

March 2025 Employment Analysis

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Over-the-Month Overview

- Minnesota's unemployment rate ticked up one-tenth of a percentage point to 3.1% in March 2025. Nationally the unemployment rate also ticked up one-tenth of a percentage point to 4.2% over the month.
- Minnesota's labor force increased by 2,710 people over the month to 3,149,801 people. The number of employed decreased by 504 workers, and the number of unemployed increased by 3,214 people. The labor force participation rate ticked up one-tenth of a percentage point to 68.2% over the month.
- Minnesota gained 10,700 jobs in the last month on a seasonally adjusted basis, or 0.4%. The private sector gained 9,200 jobs, also 0.4%. The U.S. total nonfarm employment increased by 228,000 jobs, or 0.1%. The U.S. private sector gained 209,000 jobs, or 0.2% growth.
- Eight supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Education and Health Services gained 3,600 jobs, up 0.6%
 - Construction gained 1,900 jobs, up 1.4%
 - Manufacturing gained 1,500 jobs, up 0.5%
 - Trade, Transportation and Utilities gained 1,500 jobs, up 0.3%
 - Government gained 1,500 jobs, up 0.3%
 - Leisure and Hospitality gained 800 jobs, up 0.3%
 - Professional & Business Services gained 700 jobs, up 0.2%
 - Mining & Logging gained 100 jobs, up 1.5%
- Information did not change over the month.
- Two supersectors lost jobs over the month:
 - Other Services lost 700 jobs, down 0.6%
 - Financial Activities lost 200 jobs, down 0.1%
- Calculating seasonally adjusted 2-month job change, Minnesota gained 8,500 jobs in November-January, up 0.3%; gained 4,600 jobs in December-February, up 0.2%; and gained 11,500 jobs in January-March, up 0.4%. Nationally, the U.S. grew 0.3% in November-January, 0.1% in December-February, and 0.2% in January-March.

Over-the-Year Job Growth

- Minnesota gained 37,581 payroll jobs, up 1.3%, over the year. The private sector gained 29,579 jobs, up 1.2% over the year.

- Eight supersectors posted positive annual growth in Minnesota:
 - Education and Health Services led with 26,655 jobs gained, up 4.6% for Minnesota, while this supersector grew 3.4% across the U.S. In Minnesota, growth was propelled by the Health Care & Social Assistance subsector (5.3%), while the Educational Services subsector saw slight decline (-0.2%).
 - Government gained 8,002 jobs, up 1.8%. Growth was strongest in the State Government subsector (3.5%). The Local Government subsector grew 1.4%, and the Federal Government saw no change. Government supersector grew 1.3% across the U.S.
 - Professional & Business Services gained 1,829 jobs, up 0.5% in Minnesota. The subsector Professional, Scientific, and Technical Services grew 3.2% over the year while the subsector Management of Companies and Enterprises declined 2.2%, followed by decline in the Administrative and Support and Waste Management and Remediation Services subsector (-1.2%). In the U.S., this supersector declined 0.2%.
 - Construction gained 1,805 jobs, up 1.5%. Subsector growth ranged widely, led by Heavy and Civil Engineering Construction (18.9%), Construction of Buildings (2.8%), while Specialty Trade Contractors declined 1.9%. The U.S. Construction supersector grew 1.8%.
 - Other Services gained 1,398 jobs, up 1.2% in Minnesota. All subsectors saw growth: Repair and Maintenance grew 2.3%; Personal and Laundry Services grew 1.1%; Religious, Grantmaking, Civic, Professional, and Similar Organizations grew 0.9%. Nationally, this supersector grew 1.5%.
 - Trade, Transportation, and Utilities gained 1,158 jobs, up 0.2%. The Transportation, Warehousing, and Utilities subsector grew 0.8%, the Retail Trade subsector grew 0.4%, and the Wholesale Trade subsector declined 0.7%. Nationally, this supersector grew 1.0%.
 - Manufacturing gained 949 jobs in Minnesota, up 0.3%. Non-Durable Goods Manufacturing subsector grew 3.1% while Durable Goods Manufacturing subsector declined 1.2%. The U.S. Manufacturing supersector declined 0.6%.
 - Mining and Logging gained 265 jobs, up 4.3% in Minnesota. This supersector declined 1.9% on the national level over-the-year.

- Three supersectors lost jobs over the year in Minnesota:
 - Financial Activities lost 2,359 jobs over the year, down 1.3%. The Finance and Insurance subsector declined 1.8% while Real Estate and Rental Leasing subsector grew 1.4%. Nationally, this supersector grew 1.0%.
 - Leisure and Hospitality lost 1,760 jobs, down 0.7%. The Arts, Entertainment, and Recreation subsector grew 2.0% while the bigger subsector Accommodation and Food Services declined 1.2%. This supersector grew at the rate of 1.3% across the U.S.
 - Information lost 361 jobs, down 0.8%. The Telecommunications subsector declined 3.6% and the Publishing subsector grew 0.5%. The U.S. Information supersector declined 0.6%.

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

March Over the Year (OTY) Employment Growth by Industry Sector Not Seasonally Adjusted			
Industry Supersector	MN OTY Job Change	MN OTY Growth Rate (%)	US OTY Growth Rate (%)
Total	37,581	1.3	1.2
Private	29,579	1.2	1.2
Mining & Logging	265	4.3	-1.9
Construction	1,805	1.5	1.8
Manufacturing	949	0.3	-0.6
Trade, Transportation & Utilities	1,158	0.2	1.0
Information	-361	-0.8	-0.6
Financial Activities	-2,359	-1.3	1.0
Professional & Business Services	1,829	0.5	-0.2
Education & Health Services	26,655	4.6	3.4
Leisure & Hospitality	-1,760	-0.7	1.3
Other Services	1,398	1.2	1.5
Government	8,002	1.8	1.3

Wage and Hour Data

- Average hourly wages for all private sector workers decreased 63 cents to \$38.25 in March 2025 over the month. Over the year average hourly earnings increased \$1.45, up 3.9%.
 - For the U.S., private sector wages increased one cent over the month and grew 4.5% over the year.
 - The CPI inflation index for all urban consumers rose 2.4% over the year in March.
- At 32.9 hours per week, Minnesota’s March average work week decreased one-tenth of an hour over-the-month. Over-the-year it shortened by three-tenths of an hour.
 - Nationally, the average work week increased two-tenths of an hour to 34.5 hours. Over-the-year, it increased three-tenths of an hour.

Unemployment Data

- Over the month, the unemployment rate ticked up one-tenth of a percentage point to 3.1% on a seasonally adjusted basis. The number of employed decreased by 504 workers, and the number of unemployed increased 3,214. The employment to population ratio remained at 66.1% since the prior month.
- The labor force increased 2,710 people over the month, totaling 3,149,801 people in March. The labor force participation rate ticked up one-tenth of a percentage point to 68.2%. Minnesota’s labor force is now 25,932 people more than in February 2020 when the participation rate was at 70%.

- Nationally, over the month, the unemployment rate ticked up one-tenth of a percentage point to 4.2% and the employment to population ratio remained at 59.9%. The labor force participation increased slightly to 62.5%.

Industry Details

Mining and Logging: Employment in Mining and Logging was up 100 jobs, or 1.5%, over the month (OTM) in March. The growth makes up for the loss of 100 jobs in February, leaving the supersector's employment growth flat in 2025 at 6,600 jobs.

Over the year (OTY), Mining and Logging employers added 265 jobs, or 4.3%, one of the larger proportional growth rates in the state, and larger than February's 4.1% OTY growth. Nationally, employment in the supersector was down by 1.9%.

Construction: Construction employment was up by 1,900 (1.4%) OTM in March on a seasonally adjusted basis. The growth comes after a loss of 1,200 jobs in February, suggesting a later start to the construction season than we had in 2024. On an annual basis, Construction employers added 1,805 jobs, or 1.5%. Heavy and Civil Engineering posted the most growth, adding 2,467 jobs, or 18.9%. Construction of Buildings added 839 jobs (2.8%) and Specialty Trade Contractors lost 1,501 jobs (1.9%) due in large part to the loss of 2,148 jobs (5.5%) in the Building Equipment Contractors component sector.

Manufacturing: Employment in Manufacturing was up by 1,500 (0.5%) OTM in March. Non-Durable Goods Manufacturing drove the growth, up 1,200 or 1%, while their counterparts in Durable Goods Manufacturing contributed 300 jobs (up 0.1%). Over the year, the Manufacturing supersector added 949 jobs (0.3%), better than the national loss of 0.6%. Annual growth came entirely from the Non-Durable Goods component, which added 3,439 jobs (31%) with component Food Manufacturing up 2,570 jobs, or 5.5%. Durable Goods Manufacturers lost 2,490 jobs, or 1.2% OTY, with losses spread among most component sectors.

Trade, Transportation, and Utilities: Trade, Transportation and Utilities employment was up 1,500 (0.3%) OTM in March. Wholesale Trade and Retail Trade both added 800 jobs (up 0.6% and 0.3%, respectively) while Trade, Transportation and Utilities employment was off by 100 jobs (0.1%). It was the first month of positive growth in the supersector in 2025. Over the year, employment in Trade, Transportation and Utilities was up by 1,158 jobs (0.2%), lower than the national growth of 1%. Retail Trade added 1,180 jobs (0.4%), and Transportation, Warehousing and Utilities added 872 jobs (0.8%), while the Wholesale Trade sector lost 894 jobs, or 0.7%.

Information: Employment growth in Information was flat OTM in March, with the supersector holding at 43,400 jobs. Information employers have added 300 jobs so far in 2025. On an annual basis, the supersector lost 361 jobs, or 0.8%. This was an improvement over February's -1.7% OTY growth, but was slightly worse than the national rate of -0.6%. Publishing added 90 jobs (0.5%) while Telecommunications lost 308 jobs (3.6%). Not all component sectors in Information are published at the state level.

Financial Activities: Financial Activities employers shed 200 jobs (0.1%) OTM in March. The losses came in Finance and Insurance, which lost 300 jobs (0.2%) while Real Estate and Rental and

Leasing added 100 jobs (0.3%). Over the year, Financial Activities employers lost 2,359 jobs, or 1.3%. It was the largest real and proportional decline of any supersector in the state, and worse than the national rate of 1% annual growth. Finance and Insurance was off by 2,839 jobs, or 1.8%, while Real Estate and Rental and Leasing employment was up by 480, or 1.4%.

Professional and Business Services: Employment in Professional and Business Services was up by 700 (0.2%) OTM in March. The supersector has added jobs in every month of 2025 so far, with a total of 4,600 jobs added in the first quarter of the year. The monthly growth came entirely in Professional, Scientific and Technical Services, which was up 1,100 jobs (0.6%) as the other two component sectors lost jobs on the month. Over the year, Professional and Business Services employment was up by 1,829 jobs, or 0.5%. It marked the first month of OTY growth for the supersector since June of 2023.

Education and Health Services: Education and Health Services employment was up by 3,600 jobs, or 0.6%, OTM in March on a seasonally adjusted basis. The growth came entirely from Health Care and Social Assistance (up 3,900, or 0.7%) as the Educational Services component sector lost 300 jobs (0.4%). Over the year, the supersector added 26,655 jobs, or 4.6%. This was the largest real and proportional annual growth of any supersector in the state, and outpaced the national growth of 3.4%. Educational Services lost 179 jobs (0.2%) but this loss was more than balanced by the gain of 26,834 jobs, or 5.3%, in Health Care and Social Assistance. Every component sector in Health Care and Social Assistance added jobs on the year.

Leisure and Hospitality: Employment in Leisure and Hospitality was up by 800 (0.3%), the first month of positive growth for the supersector in 2025. Arts, Entertainment and Recreation and Accommodation and Food Services each added 400 jobs on the month, up 0.3% and 0.8%, respectively. On an annual basis, employment in the supersector was down by 1,760, or 0.7%. After posting nearly four years of unbroken OTY growth in the post-COVID recovery, the supersector has now lost jobs in two consecutive months. Accommodation and Food Services lost 2,635 jobs (1.2%) while Arts, Entertainment and Recreation added 875 jobs (2%).

Other Services: Other Services employers shed 700 jobs (0.6%) OTM in March on a seasonally adjusted basis. The loss came after two consecutive months of positive growth for the supersector. On an annual basis, Other Services employment was up by 1,398 (1.2%), slightly lower than then national growth of 1.5%. Repair and Maintenance added 539 jobs (2.3%), Religious, Grantmaking, Civic and Professional Organizations added 565 jobs (0.9%) and Personal and Laundry Services added 294 jobs (1.1%).

Government: Government employment was up 1,500 (0.3%) OTM in March. Local level employers added 1,300 jobs (0.4%), State employers added 200 jobs (0.2%) and Federal employment held steady at 33,600 jobs. Over the year, Government employers in Minnesota added 8,002 jobs, or 1.8%. This outpaced national growth of 1.3%. State Government employment was up 3,772 (3.5%), Local Government was up 4,239 (1.4%) and Federal Government employment was down 9 (0.0%). Broadly speaking, non-education employment growth outpaced education related employment growth in the supersector.

Over-the-Year Job Growth by MSAs

March data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	12,336	0.6
Duluth-Superior MN-WI MSA	-462	-0.3
Rochester MSA	5,790	4.7
St. Cloud MSA	518	0.5
Mankato MSA	-494	-0.8
Fargo-Moorhead ND-MN MSA (February)	-0.3	-0.2
Grand Forks-East Grand Forks ND-MN MSA (February)	1,600	2.9
La Crosse-Onalaska WI-MN (February)	1,200	1.4

Labor Market Information Office
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