

# April 2023 Employment Analysis

(Embargoed until 10 am Friday, May 19, 2023)

## Over-the-Month Overview

- The unemployment rate remained at 2.8% in April 2023 since last month. The labor force size increased by 3,634 over the month to 3,087,713 people. The number of employed increased by 3,523 workers, and the number of unemployed increased by 111 people. The labor force participation rate ticked up one-tenth percentage point over-the-month to 68.1%.
- Minnesota gained 4,500 jobs in the last month on a seasonally adjusted basis, or 0.2%. The private sector gained 4,400 jobs, or 0.2%. The U.S. total nonfarm employment increased by 253,000 jobs, or 0.2% from March to April. The U.S. private sector gained 230,000 jobs, also 0.2% growth.
- Six supersectors in Minnesota gained jobs on a seasonally adjusted basis since last month, including:
  - Construction gained 700 jobs, 0.5%
  - Trade, Transportation, and Utilities gained 2,800 jobs, 0.5%
  - Educational and Health Services gained 1,300 jobs, 0.2%
  - Leisure and Hospitality gained 1,900 jobs, 0.7%
  - Information gained 200 jobs, 0.4%
  - Government gained 100 jobs, though that was 0% change
- Two supersectors did not change over-the-month:
  - Mining and Logging
  - Other Services
- Three supersectors lost jobs:
  - Manufacturing lost 700 jobs, 0.2%
  - Financial Activities lost 700 jobs, 0.4%
  - Professional & Business Services lost 1,100 jobs, 0.3%
- Minnesota lost 416,000 jobs from February through April 2020 and has since recovered 402,100 jobs as of April 2023, or 96.7% of the jobs lost on a seasonally adjusted basis. The private sector lost 385,900 jobs from February through April 2020 and has regained 384,200 jobs as of April. It is now 99.6% recovered.
- Translating seasonally adjusted job change into a 3-month moving average series, MN lost 2,400 jobs, down 0.08% in Feb-April, gained 1,800 jobs, up 0.06% in Jan-Mar, and gained 22,900 jobs, up 0.8% in Dec-Feb. Nationally, all three periods saw growth. The U.S. grew 0.2% in Feb-April, 0.3% in Jan-Mar, and 0.5% in Dec-Feb.

## Over-the-Year Job Growth

- Minnesota gained 43,475 payroll jobs, up 1.5%, over the year. The private sector gained 35,275 jobs, up 1.4% over the year. Overall, this April over-the-year (OTY) growth is slower than those seen in recent reports.
- Most supersectors posted positive annual growth, especially:
  - Leisure & Hospitality continued posting the largest growth of all supersectors (up 14,775 jobs) and again outpaced the national rate (6% in MN, 5.6% in the US).
  - Education & Health Services continued to be second largest over-the-year growth, up 13,116 jobs (2.4%), mostly driven by growth in Nursing and Residential Care Facilities and Healthcare & Social Assistance.
  - Information gained 1,874 jobs, or 4.2%, a big jump for this supersector.
  - Government grew 8,450 jobs, or 2.0%.
- Three supersectors experienced negative or no growth over the year:
  - Mining & Logging lost 108 jobs, or 1.7%
  - Financial Activities lost 1,175 jobs, or 0.6%
  - Other Services had negligible change
- U.S. employment grew 2.6% over the year; private sector also grew 2.6%. All supersectors showed gains over the year at a stronger rate than Minnesota except Information, and Leisure & Hospitality.

<b>April 2023 Over the Year (OTY) Employment Growth by Industry Sector Not Seasonally Adjusted</b>			
	MN OTY Job Change	MN OTY Growth Rate (%)	US OTY Growth Rate (%)
Total	43,725	1.5	2.6
Private	35,275	1.4	2.6
Mining & Logging	-108	-1.7	7.6
Construction	513	0.4	2.7
Manufacturing	1,529	0.5	1.7
Trade, Transport. & Utilities	3,395	0.6	1.0
Information	1,874	4.2	1.2
Financial Activities	-1,175	-0.6	0.9
Prof. & Business Services	1,359	0.4	2.1
Education & Health Services	13,116	2.4	4.2
Leisure & Hospitality	14,775	6.0	5.6
Other Services	-3	0.0	3.1
Government	8,450	2.0	2.2

## Wage and Hour Data

- Average hourly wages for all private sector workers decreased 61 cents to \$35.90 in April 2023 over the month. Over the year average hourly earnings increased \$1.70, up 5.0% and since April 2020 they are up 11.0%.
  - Nationally private sector wages grew 54 cents over the month and increased 5.1% over the year and 11.9% over three years.
  - The CPI inflation index for all urban consumers rose 4.9% over the year in April and 18.3% over 3 years.
- At 34.1 hours per week, Minnesota’s April 2023 average work week grew half an hour over-the-month and four-tenth of an hour over the year.
  - Nationally, the average work week also increased half an hour over the month to 34.7 hours and increased three-tenth of an hour over the year.

## Unemployment Data

- The unemployment rate remained at 2.8% in April 2023 since last month. The number of employed increased 3,523, and the number of unemployed increased by 111. The employment to population ratio remained the same at 66.1%.
- The labor force grew by 3,634 people over the month, total 3,087,713 people in April. The labor force participation rate ticked up one-tenth of a percentage point to 68.1%. The labor force is 40,890 people smaller than in February 2020 when the participation rate was at 69.9%.
- Nationally, over the month, the unemployment rate ticked down one-tenth of a percentage point to 3.4% and the employment to population ratio remained steady at 60.4%. The size of the labor force shrunk by 43,000. Labor force participation rate remained at 62.6%.
- Based on 12-month moving average **unemployment rates by race** in April 2023 are as follows (source: CPS Demecon, 12-month moving averages):

Month/Year	Total	White	Black	Hispanic
April-2023	2.8%	2.6%	2.5%	4.9%
March-2023	2.6%	2.4%	2.5%	4.3%
April-2022	3.3%	2.8%	6.7%	4.5%
Over the month change	0.2	0.2	0	0.6
Annual change	-0.5	-0.2	-4.2	0.4

- *Note that these estimates differ from the official statewide estimate because they are calculated from 12 months of data rather than a single month.*

- In April, Hispanic Minnesotans had the highest unemployment rates at 4.9%, higher than last month by 0.6 percentage point and higher than last year by 0.4 percentage point. Black Minnesotans had the lowest unemployment rate of all groups at 2.5%, unchanged since last month and 4.2 percentage point lower compared to last year. White workers’ unemployment rate increased 0.2 percentage point over the month to 2.6%, which is lower than last year’s 2.8%.
- Based on 12-month moving averages, Minnesota’s **labor force participation rates by race** are as follows (source: CPS Demecon, 12-month moving averages):

Month/Year	Total	White	Black	Hispanic
April-2023	67.5%	67%	71.8%	75.5%
March-2023	67.4%	67.1%	70.8%	76.1%
April-2022	68.5%	68.5%	70.7%	80.2%
Over the month change	0.1	-0.1	1	-0.6
Annual change	-1	-1.5	1.1	-4.7

- Labor force participation rates remain highest for Hispanic Minnesotans, at 75.5% even though this group saw the sharpest drop over-the-year (-4.7%). Black Minnesotans’ labor force participation rate saw the highest growth over the month (1%) and over the year (1.1%). LFPR for white Minnesotans has been steadily declining, now down to a series low of 67% in April (dating back to January 2002).

## Industry Details

**Mining and Logging:** Employment in Mining and Logging was flat over the month (OTM) on a seasonally adjusted basis in April. It held at 6,500 jobs for the fifth consecutive month, dating back to December 2022. Over the year, Mining and Logging employers lost 108 jobs (1.7%). Annual employment growth in the supersector has now been either negative or flat every month for the past year, dating back to April of 2022.

**Construction:** Construction employment was up by 700 (0.5%) in April, after being down 1,300 in March. The supersector has posted positive growth in three of the four months of 2023. Over the year, the supersector added 513 jobs (0.4%), which was down from the 1.9% annual growth posted in March. Heavy and Civil Engineering was up 1,407 (9.6%), while Construction of Buildings was down 446 (1.6%) and Specialty Trade Contractors shed 448 jobs (0.5%).

**Manufacturing:** Employment in Manufacturing was off by 700 (0.2%) OTM in April. Both supersectors posted negative monthly growth, with Durable Goods down 200 (0.1%) and Non-Durable Goods down 500 (0.4%). On an annual basis, Manufacturing employers added 1,529 jobs (0.5%). The growth was driven by Durable Goods manufacturing, which was up 2,297 jobs, or 1.1%. Their counterparts in Non-Durable Goods manufacturing, which lost 768 jobs (0.7%), despite the addition of 149 jobs (0.3%) in the only published component sector, Food Manufacturing.

**Trade, Transportation, and Utilities:** Trade, Transportation and Utilities employment was up 2,800 (0.5%) OTM on a seasonally adjusted basis. Wholesale Trade was up 600 (0.5%), Retail Trade was up 1,300 (0.5%) and Transportation, Warehousing and Utilities was up 900 (0.8%). Over the year, the supersector added 3,395 jobs (0.6%). Wholesale Trade lost 1,161 jobs (0.9%) on the year, its first negative annual growth since March of 2021. Retail Trade employment was up 2,208 (0.8%) and Transportation, Warehousing and Utilities was up 2,348 (2.1%).

**Information:** Employment in Information was up 200 (0.4%) OTM. It was the third consecutive month of seasonally adjusted growth for the supersector. On an annual basis, Information employers added 1,874 jobs, or 4.2%. It was one of only two supersectors in which Minnesota growth outperformed the nation (which was up just 1.2%).

**Financial Activities:** Financial Activities employment was off by 700 (0.4%) OTM in April. Finance and Insurance lost 600 jobs (0.4%) and Real Estate and Rental and Leasing lost 100 (0.3%). Over the year, the supersector lost 1,175 jobs (0.6%), making it one of just three supersectors to lose jobs over the year. Finance and Insurance was off by 1,762 (1.1%), due in large part to the loss of 2,500 jobs (4.1%) in component Credit Intermediation and Related Activities. Real Estate and Rental and Leasing was up 587 (1.7%) on the year.

**Professional and Business Services:** Professional and Business Services employers lost 1,100 jobs (0.3%) OTM in April. The decline was driven by the loss of 2,900 jobs (2.2%) in Administrative and Support and Waste Management and Remediation Services. Management of Companies added 500 jobs (0.6%) and Professional, Scientific and Technical Services added 1,300 (0.8%). Over the year, the supersector added 1,359 jobs (0.4%). Professional, Scientific and Technical Services added 4,770 jobs (2.9%), but Management of Companies lost 75 jobs (0.1%) and Administrative and Support and Waste Management lost 3,336 jobs (2.5%), due in large part to the shedding of 2,552 jobs (4.2%) from Employment Services.

**Education and Health Services:** Employment in Education and Health Services was up 1,300 (0.2%) with both component sectors posting positive growth. Educational Services was up 400 (0.6%) and Health Care and Social Assistance added 900 (0.2%). Education and Health Services has not lost jobs on a monthly basis since June of 2022. On an annual basis, the supersector added 13,116 jobs (2.4%). Educational Services lost 1,330 jobs (1.8%), but Health Care and Social Assistance employment was up 14,446, or 3%. Nursing and Residential Care Facilities employment was up 4% on the year.

**Leisure and Hospitality:** Leisure and Hospitality employment was up 1,900 (0.7%) OTM in April. It posted positive growth in three consecutive months, adding a total of 3,800 seasonally adjusted jobs. Arts, Entertainment and Recreation added 1,500 jobs (2.9%) on the month, while Accommodation and Food Services added 400 (0.2%). Over the year, Leisure and Hospitality employers added 14,775 jobs (6%), the largest proportional growth of any supersector. Arts, Entertainment and Recreation added 7,286 jobs (17.7%) and Accommodation and Food Services added 7,489 jobs (3.7%).

**Other Services:** Employment in Other Services was flat OTM in April, holding at 106,900 jobs, after losing 700 jobs (0.7%) in March. Annual employment in the supersector was also mostly flat in Other Services, off by 3 jobs (0.0%). Religious, Grantmaking, Civic and Professional Organizations added 1,002 jobs (1.7%) and Personal and Laundry Services added 42 (0.2%), but that growth was countered by the loss of 1,047 jobs (4.7%) in Repair and Maintenance.

**Government:** Government employment was mostly flat in April, adding 100 jobs (0.0%) OTM. State employment was flat and Federal employers lost 100 jobs (0.3%), while Local Government employers added 200 jobs (0.1%). On an annual basis, Government employers added 8,450 jobs (2%), with positive growth at all three levels of government. Federal employers added 533 jobs (1.7%), State employers added 584 (0.6%), and Local employers added 7,333 jobs (2.6%).

## Over-the-Year Job Growth by MSAs

April data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	26,254	1.4
Duluth-Superior MN-WI MSA	1,081	0.8
Rochester MSA	3,153	2.6
St. Cloud MSA	1,814	1.7
Mankato MSA	2,247	4

## March data released by other states, not seasonally adjusted

*Note that April data for some Minnesota communities that border another state will be updated by the appropriate government agency in the relevant neighboring state. DEED can only share publicly available information at the time of this publication these MSAs.*

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Fargo-Moorhead ND-MN MSA (March)	4,200	2.9
Grand Forks-East Grand Forks ND-MN MSA (March)	1,400	2.7
La Crosse-Onalaska WI-MN (March)	1,700	2.2

**Labor Market Information Office  
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