

February 2025 Employment Analysis

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Over-the-Month Overview

- Minnesota's unemployment rate remained at 3.0% in February 2025 for the fifth month in a row. Nationally, over the month, the unemployment rate ticked up one-tenth of a percentage point to 4.1%.
- Minnesota's labor force increased by 3,832 people over the month to 3,147,000 people. The number of employed increased by 2,715 workers, and the number of unemployed increased by 1,117 people. The labor force participation rate remained at 68.1% over the month.
- Minnesota lost 700 jobs in the last month on a seasonally adjusted basis, or 0.0%. The private sector lost 300 jobs, also 0.0% change. The U.S. total nonfarm employment increased by 151,000 jobs, or 0.1%. The U.S. private sector gained 140,000 jobs, also 0.1% growth.
- Five supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Education and Health Services gained 2,100 jobs, up 0.3%
 - Professional & Business Services gained 1,900 jobs, up 0.5%
 - Manufacturing gained 600 jobs, up 0.2%
 - Other Services gained 500 jobs, up 0.4%
 - Financial Activities gained 300 jobs, up 0.2%
- Mining & Logging did not change over the month
- Five supersectors lost jobs over the month:
 - Leisure and Hospitality lost 2,900 jobs, down 1.1%
 - Trade, Transportation and Utilities lost 1,600 jobs, down 0.3%
 - Construction lost 1,100 jobs, down 0.8%
 - Government lost 400 jobs, down 0.1%
 - Information lost 100 jobs, down 0.2%
- Calculating seasonally adjusted 2-month job change, Minnesota gained 8,900 jobs in October-December, up 0.3%; gained 8,500 jobs in November-January, up 0.3%; and gained 3,100 jobs in December-February, up 0.1%. Nationally, the U.S. grew 0.4% in October-December, 0.3% in November-January, and 0.2% in December-February.

Over-the-Year Job Growth

- Minnesota gained 40,570 payroll jobs, up 1.4%, over the year. The private sector gained 28,640 jobs, up 1.1% over the year.

- Six supersectors posted positive annual growth in Minnesota:
 - Education and Health Services led with 25,335 jobs gained, up 4.4% for Minnesota, while this supersector grew 3.5% across the U.S. In Minnesota, growth was propelled by the Health Care & Social Assistance subsector (5.0%), while the Educational Services subsector grew slightly (0.5%).
 - Government gained 11,930 jobs, up 2.8%. Growth was especially strong in State Government subsector (4.0%). The Local Government subsector grew 2.6%, and the Federal Government sector grew 0.4%. Government supersector grew 1.5% across the U.S.
 - Other Services gained 4,478 jobs, up 4.0% in Minnesota. All subsectors saw growth: Repair and Maintenance grew 4.6%; Personal and Laundry Services grew 1.7%; Religious, Grantmaking, Civic, Professional, and Similar Organizations grew 4.7%. Nationally, this supersector grew 1.6%.
 - Construction gained 2,069 jobs, up 1.8%. Subsector growth ranged widely, led by Heavy and Civil Engineering Construction (29.5%), Construction of Buildings (2.5%), while Specialty Trade Contractors declined 2.7%. The U.S. Construction supersector grew 2.0%.
 - Manufacturing gained 581 jobs in Minnesota, up 0.2%. Non-Durable Goods Manufacturing subsector grew 2.3% while Durable Goods Manufacturing subsector declined 1.0%. The U.S. Manufacturing supersector declined 0.7%.
 - Mining and Logging gained 240 jobs, up 3.9% in Minnesota. This supersector declined 0.6% on the national level over-the-year.

- Five supersectors lost jobs over the year in Minnesota:
 - Leisure and Hospitality lost 1,285 jobs, down 0.5%. The Arts, Entertainment, and Recreation subsector grew 0.8% while the bigger subsector Accommodation and Food Services declined 0.8%. This supersector grew at the rate of 1.5% across the U.S.
 - Financial Activities lost 905 jobs over the year, down 0.5%. The Finance and Insurance subsector declined 1.0% while Real Estate and Rental Leasing subsector grew 1.8%. Nationally, this supersector grew 1.0%.
 - Information lost 872 jobs, down 2.0%. The Telecommunications subsector declined 4.3% and the Publishing subsector declined 0.5%. The U.S. Information supersector declined 0.3%.
 - Trade, Transportation, and Utilities lost 572 jobs, down 0.1%. The decline was driven by the Wholesale Trade subsector (-1.7%). The Retail Trade subsector grew 0.3% and the Transportation, Warehousing, and Utilities subsector grew 0.8%. Nationally, this supersector grew 1.0%.
 - Professional & Business Services lost 429 jobs, down 0.1% in Minnesota. The largest percentage decline was in Management of Companies and Enterprises subsector (-2.5%), followed by the Administrative and Support and Waste Management and Remediation Services subsector (-2.4%). The subsector Professional, Scientific, and Technical Services grew 2.7% over the year. In the U.S., this supersector declined 0.4%.

- Overall U.S. employment grew 1.3% over the year with the private sector up 1.2%. Seven supersectors gained jobs, four lost jobs.

February 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	40,570	1.4	1.3
Private	28,640	1.1	1.2
Mining & Logging	240	3.9	-0.6
Construction	2,069	1.8	2.0
Manufacturing	581	0.2	-0.7
Trade, Transport. & Utilities	-572	-0.1	1.0
Information	-872	-2.0	-0.3
Financial Activities	-905	-0.5	1.0
Prof. & Business Services	-429	-0.1	-0.4
Ed. & Health Services	25,335	4.4	3.5
Leisure & Hospitality	-1,285	-0.5	1.5
Other Services	4,478	4.0	1.6
Government	11,930	2.8	1.5

Wage and Hour Data

- Average hourly wages for all private sector workers increased 52 cents to \$39.01 in February 2025 over the month. Over the year average hourly earnings increased \$2.16, up 5.9%.
 - For the U.S., private sector wages increased 20 cents over the month and grew 4.7% over the year.
 - The CPI inflation index for all urban consumers rose 2.8% over the year in February.
- At 33.0 hours per week, Minnesota’s February average work week increased half an hour over-the-month. Over-the-year it remained constant.
 - Nationally, the average work week increased six-tenths of an hour to 34.3 hours. Over-the-year, it increased two-tenths of an hour.

Unemployment Data

- Over the month, the unemployment rate remained at 3.0% for the fifth month in a row on a seasonally adjusted basis. The number of employed increased by 2,715 workers, and the number of unemployed increased 1,117. The employment to population ratio remained at 66.1% since the prior month.
- The labor force increased 3,832 people over the month, totaling 3,147,000 people in February. The labor force participation rate stayed at 68.1%. Minnesota’s labor force is now 23,131 people more than in February 2020 when the participation rate was at 70%.

- Nationally, over the month, the unemployment rate ticked up one-tenth of a percentage point to 4.1% and the employment to population ratio ticked down two-tenths of a percentage point to 59.9%. The labor force participation decreased slightly to 62.4%.

Industry Details

Mining and Logging: Employment in Mining and Logging was flat over the month (OTM) in February, holding at a seasonally adjusted 6,600 jobs. The supersector has not posted positive monthly growth since April of 2024. On an annual basis, Mining and Logging employers added 240 jobs, or 3.9%. This was in contrast to the national loss of 0.6%. January over the year (OTY) growth was 4.9%.

Construction: Construction employment was off by 1,100 jobs (0.8%) OTM in February, following growth of 100 jobs in January. The supersector has alternated loss and growth every month since September 2024. Over the year, Construction employers added 2,069 jobs, or 1.8%. Heavy and Civil Engineering continued to drive the growth, adding 3,346 jobs, or 29.5%. Construction of Buildings was up 749 (2.5%) while Specialty Trade Contractors lost 2,026 jobs (2.7%).

Manufacturing: Employment in Manufacturing was up by 600 (0.2%) OTM in February. Durable Goods Manufacturing was up by 800 (0.4%) while their counterparts in Non-Durable Goods Manufacturing lost 200 jobs (0.2%). On an annual basis, employment in Manufacturing was up by 581, or 0.2%. This was higher than the national loss of 0.7%. Minnesota's annual growth came entirely in Non-Durable Goods, which was up 2,605 (2.3%). Durable Goods employers shed 2,024 jobs (1%) on the year.

Trade, Transportation, and Utilities: Trade, Transportation and Utilities employment was off by 1,600 (0.3%) OTM in February. The decline came primarily in Wholesale Trade, which lost 1,400 jobs, or 1.1%. Transportation, Warehousing and Utilities employment was down 200 (0.2%), while employment in Retail Trade held steady at 284,100. Annually, the supersector lost 572 jobs (0.1%). The declines came from the Wholesale Trade sector, which lost 2,246 jobs, or 1.7%, with declines in all of its components. Retail Trade employers added 742 jobs (0.3%) and Transportation, Warehousing and Utilities added 932 jobs (0.8%).

Information: Information employment was down by 100 (0.2%) OTM in February after adding 200 jobs in January. Seasonally adjusted employment is now at the same level as August 2024. On an annual basis, the supersector lost 872 jobs, or 2%, while nationally the supersector was off by 0.3% OTY. Both published component sectors lost jobs on the year in Minnesota, with Publishing Industries down 86 (0.5%) and Telecommunications down 372 jobs (4.3%).

Financial Activities: Financial Activities employment was up by 300 (0.2%) OTM in February. The growth was entirely in Finance and Insurance, which was up 300 or 0.2%. Employment in Real Estate and Rental and Leasing was flat on the month, holding at 35,900 jobs. Over the year, Financial Activities employment was down 905 jobs, or 0.5%. Finance and Insurance lost 1,521 jobs (1%) due to the loss of 2,012 jobs (3.5%) in Credit Intermediation and Related Activities. Real Estate and Rental and Leasing employment was up by 616 jobs, or 1.8%.

Professional and Business Services: Employment in Professional and Business Services was up by 1,900 (0.5%) OTM in February. Professional, Scientific and Technical Services added 1,800 jobs (1.1%), and Administrative and Support and Waste Management and Remediation Services added 700 jobs (0.6%), while Management of Companies lost 600 jobs (0.7%). Over the year, employment in Professional and Business Services was down 429 jobs, or 0.1%. This was an improvement over January's 1% loss and is the best OTY growth in the supersector since June of 2023. Professional, Scientific and Technical Services added 4,530 jobs (2.7%), while Management of Companies and Enterprises lost 2,203 jobs (2.5%) and Administrative and Support and Waste Management and Remediation Services lost 2,756 jobs (2.4%).

Education and Health Services: Education and Health Services added 2,100 jobs (0.3%) OTM in February. Both components posted positive monthly growth, with Educational Services up 1,600 (2.2%) and Health Care and Social Assistance up 500 (0.1%). On an annual basis, Education and Health Services added 25,335 jobs (4.4%), outpacing the national growth of 3.5%. The growth came primarily in health Care and Social Assistance, which was up 24,963 (5%). Educational Services added 372 jobs, or 0.5%. Elementary and Secondary Schools lost 762 jobs (2.7%) while Colleges, Universities and Professional Schools added 213 jobs (0.7%).

Leisure and Hospitality: Employment in Leisure and Hospitality was off by 2,900 (1.1%) OTM in February on a seasonally adjusted basis. It was the fourth consecutive month of declines for the supersector. Accommodation and Food Services lost 2,700 jobs (1.2%) and Arts, Entertainment and Recreation lost 200 (0.4%). Over the year, Leisure and Hospitality lost 1,285 jobs (0.5%). The declines were in Accommodation and Food Services, which shed 1,622 jobs (0.8%), with losses in Food Services and Drinking Places (down 2,421 jobs, or 1.3%) overcoming growth in Accommodation (up 799, or 3.4%). Arts, Entertainment and Recreation added 337 jobs (0.8%).

Other Services: Other Services employment was up 500 (0.4%) OTM in February. The supersector has added jobs on a seasonally adjusted basis in five of the past six months. On an annual basis, the supersector added 4,478 jobs, or 4%, outpacing the national growth of 1.6%. All three published components added jobs, with Repair and Maintenance up 1,083 (4.6%), Personal and Laundry Services up 457 (1.7%) and Religious, Grantmaking, Civic and Professional Organizations up 2,938 (4.7%).

Government: Government employers lost 400 jobs (0.1%) OTM in February. Local Government employers lost 400 jobs (0.1%) and Federal employers lost 100 jobs (0.3%) while State Government employment was up by 100 (0.1%). Over the year, the Government added 11,930 (2.8%), outpacing the national growth of 1.5%. All three levels of Government added jobs. Federal employment was up by 130 (0.4%), State was up 4,237 jobs (4%) and Local was up 7,562 jobs (2.6%). Non-education employment outpaced education employment at both the state and local levels, though all published component sectors has positive growth save for the U.S. Postal Service, which was down by 141 (1.2%).

Over-the-Year Job Growth by MSAs

February data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	14,896	0.8
Duluth-Superior MN-WI MSA	89	0.1
Rochester MSA	6,380	5.2
St. Cloud MSA	368	0.3
Mankato MSA	-328	-0.6
Fargo-Moorhead ND-MN MSA (January)	600	0.4
Grand Forks-East Grand Forks ND-MN MSA (January)	1,300	2.4
La Crosse-Onalaska WI-MN (January)	1,500	1.8

Labor Market Information Office
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