

July 2025 Employment Analysis

(Embargoed until 9:30 am Thursday, August 14, 2025)

Over-the-Month Job Change Overview

- Minnesota's unemployment rate increased two-tenths of a percentage point to 3.5% in July 2025. Nationally the unemployment rate ticked up one-tenth of a percentage point to 4.2% over the month.
- Minnesota's labor force decreased by 1,729 people over the month to 3,155,587 people. The number of employed decreased by 5,255 workers, and the number of unemployed increased by 3,526 people. The labor force participation rate ticked down one-tenth of a percentage point to 68.1% over the month.
- Minnesota lost 4,400 jobs in the last month on a seasonally adjusted basis, a 0.1% decrease. The private sector lost 500 jobs, translating to 0.0%. The U.S. total nonfarm employment increased by 73,000 jobs, or 0.0%. The U.S. private sector gained 83,000 jobs, which was 0.1% growth.
- Two supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Education and Health Services gained 5,400 jobs, up 0.9%.
 - Construction gained 1,200 jobs, up 0.9%.
- Mining and Logging supersector did not change over the month.
- Eight supersectors lost jobs over the month:
 - Government lost 3,500 jobs, down 1.2%.
 - Professional & Business Services lost 2,300 jobs, down 0.6%.
 - Trade, Transportation and Utilities lost 2,100 jobs, down 0.4%.
 - Other Services lost 1,000 jobs, down 0.9%.
 - Financial Activities lost 600 jobs, down 0.3%.
 - Leisure and Hospitality lost 500 jobs, down 0.2%.
 - Manufacturing lost 400 jobs, down 0.1%.
 - Information lost 200 jobs, down 0.5%.
- Calculating seasonally adjusted 2-month job change:
 - Minnesota gained 4,400 jobs in March-May, up 0.14%; the U.S. grew 0.11%.
 - Minnesota lost 1,700 jobs in April-June, down 0.06%; the U.S. grew 0.02%.
 - Minnesota lost 12,400 jobs in May-July, down 0.41%; the U.S. grew 0.06%.

Over-the-Year Job Change Overview

- Minnesota gained 35,274 payroll jobs, up 1.2%, over the year. The private sector gained 29,222 jobs, up 1.1% over the year. Six supersectors gained jobs, five lost jobs.

- U.S. employment grew 0.9% over the year with the private sector up 1.0%. Eight supersectors gained jobs, three lost jobs.
- Six supersectors posted positive annual growth in Minnesota:
 - Education and Health Services led with 30,441 jobs gained, up 5.2% for Minnesota, while this supersector grew 3.3% across the U.S. In Minnesota, growth was propelled by both the Health Care & Social Assistance subsector (5.2%) and the Educational Services subsector (5.9%).
 - Government gained 6,052 jobs, up 1.5%. Growth was strongest in the State Government subsector (2.5%). The Local Government subsector grew 1.6%, and the Federal Government was down 2.4%. Government supersector grew 0.7% across the U.S.
 - Construction gained 4,698 jobs, up 3.1%. Almost all subsectors grew, led by Heavy and Civil Engineering Construction (12.2%), followed by Construction of Buildings (4.7%), and Specialty Trade Contractors (0.3%). The U.S. Construction supersector grew 1.0%.
 - Trade, Transportation, and Utilities gained 2,209 jobs, or 0.4%. The Transportation, Warehousing, and Utilities subsector led with 3.5% growth, the Retail Trade subsector saw no significant change at 0.0%, and the Wholesale Trade subsector declined 1.4%. Nationally, this supersector grew 0.5%.
 - Manufacturing gained 444 jobs in Minnesota, up 0.1%. Both Non-Durable Goods Manufacturing subsector and Durable Goods Manufacturing subsector grew 0.1% each. The U.S. Manufacturing supersector declined 0.9%.
 - Leisure and Hospitality gained 227 jobs, up 0.1%. The Arts, Entertainment, and Recreation subsector grew 6.3% while the bigger subsector Accommodation and Food Services declined 1.4%. This supersector grew at the rate of 1.2% across the U.S.
- Five supersectors lost jobs over the year in Minnesota:
 - Financial Activities lost 4,475 jobs over the year, down 2.3%. The Finance and Insurance subsector declined 2.7%. Real Estate and Rental Leasing subsector declined 0.9%. Nationally, this supersector grew 1.1%.
 - Other Services lost 2,329 jobs, down 2.0% in Minnesota. All subsectors declined. Nationally, this supersector grew 0.9%.
 - Information lost 1,160 jobs, down 2.6%. The Telecommunications subsector declined 4.7% and the Publishing subsector grew 0.9%. The U.S. Information supersector did not change over the year, 0.0%.
 - Professional & Business Services lost 744 jobs, down 0.2% in Minnesota. The subsector Professional, Scientific, and Technical Services grew 2.1% over the year while other subsectors declined. In the U.S., this supersector declined 0.3%.
 - Mining and Logging lost 89 jobs, down 1.3% in Minnesota. This supersector declined 1.1% on the national level over-the-year.

July 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	35,274	1.2	0.9
Private	29,222	1.1	1.0
Mining & Logging	-89	-1.3	-1.1
Construction	4,698	3.1	1.0
Manufacturing	444	0.1	-0.9
Trade, Transport. & Utilities	2,209	0.4	0.5
Information	-1,160	-2.6	0.0
Financial Activities	-4,475	-2.3	1.1
Prof. & Business Services	-744	-0.2	-0.3
Ed. & Health Services	30,441	5.2	3.3
Leisure & Hospitality	227	0.1	1.2
Other Services	-2,329	-2.0	0.9
Government	6,052	1.5	0.7

Wage and Hour Data

- Average hourly wages for all private sector workers increased 99 cents to \$40.09 in July 2025 over the month. Over the year average hourly earnings increased \$2.44, up 6.5%.
 - For the U.S., private sector wages decreased 4 cents over the month and grew 3.8% over the year.
 - The CPI inflation index for all urban consumers rose 2.7% over the year in July.
- At 33.0 hours per week, Minnesota's July average work week stayed steady over-the-month. Over-the-year it shortened by one-tenth of an hour.
 - Nationally, the average work week decreased four-tenth of an hour to 34.2 hours over-the-month. Over-the-year, it increased one-tenth of an hour.

Unemployment Data

- Over the month, the unemployment rate increased two-tenth of a percentage point to 3.5% on a seasonally adjusted basis. The number of employed decreased by 5,255 workers, and the number of unemployed increased 3,526. The employment to population ratio ticked down one-tenth of a percentage point to 65.8% since the prior month.
- The labor force decreased 1,729 people over the month, totaling 3,155,587 people in July. The labor force participation rate decreased one-tenth of a percentage point to 68.1%. Minnesota's labor force is now 31,718 people more than in February 2020 when the participation rate was at 70%.

- Nationally, the unemployment rate ticked up one-tenth of a percentage point to 4.2% over the month. The employment to population ratio also decreased one-tenth of a percentage point, to 59.6%. The labor force participation rate decreased one-tenth of a percentage point to 62.2%.

Industry Details

Mining and Logging: Employment growth in Mining and Logging was flat over the month (OTM) in July, holding at a seasonally adjusted 6,400 jobs for the third consecutive month. Overall, the supersector has lost 200 jobs so far in 2025. Over the year (OTY), Mining and Logging employers lost 89 jobs, or 1.3%. This was an improvement over June's 1.6% decline. It was the third consecutive month of annual job losses for the supersector.

Construction: Employment in Construction was up by 1,200 jobs (0.9%) OTM in July, after adding 1,600 jobs in June. So far in 2025 employment is up by 2,500 jobs over the end of 2024. On an annual basis, Construction employment was up by 4,698 jobs, or 3.1%, which was better than the national rate of 1%. All three major component sectors added jobs on the year. Heavy and Civil Engineering Construction was up 12.2% (2,859 jobs), Construction of Buildings was up 4.7% (1,560 jobs) and Specialty Trade Contractors were up 0.3% (279 jobs).

Manufacturing: Manufacturing employers lost 400 jobs (0.1%) OTM on a seasonally adjusted basis in July, after losing 2,100 jobs in June. The July decline came entirely among Non-Durable Goods Manufacturers, which shed 500 jobs (0.4%), while their counterparts in Durable Goods Manufacturing added 100 jobs (0.0%). Over the year, employment in Manufacturing was up by 444 jobs, or 0.1%. Durable Goods Manufacturing was up 273 (0.1%) despite a loss of 1,395 jobs (3.1%) in Computer and Electronic Product Manufacturing. Non-Durable Goods Manufacturing was up by 171 (0.1%) due in large part to the addition of 862 jobs (1.6%) in Food Manufacturing. Nationally, Manufacturing employment was down by 0.9%.

Trade, Transportation, and Utilities: Employment in Trade, Transportation and Utilities was down by 2,100 (0.4%) OTM in July. It was the first negative growth since February for the supersector. Retail Trade lost 1,500 jobs (0.5%) and Transportation, Warehousing and Utilities lost 1,000 jobs (0.8%) while Wholesale Trade employers added 400 jobs (0.3%). Over the year, Trade, Transportation and Utilities employers added 2,209 jobs, or 0.4%. The growth came primarily from Transportation, Warehousing and Utilities, which added 3,958 jobs, or 3.5%, with growth in all published component sectors. Retail Trade employers added 90 jobs (0%) while employment in Wholesale Trade was down by 1,839, or 1.4%, with most of that loss coming from Non-Durable Goods Merchant Wholesalers (down 1,482 jobs, or 3.3%).

Information: Employment in Information was down by 200 (0.5%) OTM in July. The supersector has not posted positive seasonally adjusted monthly growth since February, and has lost 600 jobs in total since the end of 2024. On an annual basis, Information employers lost 1,160 jobs (2.6%) on the year. The loss came largely from unpublished components. Telecommunications lost 404 jobs (4.7%) and Publishing Industries added 160 jobs (0.9%). Nationally, employment growth in Information was flat.

Financial Activities: Financial Activities employment was down by 600 (0.4%) OTM in July. It was the sixth consecutive month of seasonally adjusted declines for the supersector, dating back to February. During 2025, employers in Financial Activities lost 3,000 jobs. Over the year, employment in the supersector was down by 4,475 jobs, or 2.3%. This was lower than June's 2% OTY job loss, and their lowest annual growth since 2010, extending even past the pandemic related job losses. Every published component sector of Financial Activities lost jobs on the year. Depository Credit Intermediation was off by 1,760 jobs, or 3.7%.

Professional and Business Services: Employment in Professional and Business Services was down by 2,300 (0.6%) in July, after losing 1,400 jobs in June. The declines came primarily in Administrative and Support and Waste Management and Remediation Services, which shed 2,400 jobs (2%). Management of Companies was down 100 jobs (0.1%) and Professional, Scientific and Technical Services added 200 jobs (0.1%). Over the year, employment in the supersector was down by 744 jobs, or 0.2%. This was better than the national decline of 0.3%. The loss came primarily in Administrative and Support and Waste Management and Remediation, which was down by 4,076 jobs, or 3.3%, with component Employment Services off by 6.6% (2,955 jobs). Professional, Scientific and Technical Services was up 3,583 (2.1%) and Management of Companies and Enterprises down by 251 (0.3%).

Education and Health Services: Education and Health Services employers added 5,400 jobs OTM in July, up 0.9%, after losing 3,100 jobs in June. Both components added jobs, with Educational Services up 2,100 (3%) and Health Care and Social Assistance up 3,300 (0.6%). Over the year, the supersector added 30,441 jobs, or 5.2%. It was the highest proportional growth of any supersector in the state, and outpaced national growth of 3.3%. It was also higher than June's 4.6% growth in Minnesota. Both components posted large proportional gains, with Educational Services up 5.9% (3,682 jobs) and Health Care and Social Assistance up 5.2% (26,759 jobs).

Leisure and Hospitality: Employment in Leisure and Hospitality was down by 500 (0.2%) OTM in July on a seasonally adjusted basis. It was the second consecutive month of declines for the supersector. Accommodation and Food Services lost 900 jobs (0.4%) while Arts, Entertainment and Recreation added 400 jobs (0.8%). On an annual basis, Leisure and Hospitality employers added 227 jobs or 0.1%, after being down by 0.1% OTY in June. Minnesota's July growth was less than the national growth of 1.2%. Arts, Entertainment and Recreation added 3,573 jobs (6.3%) while Accommodation and Food Services lost 3,346 jobs (1.4%). Component Restaurants and Eating Places lost 3,553 jobs, or 2%.

Other Services: Other Services employers shed 1,000 jobs (0.9%) OTM in July. The supersector has posted negative monthly seasonally adjusted growth in four consecutive months. On an annual basis, the supersector lost 2,329 jobs, or 2%, while national employment in the supersector was up by 0.9%. All three component sectors lost jobs in Minnesota. Religious, Grantmaking, Civic, Professional and Similar Organizations shed 1,697 jobs (2.5%). Employment in Personal and Laundry Services was off by 528 jobs (1.9%) and Repair and Maintenance was off by 314 jobs (0.4%).

Government: Employment in Government was down by 3,900 (0.9%) OTM in July. Local Government employers lost 3,500 jobs (1.2%) and State Government employers lost 400 jobs (0.4%).

while Federal Government employment was flat, holding at 32,800 jobs. Over the year, Government employment was up by 6,052 jobs, or 1.5%. This outpaced the national annual growth of 0.7%. Federal employers lost 798 jobs (2.4%), but those losses were overcome by gains at other levels as State Government employers added 2,410 jobs (2.5%) and Local Government employers added 4,440 jobs (1.6%). The Local growth came entirely among non-education employers, which added 7,508 jobs (4.8%) while Local Government Educational Services lost 3,068 jobs (2.6%).

Over-the-Year Job Change by MSAs

July data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	16,093	0.8
Duluth-Superior MN-WI MSA	993	0.8
Rochester MSA	7,622	5.9
St. Cloud MSA	-69	-0.1
Mankato MSA	2,963	5.3
Fargo-Moorhead ND-MN MSA (June)	900	0.6
Grand Forks-East Grand Forks ND- MN MSA (June)	1,600	2.9
La Crosse-Onalaska WI-MN (June)	1,500	1.7

Labor Market Information Office
MN Department of Employment and Economic Development
August 14, 2025