

December 2024 Employment Analysis

(Embargoed until 9:30 am Thursday, January 23, 2025)

Over-the-Month Overview

- Minnesota's unemployment rate ticked down two-tenths of a percentage point to 3.3% in December 2024 compared to the prior month. Nationally, over the month, the unemployment rate ticked down one-tenth of a percentage point to 4.1%.
- Minnesota's labor force increased by 3,362 people over the month to 3,105,315 people. The number of employed increased by 7,837 workers, and the number of unemployed decreased by 4,475 people. The labor force participation rate remained at 67.8% over the month.
- Minnesota gained 4,100 jobs in the last month on a seasonally adjusted basis, or 0.1% growth. The private sector lost 200 jobs, or 0.0% change. The U.S. total nonfarm employment increased by 256,000 jobs, or 0.2%. The U.S. private sector gained 223,000 jobs, also 0.2% growth.
- Five supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Education and Health Services gained 5,100 jobs, up 0.8%
 - Government gained 4,300 jobs, up 1.0%
 - Professional & Business Services gained 1,000 jobs, up 0.3%
 - Mining & Logging gained 100 jobs, up 1.5%
 - Manufacturing gained 100 jobs, translating to 0.0% change
- Six supersectors lost jobs over the month:
 - Other Services lost 2,200 jobs, down 1.9%
 - Construction lost 1,700 jobs, down 1.2%
 - Trade, Transportation and Utilities lost 800 jobs, down 0.2%
 - Leisure and Hospitality lost 700 jobs, down 0.3%
 - Financial Activities lost 700 jobs, down 0.4%
 - Information lost 400 jobs, down 1.0%
- Calculating seasonally adjusted 2-month job change, Minnesota gained 7,600 jobs in August-October, up 0.25%; gained 2,700 jobs in September-November, up 0.1%; and gained 6,600 jobs in October-December, up 0.2%. Nationally, the U.S. grew 0.2% in August-October and September-November, and grew 0.3% in October-December.

Over-the-Year Job Growth

- Minnesota gained 37,498 payroll jobs, up 1.3%, over the year. The private sector gained 17,302 jobs, up 0.7% over the year.
- Four supersectors posted positive annual growth in Minnesota:

- Education and Health Services led with 41,090 jobs gained, up 7.1% for Minnesota, while this supersector grew 3.8% across the U.S. In Minnesota, growth was strong in Health Care and Social Assistance subsector (7.8%) and moderate in the Educational Services subsector (2.5%).
- Government gained 20,196 jobs, up 4.7%. Growth was healthy across all subsectors: Federal Government (1.9%), State Government (3.8%), and Local Government (5.3%). This supersector grew 1.8% across the U.S.
- Leisure and Hospitality gained 1,099 jobs, up 0.4%. Growth was evenly distributed in Accommodation and Food Services subsector (0.4%) and Arts, Entertainment, and Recreation subsector (0.5%). This supersector grew 1.8% across the U.S.
- Construction gained 196 jobs, up 0.2%. The subsector Construction of Buildings grew 2.5%. Two other subsectors saw decline: Heavy and Civil Engineering Construction declined 2.4% and Specialty Trade Contractors declined 0.2%. The U.S. Construction supersector grew 2.4%.
- Seven supersectors lost jobs over the year in Minnesota:
 - Professional & Business Services lost 11,856 jobs, down 3.1% in Minnesota. The largest percentage decline was in Administrative and Support and Waste Management and Remediation Services subsector (-7.6%), followed by Management of Companies and Enterprises subsector (-3.0%). The subsector Professional, Scientific, and Technical Services saw no change over the year. In the U.S., this supersector grew 0.3%.
 - Manufacturing lost 4,107 jobs in Minnesota, down 1.3%. Decline was in Durable Goods Manufacturing subsector (-3.2%) while Non-Durable Goods Manufacturing subsector grew 2.3%. The U.S. Manufacturing supersector declined 0.7%.
 - Trade, Transportation, and Utilities lost 3,412 jobs, down 0.6%. The Transportation, Warehousing, and Utilities subsector grew 2.8%, while Retail Trade subsector declined 1.4% and Wholesale Trade subsector declined 1.9%. This supersector grew 0.7% nationally.
 - Financial Activities lost 2,547 jobs over the year, down 1.4%. The Finance and Insurance subsector declined 1.4%, Real Estate and Rental Leasing subsector declined 1.0%. Nationally, this supersector grew 0.6%.
 - Information lost 1,934 jobs, down 4.5%. All subsectors saw decline in Minnesota. The U.S. Information supersector declined 0.3%.
 - Other Services lost 1,013 jobs, down 0.9%. Personal and Laundry Services subsector saw the largest percentage decline of 2.1%. Repair and Maintenance subsector grew 0.7%. Nationally, this supersector grew 1.2%.
 - Mining and Logging lost 214 jobs, down 3.2% in Minnesota. This supersector declined 1.2% on the national level over-the-year.
- Overall U.S. employment grew 1.4% over the year with the private sector up 1.3%. All supersectors grew except three: Mining & Logging, Manufacturing, and Information.

December Over the Year (OTY) Employment Growth by Industry Sector Not Seasonally Adjusted			
Industry Supersector	MN OTY Job Change	MN OTY Growth Rate (%)	US OTY Growth Rate (%)
Total	37,498	1.3	1.4
Private	17,302	0.7	1.3
Mining & Logging	-214	-3.2	-1.2
Construction	196	0.2	2.4
Manufacturing	-4,107	-1.3	-0.7
Trade, Transportation & Utilities	-3,412	-0.6	0.7
Information	-1,934	-4.5	-0.3
Financial Activities	-2,547	-1.4	0.6
Professional & Business Services	-11,856	-3.1	0.3
Education & Health Services	41,090	7.1	3.8
Leisure & Hospitality	1,099	0.4	1.8
Other Services	-1,013	-0.9	1.2
Government	20,196	4.7	1.8

Wage and Hour Data

- Average hourly wages for all private sector workers increased 59 cents to \$38.88 in December 2024 over the month. Over the year average hourly earnings increased \$1.98, up 5.4%.
 - For the U.S., private sector wages increased 39 cents over the month and grew 4.6% over the year.
 - The CPI inflation index for all urban consumers rose 2.9% over the year in December.
- At 33.0 hours per week, Minnesota’s December average work week increased two-tenths of an hour over-the-month. Over-the-year it decreased one-tenth of an hour.
 - Nationally, the average work week increased half an hour to 34.7 hours. Over-the-year, it increased three-tenths of an hour.

Unemployment Data

- Over the month, the unemployment rate ticked down two-tenths of a percentage point to 3.3% in December on a seasonally adjusted basis. The number of employed increased by 7,837 workers, and the number of unemployed decreased 4,475. The employment to population ratio grew two-tenths of a percentage point to 65.6% since the prior month.
- The labor force increased 3,362 people over the month, totaling 3,105,315 people in December. The labor force participation rate remained at 67.8%. Minnesota’s labor force was 26,253 people fewer than in February 2020 when the participation rate was at 70%.
- Nationally, over the month, the unemployment rate ticked down one-tenth of a percentage point to 4.1% and the employment to population ratio ticked up two-tenths of a percentage point to 60.0%. The labor force participation remained at 62.5%.

Industry Details

Mining and Logging: Employment in Mining and Logging was up by 100 (1.5%) over the month (OTM) in December. This growth came following four consecutive months of static employment in the supersector, and was the first positive monthly growth since June. Over the year (OTY), Mining and Logging employers lost 214 jobs, or 3.2%, which was the second-largest proportional annual decline of any supersector in the state, and a step back from November's 2% OTY decline.

Construction: Construction employers lost 1,700 jobs, or 1.3%, OTM in December. This decline followed a strong November where the supersector added 3,700 jobs. Overall, construction employers added 1,200 jobs from January to December of 2024, on a seasonally adjusted basis. On an annual basis, Construction employers added 196 jobs, or 0.2%. It was the second consecutive month of OTY growth in the supersector. Construction of Buildings was up 759 (2.5%), but that growth was tempered by the loss of 396 jobs (2.4%) in Heavy and Civil Engineering Construction and 167 jobs (0.2%) in Specialty Trade Contractors.

Manufacturing: Employment in Manufacturing was up slightly in December, adding 100 jobs or 0.0% on a seasonally adjusted basis. Non-Durable Goods Manufacturing was up 1,000 jobs (0.9%) while Durable Goods was down 900 jobs (0.4%). Over the year, employers in the Manufacturing supersector lost 4,107 jobs, or 1.3%. This was an improvement over November's 1.4% OTY job loss. Durable Goods drove the decline, shedding 6,695 jobs (3.2%) with declines in most published component sectors. Non-Durable Goods employers added 2,588 jobs (2.3%), with component Food Manufacturing adding 1,687 jobs, or 3.6%.

Trade, Transportation, and Utilities: Trade, Transportation and Utilities employers lost 800 jobs (0.2%) OTM in December on a seasonally adjusted basis. It was the second consecutive month of losses after three straight months of employment growth. Retail Trade lost 1,100 jobs (0.4%) in December and Transportation, Warehousing and Utilities lost 100 jobs (0.1%) while Wholesale Trade employers added 400 jobs (0.3%). Over the year, employment in the supersector was down by 3,412 (0.6%). Wholesale Trade lost 2,557 jobs (1.9%) and Retail Trade lost 4,188 jobs (1.4%). Transportation, Warehousing and Utilities added 3,263 jobs (2.8%) with Utilities up 275 (2.1%) and Transportation and Warehousing up 2,988 jobs (2.95).

Information: Employment in Information was down by 400 jobs (1%) OTM in December. It was the second consecutive month of losses in the supersector. From January to December, Information employers lost a seasonally adjusted 2,000 jobs. Over the year, the supersector lost 1,934 jobs, or 4.5%. This was worse than November's 3.6% OTY decline, but still an improvement over most of the year as the supersector was largely at 5% decline or worse prior to the fourth quarter.

Financial Activities: Financial Activities employers lost 700 jobs (0.4%) OTM in December, with declines in both component sectors. Finance and Insurance was down 300 (0.2%) and Real Estate and Rental and Leasing was down 400 (1.1%). On an annual basis, employers in the supersector lost 2,547 jobs, or 1.4%. Finance and Insurance employment was down 2,184 (1.4%) and Real Estate and Rental and Leasing lost 363 jobs (1%).

Professional and Business Services: Employment in Professional and Business Services was up by 1,000 (0.3%) OTM in December. All three component sectors added jobs, with Professional, Scientific and Technical Services up 200 (0.1%), Management of Companies up 400 (0.5%) and Administrative and Support and Waste Management and Remediation Services up 400 (0.4%). On an annual basis, the supersector lost 11,856 jobs, or 3.1%. The loss was driven by Administrative and Support and Waste Management and Remediation Services, which lost 9,200 jobs, or 7.8%. Management of Companies lost 2,712 jobs (3%) and Professional, Scientific and Technical Services employment was mostly flat, up 56 jobs or 0.0%.

Education and Health Services: Education and Health Services employers added 5,100 jobs (0.8%) OTM in December. The supersector posted positive seasonal monthly growth in every month of 2024 and has had twenty-six total consecutive months of growth. Health Care and Social Assistance was up 4,600 (0.9%) in December, and Educational Services was up 500 (0.7%). Over the year, Education and Health Services added 41,090 jobs, or 7.1%. This was the highest proportional growth of any supersector in the state. Most of the growth was in Health Care and Social Assistance, which added 39,265 jobs, or 7.8%. Ambulatory Health Care Services added 17,192 jobs (10.5%) and Nursing and Residential Care Facilities added 7,210 jobs (6.6%). The other half of the supersector, Educational Services, added 1,825 jobs (2.5%), despite a loss of 164 jobs (0.6%) in Private Colleges, Universities and Professional Schools.

Leisure and Hospitality: Employment in Leisure and Hospitality was down by 700 (0.3%) OTM in December. Accommodation and Food Services lost 1,600 (0.7%) while Arts, Entertainment and Recreation added 900 jobs (2%). From January to December, the supersector added 1,200 seasonally adjusted jobs. Over the year, employers in Leisure and Hospitality added 1,099 jobs, or 0.4%. Accommodation and Food Services added 916 jobs (0.4%) as Accommodation employment was down 1,533 (6.2%) but Food Services and Drinking Places added 2,499 jobs (1.3%). Arts, Entertainment and Recreation employment was up by 183, or 0.5%.

Other Services: Other Services employment was down by 2,200 (1.9%) OTM in December. This was the largest seasonally adjusted proportional decline of any supersector in the state. From January to December, the supersector lost 500 seasonally adjusted jobs. Over the year, Other Services employers lost 1,013 jobs, or 0.9%. Personal and Laundry Services lost 587 jobs (2.1%) and Religious, Grantmaking, Civic and Professional Organizations lost 601 jobs (0.9%), while Repair and Maintenance employers added 175 jobs, or 0.7%.

Government: Government employers added 4,300 jobs (1%) OTM in December. There was positive growth at all three levels of Government, with Local Government driving the growth (up 3,700, or 1.2%). State Government employers added 400 jobs (0.4%) and Federal Government employers added 200 jobs (0.6%). Over the year, Government employers added 20,196 jobs, or 4.7%. Every published Government series posted positive annual growth. Local Government drove the overall growth, adding 15,752 jobs, or 5.3%, with Local Non-Educational Services up 11,662 (8%) and Local Educational Services up 4,090 (2.7%).

Over-the-Year Job Growth by MSAs

December data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	-4,709	-0.2
Duluth-Superior MN-WI MSA	-392	-0.3
Rochester MSA	8,726	6.9
St. Cloud MSA	667	0.6
Mankato MSA	1,904	3.3
Fargo-Moorhead ND-MN MSA (November)	2,500	1.6
Grand Forks-East Grand Forks ND-MN MSA (November)	1,300	2.4
La Crosse-Onalaska WI-MN (November)	900	1.1

Labor Market Information Office
MN Department of Employment and Economic Development
January 23, 2024