

July 2026 Employment Analysis

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Over-the-Month Job Change Overview

- Minnesota's unemployment rate ticked down one-tenth of a percentage point to 4.3% in July 2026 since last month. Likewise, the U.S. unemployment rate dropped one-tenth of a percentage point to 4.1% over the month.
- Minnesota's labor force decreased by 4,013 people over the month to 3,126,848 people, a rate of 0.1%. The number of employed decreased by 3,179 workers, and the number of unemployed decreased by 857 people. The labor force participation rate ticked down one-tenth of a percentage point to 66.9% over the month. Nationally, labor force decreased by 264,000 people, or 0.0%, and labor force participation rate ticked down one-tenth of a percentage point to 61.4% since the prior month.
- Minnesota lost 1,900 nonfarm jobs over-the-month, on a seasonally adjusted basis, or 0.1%. Minnesota's private sector lost 800 jobs, or 0.0%. The U.S. total nonfarm employment decreased by 23,000 jobs, or 0.0%. The U.S. private sector gained 30,000 jobs, also 0.0%.
- Three supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Professional & Business Services gained 2,400 jobs, or 0.6%
 - Other Services gained 900 jobs, up 0.8%
 - Mining & Logging gained 100 jobs, up 1.5%
- Eight supersectors lost jobs over the month:
 - Financial Activities lost 1,100 jobs, down 0.6%
 - Government lost 1,100 jobs, down 0.3%
 - Construction lost 1,000 jobs, down 0.7%
 - Educational and Health Services lost 900 jobs, down 0.1%
 - Leisure and Hospitality lost 500 jobs, down 1.0%
 - Manufacturing lost 300 jobs, down 0.1%
 - Trade, Transportation and Utilities lost 300 jobs, down 0.1%
 - Information lost 100 jobs, down 0.3%
- Calculating seasonally adjusted 2-month job change:
 - Minnesota gained 28,700 jobs in March-May, up 0.95%; the U.S. grew 0.13%.
 - Minnesota gained 20,000 jobs in April-June, up 0.66%; the U.S. grew 0.05%.
 - Minnesota gained 7,900 jobs in May-July, up 0.26%; the U.S. remained flat at 0.00%.

Over-the-Year (OTY) Employment Growth by Industry Sector

July 2026, Not Seasonally Adjusted

Industry Supersector	MN OTY Job Change	MN OTY Growth Rate (%)	US OTY Growth Rate (%)
Total	44,092	1.5	0.2
Private	38,277	1.5	0.5
Mining & Logging	362	5.7	-0.3
Construction	6,871	4.4	0.7
Manufacturing	7,324	2.3	0.0
Trade, Transport. & Utilities	-797	-0.2	0.0
Information	-1,628	-3.9	-3.3
Financial Activities	-7,062	-3.7	-1.4
Prof. & Business Services	5,405	1.4	0.6
Ed. & Health Services	21,782	3.6	2.0
Leisure & Hospitality	3,490	1.2	0.4
Other Services	2,530	2.1	0.8
Government	5,815	1.4	-1.1

- Minnesota gained 44,092 payroll jobs, up 1.5%, over the year. The private sector gained 38,277 jobs, up 1.5% over the year. Eight supersectors gained jobs and three supersectors lost jobs.
- U.S. employment grew 0.2% over the year with the private sector up 0.5%. Five supersectors gained jobs, four lost jobs, and two did not change.
- Eight supersectors posted positive annual growth in Minnesota:
 - Education and Health Services led with 21,782 jobs gained, up 3.6% for Minnesota. Growth in the very large Health Care & Social Assistance subsector was 2.6%. The much smaller Educational Services subsector grew 12.1%. Across the U.S., the Education and Health Services supersector grew 2.0%.
 - Manufacturing gained 7,324 jobs in Minnesota, up 2.3%. Growth was driven by the bigger Durable Goods Manufacturing subsector, which grew 3.7%. The smaller Non-Durable Goods Manufacturing subsector declined 0.2%. The U.S. Manufacturing supersector did not change over-the-year (0.0%).
 - Construction gained 6,871 jobs, up 4.4% over the year. The largest subsector, Specialty Trade Contractors, grew 4.6%. The subsector Construction of Buildings did not change over-the-year. The smallest subsector, Heavy and Civil Engineering Construction, grew the fastest at 9.5%. The U.S. Construction supersector grew 0.7%.
 - The Government supersector gained 5,815 jobs, or 1.4%. The Local Government subsector, biggest in size, grew 2.2%. The State Government subsector grew 1.1%. The Federal Government subsector, smallest in size, declined 4.4%. Across the U.S., the Government supersector declined 1.1%.

- The Professional and Business Services supersector gained 5,405 jobs in Minnesota over-the-year, or 1.4%. The largest subsector Professional, Scientific, and Technical Services declined 0.3%. The second largest subsector Administrative and Support and Waste Management and Remediation Services grew 4.8%. The smallest subsector Management of Companies and Enterprises did not change. Across the U.S., Professional and Business Services supersector grew 0.6%.
- Leisure and Hospitality gained 3,490 jobs, up 1.2%. The large Accommodation and Food Services subsector declined 0.2%. The smaller Arts, Entertainment, and Recreation subsector grew 6.8%. At the national level, Leisure and Hospitality supersector grew by 0.4%.
- Other Services gained 2,530 jobs, up 2.1% in Minnesota. The largest subsector Religious, Grantmaking, Civic, Professional, and Similar Organizations grew 2.6%. The Personal and Laundry Services subsector grew 1.2%. The Repair and Maintenance subsector grew 1.8%. Nationally, this supersector grew by 0.8%.
- Mining and Logging gained 362 jobs, up 5.7% in Minnesota. This supersector declined 0.3% on the national level over-the-year.
- Three supersectors lost jobs over the year in Minnesota:
 - Financial Activities lost 7,062 jobs over the year, down 3.7%. The bigger Finance and Insurance subsector declined 3.4%. The smaller subsector Real Estate and Rental Leasing declined 4.9%. Nationally, this supersector declined 1.4%.
 - The Information supersector lost 1,628 jobs, down 3.9%. The U.S. Information supersector declined 3.3% over the year.
 - Trade, Transportation, and Utilities lost 797 jobs, down 0.2%. The biggest subsector, Retail Trade, declined 1.0%. The Wholesale Trade subsector declined 0.8%. Transportation, Warehousing, and Utilities subsector declined 0.8% as well. Nationally, this supersector did not change over the year (0.0%).

Wage and Hour Data

- Over the month, average hourly wages for all private sector workers increased 75 cents to \$39.47 in July 2026. Over the year average hourly earnings decreased 36 cents, down 0.9%.
 - For the U.S., private sector wages increased 10 cents over the month and grew 3.1% over the year.
 - The CPI inflation index for all urban consumers was 3.4% over the year in July.
- At 32.7 hours per week, Minnesota's July average work week did not change over-the-month and decreased two-tenths of an hour over-the-year.
 - Nationally, the average work week stayed at 34.3 hours over-the-month. Over-the-year, it increased one-tenth of an hour.

Unemployment Data

- Over the month, Minnesota's unemployment rate ticked down one-tenth of a percentage point to 4.3% on a seasonally adjusted basis. The number of employed decreased by 3,179 workers, and the number of unemployed decreased 857. The employment to population ratio ticked down one-tenth of a percentage point to 64.0% over the month.

- The labor force decreased 4,013 people over the month, totaling 3,126,848 people in July. The labor force participation rate ticked down one-tenth of a percentage point to 66.9%. Minnesota's labor force is now 2,979 people more than in February 2020 when the participation rate was at 70%.
- Nationally, the unemployment rate dropped one-tenth of a percentage point to 4.1% over the month. The employment to population ratio ticked down one-tenth of a percentage point to 58.9%. The labor force participation rate decreased one-tenth of a percentage point to 61.4%.

Industry Details

Mining and Logging: Employment in Mining and Logging was up by 100 jobs, or 1.5%, over the month (OTM) in July, on a seasonally adjusted basis. The supersector has added jobs or held steady in every month so far in 2026, with total employment increasing from 6,300 to 6,600 jobs during that period. On an annual basis, employment in Mining and Logging was up by 362 jobs, or 5.7%. This was slightly down from June's 6.3% annual growth, though it still easily outpaced the national loss of 0.3%. It was also the largest proportional annual growth of any supersector in Minnesota.

Construction: Construction employment was down by 1,000 jobs, or 0.7%, OTM in July on a seasonally adjusted basis. This followed June's loss of 1,600 jobs (1.1%), and was the largest proportional monthly loss of any supersector in the state. Since the end of 2025, the supersector added 6,200 jobs. Over the year, employment in Construction was up by 6,871 jobs, or 4.4%, outpacing the national growth of 0.7% but down from June's 5.3% statewide annual growth. Heavy and Civil Engineering Construction was up by 2,285 jobs (9.6%) and Specialty Trade Contractors added 4,588 jobs, or 4.6%. Employment growth in Construction of Buildings was mostly flat, losing 2 jobs, or 0.0%

Manufacturing: Employment in Manufacturing was off by 300 jobs, or 0.1%, OTM in July. Both component sectors lost jobs over the month. It was the first monthly job loss for the supersector since February. Non-Durable Goods Manufacturing was down by 200 jobs (0.2%), and Durable Goods Manufacturing down by 100 jobs, or 0.0%. Over the year, employment in Manufacturing was up by 7,324 jobs, or 2.3%. Durable Goods Manufacturing drove the growth, adding 7,547 jobs, or 3.7%, with growth in all published component sectors. Fabricated Metal Product Manufacturing added 2,105 jobs, or 4.9%. Non-Durable Goods Manufacturing employers lost 223 jobs, or 0.2%, with component Food Manufacturing shedding 163 jobs, or 0.3%.

Trade, Transportation, and Utilities: Trade, Transportation and Utilities employment was down by 300 jobs (0.1%) on a seasonally adjusted basis in July. The loss was driven by Retail Trade, which shed 1,500 jobs, or 0.5%. Wholesale Trade employers added 600 jobs (0.5%) and Transportation, Warehousing and Utilities added 600 jobs, or 0.5%. On an annual basis, employment in Trade, Transportation and Utilities was down by 797 jobs, or 0.2%. Wholesale Trade added 1,024 jobs (0.8%) and Transportation, Warehousing and Utilities added 883 jobs (0.8%), while Retail Trade employers lost 2,704 jobs, or 1%. Nationally, employment growth in the supersector was flat at 0.0% OTY.

Information: Employment in Information was down by 100 jobs, or 0.3%, OTM in July on a seasonally adjusted basis. It was the second consecutive month of declines for the supersector, which has lost 800 jobs since the end of 2025.

Over the year, employment in Information was down by 1,628 jobs, or 3.9%, which was larger than the national decline of 3.3%, and was the largest proportional annual decline of any supersector in the state, Publishing Industries lost 1,097 jobs, or 6.2%, driving the declines.

Financial Activities: Employment in Financial Activities was down by 1,100 jobs, or 0.6%, OTM in July after holding steady in June. Both component sectors were down by 0.6%, with Finance and Insurance losing 900 jobs and Real Estate and Rental and Leasing losing 200 jobs.

On an annual basis, the supersector shed 7,062 jobs, or 3.7%. Every published component lost jobs on the year. Finance and Insurance was down by 5,276 jobs, or 3.4%, and Real Estate and Rental and Leasing lost 1,786 jobs, or 4.9%. Nationally, employment in Financial Activities was down by 1.6% on the year.

Professional and Business Services: Professional and Business Services employers added 2,400 jobs, or 0.6%, OTM in July, the third consecutive month of seasonally adjusted growth for the supersector. Administrative and Support and Waste Management and Remediation Services added 1,600 jobs (1.3%) and Professional, Scientific and Technical Services added 800 jobs (0.5%), while employment in Management of Companies and Enterprises was flat.

Over the year, employment in Professional and Business Services was up by 5,405 jobs, or 1.4%, outpacing the national growth of 0.6%. Administrative and Support and Waste Management and Remediation Services drove the growth, adding 5,818 jobs, or 4.8%. Management of Companies added 15 jobs (0.0%) and Professional, Scientific and Technical Services employment was down by 428 jobs (0.3%).

Education and Health Services: Education and Health Services employment was off by 900 jobs (0.1%) OTM in July on a seasonally adjusted basis after adding 4,900 jobs in June and 2,800 jobs in May. Both component sectors lost jobs in July, with Educational Services down 200 jobs (0.3%) and Health Care and Social Assistance was down 700 jobs (0.1%).

Over the year, employment in Education and Health Services was up by 21,782 jobs, or 3.6%, outpacing the national growth of 2%. It was the largest real job growth of any supersector in the state. Every published component sector added jobs on the year. Educational Services was up 7,586 jobs, or 12.1%, and Health Care and Social Assistance added 14,196 jobs, or 2.6%.

Leisure and Hospitality: Employment in Leisure and Hospitality was down by 500 jobs, or 0.2%, OTM in July. It was the first seasonally adjusted monthly job loss for the supersector since March. Arts, Entertainment and Recreation lost 300 jobs (0.6%) and Accommodation and Food Services lost 300 jobs (0.6%). On an annual basis, employment in Leisure and Hospitality was up by 3,490 jobs, or 1.2%, outpacing the national growth of 0.4%. This was better than June's 0.8% annual growth. Employment expansion came from the smaller Arts, Entertainment and Recreation sector, which added 3,963 jobs or 6.8%. The larger Accommodation and Food Services sector lost 473 jobs, or 0.2%.

Other Services: Other Services employment was up by 900 jobs, or 0.8%, OTM in July. It was the fourth consecutive month of seasonally adjusted growth for the supersector. Over the year,

employment in Other Services was up by 2,530 jobs, or 2.1%, outpacing the national growth of 0.8%. All three published components added jobs on the year. Religious, Grantmaking, Civic and Professional Organizations added 1,775 jobs (2.6%), Repair and Maintenance added 426 jobs (1.8%) and Personal and Laundry Services added 329 jobs (1.2%).

Government: Employment in Government was down by 1,100 jobs, or 0.3%, OTM in July. State Government lost 800 jobs (0.7%) and Local Government lost 400 jobs (0.1%) while Federal Government added 100 jobs (0.3%). Over the year, employment in Government was up by 5,815 jobs, or 1.4%, while nationally, Government employment was down by 1.1%, Local Government in Minnesota added 6,166 jobs (2.2%), and State Government added 1,090 jobs (1.1%), with both posting gains in both Education and Non-Educational Services components. Federal Government employment lost 1,441 jobs, or 4.4% in Minnesota.

Over-the-Year Job Change by MSAs

July 2026 data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	27,152	1.4
Duluth-Superior MN-WI MSA	-100	-0.1
Rochester MSA	346	0.3
St. Cloud MSA	-537	-0.5
Mankato MSA	2,536	4.5
Fargo-Moorhead ND-MN MSA (June)	0	0.0
Grand Forks-East Grand Forks ND-MN MSA (June)	800	1.5
La Crosse-Onalaska WI-MN (June)	1,000	1.1

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

Employment in the Minneapolis-St. Paul-Bloomington MSA was down by 16,611 jobs, or 0.8%, over the month (OTM) in July, on a not-seasonally-adjusted basis. The decline is in line with previous July job changes, and follows growth of 1.1% in June. Five supersectors added jobs and five lost jobs on the month. The largest real and proportional movement in either direction came in Government employment, which was off by 18,588 jobs, or 7%, due in large part to the loss of 17,933 jobs, or 19.4%, in Local Government Education as school employment decreased for the summer. The next largest real job loss was in Trade, Transportation and Utilities, which was off by 1,488 jobs (0.4%), due entirely to the loss of 2,375 jobs (1.4%) in Retail Trade. The largest real job growth in the area came in Professional and Business Services, which added 2,747 jobs, or 1%, with growth in all published component sectors. The largest proportional job growth was in Other Services, which was up by 1.5%, or 1,211 jobs, with growth in all three published component sectors.

Over the year, employment in the metro area was up by 27,152 jobs, or 1.4%, the same proportional growth as June. Six of ten published supersectors added jobs. The largest proportional growth was in

Mining, Logging and Construction, which added 7,190 jobs or 7.1%, with growth of 13.3% (8,873 jobs) in Specialty Trade Contractors. The largest real job growth was in Education and Health Services, which added 13,802 jobs, or 3.6%, with growth in both major component sectors. The largest real job loss came in Financial Activities, which shed 4,172 jobs, or 2.9%, with declines in every published component. The largest proportional decline was in Information, which was off by 6.7%, losing 1,701 jobs.

Duluth-Superior MSA

Duluth-Superior area employers lost 1,791 unadjusted jobs, or 1.3%, OTM in July. This was line with previous July losses. Six of ten published supersectors shed jobs on the month, with the largest real and proportional job loss coming in Government employment, which was off by 1,805 jobs, or 6.8%. Local Government was down 1,140 jobs (6.4%) and State Government was down by 671 jobs (9.3%). No other supersector was down by more than one percent. Trade, Transportation and Utilities lost 171 jobs, or 0.7%. The largest positive monthly job growth was in Leisure and Hospitality, which added 169 jobs, or 1.1%.

On an annual basis, employers in the Duluth-Superior area lost 100 jobs, or 0.1%. Eight of ten published supersectors lost jobs on the year, with the largest real and proportional decline appearing in Trade, Transportation and Utilities, which shed 950 jobs, or 4%, due in part to the loss of 725 jobs (4.9%) in Retail Trade. Leisure and Hospitality lost 298 jobs (1.9%) on the year. The two supersectors that added jobs on the year were Education and Health Services, which was up by 954 jobs or 3.1%, and Government, which added 762 jobs, or 3.2%. Both State and Local Government employers added jobs, while Federal Government employment was down by 5.2% (78 jobs) on the year.

Rochester MSA

Employment in the Rochester MSA was down by 504 jobs, or 0.4% on the month, after being up 1.9% OTM in June. It was the strongest monthly performance of any MSA primarily in Minnesota. July losses were lead by Government employment, which shed 416 jobs, or 2.9%, with losses coming primarily at the Local Government level (down 419 jobs, or 3.5%). Education and Health Services employers lost 105 jobs, or 0.2%. Four supersectors in the MSA added jobs on the month, but the largest real job growth came in Education and Health Services, which added 37 jobs, or 0.5%. The largest proportional growth was in Other Services, which was up by 0.8%, or 32 jobs.

On an annual basis, employers in the Rochester MSA added 346 jobs, or 0.3%, which was the same rate of growth as in June. July growth was driven by Education and Health Services, which added 572 jobs (1%), and Government, which added 413 jobs, or 3.1%. Every level of Government posted positive annual growth.. The largest real and proportional annual job loss in the MSA was in Leisure and Hospitality, which shed 373 jobs, or 3.1%. Manufacturing employers shed 240 jobs, or 2.6%, and Financial Activities employers lost 103 jobs, or 3.6%.

St. Cloud MSA

Employment in the St. Cloud MSA was down by 1,003 jobs, or 0.9%, OTM in July. The monthly declines were driven primarily by the loss or 1,162 jobs, or 8.1%, in Government employment. Local Government lost 1,020 jobs, or 11.1% and State Government lost 142 jobs, or 5%. The largest real

job growth was in Manufacturing (up 116 jobs, or 0.8%) and the largest proportional growth was in Other Services (up 81 jobs, or 2%).

Over the year, employment in the St. Cloud MSA was down by 537 jobs, or 0.5%, the lowest proportional growth of any MSA in the state. Eight of ten published supersectors lost jobs on the year. Government lost 363 jobs (2.7%), Trade, Transportation and Utilities lost 315 jobs (1.4%) and Financial Activities lost 207 jobs (3.7%). The largest proportional decline was in Information, off by 5.4%, or 61 jobs. The largest real and proportional positive growth was in Education and Health Services, which added 793 jobs, or 3.6%. The only other supersector to post positive growth was Mining, Logging and Construction, which added 47 jobs, or 0.5%.

Mankato MSA

Employment in the Mankato MSA was down by 445 jobs, or 0.8% OTM in July. Public sector employers lost 426 jobs, or 4.3%, and private sector employers lost 19 jobs, or 0.0%. Goods producers added 22 jobs (0.2%), while service providers lost 467 jobs, or 1%.

Over the year, employers in Mankao added 2,536 jobs, or 4.5%. This was the largest proportional growth of any MSA in the state. Private sector employers added 1,513 jobs (3.2%) and public sector employers added 1,023 jobs (12.2%). Goods producers added 624 jobs (6.2%) and service providers added 1,912 jobs (4.1%).

Labor Market Information Office

MN Department of Employment and Economic Development

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