EMPLOYMENT AND ECONOMIC DEVELOPMENT

Review ONLINE

Minnesota Employment Review

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June 2018 Data...July 2018 Issue

Population Changes in Northeast Minnesota

Naturally Shrinking, Growing Internationally

Recently released estimates from the Census Bureau show that, overall, Northeast Minnesota has recorded a slight decline in population in recent years. Population estimates from 2017 show that the seven-county Arrowhead region lost just over 1,300 people since 2010, a 0.4 percent decrease, compared to a 5.1 percent increase statewide (see Table 1).

However, a more detailed look at the components of population change shows how and why the Arrowhead is lagging behind the state in attracting and retaining residents. The two main components include natural increase, which is the number of deaths subtracted from the number of births in the region, and net migration, which is the comparison of people moving into the area versus people moving out.

Births and Deaths

On the positive side, there were nearly 23,500 births in Northeast Minnesota between 2010 and 2017. However, reflecting the region's older population, there were nearly 2,000 more deaths than births since 2010, leading to a negative rate of natural increase during that time period. Northeast Minnesota was the only region of the state not to have a positive natural increase so far this decade, whereas the Twin Cities and Central Minnesota were seeing rapid population growth (see Figure 1).

Despite being the second oldest in terms of median age at 52.3 years, Cook County was the only county in the region where there were more births than deaths. Not coincidentally, Cook County also saw the biggest population increase in the region from 2010 to 2017, although it was easily the smallest county in terms of total population.

Table 1. Population Estimates for Northeast Minnesota, 2010-2017

	2010 Census Population	2017 Population Estimate	2010-2017 Change	
			Numeric	Percent
Northeast Minnesota	**326,225**	**324,914**	**-1,311**	**-0.4%**
Central Minnesota	684,001	709,007	25,006	3.7%
Northwest Minnesota	553,805	565,968	12,163	2.2%
Southeast Minnesota	494,684	507,073	12,389	2.5%
Southwest Minnesota	395,643	392,228	-3,415	-0.9%
Twin Cities Metro Area	2,849,567	3,077,416	227,849	8.0%
State of Minnesota	**5,303,925**	**5,576,606**	**272,681**	**5.1%**

Source: U.S. Census Bureau, Population Estimates

Regional Spotlight NORTHEAST MINNESOTA

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Department of Employment and Economic Development (DEED) Labor Market Information Office

In contrast, Aitkin County – which has the oldest median age in the entire state at 55.4 years – saw the biggest discrepancy between births and deaths, showing a natural decrease of nearly 700 people. St. Louis County accounted for about 14,700 births, which was nearly two-thirds of total births in the region. However, St. Louis County also had just over 15,000 deaths, leading to a small negative natural rate of increase (see Table 2).

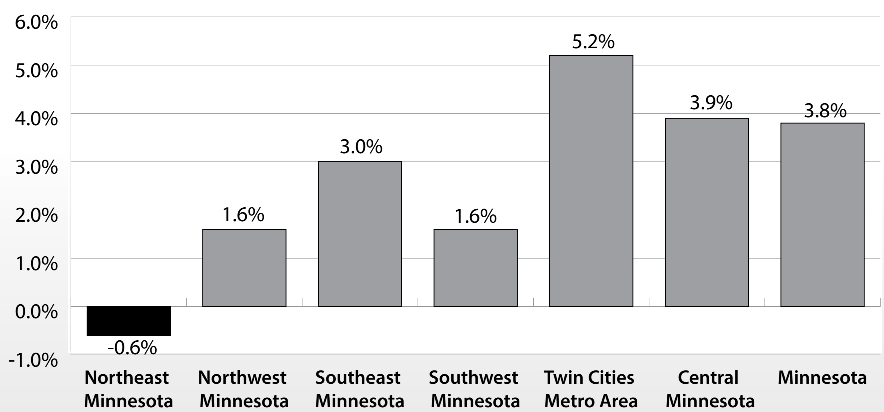
Net Migration

The other component of population change is net migration, which includes international and domestic migration. Overall, Northeast Minnesota had an increase of 879 residents since 2010 because of net in-migration – meaning more people moved in than moved out. While domestic migration led to a loss of 677 fewer residents, international migration resulted in an increase of 1,556 residents to the region. Minnesota had this same migration pattern, as there was a net gain of 103,720 international migrants, but the state lost 32,518 people who moved to other states in the U.S.

The individual counties of Northeast Minnesota have differing migration patterns. Koochiching and Lake were the only two counties to experience net out-migration, caused by significant domestic migration losses against only small numbers of international in-migration. St. Louis County also had considerable domestic out-migration, but welcomed an increase of 1,279 international immigrants which more than offset the domestic losses. In sum, more than 80 percent of international migrants in the Arrowhead region relocated to St. Louis County.

Although they relied less on international in-migration, Aitkin, Carlton, Cook, and Itasca County also enjoyed net domestic in-migration from 2010 to 2017. The estimates show that these four counties had more people move into the county from other places in the United States than people leaving for elsewhere, making them outliers in the region and some other parts of the state. This could indicate that the natural amenities in these counties are a strong draw for those moving from other parts of the state or nation, especially for those in the oldest age groups, including recent retirees who are looking for lake property or a more rural lifestyle.

Figure 1. Natural Increase Rate, 2010-2017



Source: U.S. Census Bureau, Population Estimates Program

Table 2. Cumulative Estimates of the Components of Population Change, 2010-2017

	2017 Population Estimate	2010-2017 Population Change	Vital Events			Net Migration		
			Natural Increase	Births	Deaths	Total	International	Domestic
Aitkin County	15,829	-373	-699	823	1,522	333	15	318
Carlton County	35,498	112	-20	2,660	2,680	158	35	123
Cook County	5,398	222	24	342	318	198	88	110
Itasca County	45,137	79	-350	3,393	3,743	474	12	462
Koochiching County	12,528	-783	-330	769	1,099	-452	64	-516
Lake County	10,524	-342	-236	776	1,012	-99	63	-162
St. Louis County	200,000	-226	-316	14,688	15,004	267	1,279	-1,012
Northeast Minnesota	**324,914**	**-1,311**	**-1,927**	**23,451**	**25,378**	**879**	**1,556**	**-677**
Minnesota	5,576,606	272,682	203,827	501,335	297,508	71,202	103,720	-32,518

Source: U.S. Census Bureau, Population Estimates

Casting a Wider Net

International migration helped stabilized the population in Northeast Minnesota during this decade. Without it the region would have experienced greater population declines. While foreign born residents make up only about 2 percent of the total population in Northeast Minnesota – which is similar to Northwest Minnesota but less than all the other regions in the state – the number of immigrants has been increasing. Since 2010 it is estimated that the number of foreign born people in the Arrowhead region swelled by 11.4 percent, less than the state rate of 16.3 percent. However, it was still a gain of 674 new people, a notable increase in the face of population declines overall.

Northeast Minnesota's foreign born population is different from the rest of the state in several noticeable ways. First, based on year of entry, the region's immigrants appear to be much older. According to the Census Bureau data, about 40 percent of the region's immigrants entered the U.S. before 1990 and another 19 percent entered between 1990 and 1999, compared to just 22.4 and 24.5 percent statewide, respectively. The remaining 41 percent of immigrants in the region settled in the U.S. since 2000.

Second, because of proximity, Northeast Minnesota has a much higher concentration of immigrants from Canada than the rest of the state, and a much lower concentration of residents from Latin America. With more than 1,200 foreign born residents from Canada, about one in every five immigrants in the Arrowhead region came across the border from the north, compared to just one in every 36 immigrants statewide.

Third, Northeast Minnesota also has a much higher percentage of European-born immigrants, accounting for 28.4 percent of the foreign born population in the region compared to just 10.7 percent statewide. In contrast, less than 8 percent of immigrants in the Arrowhead are from Africa, which is about one-third the rate statewide. The largest foreign born population in the Arrowhead region is Asian and after gaining 231 settlers this decade, has just over 1,900 residents (see Table 3).

For more information about the region's and state's foreign born population, check out "The Importance of Immigration" labor market reports accessible at: mn.gov/deed/data/lmi-reports/importance-immigration/

Population Projections

Based on population projections from the Minnesota State Demographic Center, the region's population is expected to fall slightly in the next 20 years, from 327,939 in 2020 to 320,328 in 2040, a 2.3 percent decrease. However, the region's older population, the number of people aged 65 years and older, is expected to increase by about 20,000 people in the next 10 years and make up nearly 30 percent of the population in the Arrowhead.

Meanwhile, the number of 5 to 14 and 15 to 24 year olds is projected to decrease by 9,344 people by 2030, an 11.9 percent drop. In addition, 25 to 64 year olds are projected to plunge by 13,712 persons, an 8.7 percent decline (see Figure 2).

This aging of the region's population has numerous effects on the regional economy, but none so important as the availability of labor for economic sustainability and growth. Because older people are less likely to work than those younger – reaching retirement age usually means exiting the labor

Table 3. Place of Birth for the Foreign Born Population

	Northeast Minnesota		Change from 2010-2016		Minnesota		Change from 2010-2016
	Number	Percent	Number	Percent	Number	Percent	
Total, Foreign-born Population	**6,600**	**100.0%**	**674**	**11.4%**	**426,691**	**100.0%**	**16.3%**
Americas:	**2,213**	**33.5%**	**80**	**3.8%**	**122,660**	**28.7%**	**7.5%**
Americas: - Northern America:	1,211	54.7%	-113	-8.5%	11,961	9.8%	-5.1%
Americas: - Latin America:	1,002	45.3%	193	23.9%	110,699	90.2%	9.1%
Asia	**1,932**	**29.3%**	**231**	**3.6%**	**163,447**	**38.3%**	**20.1%**
Europe	**1,872**	**28.4%**	**113**	**6.4%**	**45,735**	**10.7%**	**1.6%**
Africa	**500**	**7.6%**	**198**	**65.6%**	**92,742**	**21.7%**	**32.1%**
Oceania	**83**	**1.3%**	**52**	**167.7%**	**2,107**	**0.5%**	**31.7%**

Source: U.S. Census Bureau, 2012-2016 American Community Survey force – an older and aging population typically reduces the number of workers available.

This definitely appears to be the case in Northeast Minnesota. Applying current labor force participation rates by age group to the region's population projections provides an estimate of this effect. In 2030 the labor force in the region would be projected to fall to 150,198 available workers, a 9,083 person decrease from 2020 or a 5.7 percent decline (see Table 4).

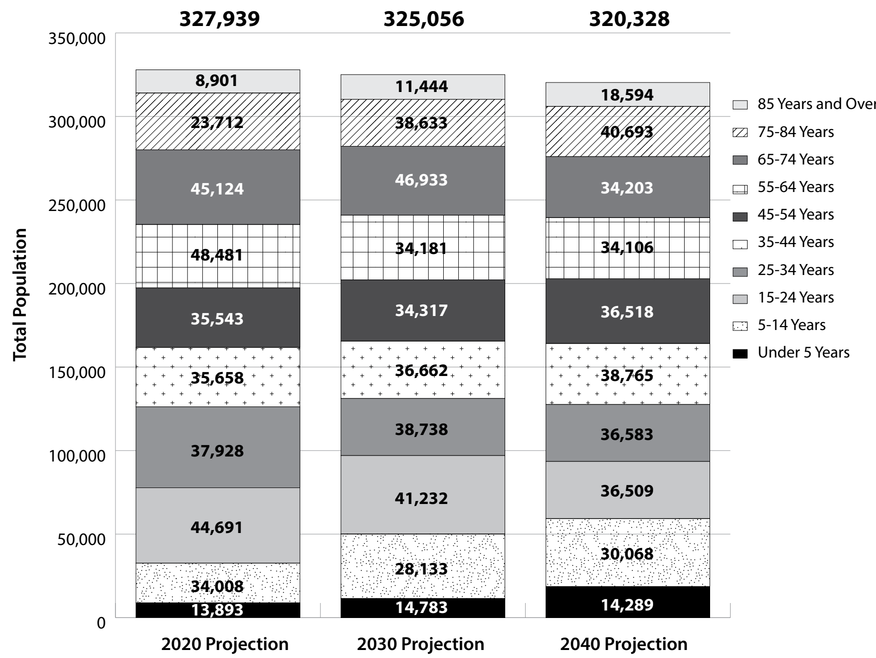
While the region has enjoyed economic stability and even slight job growth since the Great Recession, it is nearly impossible to expect that to continue without some considerable increases to the labor force participation rates of all age cohorts, an unforeseen increase to the regional population, some technological innovations that decrease the need for labor, or a combination of these and other factors.

An aging and shrinking population could have negative consequences on Northeast Minnesota's economy and stability going forward. Employers are already struggling to find applicants for vacancies in the tight labor market presently, reducing their ability to grow their businesses with increased employment.

But with challenges come opportunities, and the region will be home to many of these. Reducing barriers to employment for workers of all demographic characteristics, attracting and retaining new residents to the area, connecting area college students with local careers, and providing flexible work schedules to keep workers from retiring, among other ideas, would go a long way in ensuring future economic success in the region.

by Erik White

Figure 2. Northeast Minnesota Population Projections by Age Group, 2020 - 2040



Source: Minnesota State Demographic Center

Table 4. Labor Force Projections, 2020-2030

Northeast Minnesota	2020 Labor Force Projection	2030 Labor Force Projection	2020-2030 Change Numeric	2020-2030 Change Percent
16 to 19 years	8,838	7,814	-1,024	-11.6%
20 to 24 years	19,520	18,639	-881	-4.5%
25 to 44 years	61,904	63,430	1,526	2.5%
45 to 54 years	29,005	28,004	-1,000	-3.4%
55 to 64 years	29,727	20,958	-8,768	-29.5%
65 to 74 years	8,972	9,331	360	4.0%
75 years & over	1,317	2,022	705	53.5%
Total Labor Force	**159,281**	**150,198**	**-9,083**	**-5.7%**

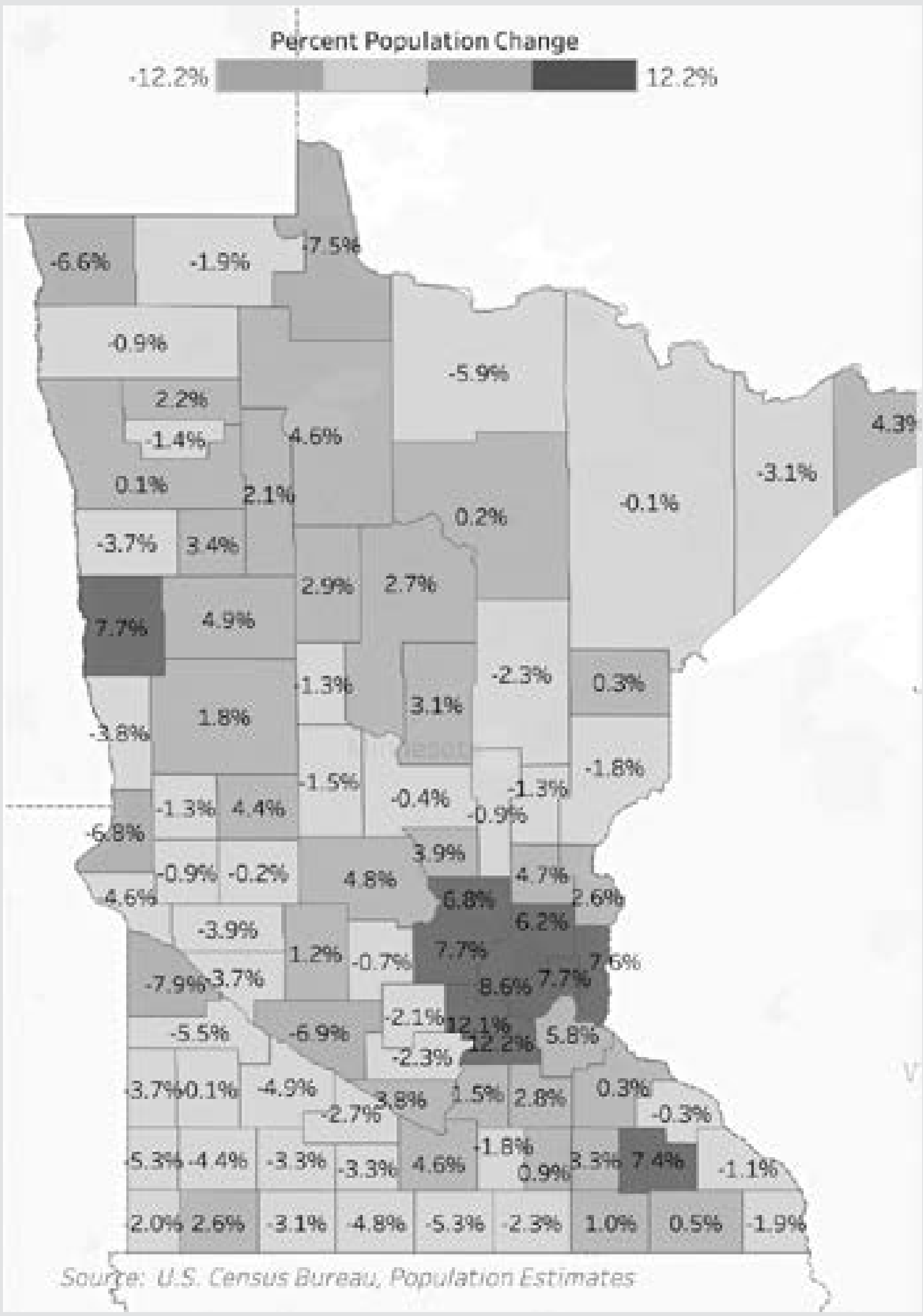
Source: calculated from Minnesota State Demographic Center population projections and 2012-2016 American Community Survey 5-Year Estimates

Fun With Statistics

Recently released data from the Census Bureau shows that the population in Minnesota has increased by 51,556 people in the last year and has experienced a growth rate of 5.1 percent since 2010 with the addition of 272,682 residents. Population growth is an important driver of economic sustainability, especially in a tight labor market where employers are struggling to fill vacant job openings, and Minnesota's expanding population is a positive sign.

However, not all areas of the state are benefiting from the influx of new residents. For example, Northeast and Southwest Minnesota have experienced population declines since 2010, while much of the population growth is concentrated in the Twin Cities Metro Area. Explore the map below to discover how populations in Minnesota counties are changing.

Population Change 2010-2017



by Erik White

Labor Force Estimates

County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Jun 2018	May 2018	Jun 2017	Jun 2018	May 2018	Jun 2017	Jun 2018	May 2018	Jun 2017	Jun 2018	May 2018	Jun 2017
United States ('000s)	162,140	161,539	160,214	155,576	155,474	153,250	6,564	6,065	6,964	4.0%	3.8%	4.3%
(Seasonally adjusted)	163,277	161,765	161,337	156,465	156,009	154,086	6,812	5,756	7,250	4.2	3.6	4.5
(Unadjusted)												
Minnesota												
(Seasonally adjusted)	3,110,795	3,107,000	3,063,469	3,015,451	3,009,521	2,958,660	95,344	97,479	104,809	3.1	3.1	3.4
(Unadjusted)	3,133,173	3,109,192	3,083,747	3,041,706	3,031,875	2,977,340	91,467	77,317	106,407	2.9	2.5	3.5
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	2,037,455	2,015,686	2,001,817	1,980,208	1,968,841	1,931,437	57,247	46,845	70,380	2.8	2.3	3.5
Duluth-Superior MSA	145,178	145,223	144,170	139,578	140,176	137,196	5,600	5,047	6,974	3.9	3.5	4.8
Rochester MSA	123,683	121,378	121,977	120,521	118,811	118,177	3,162	2,567	3,800	2.6	2.1	3.1
St. Cloud MSA	113,358	114,539	110,693	110,099	111,686	106,697	3,259	2,853	3,996	2.9	2.5	3.6
Mankato-N Mankato MSA	62,288	62,224	59,504	60,674	60,942	57,554	1,614	1,282	1,950	2.6	2.1	3.3
Fargo-Moorhead MSA	138,558	138,777	138,934	134,896	135,892	135,595	3,662	2,885	3,339	2.6	2.1	2.4
Grand Forks MSA	56,510	56,357	56,660	54,753	55,066	54,879	1,757	1,291	1,781	3.1	2.3	3.1
Region One	**47,768**	**48,008**	**47,426**	**45,948**	**46,459**	**45,267**	**1,820**	**1,549**	**2,159**	**3.8**	**3.2**	**4.6**
Kittson	2,413	2,438	2,401	2,336	2,376	2,300	77	62	101	3.2	2.5	4.2
Marshall	5,552	5,589	5,534	5,323	5,369	5,250	229	220	284	4.1	3.9	5.1
Norman	3,409	3,452	3,421	3,269	3,333	3,252	140	119	169	4.1	3.4	4.9
Pennington	8,930	8,943	8,947	8,648	8,673	8,599	282	270	348	3.2	3.0	3.9
Polk	17,218	17,338	16,958	16,502	16,780	16,137	716	558	821	4.2	3.2	4.8
Red Lake	2,289	2,310	2,255	2,180	2,202	2,154	109	108	101	4.8	4.7	4.5
Roseau	7,957	7,938	7,910	7,690	7,726	7,575	267	212	335	3.4	2.7	4.2
Region Two	**44,518**	**44,346**	**43,216**	**42,654**	**42,587**	**41,042**	**1,864**	**1,759**	**2,174**	**4.2**	**4.0**	**5.0**
Beltrami	24,088	24,201	23,756	23,117	23,281	22,593	971	920	1,163	4.0	3.8	4.9
Clearwater	4,691	4,704	4,513	4,405	4,409	4,212	286	295	301	6.1	6.3	6.7
Hubbard	10,982	10,675	10,146	10,571	10,302	9,679	411	373	467	3.7	3.5	4.6
Lake of the Woods	2,384	2,334	2,416	2,285	2,247	2,302	99	87	114	4.2	3.7	4.7
Mahnomen	2,373	2,432	2,385	2,276	2,348	2,256	97	84	129	4.1	3.5	5.4
Region Three	**167,401**	**166,539**	**163,870**	**160,787**	**160,298**	**155,413**	**6,614**	**6,241**	**8,457**	**4.0**	**3.7**	**5.2**
Aitkin	7,459	7,421	7,195	7,147	7,104	6,827	312	317	368	4.2	4.3	5.1
Carlton	17,975	18,039	17,567	17,254	17,350	16,776	721	689	791	4.0	3.8	4.5
Cook	3,842	3,547	3,242	3,763	3,459	3,155	79	88	87	2.1	2.5	2.7
Itasca	22,469	22,095	21,743	21,362	21,015	20,243	1,107	1,080	1,500	4.9	4.9	6.9
Koochiching	6,301	6,166	6,160	5,919	5,777	5,710	382	389	450	6.1	6.3	7.3
Lake	6,125	5,865	5,533	5,956	5,705	5,326	169	160	207	2.8	2.7	3.7
St. Louis	103,230	103,406	102,430	99,386	99,888	97,376	3,844	3,518	5,054	3.7	3.4	4.9
City of Duluth	46,636	46,626	45,922	45,121	45,349	44,015	1,515	1,277	1,907	3.2	2.7	4.2
Balance of St. Louis County	56,594	56,780	56,508	54,265	54,539	53,361	2,329	2,241	3,147	4.1	3.9	5.6
Region Four	**131,876**	**131,228**	**128,001**	**128,204**	**128,058**	**123,715**	**3,672**	**3,170**	**4,286**	**2.8**	**2.4**	**3.3**
Becker	19,533	19,247	18,637	18,947	18,736	17,948	586	511	689	3.0	2.7	3.7
Clay	36,065	36,408	35,875	34,974	35,493	34,629	1,091	915	1,246	3.0	2.5	3.5
Douglas	21,676	21,333	20,617	21,149	20,880	20,008	527	453	609	2.4	2.1	3.0
Grant	3,382	3,396	3,269	3,276	3,292	3,150	106	104	119	3.1	3.1	3.6
Otter Tail	33,521	33,117	32,325	32,591	32,291	31,216	930	826	1,109	2.8	2.5	3.4
Pope	6,600	6,590	6,400	6,455	6,461	6,220	145	129	180	2.2	2.0	2.8
Stevens	5,588	5,579	5,529	5,453	5,474	5,371	135	105	158	2.4	1.9	2.9
Traverse	1,874	1,896	1,681	1,827	1,852	1,633	47	44	48	2.5	2.3	2.9
Wilkin	3,637	3,662	3,668	3,532	3,579	3,540	105	83	128	2.9	2.3	3.5
Region Five	**89,454**	**88,151**	**84,271**	**86,538**	**85,366**	**80,913**	**2,916**	**2,785**	**3,358**	**3.3**	**3.2**	**4.0**
Cass	16,647	15,969	14,762	16,070	15,407	14,082	577	562	680	3.5	3.5	4.6
Crow Wing	35,274	34,347	32,896	34,225	33,387	31,674	1,049	960	1,222	3.0	2.8	3.7
Morrison	17,955	18,064	17,712	17,359	17,480	16,975	596	584	737	3.3	3.2	4.2
Todd	13,771	13,952	12,729	13,347	13,511	12,290	424	441	439	3.1	3.2	3.4
Wadena	5,807	5,819	6,172	5,537	5,581	5,892	270	238	280	4.6	4.1	4.5
Region Six East	**68,361**	**68,220**	**65,815**	**66,326**	**66,453**	**63,346**	**2,035**	**1,767**	**2,469**	**3.0**	**2.6**	**3.8**
Kandiyohi	25,671	25,567	24,644	24,997	24,978	23,867	674	589	777	2.6	2.3	3.2
McLeod	19,806	19,638	19,782	19,199	19,120	19,038	607	518	744	3.1	2.6	3.8
Meeker	13,524	13,519	13,299	13,127	13,171	12,781	397	348	518	2.9	2.6	3.9
Renville	9,360	9,496	8,090	9,003	9,184	7,660	357	312	430	3.8	3.3	5.3

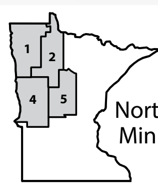
**Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.*

Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2018.

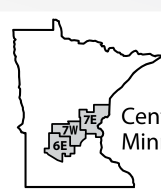
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Jun 2018	May 2018	Jun 2017	Jun 2018	May 2018	Jun 2017	Jun 2018	May 2018	Jun 2017	Jun 2018	May 2018	Jun 2017
Region Six West	**23,982**	**23,912**	**23,719**	**23,237**	**23,289**	**22,830**	**745**	**623**	**889**	**3.1%**	**2.6%**	**3.7%**
Big Stone	2,785	2,768	2,711	2,713	2,706	2,613	72	62	98	2.6	2.2	3.6
Chippewa	7,001	6,988	7,023	6,796	6,794	6,750	205	194	273	2.9	2.8	3.9
Lac Qui Parle	3,622	3,607	3,592	3,493	3,511	3,476	129	96	116	3.6	2.7	3.2
Swift	5,197	5,158	4,901	5,015	5,016	4,708	182	142	193	3.5	2.8	3.9
Yellow Medicine	5,377	5,391	5,492	5,220	5,262	5,283	157	129	209	2.9	2.4	3.8
Region Seven East	**88,807**	**88,487**	**87,155**	**85,838**	**85,599**	**83,509**	**2,969**	**2,888**	**3,646**	**3.3**	**3.3**	**4.2**
Chisago	30,156	29,914	29,573	29,236	29,102	28,447	920	812	1,126	3.1	2.7	3.8
Isanti	21,360	21,205	20,820	20,668	20,575	19,973	692	630	847	3.2	3.0	4.1
Kanabec	9,185	9,159	9,017	8,828	8,775	8,609	357	384	408	3.9	4.2	4.5
Mille Lacs	13,002	12,969	12,826	12,537	12,491	12,258	465	478	568	3.6	3.7	4.4
Pine	15,104	15,240	14,919	14,569	14,656	14,222	535	584	697	3.5	3.8	4.7
Region Seven West	**241,605**	**241,761**	**235,962**	**234,807**	**235,824**	**227,430**	**6,798**	**5,937**	**8,532**	**2.8**	**2.5**	**3.6**
Benton	22,193	22,436	21,696	21,547	21,840	20,875	646	596	821	2.9	2.7	3.8
Sherburne	52,518	52,073	51,034	51,016	50,774	49,105	1,502	1,299	1,929	2.9	2.5	3.8
Stearns	91,165	92,103	88,997	88,552	89,846	85,822	2,613	2,257	3,175	2.9	2.5	3.6
Wright	75,729	75,149	74,235	73,692	73,364	71,628	2,037	1,785	2,607	2.7	2.4	3.5
Region Eight	**65,254**	**65,575**	**64,979**	**63,341**	**64,006**	**62,784**	**1,913**	**1,569**	**2,195**	**2.9**	**2.4**	**3.4**
Cottonwood	5,563	5,585	5,339	5,354	5,432	5,079	209	153	260	3.8	2.7	4.9
Jackson	5,782	5,714	6,006	5,583	5,595	5,806	199	119	200	3.4	2.1	3.3
Lincoln	3,382	3,445	3,260	3,301	3,363	3,168	81	82	92	2.4	2.4	2.8
Lyon	15,182	15,364	15,067	14,736	14,976	14,558	446	388	509	2.9	2.5	3.4
Murray	5,044	5,084	4,877	4,913	4,959	4,714	131	125	163	2.6	2.5	3.3
Nobles	11,342	11,501	11,180	11,021	11,245	10,818	321	256	362	2.8	2.2	3.2
Pipestone	5,191	5,160	4,924	5,072	5,058	4,762	119	102	162	2.3	2.0	3.3
Redwood	7,711	7,649	8,430	7,449	7,425	8,115	262	224	315	3.4	2.9	3.7
Rock	6,057	6,073	5,896	5,912	5,953	5,764	145	120	132	2.4	2.0	2.2
Region Nine	**136,178**	**135,866**	**131,934**	**132,238**	**132,452**	**127,256**	**3,940**	**3,414**	**4,678**	**2.9**	**2.5**	**3.5**
Blue Earth	41,158	41,098	39,306	40,043	40,207	37,948	1,115	891	1,358	2.7	2.2	3.5
Brown	14,893	14,869	14,566	14,443	14,419	14,033	450	450	533	3.0	3.0	3.7
Faribault	7,540	7,388	7,260	7,306	7,190	6,962	234	198	298	3.1	2.7	4.1
Le Sueur	15,961	15,950	15,786	15,481	15,459	15,194	480	491	592	3.0	3.1	3.8
Martin	10,614	10,572	10,495	10,252	10,299	10,111	362	273	384	3.4	2.6	3.7
Nicollet	21,130	21,126	20,198	20,631	20,735	19,606	499	391	592	2.4	1.9	2.9
Sibley	8,676	8,733	8,518	8,446	8,520	8,235	230	213	283	2.7	2.4	3.3
Waseca	9,719	9,616	9,375	9,358	9,296	9,007	361	320	368	3.7	3.3	3.9
Watonwan	6,487	6,514	6,430	6,278	6,327	6,160	209	187	270	3.2	2.9	4.2
Region Ten	**286,258**	**283,986**	**283,062**	**278,419**	**277,588**	**273,567**	**7,839**	**6,398**	**9,495**	**2.7**	**2.3**	**3.4**
Dodge	11,838	11,650	11,682	11,498	11,380	11,269	340	270	413	2.9	2.3	3.5
Fillmore	11,698	11,589	11,448	11,367	11,319	11,077	331	270	371	2.8	2.3	3.2
Freeborn	16,399	16,355	16,252	15,893	15,934	15,643	506	421	609	3.1	2.6	3.7
Goodhue	27,211	27,225	26,729	26,467	26,611	25,794	744	614	935	2.7	2.3	3.5
Houston	10,691	10,862	10,362	10,429	10,621	10,011	262	241	351	2.5	2.2	3.4
Mower	21,008	20,885	20,544	20,432	20,418	19,912	576	467	632	2.7	2.2	3.1
Olmsted	87,863	85,991	86,720	85,727	84,255	84,116	2,136	1,736	2,604	2.4	2.0	3.0
City of Rochester	64,770	63,426	63,600	63,226	62,141	61,738	1,544	1,285	1,862	2.4	2.0	2.9
Rice	37,956	37,572	36,945	36,894	36,735	35,659	1,062	837	1,286	2.8	2.2	3.5
Steele	20,110	20,089	21,489	19,483	19,555	20,698	627	534	791	3.1	2.7	3.7
Wabasha	12,284	12,148	12,127	11,929	11,857	11,715	355	291	412	2.9	2.4	3.4
Winona	29,200	29,620	28,764	28,300	28,903	27,673	900	717	1,091	3.1	2.4	3.8
Region Eleven	**1,741,703**	**1,723,108**	**1,711,168**	**1,693,369**	**1,683,892**	**1,651,167**	**48,334**	**39,216**	**60,001**	**2.8**	**2.3**	**3.5**
Anoka	199,565	197,541	196,552	193,894	192,840	189,421	5,671	4,701	7,131	2.8	2.4	3.6
Carver	58,630	58,142	56,987	57,097	56,867	55,159	1,533	1,275	1,828	2.6	2.2	3.2
Dakota	244,993	242,512	240,646	238,366	237,067	232,535	6,627	5,445	8,111	2.7	2.2	3.4
Hennepin	715,319	707,234	702,632	695,539	691,424	677,984	19,780	15,810	24,648	2.8	2.2	3.5
City of Bloomington	47,798	47,249	47,898	46,425	46,150	46,195	1,373	1,099	1,703	2.9	2.3	3.6
City of Minneapolis	244,423	241,563	240,544	237,396	235,992	231,642	7,027	5,571	8,902	2.9	2.3	3.7
Ramsey	294,466	291,109	290,123	285,694	284,073	279,276	8,772	7,036	10,847	3.0	2.4	3.7
City of St. Paul	161,575	159,714	159,167	156,591	155,702	153,003	4,984	4,012	6,164	3.1	2.5	3.9
Scott	84,113	83,318	82,029	81,975	81,535	79,367	2,138	1,783	2,662	2.5	2.1	3.2
Washington	144,617	143,252	142,199	140,804	140,086	137,425	3,813	3,166	4,774	2.6	2.2	3.4

Minneapolis/
St. Paul

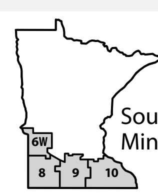
Northeast
Minnesota



Northwest
Minnesota



Central
Minnesota



Southern
Minnesota

Industrial Analysis

Overview

Minnesota employers added 6,600 jobs (0.2 percent) in June on a seasonally adjusted basis. Private sector employers accounted for all of that growth, adding 7,600 jobs (0.3 percent) while public sector employers shed 1,000 jobs (0.2 percent). The payrolls of Goods Producers and Service Providers both grew on the month, adding 3,500 jobs (0.8 percent) and 3,100 jobs (0.1 percent), respectively. Over the year the state added 45,517 jobs (1.5 percent). This was a marked increase over May's 1 percent over-the-year growth. June's annual growth was spread among larger industry groups. Goods Producers added 13,317 jobs (2.9 percent), and Service Providers added 32,200 (1.3 percent). The private sector grew by 41,380 (1.6 percent), and the public sector grew by 4,137 (1 percent).

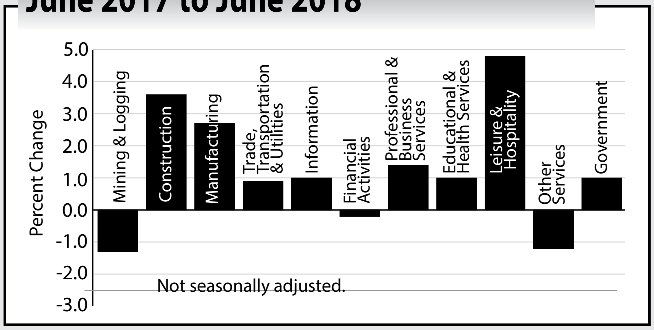
Mining and Logging

Employment in the Mining and Logging supersector held steady in June at 6,500 jobs. It was the fourth consecutive month at that level, after May's estimate was revised down from 6,600. Annually Mining and Logging lost 88 jobs (1.3 percent). While small in total jobs lost, it was the largest proportional decline in any supersector in the state. It was the sixth consecutive month of over-the-year job losses for the supersector.

Construction

The Construction supersector added 1,500 jobs (1.2 percent) in June on a seasonally adjusted basis. However, May's estimate was also revised downward from 1,600 to 700 jobs. Regardless, the increase marks the third consecutive month of over-the-month growth for the industry group. Annually the supersector added 4,744 jobs (3.6 percent). Every component sector saw job growth, although the most striking came in Specialty Trade Contractors, which added 3,814 jobs or 4.6 percent. Construction of Buildings added 584 jobs (2.1 percent), and Heavy and Civil Engineering Construction added 346 (1.7 percent). The supersector has had over-the-year job growth in every month back to April of 2013, save for one blip in April of this year where it declined by 1.4 percent, likely caused by uncharacteristically wintery weather.

MN Employment Growth
June 2017 to June 2018



Source: *Department of Employment and Economic Development, Current Employment Statistics, 2018.*

Manufacturing

Employment in the Manufacturing supersector was up by 2,000 (0.6 percent) in June on a seasonally adjusted basis. Durable and Non-Durable Goods Manufacturers both added 1,000 jobs (0.5 and 0.8 percent, respectively). It was the sixth consecutive month of over-the-month job growth in the supersector. Annually Manufacturers added 8,661 jobs (2.7 percent). Durable Goods Manufacturers added 5,346 jobs (2.6 percent), and Non-Durable Goods Manufacturers added 3,315 (2.8 percent).

Trade, Transportation, and Utilities

Trade, Transportation, and Utilities employment was up by 600 (0.1 percent) in June. Retail Trade contributed all of the growth, adding 900 jobs (0.3 percent) while Wholesale Trade lost 300 jobs (0.2 percent), and Transportation, Warehousing, and Utilities employment was flat. On an annual basis the supersector added 5,035 jobs (0.9 percent). All three component sectors grew on the year. Wholesale Trade added 1,473 jobs (1.1 percent), all of it among durable goods wholesalers as nondurable goods wholesalers lost 229 jobs (0.5 percent). Retail Trade added 2,717 jobs (0.9 percent), and Transportation, Warehousing, and Utilities added 845 (0.8 percent).

Information

Employers in the Information supersector added 900 jobs (1.8 percent) in June. However, May's estimate was revised down from a gain of 100 to a loss of 100, breaking the consecutive over-the-month growth streak the supersector had been on since March. Annually Information employment was up by 508 (1 percent). However, both published component sectors lost jobs. Publishing Industries (except Internet) lost 519 jobs (2.7 percent), and Telecommunications lost 234 (1.8 percent).

*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

Financial Activities employment was off slightly in June, losing 600 jobs (0.3 percent). Finance and Insurance added 500 jobs (0.3 percent), but all of that and more was given back by Real Estate and Rental and Leasing, which lost 1,100 (3.1 percent). On the year the supersector lost 386 jobs (0.2 percent). It was one of only three supersectors with negative over-the-year job growth. Finance and Insurance employment was mostly flat, but Real Estate and Rental and Leasing lost 400 jobs (1.1 percent).

Professional and Business Services

Employment in Professional and Business Services was up by 900 (0.2 percent) in June. Professional, Scientific, and Technical Services drove the growth once again, adding 1,700 jobs (1.1 percent). It was the third consecutive month wherein the supersector added more than 1,000 jobs. Administrative and Support and Waste Management and Remediation Services lost 800 (0.6 percent) on the month, while Management of Companies was flat. Annually the supersector added 5,434 jobs (1.4 percent). All three published component sectors added jobs. Professional, Scientific, and Technical Services added 3,112 (2 percent), Management of Companies and Enterprises added 382 (0.5 percent), and Administrative and Support and Waste Management and Remediation Services added 1,940 (1.4 percent).

Educational and Health Services

Employment in Educational and Health Services was off by 600 (0.1 percent) in June. Health Care and Social Assistance lost 1,300 jobs (0.3 percent) while Educational Services added 700 (1.1 percent). The supersector has lost jobs in every month since the start of 2018. Over the year employment in Educational and Health Services was up by 5,143 (1 percent). Educational Services added 2,702 jobs (4.4 percent), and Health Care and Social Assistance added 2,441 (0.5 percent).

Leisure and Hospitality

Leisure and Hospitality employment was up by 2,700 (1 percent) in June on a seasonally adjusted basis. Accommodation and Food Services added 2,500 jobs (1.1 percent) while Arts, Entertainment, and Recreation added 200 (0.4 percent). Annually the supersector added 13,728 jobs (4.8 percent). This is a noteworthy over-the-year increase, as May's employment was only 1.8 percent higher than in 2017. The supersector had been showing negative or slowing over-the-year growth since late 2017, so it's possible that June's increase marked a rebound. Arts, Entertainment, and Recreation added 3,900 jobs (7.6 percent), and Accommodation and Food Services added 9,828 (4.2 percent).

Other Services

The Other Services supersector added 200 jobs (0.2 percent) in June on a seasonally adjusted basis. It was the third consecutive month of over-the-month gains for the supersector. Annually Other Services employment was down by 1,300 (1.2 percent). All three component sectors lost jobs on the year.

Government

Government employment was down by 1,000 (0.2 percent) in June. State Government drove most of the losses, off by 900 (0.9 percent). Annually Government employers added 4,137 jobs (1 percent). That growth was all at the state and local level, as Federal Government shed 592 jobs (1.8 percent).

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	June 2018	May 2018	Apr 2018
Total Nonagricultural	**2,962.3**	**2,955.7**	**2,945.0**
Goods-Producing	**455.3**	**451.8**	**449.4**
Mining and Logging	6.5	6.5	6.5
Construction	123.0	121.5	120.8
Manufacturing	325.8	323.8	322.1
Service-Providing	**2,507.0**	**2,503.9**	**2,495.6**
Trade, Transportation, and Utilities	542.0	541.4	541.0
Information	50.6	49.7	49.8
Financial Activities	180.3	180.9	180.1
Professional and Business Services	376.8	375.9	373.0
Educational and Health Services	536.0	536.6	537.5
Leisure and Hospitality	277.1	274.4	269.9
Other Services	117.0	116.8	115.9
Government	427.2	428.2	428.4

Source: Department of Employment and Economic Development Current Employment Statistics, 2018.

Regional Analysis

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

Employment in the Minneapolis-St. Paul MSA was up by 25,583 (1.3 percent) in June. That marked two straight months of greater than 1 percent over-the-month growth, outpacing recent years after April's weaker-than-usual growth. Leisure and Hospitality added 10,507 jobs (5.4 percent) with Arts, Entertainment, and Recreation adding 3,441 (8.7 percent) and Accommodation and Food Services adding 7,066 (4.5 percent). Mining, Logging, and Construction employment grew by 5,348 (6.3 percent). Specialty Trade Contractors added 2,849 jobs (5 percent) while employment in Construction of Buildings was up by 851 (4.9 percent). Over the year the metro area added 40,170 jobs (2 percent). It was the first time that over-the-year growth hit 2 percent or higher since June of 2017. Among the notable gains, Leisure and Hospitality added 9,467 jobs (4.8 percent), Trade, Transportation, and Utilities added 8,131 (2.2 percent), and Manufacturing added 6,449 (3.3 percent). The Manufacturing growth was split among component sectors, with Durable Goods Manufacturers adding 4,056 jobs (3 percent) and Non-Durable Goods Manufacturers adding 2,393 (3.8 percent) despite a loss of 374 (2.5 percent) in Printing and Related Support Activities, one of only two published component sectors for the industry group.

Duluth-Superior MSA

The Duluth-Superior MSA added 515 jobs (0.4 percent) in June. The gains came in spite of a decline of 1,559 (5.6 percent) in Government, driven by a drop of 1,242 (15.4 percent) in State Government, likely caused by summer school closings. Leisure and Hospitality and Mining, Logging, and Construction led the growth (up 792 or 5.3 percent and 669 or 7.3 percent, respectively). Also of note, Other Services added 345 jobs (5.2 percent), bucking the statewide trend of flat employment growth from the supersector. Annually the Duluth MSA added 2,046 jobs (1.5 percent). Mining, Logging, and Construction added 429 jobs (4.6 percent). Government employers added 799 jobs (3.1 percent), Manufacturing added 203 (2.7 percent), and Other Services added 261 (3.9 percent). The largest proportional decline came in the Information supersector, which lost 5.5 percent (77 jobs).

Rochester MSA

The Rochester MSA added 3,393 jobs or 2.8 percent in June. It was the single largest proportional over-the-month growth in any MSA in the state. Besides the usual suspects for this time of year, Professional and Business Services added 529 jobs (9.8 percent), and Education and Health Services added 585 (1.2 percent). Both of those supersectors dramatically outperformed statewide employment growth. The only supersector to lose jobs was the small Financial Activities (down 3 jobs, 0.1 percent). Annually the Rochester area added 295 jobs (0.2 percent). This was the weakest over-the-year growth of any metro area in the state. Educational and Health Services, a pillar of the Rochester labor market, lost 942 jobs (1.9 percent) on the year. While this over-the-year loss is lower than in previous months, growth in the supersector has remained in the negative for every month in 2018. The strongest annual performance in the area came from Leisure and Hospitality, which added 812 jobs (7.2 percent). Professional and Business Services added 266 (4.7 percent).

St. Cloud MSA

Employment in the Saint Cloud MSA was down by 364 (0.3 percent) in June. It was one of only two MSAs to lose jobs on the month. Government employers dropped 910 jobs (5.8 percent) thanks to a decline of 1,029 (25.3 percent) in State Government. The largest increases, both proportionally and in real jobs, came in Mining, Logging, and Construction, which was up by 579 (8.2 percent). Over the year the Saint Cloud MSA added 1,718 jobs (1.6 percent), just outpacing statewide employment growth. Manufacturers added 751 jobs (4.9 percent), and Educational and Health Services added 996 (4.7 percent). Trade, Transportation, and Utilities employment dropped by 277 (1.2 percent) on the year.

Mankato-North Mankato MSA

The Mankato-North Mankato MSA added 395 jobs (0.7 percent) in June. Counter to the statewide trend, the area's growth came entirely in the public sector, which added 413 jobs (4.3 percent) while Minnesota employment in the supersector declined by 1.6 percent. Goods producers also added jobs, up 233 (2.2 percent) while private service providers lost 251 jobs (0.6 percent). Annually the area added 2,535 jobs or 4.5 percent. This was once again the strongest proportional over-the-year growth of any MSA in the state. Both public and private sector employment were up in the area, adding 1601 jobs (3.4 percent) and 934 jobs (10.2 percent), respectively.

Fargo-Moorhead MSA

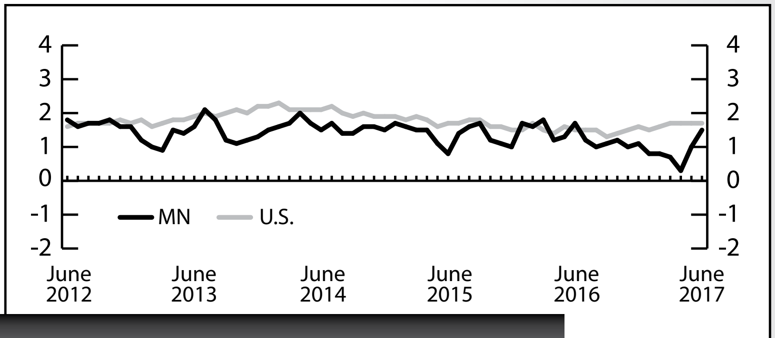
Employment in the Fargo-Moorhead MSA was down by 691 (0.5 percent) in June. It was the weakest over-the-month job performance of any MSA in the state and one of only two MSAs to lose jobs on the month. Government employers shed 1,462 jobs (7.3 percent), leading the decline. Annually the area added 885 jobs (0.6 percent). Educational and Health Services added 1,077 jobs (4.6 percent), the largest real and proportional increase of any supersector. The steepest decline came in Leisure and Hospitality, which was off by 325 (2.3 percent).

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA added 53 jobs (0.1 percent) in June. Mining, Logging, and Construction added 314 jobs (10.3 percent), and Leisure and Hospitality added 411 (6.9 percent). Annually the MSA added 618 jobs (1.1 percent). Manufacturing added 205 jobs (4.8 percent), Leisure and Hospitality added 338 (5.6 percent), and Professional and Business Services added 157 (4.9 percent).

by Nick Dobbins

Source: Department of Employment and Economic Development, Current Employment Statistics, 2018; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2018.



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) Jun 2018	May 2018	Jun 2017	Percent Change From** May 2018	Jun 2017	Production Workers Hours and Earnings: Average Weekly Earnings Jun 2018	Jun 2017	Average Weekly Hours Jun 2018	Jun 2017	Average Hourly Earnings Jun 2018	Jun 2017
TOTAL NONFARM WAGE AND SALARY	**3,015.5**	**2,972.7**	**2,970.0**	**1.4%**	**1.5%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**473.7**	**454.5**	**460.4**	**4.2**	**2.9**	—	—	—	—	—	—
Mining, Logging, and Construction	**142.8**	**131.7**	**138.2**	**8.5**	**3.4**	—	—	—	—	—	—
Mining and Logging	**6.7**	**6.5**	**6.8**	**2.0**	**-1.3**	—	—	—	—	—	—
Construction	136.1	125.1	131.4	8.8	3.6	—	—	—	—	—	—
Specialty Trade Contractors	87.5	81.8	83.7	7.0	4.6	$1,290.40	$1,330.08	40	41	$32.26	$32.68
Manufacturing	**330.9**	**322.8**	**322.2**	**2.5**	**2.7**	**870.17**	**829.04**	**41**	**41**	**21.38**	**20.47**
Durable Goods	208.7	205.0	203.3	1.8	2.6	922.27	863.75	42	40	22.17	21.38
Wood Product Manufacturing	11.8	11.5	11.7	2.8	1.2	—	—	—	—	—	—
Fabricated Metal Production	42.9	42.6	42.7	0.9	0.5	—	—	—	—	—	—
Machinery Manufacturing	33.2	32.9	33.2	0.8	-0.1	—	—	—	—	—	—
Computer and Electronic Product	45.8	45.5	45.3	0.7	1.2	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	26.6	26.4	26.1	0.6	1.9	—	—	—	—	—	—
Transportation Equipment	10.9	10.6	10.6	2.9	2.6	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	16.4	16.3	16.2	0.9	1.7	—	—	—	—	—	—
Nondurable Goods	122.2	117.8	118.9	3.7	2.8	784.78	775.74	39	41	20.02	19.06
Food Manufacturing	50.1	46.8	48.0	7.0	4.3	—	—	—	—	—	—
SERVICE-PROVIDING	**2,541.8**	**2,518.3**	**2,509.6**	**0.9**	**1.3**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**546.7**	**542.0**	**541.6**	**0.9**	**0.9**	—	—	—	—	—	—
Wholesale Trade	135.3	135.0	133.9	0.3	1.1	994.79	937.71	38	40	26.11	23.62
Retail Trade	304.6	299.6	301.9	1.7	0.9	465.16	430.14	29	29	16.04	15.04
Motor Vehicle and Parts	36.2	36.0	35.8	0.6	1.1	—	—	—	—	—	—
Building Material and Garden Equipment	28.7	28.4	28.9	0.9	-0.9	—	—	—	—	—	—
Food and Beverage Stores	59.2	57.1	57.5	3.6	3.0	—	—	—	—	—	—
Gasoline Stations	25.5	25.3	25.5	0.9	-0.1	—	—	—	—	—	—
General Merchandise Stores	60.2	60.2	58.7	0.0	2.5	414.20	400.26	30	30	13.67	13.21
Transportation,Warehouse, Utilities	106.7	107.5	105.8	-0.7	0.8	—	—	—	—	—	—
Transportation and Warehousing	94.3	95.1	93.4	-0.8	1.0	745.24	719.02	33	34	22.86	21.21
Information	**51.1**	**50.2**	**50.6**	**1.8**	**1.0**	**1,076.00**	**1,058.11**	**36**	**35**	**30.14**	**29.89**
Publishing Industries	19.0	18.8	19.5	0.7	-2.7	—	—	—	—	—	—
Telecommunications	13.1	13.1	13.3	0.0	-1.8	—	—	—	—	—	—
Financial Activities	**181.7**	**180.4**	**182.1**	**0.7**	**-0.2**	—	—	—	—	—	—
Finance and Insurance	146.3	144.8	146.3	1.0	0.0	1,193.05	1,103.94	38	38	31.73	29.36
Credit Intermediation	62.9	62.7	64.4	0.4	-2.4	783.43	807.71	37	37	21.06	21.83
Securities, Commodity Contracts, and Other	20.0	19.7	19.6	1.4	1.9	—	—	—	—	—	—
Insurance Carriers and Related	63.4	62.4	62.2	1.6	1.9	—	—	—	—	—	—
Real Estate and Rental and Leasing	35.4	35.6	35.8	-0.7	-1.1	—	—	—	—	—	—
Professional and Business Services	**381.6**	**375.4**	**376.2**	**1.6**	**1.4**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	162.4	159.4	159.3	1.9	2.0	—	—	—	—	—	—
Legal Services	18.5	18.2	18.5	1.9	0.1	—	—	—	—	—	—
Accounting, Tax Preparation	15.3	15.4	14.8	-0.3	3.6	—	—	—	—	—	—
Computer Systems Design	35.4	35.3	36.3	0.4	-2.4	—	—	—	—	—	—
Management of Companies and Enterprises	81.4	80.2	81.0	1.4	0.5	—	—	—	—	—	—
Administrative and Support Services	137.8	135.8	135.8	1.4	1.4	—	—	—	—	—	—
Educational and Health Services	**535.6**	**538.4**	**530.5**	**-0.5**	**1.0**	—	—	—	—	—	—
Educational Services	63.8	69.0	61.1	-7.4	4.4	—	—	—	—	—	—
Health Care and Social Assistance	471.8	469.4	469.3	0.5	0.5	—	—	—	—	—	—
Ambulatory Health Care	153.2	153.7	153.9	-0.3	-0.4	1,320.39	1,346.15	37	37	35.59	36.78
Offices of Physicians	75.3	74.8	73.8	0.6	2.0	—	—	—	—	—	—
Hospitals	113.4	112.6	111.9	0.7	1.3	—	—	—	—	—	—
Nursing and Residential Care Facilities	107.5	106.8	108.6	0.6	-1.0	483.91	465.32	29	29	16.92	16.27
Social Assistance	97.7	96.3	94.9	1.4	2.9	—	—	—	—	—	—
Leisure and Hospitality	**301.7**	**281.4**	**287.9**	**7.2**	**4.8**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	55.2	49.3	51.3	11.8	7.6	—	—	—	—	—	—
Accommodation and Food Services	246.5	232.1	236.7	6.2	4.2	—	—	—	—	—	—
Food Services and Drinking Places	212.4	202.3	204.7	5.0	3.8	283.25	278.10	21	21	13.75	13.50
Other Services	**116.9**	**116.9**	**118.3**	**0.0**	**-1.2**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	65.5	65.3	66.0	0.3	-0.8	—	—	—	—	—	—
Government	426.6	433.5	422.4	-1.6	1.0						
Federal Government	31.8	31.9	32.4	-0.2	-1.8						
State Government	89.7	102.2	87.0	-12.2	3.2						
State Government Education	48.9	62.0	46.4	-21.0	5.6						
Local Government	305.0	299.4	303.0	1.9	0.7						
Local Government Education	149.4	151.2	147.9	-1.2	1.1						

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, 2018.

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	
	Jun 2018	May 2018	Jun 2017	May 2018	Jun 2017	Jun 2018	Jun 2017	Jun 2018	Jun 2017	Jun 2018	Jun 2017
TOTAL NONFARM WAGE AND SALARY	**2,049.02**	**2,023.44**	**2,008.85**	**1.3%**	**2.0%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**294.14**	**284.92**	**284.52**	**3.2**	**3.4**	—	—	—	—	—	—
Mining, Logging, and Construction	**89.82**	**84.47**	**86.65**	**6.3**	**3.7**	—	—	—	—	—	—
Construction of Buildings	18.33	17.48	18.28	4.9	0.3	—	—	—	—	—	—
Specialty Trade Contractors	59.40	56.55	57.96	5.0	2.5	$1,363.99	$1,387.43	40.2	39.8	$33.93	3$4.86
Manufacturing	**204.32**	**200.45**	**197.87**	**1.9**	**3.3**	**911.74**	**887.45**	**41.9**	**41.2**	**21.76**	**21.54**
Durable Goods	138.55	136.13	134.49	1.8	3.0	958.78	906.67	42.2	41.1	22.72	22.06
Fabricated Metal Production	29.92	29.64	29.82	1.0	0.3	—	—	—	—	—	—
Machinery Manufacturing	20.43	20.22	20.16	1.1	1.4	—	—	—	—	—	—
Computer and Electronic Product	37.61	37.45	36.69	0.4	2.5	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.06	25.00	24.48	0.2	2.4	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.70	15.59	15.02	0.7	4.5	—	—	—	—	—	—
Nondurable Goods	65.77	64.32	63.38	2.2	3.8	818.57	853.66	41.3	41.5	19.82	20.57
Food Manufacturing	15.93	15.00	14.94	6.2	6.6	—	—	—	—	—	—
Printing and Related	14.32	14.29	14.70	0.2	-2.5	—	—	—	—	—	—
SERVICE-PROVIDING	**1,754.88**	**1,738.52**	**1,724.33**	**0.9**	**1.8**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**372.01**	**365.46**	**363.87**	**1.8**	**2.2**	—	—	—	—	—	—
Wholesale Trade	101.00	99.65	98.07	1.3	3.0	985.88	942.87	37.5	39.5	26.29	23.87
Merchant Wholesalers - Durable Goods	50.68	50.05	49.27	1.3	2.9	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	29.00	28.87	29.07	0.5	-0.2	—	—	—	—	—	—
Retail Trade	195.39	191.07	191.75	2.3	1.9	494.84	443.65	30.1	29.4	16.44	15.09
Food and Beverage Stores	36.38	35.25	35.31	3.2	3.0	—	—	—	—	—	—
General Merchandise Stores	38.61	38.33	36.10	0.8	7.0	394.80	382.52	30.0	30.7	13.16	12.46
Transportation, Warehouse, Utilities	75.62	74.75	74.05	1.2	2.1	—	—	—	—	—	—
Utilities	7.46	7.47	7.50	-0.1	-0.4	—	—	—	—	—	—
Transportation and Warehousing	68.16	67.28	66.56	1.3	2.4	805.04	735.50	35.7	35.6	22.55	20.66
Information	**37.51**	**37.32**	**38.08**	**0.5**	**-1.5**						
Publishing Industries	15.16	15.04	15.40	0.8	-1.6	—	—	—	—	—	—
Telecommunications	8.27	8.28	8.64	-0.1	-4.3	—	—	—	—	—	—
Financial Activities	**148.58**	**147.09**	**146.73**	**1.0**	**1.3**	—	—	—	—	—	—
Finance and Insurance	119.49	117.92	118.27	1.3	1.0	1,225.48	1,193.72	37.8	37.8	32.42	31.58
Credit Intermediation	46.87	46.77	48.22	0.2	-2.8	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	17.86	17.58	17.58	1.6	1.6	—	—	—	—	—	—
Insurance Carriers and Related	54.76	53.57	52.47	2.2	4.4	—	—	—	—	—	—
Real Estate and Rental and Leasing	29.10	29.17	28.46	-0.3	2.2	—	—	—	—	—	—
Professional and Business Services	**328.24**	**322.72**	**322.67**	**1.7**	**1.7**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	141.62	139.49	139.44	1.5	1.6	—	—	—	—	—	—
Legal Services	15.93	15.60	15.89	2.1	0.2	—	—	—	—	—	—
Architectural, Engineering, and Related	19.73	19.38	19.26	1.8	2.4	—	—	—	—	—	—
Computer Systems Design	33.24	33.01	33.36	0.7	-0.4	—	—	—	—	—	—
Management of Companies and Enterprises	73.42	72.17	74.26	1.7	-1.1	—	—	—	—	—	—
Administrative and Support Services	113.21	111.06	108.97	1.9	3.9	—	—	—	—	—	—
Employment Services	48.11	48.41	48.53	-0.6	-0.9	—	—	—	—	—	—
Educational and Health Services	**329.83**	**333.14**	**328.61**	**-1.0**	**0.4**	—	—	—	—	—	—
Educational Services	42.69	46.68	41.01	-8.5	4.1	—	—	—	—	—	—
Health Care and Social Assistance	287.14	286.46	287.61	0.2	-0.2	—	—	—	—	—	—
Ambulatory Health Care	88.63	90.13	91.26	-1.7	-2.9	—	—	—	—	—	—
Hospitals	67.78	67.28	66.52	0.8	1.9	—	—	—	—	—	—
Nursing and Residential Care Facilities	60.07	59.23	60.58	1.4	-0.8	—	—	—	—	—	—
Social Assistance	70.65	69.82	69.25	1.2	2.0	—	—	—	—	—	—
Leisure and Hospitality	**206.51**	**196.00**	**197.04**	**5.4**	**4.8**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	43.05	39.61	39.97	8.7	7.7	—	—	—	—	—	—
Accommodation and Food Services	163.46	156.39	157.07	4.5	4.1	310.00	295.74	21.8	21.2	14.22	13.95
Food Services and Drinking Places	147.90	143.14	141.98	3.3	4.2	302.67	287.52	21.3	20.7	14.21	13.89
Other Services	**81.91**	**82.00**	**81.96**	**-0.1**	**-0.1**	—	—	—	—	—	—
Repair and Maintenance	14.68	14.83	14.69	-1.0	0.0	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	43.99	43.62	43.83	0.8	0.3	—	—	—	—	—	—
Government	**250.30**	**254.77**	**245.37**	**-1.8**	**2.0**						
Federal Government	21.08	21.18	21.47	-0.5	-1.8						
State Government	59.87	66.77	56.69	-10.3	5.6						
State Government Education	32.76	39.91	29.82	-17.9	9.8						
Local Government	169.35	166.82	167.21	1.5	1.3						
Local Government Education	93.66	94.78	91.38	-1.2	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, 2018.

Employer Survey

Industry	Duluth-Superior MSA Jobs Jun 2018	Duluth-Superior MSA Jobs May 2018	Duluth-Superior MSA Jobs Jun 2017	Duluth-Superior MSA % Chg. From May 2018	Duluth-Superior MSA % Chg. From Jun 2017	Rochester MSA Jobs Jun 2018	Rochester MSA Jobs May 2018	Rochester MSA Jobs Jun 2017	Rochester MSA % Chg. From May 2018	Rochester MSA % Chg. From Jun 2017
TOTAL NONFARM WAGE AND SALARY	**139,309**	**138,794**	**137,263**	**0.4%**	**1.5%**	**122,957**	**119,564**	**122,662**	**2.8%**	**0.2%**
GOODS-PRODUCING	**17,612**	**16,783**	**16,980**	**4.9**	**3.7**	**15,653**	**14,865**	**15,954**	**5.3**	**-1.9**
Mining, Logging, and Construction	9,789	9,120	9,360	7.3	4.6	4,783	4,557	5,024	5.0	-4.8
Manufacturing	7,823	7,663	7,620	2.1	2.7	10,870	10,308	10,930	5.5	-0.5
SERVICE-PROVIDING	**121,697**	**122,011**	**120,283**	**-0.3**	**1.2**	**107,304**	**104,699**	**106,708**	**2.5**	**0.6**
Trade, Transportation, and Utilities	25,042	24,904	25,083	0.6	-0.2	18,175	17,776	18,029	2.2	0.8
Wholesale Trade	3,245	3,219	3,318	0.8	-2.2	2,757	2,733	2,698	0.9	2.2
Retail Trade	15,485	15,507	15,371	-0.1	0.7	12,447	12,122	12,557	2.7	-0.9
Transportation, Warehouse, Utilities	6,312	6,178	6,394	2.2	-1.3	2,971	2,921	2,774	1.7	7.1
Information	1,324	1,317	1,401	0.5	-5.5	1,910	1,887	1,893	1.2	0.9
Financial Activities	6,017	5,950	6,026	1.1	-0.1	2,789	2,792	2,833	-0.1	-1.6
Professional and Business Services	8,255	8,125	8,361	1.6	-1.3	5,923	5,394	5,657	9.8	4.7
Educational and Health Services	32,085	32,319	31,408	-0.7	2.2	48,705	48,120	49,647	1.2	-1.9
Leisure and Hospitality	15,706	14,914	15,796	5.3	-0.6	12,147	11,399	11,335	6.6	7.2
Other Services	7,040	6,695	6,779	5.2	3.9	4,108	4,035	4,055	1.8	1.3
Government	26,228	27,787	25,429	-5.6	3.1	13,547	13,296	13,259	1.9	2.2

Employer Survey

Industry	St. Cloud MSA Jobs Jun 2018	St. Cloud MSA Jobs May 2018	St. Cloud MSA Jobs Jun 2017	St. Cloud MSA % Chg. From May 2018	St. Cloud MSA % Chg. From Jun 2017	Mankato MSA Jobs Jun 2018	Mankato MSA Jobs May 2018	Mankato MSA Jobs Jun 2017	Mankato MSA % Chg. From May 2018	Mankato MSA % Chg. From Jun 2017
TOTAL NONFARM WAGE AND SALARY	**111,981**	**112,345**	**110,263**	**-0.3%**	**1.6%**	**59,372**	**58,977**	**56,837**	**0.7**	**4.5%**
GOODS-PRODUCING	**23,770**	**22,885**	**22,759**	**3.9**	**4.4**	**10,806**	**10,573**	**10,417**	**2.2**	**3.7**
Mining, Logging, and Construction	7,637	7,058	7,377	8.2	3.5	--	--	--	--	--
Manufacturing	16,133	15,827	15,382	1.9	4.9	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**88,211**	**89,460**	**87,504**	**-1.4**	**0.8**	**48,566**	**48,404**	**46,420**	**0.3**	**4.6**
Trade, Transportation, and Utilities	22,178	22,372	22,455	-0.9	-1.2	--	--	--	--	--
Wholesale Trade	4,903	4,881	4,738	0.5	3.5	--	--	--	--	--
Retail Trade	13,092	13,342	13,785	-1.9	-5.0	--	--	--	--	--
Transportation, Warehouse, Utilities	4,183	4,149	3,932	0.8	6.4	--	--	--	--	--
Information	1,521	1,521	1,586	0.0	-4.1	--	--	--	--	--
Financial Activities 1	5,470	5,389	5,546	1.5	-1.4	--	--	--	--	--
Professional and Business Services	8,989	8,947	9,048	0.5	-0.7	--	--	--	--	--
Educational and Health Services	22,033	22,535	21,037	-2.2	4.7	--	--	--	--	--
Leisure and Hospitality	9,252	9,100	9,310	1.7	-0.6	--	--	--	--	--
Other Services	4,057	3,975	3,939	2.1	3.0	--	--	--	--	--
Government	14,711	15,621	14,583	-5.8	0.9	10,055	9,642	9,121	4.3	10.2

Employer Survey

Industry	Fargo-Moorhead MSA Jobs Jun 2018	Fargo-Moorhead MSA Jobs May 2018	Fargo-Moorhead MSA Jobs Jun 2017	Fargo-Moorhead MSA % Chg. From May 2018	Fargo-Moorhead MSA % Chg. From Jun 2017	Grand Forks-East Grand Forks MSA Jobs Jun 2018	Grand Forks-East Grand Forks MSA Jobs May 2018	Grand Forks-East Grand Forks MSA Jobs Jun 2017	Grand Forks-East Grand Forks MSA % Chg. From May 2018	Grand Forks-East Grand Forks MSA % Chg. From Jun 2017
TOTAL NONFARM WAGE AND SALARY	**142,712**	**143,403**	**141,827**	**-0.5%**	**0.6%**	**57,164**	**57,111**	**56,546**	**0.1%**	**1.1%**
GOODS-PRODUCING	**20,079**	**19,189**	**19,653**	**4.6**	**2.2**	**7,900**	**7,645**	**7,729**	**3.3**	**2.2**
Mining, Logging, and Construction	10,042	9,344	9,866	7.5	1.8	3,376	3,062	3,410	10.3	-1.0
Manufacturing	10,037	9,845	9,787	2.0	2.6	4,524	4,583	4,319	-1.3	4.8
SERVICE-PROVIDING	**122,633**	**124,214**	**122,174**	**-1.3**	**0.4**	**49,264**	**49,466**	**48,817**	**-0.4**	**0.9**
Trade, Transportation, and Utilities	29,736	30,077	30,124	-1.1	-1.3	11,407	11,539	11,428	-1.1	-0.2
Wholesale Trade	9,061	9,057	9,086	0.0	-0.3	1,817	1,818	1,857	-0.1	-2.2
Retail Trade	14,976	15,297	15,468	-2.1	-3.2	7,356	7,483	7,432	-1.7	-1.0
Transportation, Warehouse, Utilities	5,699	5,723	5,570	-0.4	2.3	2,234	2,238	2,139	-0.2	4.4
Information	3,098	3,041	3,152	1.9	-1.7	554	554	571	0.0	-3.0
Financial Activities	11,411	11,406	11,172	0.0	2.1	1,923	1,918	1,896	0.3	1.4
Professional and Business Services	16,021	15,488	16,227	3.4	-1.3	3,336	3,330	3,179	0.2	4.9
Educational and Health Services	24,557	24,903	23,480	-1.4	4.6	9,856	9,885	9,670	-0.3	1.9
Leisure and Hospitality	13,833	13,769	14,158	0.5	-2.3	6,408	5,997	6,070	6.9	5.6
Other Services	5,508	5,599	5,411	-1.6	1.8	1,987	2,006	1,984	-1.0	0.2
Government	18,469	19,931	18,450	-7.3	0.1	13,793	14,237	14,019	-3.1	-1.6

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2018.

Minnesota Economic Indicators

Highlights

The **Minnesota Index** downshifted a bit in June, advancing 0.3 percent compared to May's 0.5 percent increase, as Minnesota's economy expanded for the 22nd straight month. The index continued to show solid growth fueled by increasing wage and salary employment and climbing real wage and salary disbursements. The index combines Minnesota's nonfarm payroll employment, average hours worked in Manufacturing by production workers, inflation-adjusted wage and salary disbursements, and the unemployment rate to summarize current economic conditions in Minnesota in one single statistic.

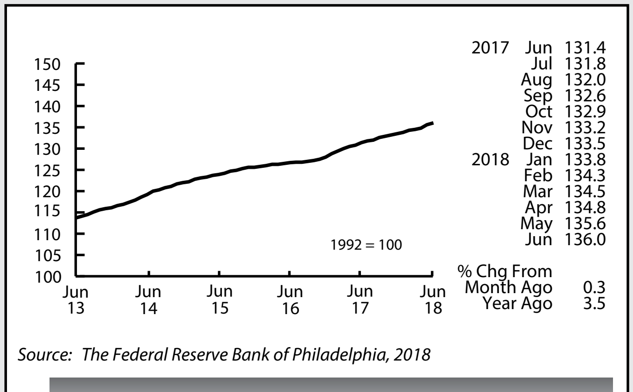
The comparable U.S. index increased 0.1 percent in June. Minnesota's index was up 3.5 percent from a year ago while the U.S. index was 2.8 percent higher over the same period. Minnesota's over-the-year increase has been above the U.S. increase since March 2017.

Minnesota's adjusted **Wage and Salary Employment**, after getting off to a slow start earlier in the year, recorded strong growth for the second month in a row in June. Employers added 6,600 jobs with private sector employers adding 7,600 jobs and public sector employers cutting 1,000 jobs. June hiring was strongest in Leisure and Hospitality, Manufacturing, and Construction. Construction employment increased by 1,500 jobs, reaching its highest level since January 2007, while Manufacturing employment increased for the sixth straight month, expanding to its highest total since December 2008.

Minnesota's unadjusted over-the-year job growth spiked again in June to 1.5 percent, the highest increase since last June. Minnesota's over-the-year job growth, however, remained below the national rate of 1.7 percent in June. Through the first six months of the year Minnesota's unadjusted over-the-year job growth has average 0.9 percent compared to the 1.6 percent for the U.S.

Online Help-Wanted Ads inched down for the third month in a row to 128,000. Job postings slipped 3.2 percent in Minnesota and 3.7 percent across the U.S. The state's unemployed workers to online help-wanted ads ratio in June, as reported by the Conference Board, was 0.74, tied with Colorado for the third lowest ratio behind Hawaii and North Dakota. The national ratio was 1.46 with nine states below 1.0 including three neighboring states – Iowa (0.83), North Dakota (0.66), and Wisconsin (0.94).

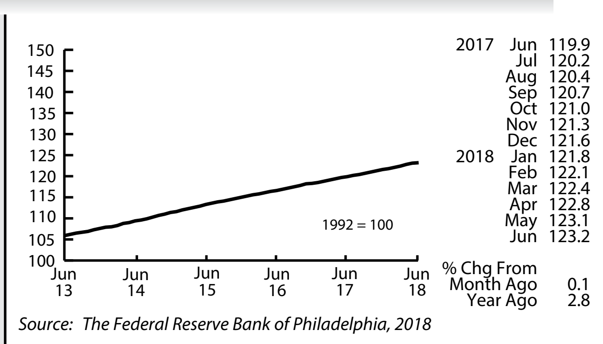
Minnesota's **Purchasing Managers' Index (PMI)** unexpectedly dipped in June, trailing off to 58.8, the lowest reading since February. Minnesota's PMI has averaged 54.1 since first being published in 1994. The Mid-America Business Conditions Index, which includes Minnesota along with eight other states stretching from Arkansas to North Dakota, also retreated in June, slipping to 61.8. The U.S. PMI rose to 60.2 indicating continued expanding Manufacturing strength across most of the nation.



Source: The Federal Reserve Bank of Philadelphia, 2018

Minnesota Index

United States Index



Source: The Federal Reserve Bank of Philadelphia, 2018

Adjusted average weekly **Manufacturing Hours** inched down to 40.8 hours in June. Average factory hours have averaged 40.8 hours over the first half of this year which is down slightly from the 41.0 hours average reported over the first half of 2017. Average weekly **Manufacturing Earnings**, adjusted for inflation and seasonality, tailed off to $872.12 in June. Factory earnings, however, remain higher than a year ago for the 18th month in a row. During that stretch real factory earnings have average 2.1 percent higher than a year ago.

The **Minnesota Leading Index** inched up in June to 2.3, reaching its highest level since April 2017. The leading index predicts the six-month growth rate of the Minnesota Index, which is a proxy for economic activity in the state. The 2.3 reading suggests that Minnesota's economy will continue to grow at a robust pace through the rest of the year.

Adjusted **Residential Building Permits** dipped a tad in June to 2,216. Home-building permits through the first half of 2018 were down 1.5 percent compared to the first half total in 2017. Unadjusted home-building permits during the first half of 2016 were 9,280, 12,150 in 2017, and 11,970 this year. Home-builders have stated that home-building activity would be higher but is being held down by a shortage of construction trade workers.

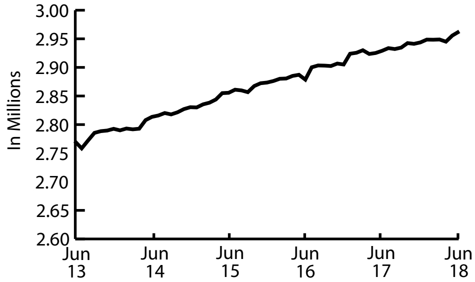
The number of Minnesotans claiming new unemployment benefits rose in June, pushing adjusted **Initial Claims for Unemployment Benefits (UB)** to 15,721, but remained near multi-decade lows. The low initial jobless claims level continues to signal that relatively few Minnesota workers are being laid off or may not be filing claims for unemployment benefits and that the state's job market remains robust. Minnesota's job growth should remain above 1 percent for the rest of the year if employers can find enough workers to fill the high level of job openings that exist.

by Dave Senf

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

2018	Jan	2.9486
	Feb	2.9484
	Mar	2.9488
	Apr	2.9450
	May	2.9557
	Jun	2.9623

% Chg From Month Ago 0.2

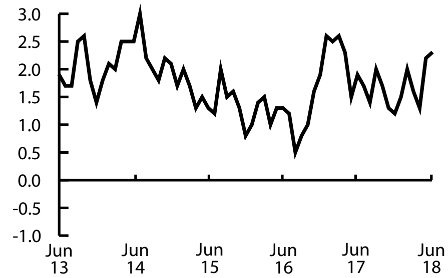
unadjusted

2017	Jun	2.9700
2018	Jun	3.0155

% Chg From Year Ago 1.5

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2018

Minnesota Leading Index

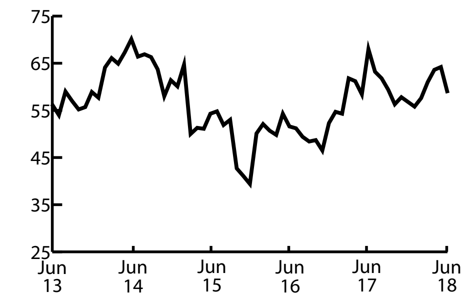


2017	Jun	1.9
	Jul	1.7
	Aug	1.4
	Sep	2.0
	Oct	1.7
	Nov	1.3
	Dec	1.2
2018	Jan	1.5
	Feb	2.0
	Mar	1.6
	Apr	1.3
	May	2.2
	Jun	2.3

% Chg From Month Ago 3.1
Year Ago 22.5

Source: The Federal Reserve Bank of Philadelphia, 2018

Purchasing Managers' Index

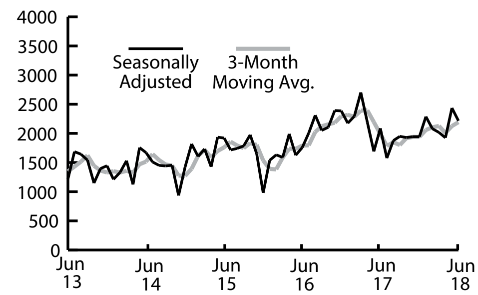


2017	Jun	68.0
	Jul	63.2
	Aug	61.8
	Sep	59.4
	Oct	56.3
	Nov	57.8
	Dec	56.8
2018	Jan	55.8
	Feb	57.6
	Mar	61.0
	Apr	63.6
	May	64.2
	Jun	58.8

% Chg From Month Ago -8.4
Year Ago -13.5

Source: Creighton University, Mid-America Survey of Business Conditions, 2018

Residential Building Permits



seasonally adjusted

2018	Jan	2,288
	Feb	2,080
	Mar	2,017
	Apr	1,925
	May	2,436
	Jun	2,216

% Chg From Month Ago -9.0

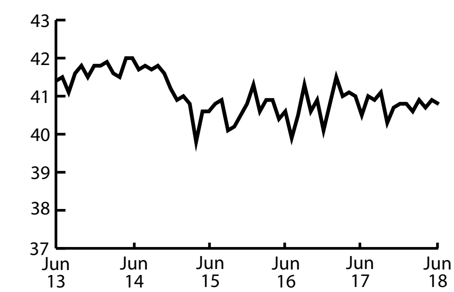
unadjusted

2017	Jun	2,566
2018	Jun	2,621

% Chg From Year Ago 2.1%

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2018

Average Weekly Manufacturing Hours



seasonally adjusted

2018	Jan	40.8
	Feb	40.6
	Mar	40.9
	Apr	40.7
	May	40.9
	Jun	40.8

% Chg From Month Ago -0.2

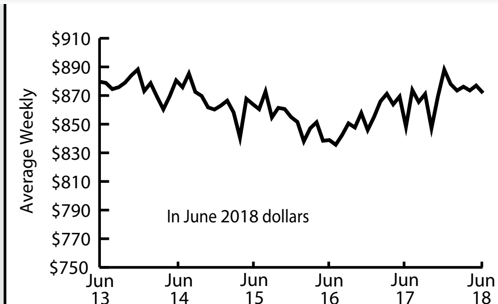
unadjusted

2017	Jun	40.5
2018	Jun	40.7

% Chg From Year Ago 0.5%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2018

Manufacturing Earnings



seasonally adjusted

2018	Jan	877.98
	Feb	873.50
	Mar	876.19
	Apr	873.54
	May	876.97
	Jun	872.12

% Chg From Month Ago -0.6

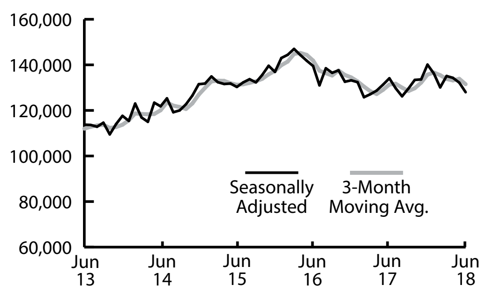
unadjusted

2017	Jun	847.53
2018	Jun	870.17

% Chg From Year Ago 2.7%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2018

Online Help-Wanted Advertising

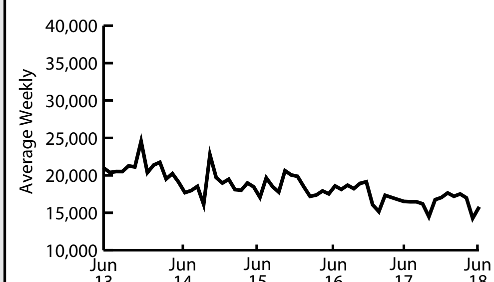


2017	Jun	134,100
	Jul	129,700
	Aug	126,200
	Sep	129,600
	Oct	133,400
	Nov	133,600
	Dec	140,100
2018	Jan	136,200
	Feb	130,100
	Mar	135,100
	Apr	134,300
	May	132,200
	Jun	128,000

% Chg From Month Ago -3.2
Year Ago -4.5

Source: The Conference Board Inc., 2018

Initial UB Claimants



seasonally adjusted

2017	Aug	17,651
	Sep	17,203
	Oct	17,515
	Nov	16,993
	Dec	14,264
2018	Jan	15,721

% Chg From Month Ago 10.2

unadjusted

2017	Jun	15,000
2018	Jun	12,226

% Chg From Year Ago -18.5%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2018

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 :
mn.gov/deed/lmi

Labor Market Information
Help Line:
651.259.7384

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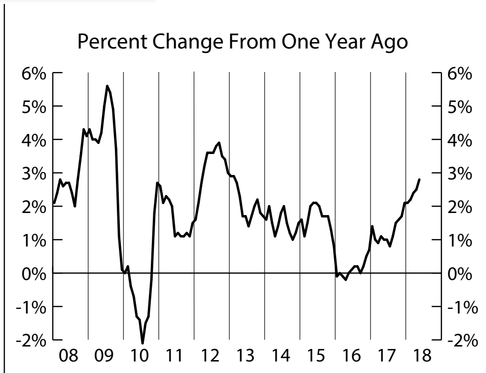
U.S. Consumer Price Index for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent in July on a seasonally adjusted basis after rising 0.1 percent in June the U.S. Bureau of Labor Statistics reported today. The index for shelter rose 0.3 percent in July and accounted for nearly 60 percent of the seasonally adjusted monthly increase in the all items index.



The all items index rose 2.9 percent for the 12 months ending July, the same increase as for the period ending June. The index for all items less food and energy rose 2.4 percent for the 12 months ending July; this was the largest 12-month increase since the period ending September 2008. The food index increased 1.4 percent over the last 12 months, and the energy index rose 12.1 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.

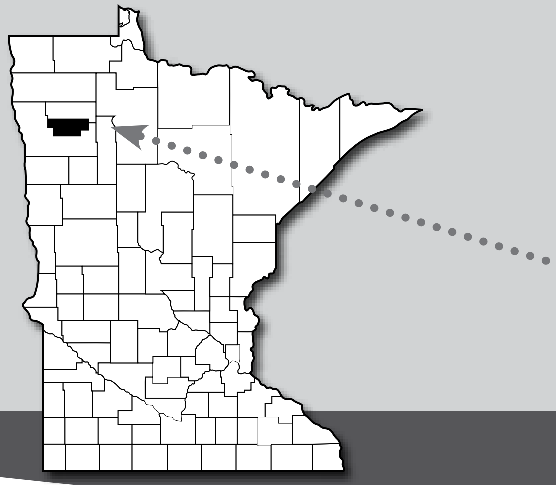
The employment and unemployment data in this publication were produced in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

The Last Word

Growing Minnesota Counties

Minnesota's population has increased by 51,556 people in the last year and has experienced a 5.1 percent growth rate since 2010 with the addition of 272,682 residents, according to the Census Bureau. It's a good sign, because population growth drives economic sustainability, especially in a tight labor market. However, not all areas are growing. See how county populations are changing on the map on page 5 or check out **https://public.tableau.com/profile/magda.olson#!/vizhome/FWSJuly2018PopulationChange/PopChangeDash** for a more detailed view.

EMPLOYMENT AND ECONOMIC DEVELOPMENT



CountySnapshot Red Lake

Past

Although Red Lake County did not take its current form until it separated from Pennington County in 1911, the historical significance of the area dates back much further. In 1863 the Old Crossing Treaty between the U.S. and Red Lake and Pembina bands of Ojibwe opened 11 million acres of land in Northwest Minnesota and eastern North Dakota to eventual settlement. During prohibition Red Lake County was known as a hotbed of illicit moonshining and bootlegging, but the nefarious activity is also credited with lifting the county through the early part of the Great Depression. In 1956 Coya Knutson of Oklee became the first woman from the State of Minnesota to be elected to Congress where she served in the House of Representatives for two terms.

Future

The Red Lake River watershed has been selected as a pilot area to develop One Watershed One Plan. Pilot plans will build on existing efforts, using current local water plans, state and local knowledge, and a systematic, science-based approach to watershed management. The resulting plans will address the largest threats that provide the greatest environmental benefits to each watershed. The pilot program will involve a broad range of stakeholders, including local governments, state agencies, and community members as true partners in the planning process.

Trends

Employment decreased by 14 percent in Red Lake County from 2007 to 2017, although the last year has shown a slight uptick in total jobs. In 2017 the most jobs in Red Lake County were in Educational Services, but jobs in Transportation and Warehousing paid the highest average annual wages last year. Not shown, Healthcare and Manufacturing are also important sectors in the county's economy. Although Red Lake County typically has among the highest unemployment rates in the state, it averaged 6.4 percent unemployment from 2014 – 2017, which was lower than any year before the Great Recession. In addition to notably lower unemployment, the labor force in Red Lake County increased in size since 2014, showing that jobseekers in the county are finding employment.

Economy

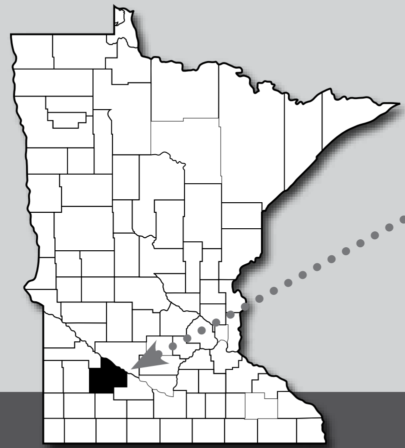
Annual Estimates	Red Lake County	Minnesota
Population	4,030	5,576,606
Labor Force	2,328	3,063,604
Average Unemployment	6.6%	3.6%
Median Household Income	$49,800	$63,217
Cost of Living, Individual	$28,788	$31,656
Cost of Living, Average Family	$46,485	$57,624

Source: 2017 DEED Local Area Unemployment Statistics; 2018 Cost of Living; 2016 American Community Survey

Industry

	Top Industries of Employment	Total 2017 Employment	Percent Change 2007-2017	Average Annual Wages	Percent Change 2007-2017
	Total, All Industries	**1,023**	**-14.2%**	**$35,731**	**22.1%**
1	Educational Services	172	n/a	$36,943	n/a
2	Retail Trade	104	-6.3%	$27,511	34.5%
3	Transportation and Warehousing	91	11.0%	$50,673	21.6%
4	Public Administration	81	-12.0%	$35,701	57.3%

Source: DEED Quarterly Census of Employment and Wages 2006-2015



CountySnapshot Redwood

Past

Redwood County began to take shape in the early 1850s, as steamboat travel made its way up the Minnesota River allowing settlers to export wheat, the first major crop produced in the area. Eventually, the Minnesota River became the county's northern border. The same year Redwood County took its name, factions of the Santee Dakota attacked the Lower Sioux Agency, or Redwood Agency, after the government failed to supply food and supplies promised in their treaty obligations. The incident led to the Dakota War of 1862, one of the most painful events in Minnesota history. In 1886 Richard W. Sears began selling watches out of the North Redwood depot, a business that would eventually become Sears, one of the largest retailers in the world and namesake for the Sears Tower in Chicago, IL.

Future

In 2018 part of Redwood County was designated as eligible for Opportunity Zone funding from the U.S. Department of the Treasury. These funds are meant to spur investment in low-income communities facing long-term economic disparity by bridging public-private partnerships. County and state officials are emphasizing the need for workforce housing in Redwood County, a potential target for funding. The area designated in Redwood County, located just west of Redwood Falls, was one of 128 census tracts recommended by the governor as opportunity zones.

Trends

Overall, employment in Redwood County dropped by over 10 percent the past decade, yet Manufacturing thrived, growing by nearly a third since 2007. This change, coupled with a 28 percent decrease in Healthcare jobs, made Manufacturing the largest industry of employment in Redwood County last year. Despite the overall decrease in jobs, wages in Redwood County increased by over a third since 2007, including growth in each of the top four industries. This led to a median household income of $48,891 in 2016, which exceeds the cost of living for an average family there by over $4,000.

Economy

Annual Estimates	Redwood County	Minnesota
Population	15,272	5,576,606
Labor Force	8,332	3,063,604
Average Unemployment	3.9%	3.6%
Median Household Income	$48,891	$63,217
Cost of Living, Individual	$26,573	$31,656
Cost of Living, Average Family	$44,509	$57,624

Source: 2017 DEED Local Area Unemployment Statistics; 2018 Cost of Living; 2016 American Community Survey

Industry

	Top Industries of Employment	Total 2017 Employment	Percent Change 2007-2017	Average Annual Wages	Percent Change 2007-2017
	Total, All Industries	**6,042**	**-10.8%**	**$36,932**	**33.8%**
1	Manufacturing	1,071	32.5%	$43,269	26.7%
2	Health Care and Social Assistance	909	-27.8%	$33,779	26.5%
3	Retail Trade	706	-4.5%	$24,081	30.9%
4	Public Administration	579	28.4%	$35,216	36.3%

Source: DEED Quarterly Census of Employment and Wages 2006-2015

by Chet Bodin