-0.5**	**1.4**	—	—	—	—	—	—
Finance and Insurance	139.3	140.3	138.1	-0.7	0.9	967.51	916.19	36.4	36.4	26.58	25.17
Credit Intermediation	53.9	54.4	53.6	-0.9	0.5	780.44	740.52	35.8	36.0	21.8	20.57
Securities, Commodity Contracts, and Other	18.0	18.0	17.9	0.0	0.4	—	—	—	—	—	—
Insurance Carriers and Related	64.4	64.7	63.3	-0.4	1.8	—	—	—	—	—	—
Real Estate and Rental and Leasing	39.5	39.3	38.2	0.3	3.2	—	—	—	—	—	—
Professional and Business Services	**344.8**	**349.2**	**341.1**	**-1.3**	**1.1**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	131.8	133.4	130.9	-1.2	0.6	—	—	—	—	—	—
Legal Services	19.0	19.1	18.8	-0.3	1.1	—	—	—	—	—	—
Accounting, Tax Preparation	13.4	13.4	13.8	0.3	-2.7	—	—	—	—	—	—
Computer Systems Design	31.4	31.7	31.2	-1.1	0.6	—	—	—	—	—	—
Management of Companies and Enterprises	77.9	77.3	75.6	0.8	3.0	—	—	—	—	—	—
Administrative and Support Services	135.1	138.5	134.6	-2.4	0.4	—	—	—	—	—	—
Educational and Health Services	**499.2**	**497.8**	**488.0**	**0.3**	**2.3**	—	—	—	—	—	—
Educational Services	69.8	68.4	69.3	2.0	0.7	—	—	—	—	—	—
Health Care and Social Assistance	429.4	429.4	418.7	0.0	2.6	—	—	—	—	—	—
Ambulatory Health Care	141.3	140.5	136.3	0.6	3.7	1,222.52	1,095.59	34.8	33.7	35.13	32.51
Offices of Physicians	68.3	68.3	66.0	-0.1	3.5	—	—	—	—	—	—
Hospitals	103.1	103.5	103.3	-0.4	-0.2	—	—	—	—	—	—
Nursing and Residential Care Facilities	106.4	106.7	104.2	-0.3	2.1	417.20	422.99	29.8	28.6	14	14.79
Social Assistance	78.6	78.7	75.0	-0.1	4.9	—	—	—	—	—	—
Leisure and Hospitality	**243.3**	**252.5**	**235.8**	**-3.6**	**3.2**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	36.3	41.3	35.2	-12.1	2.9	—	—	—	—	—	—
Accommodation and Food Services	207.1	211.3	200.5	-2.0	3.3	—	—	—	—	—	—
Food Services and Drinking Places	183.4	185.0	175.4	-0.8	4.6	241.97	220.66	21.3	20.7	11.36	10.66
Other Services	**117.7**	**117.0**	**117.2**	**0.7**	**0.5**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	68.0	67.3	68.7	1.0	-1.0						
Government	**422.8**	**422.1**	**424.5**	**0.2**	**-0.4**						
Federal Government	30.7	30.7	31.2	0.2	-1.5						
State Government	102.5	102.2	102.2	0.3	0.3						
State Government Education	64.7	64.4	65.2	0.5	-0.7						
Local Government	289.6	289.3	291.1	0.1	-0.5						
Local Government Education	144.0	141.4	143.1	1.8	0.6						

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, 2013.

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	
	Nov 2013	Oct 2013	Nov 2012	Oct 2013	Nov 2012	Nov 2013	Nov 2012	Nov 2013	Nov 2012	Nov 2013	Nov 2012
TOTAL NONFARM WAGE AND SALARY	**1,829.5**	**1,836.1**	**1,796.7**	**-0.4%**	**1.8%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**250.9**	**254.4**	**243.6**	**-1.4**	**3.0**	—	—	—	—	—	—
Mining, Logging, and Construction	**66.9**	**70.7**	**61.8**	**-5.5**	**8.2**	—	—	—	—	—	—
Construction of Buildings	13.2	13.6	13.0	-3.0	1.9	—	—	—	—	—	—
Specialty Trade Contractors	45.0	47.4	42.1	-5.0	7.1	$1,310.56	$1,263.89	40.3	40.2	$32.52	$31.44
Manufacturing	**184.0**	**183.6**	**181.8**	**0.2**	**1.2**	**837.14**	**810.81**	**40.5**	**40.5**	**20.67**	**20.02**
Durable Goods	126.7	126.8	125.8	-0.1	0.7	864.85	829.37	41.4	40.3	20.89	20.58
Fabricated Metal Production	28.4	28.5	28.2	-0.2	0.9	—	—	—	—	—	—
Machinery Manufacturing	19.1	19.3	19.8	-1.4	-4.0	—	—	—	—	—	—
Computer and Electronic Product	35.5	35.4	35.5	0.1	0.0	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.6	23.6	23.4	0.1	1.1	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.2	14.1	14.1	0.8	0.9	—	—	—	—	—	—
Nondurable Goods	57.4	56.8	56.0	1.0	2.4	785.31	776.54	38.8	41	20.24	18.94
Food Manufacturing	12.3	12.4	12.3	-0.6	-0.1	—	—	—	—	—	—
Printing and Related	14.7	14.7	14.7	0.5	0.1	—	—	—	—	—	—
SERVICE-PROVIDING	**1,578.7**	**1,581.8**	**1,553.1**	**-0.2**	**1.6**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**325.5**	**322.4**	**323.9**	**1.0**	**0.5**	—	—	—	—	—	—
Wholesale Trade	81.9	81.7	81.4	0.3	0.6	1,033.81	978.76	39.9	37.4	25.91	26.17
Merchant Wholesalers - Durable Goods	43.1	42.9	43.3	0.5	-0.3	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	24.2	24.3	24.3	-0.4	-0.3	—	—	—	—	—	—
Retail Trade	179.7	176.8	179.7	1.6	0.0	370.16	333.96	28.3	27.9	13.08	11.97
Food and Beverage Stores	29.0	29.0	28.9	0.2	0.4	—	—	—	—	—	—
General Merchandise Stores	39.5	37.1	40.0	6.4	-1.1	326.50	321.30	30.6	30.6	10.67	10.5
Transportation, Warehouse, Utilities	63.9	63.9	62.8	-0.1	1.8	—	—	—	—	—	—
Utilities	7.4	7.4	7.4	-0.4	-0.4	—	—	—	—	—	—
Transportation and Warehousing	56.5	56.5	55.4	0.0	2.0	793.43	729.06	44.4	41.9	17.87	17.4
Information	**39.1**	**39.0**	**38.9**	**0.2**	**0.4**						
Publishing Industries	16.4	16.5	16.5	-0.1	-0.2	—	—	—	—	—	—
Telecommunications	9.4	9.4	9.5	0.2	-0.4	—	—	—	—	—	—
Financial Activities	**140.9**	**141.2**	**140.1**	**-0.2**	**0.5**	—	—	—	—	—	—
Finance and Insurance	109.3	109.4	108.8	0.0	0.5	1,113.33	1,036.95	37	37.1	30.09	27.95
Credit Intermediation	37.2	37.4	37.1	-0.4	0.2	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.0	15.9	16.1	0.7	-0.3	—	—	—	—	—	—
Insurance Carriers and Related	53.5	53.3	52.9	0.4	1.2	—	—	—	—	—	—
Real Estate and Rental and Leasing	31.6	31.8	31.4	-0.7	0.7	—	—	—	—	—	—
Professional and Business Services	**281.1**	**282.3**	**277.1**	**-0.5**	**1.4**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	105.8	106.7	106.2	-0.9	-0.3	—	—	—	—	—	—
Legal Services	16.0	16.1	15.9	-0.3	1.0	—	—	—	—	—	—
Architectural, Engineering, and Related	15.5	15.6	15.1	-0.7	2.6	—	—	—	—	—	—
Computer Systems Design	26.8	27.1	26.2	-1.2	2.1	—	—	—	—	—	—
Management of Companies and Enterprises	69.2	68.7	67.3	0.8	2.9	—	—	—	—	—	—
Administrative and Support Services	106.0	107.0	103.7	-0.9	2.3	—	—	—	—	—	—
Employment Services	59.1	58.7	51.8	0.7	14.2	—	—	—	—	—	—
Educational and Health Services	**305.7**	**305.3**	**294.0**	**0.1**	**4.0**	—	—	—	—	—	—
Educational Services	49.3	48.6	46.9	1.4	5.1	—	—	—	—	—	—
Health Care and Social Assistance	256.4	256.8	247.2	-0.1	3.7	—	—	—	—	—	—
Ambulatory Health Care	85.2	84.0	80.3	1.4	6.1	—	—	—	—	—	—
Hospitals	60.1	60.5	59.9	-0.7	0.2	—	—	—	—	—	—
Nursing and Residential Care Facilities	56.7	57.1	55.4	-0.7	2.4	—	—	—	—	—	—
Social Assistance	54.4	55.1	51.6	-1.2	5.6	—	—	—	—	—	—
Leisure and Hospitality	**163.9**	**170.0**	**157.8**	**-3.6**	**3.8**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	26.0	29.4	26.6	-11.5	-2.1	—	—	—	—	—	—
Accommodation and Food Services	137.8	140.6	131.2	-2.0	5.0	263.06	257.19	22.6	22.6	11.64	11.38
Food Services and Drinking Places	126.5	128.5	118.8	-1.6	6.4	257.3	248.18	22.2	22.1	11.59	11.23
Other Services	**78.4**	**78.0**	**78.2**	**0.5**	**0.2**	—	—	—	—	—	—
Repair and Maintenance	13.6	13.5	13.5	0.3	0.6	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	43.4	43.3	43.3	0.3	0.2	—	—	—	—	—	—
Government	**244.2**	**243.6**	**243.0**	**0.3**	**0.5**						
Federal Government	19.7	19.7	20.1	0.4	-1.7						
State Government	68.3	68.2	68.7	0.1	-0.6						
State Government Education	42.7	42.6	43.5	0.2	-2.0						
Local Government	156.2	155.7	154.2	0.3	1.3						
Local Government Education	90.2	88.8	88.0	1.5	2.5						

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, 2010.

Employer Survey

Industry

Industry	Duluth-Superior MSA Jobs Nov 2013	Jobs Oct 2013	Jobs Nov 2012	% Chg. From Oct 2013	% Chg. From Nov 2012	Rochester MSA Jobs Nov 2013	Jobs Oct 2013	Jobs Nov 2012	% Chg. From Oct 2013	% Chg. From Nov 2012
TOTAL NONFARM WAGE AND SALARY	**133,573**	**132,994**	**131,997**	**0.4%**	**1.2%**	**107,330**	**107,380**	**106,878**	**0.0%**	**0.4%**
GOODS-PRODUCING	**15,022**	**15,336**	**15,447**	**-2.0**	**-2.8**	**13,388**	**13,751**	**13,576**	**-2.6**	**-1.4**
Mining, Logging, and Construction	7,752	7,994	8,097	-3.0	-4.3	3,411	3,542	3,377	-3.7	1.0
Manufacturing	7,270	7,342	7,350	-1.0	-1.1	9,977	10,209	10,199	-2.3	-2.2
SERVICE-PROVIDING	**118,551**	**117,658**	**116,550**	**0.8**	**1.7**	**93,942**	**93,629**	**93,302**	**0.3**	**0.7**
Trade, Transportation, and Utilities	25,368	24,600	25,027	3.1	1.4	16,951	16,420	16,301	3.2	4.0
Wholesale Trade	3,224	3,221	3,204	0.1	0.6	2,330	2,319	2,340	0.5	-0.4
Retail Trade	15,791	15,176	15,655	4.1	0.9	12,062	11,591	11,527	4.1	4.6
Transportation, Warehouse, Utilities	6,353	6,203	6,168	2.4	3.0	2,559	2,510	2,434	2.0	5.1
Information	1,383	1,278	1,369	8.2	1.0	1,779	1,765	1,720	0.8	3.4
Financial Activities	5,405	5,406	5,392	0.0	0.2	2,324	2,325	2,368	0.0	-1.9
Professional and Business Services	7,580	7,668	7,684	-1.1	-1.4	4,932	5,102	4,999	-3.3	-1.3
Educational and Health Services	31,169	31,006	30,518	0.5	2.1	44,485	44,463	44,279	0.0	0.5
Leisure and Hospitality	15,015	15,272	13,365	-1.7	12.3	9,210	9,357	9,053	-1.6	1.7
Other Services	5,542	5,537	5,778	0.1	-4.1	3,620	3,649	3,583	-0.8	1.0
Government	27,089	26,891	27,417	0.7	-1.2	10,641	10,548	10,999	0.9	-3.3

Employer Survey

Industry

Industry	St. Cloud MSA Jobs Nov 2013	Jobs Oct 2013	Jobs Nov 2012	% Chg. From Oct 2013	% Chg. From Nov 2012	Mankato MSA Jobs Nov 2013	Jobs Oct 2013	Jobs Nov 2012	% Chg. From Oct 2013	% Chg. From Nov 2012
TOTAL NONFARM WAGE AND SALARY	**105,142**	**105,393**	**103,420**	**-0.2%**	**1.7%**	**54,943**	**54,976**	**54,564**	**-0.1%**	**0.7%**
GOODS-PRODUCING	**20,860**	**21,317**	**20,274**	**-2.1**	**2.9**	**9,796**	**9,866**	**9,781**	**-0.7**	**0.2**
Mining, Logging, and Construction	5,848	6,147	5,045	-4.9	15.9	--	--	--	--	--
Manufacturing	15,012	15,170	15,229	-1.0	-1.4	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**84,282**	**84,076**	**83,146**	**0.2**	**1.4**	**45,147**	**45,110**	**44,783**	**0.1**	**0.8**
Trade, Transportation, and Utilities	21,773	21,316	21,392	2.1	1.8	--	--	--	--	--
Wholesale Trade	4,316	4,337	4,201	-0.5	2.7	--	--	--	--	--
Retail Trade	13,781	13,323	13,660	3.4	0.9	--	--	--	--	--
Transportation, Warehouse, Utilities	3,676	3,656	3,531	0.5	4.1	--	--	--	--	--
Information	1,636	1,647	1,659	-0.7	-1.4	--	--	--	--	--
Financial Activities	4,378	4,438	4,377	-1.4	0.0	--	--	--	--	--
Professional and Business Services	8,361	8,349	8,406	0.1	-0.5	--	--	--	--	--
Educational and Health Services	20,064	20,301	19,208	-1.2	4.5	--	--	--	--	--
Leisure and Hospitality	8,466	8,586	8,503	-1.4	-0.4	--	--	--	--	--
Other Services	3,327	3,344	3,385	-0.5	-1.7	--	--	--	--	--
Government	16,277	16,095	16,216	1.1	0.4	9,221	9,281	9,148	-0.6	0.8

Employer Survey

Industry

Industry	Fargo-Moorhead MSA Jobs Nov 2013	Jobs Oct 2013	Jobs Nov 2012	% Chg. From Oct 2013	% Chg. From Nov 2012	Grand Forks-East Grand Forks MSA Jobs Nov 2013	Jobs Oct 2013	Jobs Nov 2012	% Chg. From Oct 2013	% Chg. From Nov 2012
TOTAL NONFARM WAGE AND SALARY	**135,051**	**135,495**	**132,598**	**-0.3%**	**1.9%**	**58,656**	**58,334**	**57,580**	**0.6%**	**1.9%**
GOODS-PRODUCING	**20,170**	**20,590**	**18,054**	**-2.0**	**11.7**	**6,995**	**7,254**	**6,889**	**-3.6**	**1.5**
Mining, Logging, and Construction	9,664	10,020	7,816	-3.6	23.6	3,220	3,390	3,063	-5.0	5.1
Manufacturing	10,506	10,570	10,238	-0.6	2.6	3,775	3,864	3,826	-2.3	-1.3
SERVICE-PROVIDING	**114,881**	**114,905**	**114,544**	**0.0**	**0.3**	**51,661**	**51,080**	**50,691**	**1.1**	**1.9**
Trade, Transportation, and Utilities	30,218	29,770	29,329	1.5	3.0	13,384	12,940	12,626	3.4	6.0
Wholesale Trade	8,866	8,834	8,578	0.4	3.4	2,059	2,055	2,033	0.2	1.3
Retail Trade	16,306	15,926	15,953	2.4	2.2	9,016	8,635	8,432	4.4	6.9
Transportation, Warehouse, Utilities	5,046	5,010	4,798	0.7	5.2	2,309	2,250	2,161	2.6	6.9
Information	3,272	3,280	3,225	-0.2	1.5	603	600	603	0.5	0.0
Financial Activities	9,317	9,314	9,171	0.0	1.6	1,660	1,660	1,657	0.0	0.2
Professional and Business Services	15,526	15,771	15,576	-1.6	-0.3	2,937	2,957	2,870	-0.7	2.3
Educational and Health Services	21,485	21,356	20,799	0.6	3.3	9,859	9,875	9,628	-0.2	2.4
Leisure and Hospitality	12,284	12,800	13,827	-4.0	-11.2	6,313	6,267	6,426	0.7	-1.8
Other Services	5,152	5,131	5,102	0.4	1.0	1,955	1,969	1,951	-0.7	0.2
Government	17,627	17,483	17,515	0.8	0.6	14,950	14,812	14,930	0.9	0.1

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2013.

Minnesota Economic Indicators

Highlights

The **Minnesota Index** advanced for the 48th straight month in November, but the pace of growth has slowed during the last few months. November's 0.1 percent increase was significantly below the 0.3 percent average monthly increase achieved during the first six months of the year. The U.S. index jumped 0.3 percent in November as the national economy picked up speed during the last few months. The U.S. index averaged 0.2 percent during the first half of the year but will average 0.3 percent over the last six months of the year. After outpacing the U.S. Index over the first half of the year, Minnesota's index has lagged behind the U.S. index's pace over the last half of the year.

Minnesota's index in November was 2.7 percent higher than a year ago, while the U.S. index was 3.0 percent higher than 12 months ago. The 2.7 percent increase was the lowest over-the-year increase since last November. The slowdown in the Minnesota index may be revised away when employment data are revised early next year, but for now the index is pointing toward a slight slowdown in Minnesota's economy as the year ends.

Minnesota's adjusted **Wage and Salary Employment** slipped slightly in November with 800 jobs lost. Private sector employment was up 2,400, but Government employment declined 3,200. Minnesota's Private sector added 22,400 jobs during the first half of 2013 but only 13,400 jobs over the last five months. Information added the most workers last month, hiring 1,300 employees. Employment in Financial Activities and Other Services also added more than 1,000 jobs. The decline in Government jobs was concentrated in Local Government employment. Professional and Business Services employment also declined significantly in November.

Over-the-year job growth in Minnesota using unadjusted employment tailed off to 1.4 percent in November compared to 1.7 percent nationally. Minnesota's annual average job growth rate is likely to be 1.8 percent for 2013 which translates into 49,000 new jobs, up from 39,000 in 2012 and 47,000 in 2011. The state added an average of 54,000 jobs annually between 1990 and 2000.

After plunging 6.9 percent in October, Minnesota's adjusted online **Help-Wanted Ads** surged 8.4 percent in November. November's 124,000 ads rank as the fifth highest monthly volume since the Conference Board starting counting online help-wanted ads in 1995. Help-wanted advertising, after running below last year's level since March, jumped to 1.6 percent higher than a year ago in November. Labor demand as measured by online help-wanted ads remains solid suggesting that job growth is unlikely to slow up during the first half of 2014.

Minnesota's **Purchasing Managers' Index (PMI)** rebounded slightly in November inching up to 55.7. A reading above 50 indicates economic growth over the next few months, so November's reading implies Minnesota's economy will continue to grow through the first quarter of 2014. The employment component of the PMI was above 50 for the 13th consecutive month suggesting that manufacturers will be adding workers over the near future.

Adjusted **Manufacturing Hours** dipped a tad to 41.5 hours in November but remain near historical highs. The average factory workweek has been 41.5 hours or longer only 10 percent of the time since 1970. The relatively long workweek suggests that the recent uptick in manufacturing hiring will spill over into 2014. **Manufacturing Earnings** rose sharply for the second month in a row, soaring to $835.58 in November. That is the second highest average weekly paycheck earned over the last 43 years by Minnesota manufacturing workers. The $835.58 weekly paycheck works out to $43,450 per year.

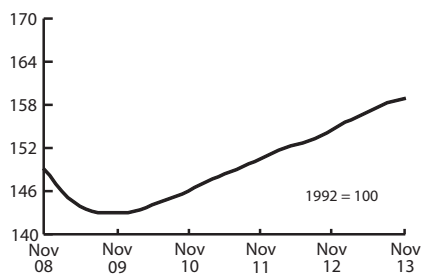
The **Minnesota Leading Index** stumbled for the fourth time in the past five months in November. The index, after averaging 1.6 percent during the first half of the year, has averaged 0.9 percent over the last five months. The drop implies that Minnesota's economic growth will be slowing significantly over the next six months. This is the only indicator that is flashing red about Minnesota's economy during the first half of 2014.

Adjusted **Residential Building Permits** reversed a two-month skid jumping 13.5 percent. Minnesota's home-building rebound continues to be uneven, but the overall trend is a gradual upswing.

Adjusted **Initial Claims for Unemployment Benefits (UB)**, after inching up over the previous three months, headed in the right direction in November, declining 2.4 percent. The low volume of initial claims is another positive indicator that Minnesota's job growth will remain solid right through the first half of 2014.

by Dave Senf

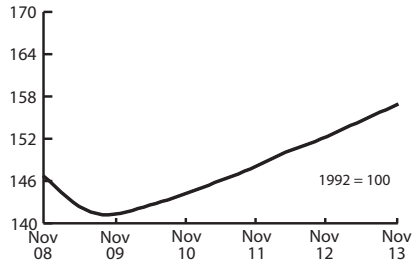
Minnesota Index



2012	Nov	154.6
	Dec	155.1
2013	Jan	155.6
	Feb	155.9
	Mar	156.3
	Apr	156.7
	May	157.1
	Jun	157.5
	Jul	157.9
	Aug	158.3
	Sep	158.5
	Oct	158.7
	Nov	158.9
% Chg From Month Ago		0.1%
Year Ago		2.7%

Source: The Federal Reserve Bank of Philadelphia, 2013

United States Index



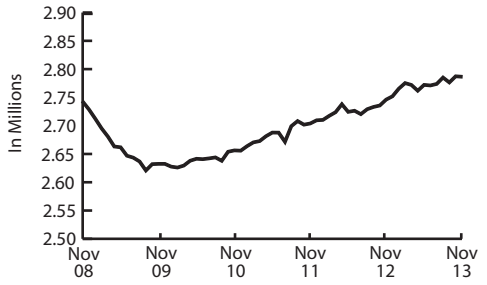
2012	Nov	152.3
	Dec	152.7
2013	Jan	153.1
	Feb	153.5
	Mar	153.9
	Apr	154.2
	May	154.6
	Jun	155.0
	Jul	155.4
	Aug	155.8
	Sep	156.1
	Oct	156.5
	Nov	156.9
% Chg From Month Ago		0.3%
Year Ago		3.0%

Source: The Federal Reserve Bank of Philadelphia, 2013.

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

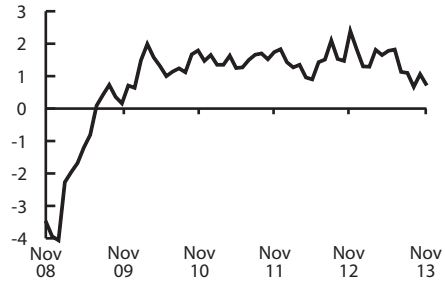


seasonally adjusted		
2013	Jun	2.7711
	Jul	2.7738
	Aug	2.7851
	Sep	2.7764
	Oct	2.7873
	Nov	2.7865
% Chg From Month Ago		0.0%

unadjusted		
2012	Nov	2.7664
2013	Nov	2.8062
% Chg From Year Ago		1.4%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2013.

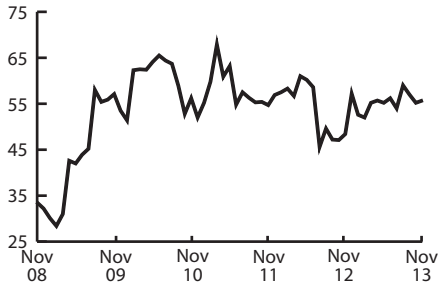
Minnesota Leading Index



2012	Nov	2.39
	Dec	1.83
2013	Jan	1.30
	Feb	1.29
	Mar	1.81
	Apr	1.65
	May	1.78
	Jun	1.82
	Jul	1.13
	Aug	1.10
	Sep	0.67
	Oct	1.06
	Nov	0.73
% Chg From Month Ago		-31.5%
% Chg From Year Ago		-69.5%

Source: The Federal Reserve Bank of Philadelphia, 2013

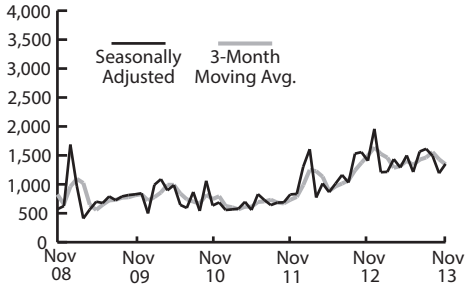
Purchasing Managers' Index



2012	Nov	48.4
	Dec	57.2
2013	Jan	52.6
	Feb	52.0
	Mar	55.2
	Apr	55.7
	May	55.2
	Jun	56.2
	Jul	54.0
	Aug	59.0
	Sep	57.0
	Oct	55.2
	Nov	55.7
% Chg From Month Ago		0.9%
% Chg From Year Ago		15.1%

Source: Creighton University, Mid-America Survey of Business Conditions, 2013.

Residential Building Permits

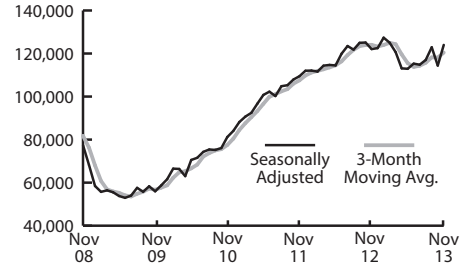


seasonally adjusted		
2013	Jun	1,213
	Jul	1,566
	Aug	1,613
	Sep	1,490
	Oct	1,192
	Nov	1,352
% Chg From Month Ago		13.5%

unadjusted		
2012	Nov	1,313
2013	Nov	1,260
% Chg From Year Ago		-4.0%

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2013.

Average Weekly Manufacturing Hours

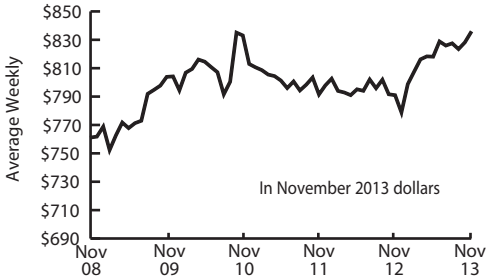


seasonally adjusted		
2013	Jun	41.4
	Jul	41.6
	Aug	41.2
	Sep	41.3
	Oct	41.6
	Nov	41.5
% Chg From Month Ago		-0.3%

unadjusted		
2012	Nov	40.8
2013	Nov	41.6
% Chg From Year Ago		2.0%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2013.

Manufacturing Earnings

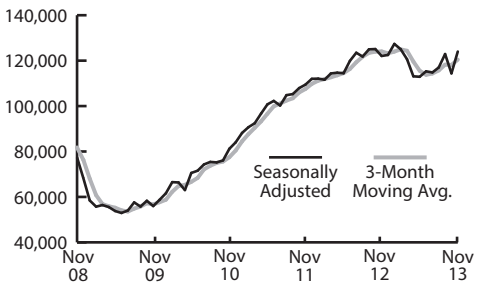


seasonally adjusted		
2013	Jun	828.85
	Jul	825.94
	Aug	827.52
	Sep	823.46
	Oct	828.17
	Nov	835.58
% Chg From Month Ago		0.9%

unadjusted		
2012	Nov	788.92
2013	Nov	832.83
% Chg From Year Ago		5.6%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2013.

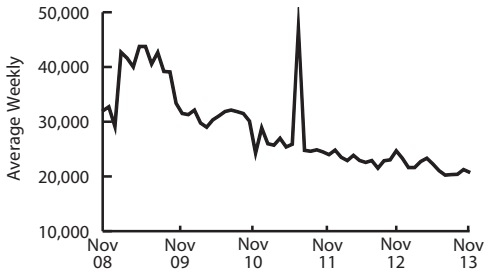
Online Help-Wanted Advertising



2012	Nov	122,066
	Dec	122,500
2013	Jan	127,366
	Feb	125,028
	Mar	120,633
	Apr	113,100
	May	112,900
	Jun	115,300
	Jul	114,800
	Aug	117,000
	Sep	122,900
	Oct	114,400
	Nov	124,000
% Chg From Month Ago		8.4%
% Chg From Year Ago		1.6%

Source: The Conference Board Inc., 2013.

Initial UB Claimants



seasonally adjusted		
2013	Jun	21,054
	Jul	20,242
	Aug	20,338
	Sep	20,388
	Oct	21,252
	Nov	20,750
% Chg From Month Ago		-2.4%

unadjusted		
2012	Nov	34,056
2013	Nov	27,925
% Chg From Year Ago		-18.0%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2013.

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 :
http://mn.gov/deed/lmi

Labor Market Information Help Line:
651.259.7384

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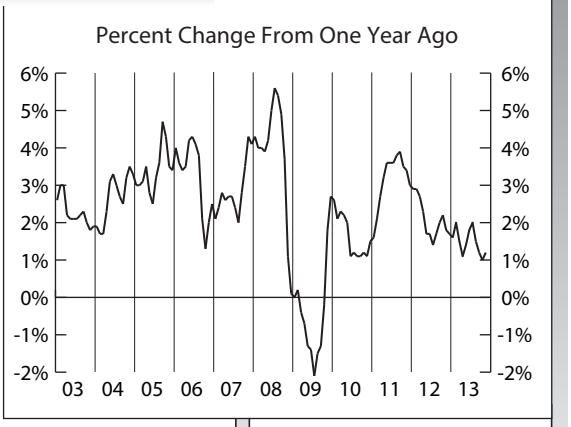
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)

The CPI-U was unchanged in November on a seasonally adjusted basis. The energy index declined in November, offsetting increases in other indexes. Indexes for gasoline and for natural gas fell significantly, more than offsetting increases in the electricity and fuel oil indexes. The food index rose slightly in November; the food at home index was unchanged. Over the past year, the all items index increased 1.2 percent. The 12-month increase in the index for all items less food and energy remained at 1.7 percent for the third month in a row. The food index increased 1.2 percent over the last 12 months; the energy index declined 2.4 percent.



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.
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Editor:
Carol Walsh

Technical Editors:
M. B. Hummel
Dave Senf

Statistics:
Nick Dobbins

Writers:
John Clay
Nick Dobbins
Cameron Macht
Dave Senf
Rachel Vilsack

Graphics/Layout:
Mary Moe

Webpage Preparation:
Mary Moe

Commissioner:
Katie Clark Sieben

LMI Office Director:
Steve Hine

Assistant Director and Technical Supervisor:
Oriane Casale

What's Going On?

New Angel Loan Fund will help startup businesses grow

Minnesota entrepreneurs can apply for no-interest loans of up to $250,000 — to help with business startup costs, working capital, equipment purchases, construction, inventory financing, franchise funding and more — from a new $6.7 million Angel Loan Fund.

The Angel Loan Fund is one of four programs available to help small businesses under DEED's State Small Business Credit Initiative. The programs are expected to spur at least $150 million in lending to small businesses statewide and help create an additional 3,000 new jobs. The Angel Loan Fund is a supplement to the Angel Tax Credit, which has delivered more than $137 million to help hundreds of startup companies.

For additional information, visit the DEED website at **www.tinyurl.com/AngelLoanFund** or contact Lisa Dargis at 651-259-7446 or 1-800-657-3858

Minnesota
Department of Employment and Economic Development

A New Minimum?

The Minnesota Legislature debated raising the state minimum wage in the 2013 legislative session. Because wage level differences in House and Senate bills remained unresolved as the session closed, the Legislature is expected to revisit the issue when the session resumes in February 2014. This raises the question: How many jobs, in which regions, and in which occupations, would be affected if there were a substantial increase in the state minimum wage? To find the answer, we take the higher minimum wage level of the House bill (HF0092), $9.50 an hour for large employers, and estimate how many jobs would see wages increase to meet the new level.

Understanding Minnesota's Current Minimum Wage

Minnesota's minimum wage currently stands at $6.15 an hour for large employers, defined as those with gross annual revenue of $625,000 or more, which is below the federal minimum wage of $7.25 an hour. According to federal law, any employer, for-profit or nonprofit, with annual gross revenue of $500,000 or more that engages in interstate commerce — by taking credit cards or using out-of-state suppliers, for example — must pay the federal minimum wage whenever it is higher than the state minimum as is the case today. The higher wage also prevails for any employee who engages in interstate commerce in a given week in the performance of their job, regardless of the amount of the employer's annual gross revenue.

Thus, $7.25 an hour is the minimum wage the vast majority of Minnesota employers must pay. So few businesses fall outside of the federal coverage that the Minnesota Department of Labor and Industry, which administers minimum wage laws, describes $7.25 as the effective minimum wage in Minnesota. For the purpose of our analysis here, we do not include jobs that pay below $7.25 an hour in the count of jobs which would be affected by the proposed $9.50 an hour minimum wage.

If the federal minimum wage had kept pace with inflation since 1968, it would today be $10.75 an hour according to the Bureau of Labor Statistics' CPI Inflation Calculator. The difference between the hypothetical inflation-adjusted federal wage of $10.75 an hour and the actual effective wage of $7.25 demonstrates a loss of consumer purchasing power, making it harder for people with jobs to make ends meet.

Several states have set their minimum wages well above the federal rate. California will raise its minimum wage to $10.00 an hour in 2016, while the state of Washington raised its minimum wage to $9.19 an hour and pegged it to rise with inflation. Oregon's wage of $8.95 an hour, also pegged to inflation, will easily surpass $9.00 an hour by 2015, and Connecticut's wage will be $9.00 an hour in 2015.

Regional Impacts on Increasing the Minimum Wage

A special analysis of Occupational Employment Statistics (OES) program data provides insight into the estimated number of jobs in Minnesota, by region and by occupation, that pay under $9.50 an hour and therefore would be affected by the increase. Wages reported by employers to the OES program should include straight-time gross pay, which includes incentive pay, both commissions and production bonuses, and tips.[1] Further, employment estimates include non-farm,

Minnesota
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full- or part-time paid workers, paid owners, officers, and staff of incorporated firms covered by the state's Unemployment Insurance (UI) program.[2]

Overall, 387,710 jobs in Minnesota, or 14.7 percent of total occupational employment, paid under $9.50 an hour during first quarter 2013 based on the OES employment and wage estimates. This percentage varies by region as seen in Figure 1. The Twin Cities Metro (12.5 percent) and Southeast (16.3 percent) regions had the lowest percentage of jobs paying less than $9.50 an hour, while Northeast (19.8 percent) and Southwest (19.7 percent) had the highest percentage of jobs that would be impacted by an increase in the minimum wage.

Our OES analysis is a count of jobs, not people. In some cases one person may hold multiple jobs. Wage records collected by the UI program could also be used to analyze the percent of jobs paying under $9.50 by region, firm size, and industry and may yield different results than are presented here. The December 2013 edition of Minnesota Economic Trends includes such an article.

Wage Raise by Occupation

One advantage to using OES to estimate jobs that could be impacted by a minimum wage increase is the ability to look at the data at an occupation level. Regional occupational distributions can also account for the differences in the percentages of jobs paying less than $9.50 an hour. Table 1 shows the estimated number and percent of jobs with a wage of less than $9.50 by occupational grouping. Food preparation and serving related occupations accounted for the largest number of jobs with a wage under $9.50, with almost 60 percent of these jobs in the Twin Cities Metro and just over 70 percent of jobs in Northeast Minnesota paying less than this amount. Depending on the region 25 to 33 percent of jobs in sales and related occupations also pay less than $9.50. In addition to these groupings, other service-providing jobs like building and maintenance and personal care and service would be most affected by an increase in the minimum wage to $9.50. On the other hand, an increase in the minimum wage to $9.50 would impact a small number of jobs in several occupational groups, including architectural and engineering, computer and mathematical, and legal.

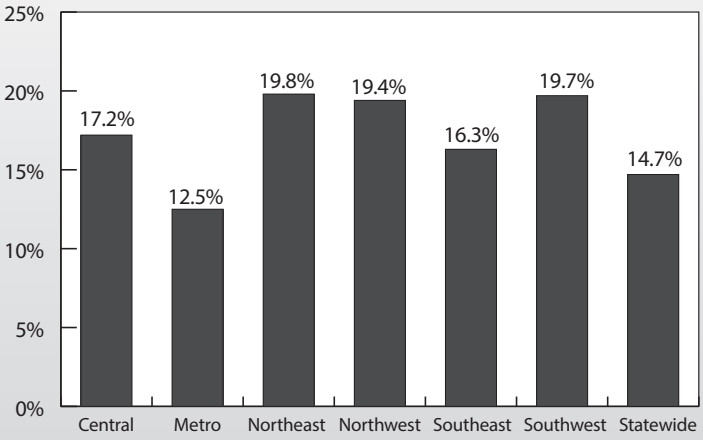
Following are the 10 occupations with the largest percentage of jobs paying under $9.50 an hour in Minnesota. Many are in the food service industry:

- Combined food preparation and service workers, including fast food, 82.5 percent
- Dining room, cafeteria attendants, and bartender helpers, 82.1 percent
- Hosts and hostesses, 81.9 percent
- Waiters and waitresses, 76.6 percent
- Counter attendants, 76.5 percent
- Cooks, fast food, 74.7 percent
- Baggage porters, and bellhops, 73.6 percent
- Dishwashers, 73.2 percent
- Bartenders, 72.4 percent
- Amusement and recreation attendants, 70.3 percent

Several of these occupations — waiters and waitresses, baggage porters and bartenders — usually receive tips. Employers participating in the OES program are asked to include tips in their hourly wage calculations. Currently Minnesota employers cannot take a tip credit against state- or federal-set minimum wages, meaning that employees must be paid the minimum wage as a reliable base rate independent of the variability of tips.

Figure 1

Estimated Percent of Jobs Paying Less than $9.50 in Minnesota by Region



Source: DEED, Occupational Employment Statistics (OES)

Table 1: Estimated Number of Jobs Paying Under $9.50 in Minnesota by Occupational Group and Region

Occupation Code	Occupation Title	Minnesota		Central		Metro		Northeast		Northwest		Southeast		Southwest	
		Number Paying <$9.50	Percent Paying <$9.50	Number Paying <$9.50	Percent Paying <$9.50	Number Paying <$9.50	Percent Paying <$9.50	Number Paying <$9.50	Percent Paying <$9.50	Number Paying <$9.50	Percent Paying <$9.50	Number Paying <$9.50	Percent Paying <$9.50	Number Paying <$9.50	Percent Paying <$9.50
11-0000	Management	961	0.6%	141	1.3%	318	0.3%	90	1.4%	146	1.6%	128	1.2%	136	1.8%
13-0000	Business and Financial Operations	1,185	0.8%	120	1.6%	397	0.4%	81	1.8%	107	1.7%	141	1.8%	337	6.2%
15-0000	Computer and Mathematical	213	0.3%	67	2.6%	92	0.1%	12	0.6%	19	1.0%	20	0.3%	<5	<1.0%
17-0000	Architecture and Engineering	16	0.0%	<5	<1.0%	6	0.0%	<5	<1.0%	<5	<1.0%	<5	<1.0%	0	0.0%
19-0000	Life, Physical, and Social Science	149	0.6%	<5	<1.0%	38	0.2%	0	0.0%	<5	<1.0%	81	3.9%	22	1.6%
21-0000	Community and Social Services	1,596	3.2%	186	3.3%	398	1.4%	370	7.6%	303	6.8%	184	4.7%	152	4.5%
23-0000	Legal	51	0.3%	0	0.0%	<5	<1.0%	7	1.4%	40	5.1%	<5	<1.0%	0	0.0%
25-0000	Education, Training, and Library	10,223	6.7%	506	2.7%	6,230	7.3%	368	4.4%	744	4.8%	1,556	11.2%	813	7.5%
27-0000	Arts, Design, Entertainment, and Media	4,054	10.6%	281	16.3%	2,365	8.1%	199	14.5%	214	11.2%	679	25.0%	260	18.6%
29-0000	Healthcare Practitioners and Technical	1,027	0.7%	95	0.6%	317	0.4%	161	1.5%	78	0.6%	203	0.9%	169	1.8%
31-0000	Healthcare Support	7,582	8.1%	1,285	10.7%	1,818	4.0%	1,062	15.2%	1,099	11.8%	871	8.2%	1,416	15.6%
33-0000	Protective Service	3,406	8.1%	304	7.7%	1,395	5.5%	346	10.9%	713	20.0%	296	8.6%	342	14.7%
35-0000	Food Preparation and Serving Related	140,545	62.9%	14,372	66.5%	77,984	59.6%	10,316	70.4%	13,819	66.6%	12,011	65.9%	11,898	69.8%
37-0000	Building , Grounds Cleaning and Maintenance	22,240	27.5%	2,486	28.9%	10,397	24.0%	2,041	36.7%	2,747	31.8%	2,400	28.5%	1,822	35.1%
39-0000	Personal Care and Service	28,059	26.7%	3,974	35.2%	13,907	21.4%	2,289	37.1%	3,689	43.8%	1,937	28.7%	2,225	30.4%
41-0000	Sales and Related	83,582	30.8%	9,579	37.9%	45,000	25.8%	5,553	42.8%	8,000	39.1%	8,358	40.2%	6,928	42.4%
43-0000	Office and Administrative Support	35,602	8.9%	4,340	12.3%	16,659	6.4%	2,651	13.6%	4,402	15.3%	3,833	12.2%	3,591	15.4%
45-0000	Farming, Fishing, and Forestry	674	20.9%	148	30.5%	145	26.4%	5	2.0%	175	27.3%	79	17.4%	123	14.9%
47-0000	Construction and Extraction	1,211	1.5%	139	1.2%	595	1.5%	93	1.5%	191	2.2%	56	0.8%	63	1.0%
49-0000	Installation, Maintenance, and Repair	3,094	3.5%	389	4.1%	1,528	3.2%	166	2.5%	268	3.2%	340	3.9%	399	5.4%
51-0000	Production	19,099	8.9%	2,027	7.5%	12,253	10.6%	758	9.9%	1,256	6.6%	1,167	5.1%	1,549	7.2%
53-0000	Transportation and Material Moving	25,188	15.6%	3,306	18.1%	12,828	14.4%	1,389	17.6%	2,501	17.6%	2,955	19.3%	2,095	16.1%
00-0000	**Total, All Occupations**	**387,711**	**14.7%**	**43,565**	**17.2%**	**203,692**	**12.5%**	**27,775**	**19.8%**	**40,267**	**19.4%**	**37,127**	**16.3%**	**34,089**	**19.7%**

Source: DEED, Occupational Employment Statistics (OES)

Wage Raise for Job Vacancies

In addition to the wages of currently employed workers, the wages for open positions will also be impacted if the state's minimum wage increases to $9.50 an hour. Another method of assessing the impact of an increase in the minimum wage is to look at the wages of current job openings across Minnesota, as captured by the semi-annual Job Vacancy Survey (JVS). Table 2 shows the high-end percentage of job openings during second quarter 2013 that had a median wage of $9.50 or less by region.[3] A distinction is made between full-time and part-time openings since full-time positions are more likely to offer wages above $9.50 an hour. Just 6.4 percent of full-time job vacancies offered a median wage of less than $9.50 compared to 61.6 percent of part-time openings in Minnesota. Forty-five percent of all job vacancies in Minnesota are part-time.

The concentration varies by region as the Northwest region had a substantially higher percentage of full-time job openings offering less than $9.50. This situation likely correlates to the region's higher concentration of temporary or seasonal job vacancies during second quarter 2013.[4]

Conclusion

The exact number of jobs that would be affected by a proposed $9.50 an hour minimum wage might not be known, but the increase could be expected to have varying impacts across regions and occupations, as suggested by these estimates. Some median wage offers captured by the JVS also would rise, particularly among the 45 percent of Minnesota job openings that are part-time. Part-time job seekers, particularly in food service and sales occupations, will see an increase in their hourly wage offers.

Additional analysis would be required to estimate the effect of the proposed minimum wage increase on consumer spending power in Minnesota, the effect on individuals and families who depend either fully or partly on minimum wage incomes, and the channels of adjustment employers would likely use to absorb the increased wage bill. Understanding the number and share of affected jobs and job openings is an important first step toward helping communities and their representatives make informed choices in the coming legislative session.

by John Clay and Rachel Vilsack

Labor Market Information Office
Minnesota Department of Employment and Economic Development

Table 2: Percentage of Job Openings Paying $9.50 or Less, 2Q 2013

Region	Full-Time Openings	Part-Time Openings
Central	3.5%	59.0
Northeast	10.9%	79.2
Northwest	48.0%	78.5
Metro	4.9%	69.0
Southeast	6.8%	58.8
Southwest	10.9%	87.1
Statewide	**6.4%**	**61.6**

Source: DEED, Job Vacancy Survey

[1]Excluded from the wage definition are overtime pay, shift differentials, non-production bonuses, holiday pay, meal and lodging payments, draw, severance pay, back pay, jury duty pay, and tuition reimbursements.

[2]Excluded from the employment definition are proprietors of unincorporated firms, other self-employed and contract workers, unpaid family workers, and workers on unpaid leave.

[3] The percentages displayed in this analysis include occupations for which data were disclosable and where the median wage was $9.50 or less.

[4]Economic Development Regions (EDR) 4 and 5 in Northwest Minnesota have a higher than average percentage of full-time job openings also classified as temporary or seasonal. These jobs overwhelmingly appear in the building, grounds cleaning and maintenance, and transportation and material moving occupations.