State of the State’s Workforce

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Regional Analysis & Outreach
www.mn.gov/deed/data/
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DEED has been busy during the COVID-19 pandemic
  • Unemployment Insurance, Business & Community Development, LMI
  • Each state produces employment and economic statistics in cooperation
    with U.S. Department of Labor’s Bureau of Labor Statistics

LMI includes employment statistics, unemployment rates, wages and salaries,
job projections and more
  • We provide data to a wide variety of stakeholders and customers
  • LMI is the foundation for informed, market-responsive planning
    • Focused on trends
  • mn.gov/deed/data/
Unemployment Rates

- Minnesota’s unemployment rate dropped to 7.7% in July 2020
  - 9.9% in May was the highest rate on record – previous highs in 1983, 2010
- Minnesota has the 18th lowest unemp. rate in U.S.
  - U.S. rate dropped to 10.2% in July 2020
    - As high as 14.7% in April
Since March, the number employed has dropped by -89,081; the number unemployed has risen by +124,803; and the unemployment rate has risen from 3.1% to 7.7%.

This includes a drop of -35,722 from the labor force this month with a drop in participation rate from 70.2% to 69.3%.
Current Employment Statistics

- Minnesota is down -256,062 payroll jobs over the year in July, a decline of -8.5% compared to 2019
  - U.S. employment fell -7.7% from July 2019 to July 2020

- These job losses, largely the result of pandemic containment measures, are unprecedented in the history of the data series going back nearly a century both at the state and national level

- **How bad is it?**
  - **It depends...**
    - Industries
    - Regions
    - Occupations
    - Person

![Year-Over-Year Employment Loss by Month During Minnesota Recessions, 1970-2020](source: DEED Current Employment Statistics)
Unemployment Insurance Claims Statistics

- Stakeholders (leaders, businesses, workforce development boards, the media) needed help, and our traditional tools did not offer enough.
- Typically overlooked, Unemp. Insurance statistics were suddenly a useful dataset.
- The existing tool was updated once per month, in a table format.
- The new tool was built to provide daily updates, and in visual form:
  - Count of UI applications by day
  - Cumulative UI applications by county
    - As a share of 2019 labor force (impact)
- Unemp. rates at the county level are much more indicative of COVID-19 employment changes.
Unemployment Insurance Applications Statistics

- Demographic details looking at:
  - Age
  - Education
  - Gender
  - Veteran Status
  - Race & Ethnicity

- Geographic details for:
  - Planning Regions

- Occupational details at the 3-digit SOC Code level
  - Food & Beverage Serving Workers
  - Construction Trades Workers
  - Retail Sales Workers
  - Other Production Occupations
  - Other Healthcare Support Occs
  - Cooks & Food Prep Workers

- County Details
  - 87 counties in Minnesota
  - Occupational details
There were 324,223 benefits requests last week
  • That was up from 76,527 the week ending 3/21/2020
  • Down from a peak of 559,023 on 5/16/2020
  • Up slightly from 323,452 on 8/29/2020
  • Down from 337,416 on 8/22/2020

108,869 on PUA (self-employed)
  • PUA is staying consistently high

Layoff activity has affected females more than males
  • Females = 54.5%; prior to COVID = 22.7%

Younger workers (under 22, 22 to 29) have been more affected than normal
Unemployment Insurance Applications Statistics

• Layoff activity has also impacted different races in different ways
  • Whites accounted for 66.6% of continued claims in Aug. (but 81.5% of labor force)
  • Just over half (53.8%) of Black or African American workers have filed a UI Application
    • NonHispanic White = 26.5%
    • American Indian = 44.0%
    • Asian = 35.0%
    • Hispanic or Latino = 31.5%

• Continuing claims are lingering more for workers of other races as well
  • Much of this is due to the industries and occupations people of color hold
Unemployment Insurance Applications Statistics

- Unemp. rates are diverging again!

### Unemployment Rates by Racial/Ethnic Group, July 2020

<table>
<thead>
<tr>
<th></th>
<th>All Races</th>
<th>White</th>
<th>Hispanic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6 month moving averages</td>
<td>12 month moving averages</td>
<td>6 month moving averages</td>
</tr>
<tr>
<td>20-Jan</td>
<td>69.5</td>
<td>2.8</td>
<td>70</td>
</tr>
<tr>
<td>20-Feb</td>
<td>69.5</td>
<td>2.9</td>
<td>70</td>
</tr>
<tr>
<td>20-Mar</td>
<td>69.4</td>
<td>3.3</td>
<td>69.9</td>
</tr>
<tr>
<td>20-Apr</td>
<td>68.8</td>
<td>4.3</td>
<td>69.6</td>
</tr>
<tr>
<td>20-May</td>
<td>68.7</td>
<td>5.5</td>
<td>69.5</td>
</tr>
<tr>
<td>20-Jun</td>
<td>69.1</td>
<td>6.5</td>
<td>69.5</td>
</tr>
<tr>
<td><strong>20-Jul</strong></td>
<td><strong>69.1</strong></td>
<td><strong>7.1</strong></td>
<td><strong>69.3</strong></td>
</tr>
</tbody>
</table>

### Continued Claims as a Share of Total Labor Force

- **Black**: 23.9%
- **American Indian Alaska Native**: 18.4%
- **Asian**: 11.5%
- **Hispanic**: 10.4%
- **All Races**: 9.5%
- **Non-Hispanic White**: 7.5%
## Stress Index

### Minnesota Industry Stress Index Table (09/04/20)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Cumulative Count of UI Applications Through 8/20/20</th>
<th>Weekly Continuing Claims Through 8/22/20</th>
<th>Ratio of Continuing Claims to July 2020 CES Employment</th>
<th>Permanent Layoff Continuing Claims, July 2020</th>
<th>CES Job Change Jan. 2019-July 2020</th>
<th>CES Job Change Mar. 2020-July 2020</th>
<th>How have sales tax receipts changed compared to last year?</th>
<th>Which industries are the most racially diverse?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Accommodation &amp; Food Services</td>
<td>129,734</td>
<td>33,649</td>
<td>19.1%</td>
<td>1,426</td>
<td>-16.9%</td>
<td>-55.0%</td>
<td>29.0%</td>
<td>4</td>
</tr>
<tr>
<td>2. Arts, Entertainment, &amp; Recreation</td>
<td>28,200</td>
<td>6,671</td>
<td>20.1%</td>
<td>1,032</td>
<td>-22.5%</td>
<td>-36.2%</td>
<td>17.6%</td>
<td>2</td>
</tr>
<tr>
<td>3. Other Services, Ex. Public Admin</td>
<td>52,651</td>
<td>9,179</td>
<td>9.1%</td>
<td>1,028</td>
<td>-10.5%</td>
<td>-37.8%</td>
<td>18.1%</td>
<td>6</td>
</tr>
<tr>
<td>4. Educational Services</td>
<td>46,354</td>
<td>9,570</td>
<td>6.2%</td>
<td>493</td>
<td>-27.8%</td>
<td>-52.0%</td>
<td>13.4%</td>
<td>3</td>
</tr>
<tr>
<td>5. Health Care &amp; Social Assistance</td>
<td>170,876</td>
<td>27,811</td>
<td>6.2%</td>
<td>2,255</td>
<td>-4.9%</td>
<td>-26.2%</td>
<td>25.1%</td>
<td>1</td>
</tr>
<tr>
<td>6. Transportation &amp; Warehousing</td>
<td>35,828</td>
<td>10,994</td>
<td>12.6%</td>
<td>883</td>
<td>-7.8%</td>
<td>-14.2%</td>
<td>19.2%</td>
<td>8</td>
</tr>
<tr>
<td>7. Administrative Support &amp; Waste Mgmt. Svs.</td>
<td>46,676</td>
<td>14,356</td>
<td>13.3%</td>
<td>1,260</td>
<td>5.0%</td>
<td>36.6%</td>
<td>33.2%</td>
<td>5</td>
</tr>
<tr>
<td>8. Real Estate &amp; Rental &amp; Leasing</td>
<td>10,272</td>
<td>2,476</td>
<td>8.0%</td>
<td>269</td>
<td>-8.2%</td>
<td>-39.1%</td>
<td>16.4%</td>
<td>7</td>
</tr>
<tr>
<td>9. Management of Companies</td>
<td>21,280</td>
<td>4,733</td>
<td>5.5%</td>
<td>545</td>
<td>-2.8%</td>
<td>-23.3%</td>
<td>16.3%</td>
<td>10</td>
</tr>
<tr>
<td>10. Manufacturing</td>
<td>109,406</td>
<td>17,845</td>
<td>5.6%</td>
<td>1,014</td>
<td>-2.7%</td>
<td>-11.8%</td>
<td>23.5%</td>
<td>9</td>
</tr>
<tr>
<td>11. Professional &amp; Technical Services</td>
<td>35,056</td>
<td>9,511</td>
<td>6.5%</td>
<td>1,059</td>
<td>-3.8%</td>
<td>-17.1%</td>
<td>15.9%</td>
<td>11</td>
</tr>
<tr>
<td>12. Retail Trade</td>
<td>102,193</td>
<td>21,002</td>
<td>7.2%</td>
<td>1,979</td>
<td>3.2%</td>
<td>-11.3%</td>
<td>17.1%</td>
<td>14</td>
</tr>
<tr>
<td>13. Information</td>
<td>27,447</td>
<td>3,508</td>
<td>8.8%</td>
<td>360</td>
<td>1.0%</td>
<td>10.0%</td>
<td>13.3%</td>
<td>12</td>
</tr>
<tr>
<td>14. Wholesale Trade</td>
<td>29,897</td>
<td>5,767</td>
<td>4.7%</td>
<td>590</td>
<td>-3.2%</td>
<td>-12.3%</td>
<td>11.9%</td>
<td>13</td>
</tr>
<tr>
<td>15. Public Administration</td>
<td>15,689</td>
<td>3,132</td>
<td>1.7%</td>
<td>227</td>
<td>-2.3%</td>
<td>-7.5%</td>
<td>15.1%</td>
<td>15</td>
</tr>
<tr>
<td>16. Mining</td>
<td>2,206</td>
<td>446</td>
<td>8.3%</td>
<td>13</td>
<td>-13.1%</td>
<td>6.2%</td>
<td>2.9%</td>
<td>16</td>
</tr>
<tr>
<td>17. Construction</td>
<td>55,657</td>
<td>9,246</td>
<td>6.9%</td>
<td>565</td>
<td>23.6%</td>
<td>-9.5%</td>
<td>9.7%</td>
<td>18</td>
</tr>
<tr>
<td>18. Finance &amp; Insurance</td>
<td>10,578</td>
<td>2,670</td>
<td>1.7%</td>
<td>459</td>
<td>1.0%</td>
<td>3.7%</td>
<td>14.4%</td>
<td>17</td>
</tr>
<tr>
<td>19. Agriculture, Forestry, Fishing &amp; Hunting</td>
<td>2,456</td>
<td>389</td>
<td>2.8%</td>
<td>51</td>
<td>1.0%</td>
<td>40.6%</td>
<td>23.7%</td>
<td>19</td>
</tr>
<tr>
<td>20. Utilities</td>
<td>243</td>
<td>38</td>
<td>1.5%</td>
<td>13</td>
<td>1.1%</td>
<td>21.6%</td>
<td>6.7%</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total, All Industries</strong></td>
<td><strong>926,497</strong></td>
<td><strong>194,145</strong></td>
<td><strong>7.1%</strong></td>
<td><strong>18,908</strong></td>
<td><strong>-5.3%</strong></td>
<td><strong>-8.6%</strong></td>
<td><strong>19.6%</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

*Notes: NAICS industry categories do not line up with CES Agriculture, Mining, and Public Administration industry categories. Sources: Daily and Weekly Unemployment Insurance Statistics, Quarterly Workforce Indicators, Quarterly Census of Employment and Wages, Current Employment Statistics. Sales Tax Receipts from WWII Days of Revenue.*
• Certain industries have been hit much harder
  • Accommodation & Food Svcs. still has the most claims
  • Health Care & Social Assistance saw a later peak, slower decline
  • Retail Trade was hit initially, but has recovered and sales are actually up from 2019
  • Construction is also up since the pandemic started
  • Admin Support & Waste Mgmt. Svcs. is showing recent growth
  
  *Temp help is a short-term solution*

• Other Services has self-employed
Regional Updates

• Every region is seeing declines in continued claims over the past month
  • Northeast and Northwest were most impacted right away (Leisure & Hospitality)
  • Southeast has been more impacted due to Health Care & Social Assistance, Manufacturing
  • Southwest has been the least impacted due to Manufacturing & Agriculture
• Claims activity is lingering in the Twin Cities
  • Northwest is closest to being back to Pre-COVID claim levels; the Twin Cities is still 5 times higher!
  • Hennepin, Ramsey, Dakota, Olmsted, Scott, Mahnomen, Anoka, Washington, Carver, Nicollet, Nobles, and Blue Earth are all still up at least +300%
  • There are also 13 counties with fewer claims now than Pre-COVID; mostly in Northwest or Southwest
• Regions are responding differently
  • Claims are lingering in the Twin Cities
Hiring Activity

According to data from National Labor Exchange, we surpassed 150,000 new jobs posted in Minnesota since we started tracking.

- From March 24 through August 24, we have now had **154,950 new jobs posted**, and we are now averaging about **1,400 new jobs posted per week** over the past month.

According to National Labor Exchange, the occupations in highest demand (most new job postings over the past week) include:
- Registered Nurses (associate’s degree)
- Heavy & Tractor Trailer Truck Drivers (high school, CDL)
- Nursing Assistants (vocational training)
- Software Developers (bachelor’s degree)
- Customer Service Representatives (high school)
- Personal Care Aides (high school)
- Retail Salespersons (high school)
- First-Line Supervisors of Retail Sales Workers (high school)
- Helpers – Production Workers (high school)

**Top 10 job families with new job postings, August 17-24**

- Healthcare Practitioners and Technical Office and Administrative Support
- Production
- Transportation and Material Moving
- Sales and Related
- Computer and Mathematical
- Management
- Healthcare Support
- Food Preparation and Serving Related
- Business and Financial Operations

**Educational Requirements for New Jobs Posted 8/17-8/24**

- High School: 57.4%
- Vocational award: 19.6%
- Associate's degree: 8.3%
- Bachelor's degree: 7.3%
- Graduate degree: 2.9%
- Unknown: 4.6%

**New MN job postings, March 24 - August 24**

7-day rolling average
We’ve been using CareerForceMN.com to communicate about occupations in demand during the pandemic – to help jobseekers who may switch from temporary layoff to permanent layoff to know where to go and what is available...

- Healthcare
  - PCAs
  - CNAs
  - HHAs
  - RNs & LPNs
- Software Developers
- Transportation, Repair, Production, Office & Admin.
Summary

• The speed and scope of this job loss is unprecedented
• There are still more than 230,000 unemployed workers in Minnesota
  • We are starting to see people dropping out of the labor force
• Job losses have hit women, young people, and workers of color harder
  • Over half of the state’s Black or African American workers have filed a UI application; almost 25% are still filing continued claims
  • Unemp. rate gaps that had shrunk are widening again
• Job losses have hit certain industries harder than others
  • Leisure & Hospitality; Other Services; Health Care & Social Assistance
• Job losses have hit certain regions of the state harder than others
  • Layoffs are lingering in the Twin Cities
• But jobs are coming back, and there are jobs available for job seekers
  • Many without higher educational requirements
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