

May 2024 Employment Analysis

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Over-the-Month Overview

- The unemployment rate ticked up to 2.8% in May 2024, one-tenth of a percentage point higher than last month. The labor force decreased by 1,482 people over the month to 3,099,934 people. The number of employed decreased by 3,199 workers, and the number of unemployed increased by 1,717 people. The labor force participation rate stayed at 68.0% as the prior month.
- Minnesota lost 8,600 jobs in the last month on a seasonally adjusted basis, translating to 0.3% decline. The private sector lost 9,800 jobs, down 0.4%. The U.S. total nonfarm employment increased by 272,000 jobs, or 0.2%. The U.S. private sector gained 229,000 jobs, also up 0.2%.
- Seven supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
 - Education and Health Services gained 2,800 jobs, up 0.5%
 - Government gained 1,200 jobs, up 0.3%
 - Leisure and Hospitality gained 900 jobs, up 0.3%
 - Financial Activities gained 800 jobs, up 0.4%
 - Other Services gained 200 jobs, up 0.2%
 - Construction gained 100 jobs, up 0.1%
 - Information gained 100, up 0.2%
- Four supersectors lost jobs over the month:
 - Professional & Business Services lost 9,300 jobs, down 2.5%
 - Manufacturing lost 3,700 jobs, down 1.1%
 - Trade, Transportation and Utilities lost 1,600 jobs, down 0.3%
 - Mining & Logging lost 100 jobs, down 1.5%
- Minnesota lost 414,500 jobs from February through April 2020 and has since recovered 437,500 jobs as of May 2024, which brings Minnesota to 100.8% of the number of jobs prior to the Pandemic Recession on a seasonally adjusted basis. The private sector lost 384,100 jobs from February through April 2020 and has regained 396,600 jobs as of May, or 100.5% recovered.
- Calculating seasonally adjusted 2-month job change, Minnesota gained 11,900 jobs in January-March, up 0.4%; gained 12,800 jobs in February-April, up 0.4%; and lost 3,900 jobs in March-May, down 0.1%. Nationally, the U.S. grew 0.3% in each of those three periods.

Over-the-Year Job Growth

- Minnesota gained 34,950 payroll jobs, up 1.2%, over the year. The private sector gained 12,079 jobs, up 0.5% over the year.
- Five supersectors posted positive annual growth in Minnesota:

- Education and Health Services gained 31,270 jobs, up 5.6% for Minnesota. Growth was propelled mostly by the Healthcare and Social Assistance sector (6.1%), as well as the Educational Services sector (1.7%). Minnesota outpaced U.S. growth in this supersector, which grew 4.2%.
- Government gained 22,871 jobs, up 5.4%, outpacing the U.S. growth rate of 2.8%. Growth was healthy across all subsectors.
- Leisure and Hospitality gained 7,161 jobs, up 2.6%, as all subsectors grew. Nationally, this supersector grew at a similar rate at 2.5%.
- Other Services gained 3,033 jobs, up 2.7%, outpacing the national rate of 1.7%. All subsectors posted growth for Minnesota.
- Mining and Logging gained 22 jobs, up 0.3% in Minnesota, while the U.S. declined 1.1% in this supersector.
- Six supersectors lost jobs over the year in Minnesota:
 - Professional & Business Services lost 16,308 jobs, down 4.2%, while the U.S. grew 0.5%. The majority of sectors saw decline, the biggest percentage decline was in Employment Services (-12.3%). The only two subsectors that experienced growth were Architectural, Engineering, and Related Services (3.2%) and Accounting, Tax Preparation, Bookkeeping, and Payroll Services (1.7%).
 - Manufacturing lost 4,517 jobs, down 1.4%, while the U.S. grew 0.2%. Most subsectors experienced decline in Minnesota.
 - Financial Activities lost 4,386 jobs over the year, down 2.3%, while the U.S. grew 0.4%. Losses happened in all subsectors for Minnesota.
 - Information lost 2,203 jobs, down 4.9%. All subsectors saw decline in Minnesota. The U.S. also experienced decline in this supersector, down 1.4%.
 - Construction lost 1,234 jobs, down 0.9%. All subsectors experienced loss except Heavy and Civil Engineering Construction (up 3.2%). The U.S. Construction supersector grew 3.2%.
 - Trade, Transportation, and Utilities lost 759 jobs, down 0.1%. Retail Trade grew slightly at 0.5%, Wholesale Trade experienced no change, and Transportation, Warehousing, and Utilities declined 2.0%. Nationally, this supersector grew 0.7%.
- Overall U.S. employment grew 1.8% over the year with the private sector up 1.6%. All supersectors grew except Information & Mining and Logging.

May 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	34,950	1.2	1.8
Private	12,079	0.5	1.6
Mining & Logging	22	0.3	-1.1
Construction	-1,234	-0.9	3.2
Manufacturing	-4,517	-1.4	0.2
Trade, Transportation & Utilities	-759	-0.1	0.7
Information	-2,203	-4.9	-1.4
Financial Activities	-4,386	-2.3	0.4

Professional & Business Services	-16,308	-4.2	0.5
Education & Health Services	31,270	5.6	4.2
Leisure & Hospitality	7,161	2.6	2.5
Other Services	3,033	2.7	1.7
Government	22,871	5.4	2.8

Wage and Hour Data

- Average hourly wages for all private sector workers increased 14 cents to \$37.12 in May 2024 over the month. Over the year average hourly earnings increased \$1.92, up 5.5%.
 - For the U.S., private sector wages decreased 4 cents over the month and grew 4.0% over the year.
 - The CPI inflation index for all urban consumers rose 3.3% over the year in May.
- At 33.3 hours per week, Minnesota’s May average work week increased one-tenth of an hour over the month. Over-the-year it decreased by half an hour.
 - Nationally, the average work week increased by one-tenth of an hour over the month to 34.2 hours. Over-the-year, it stayed constant.

Unemployment Data

- Over the month, the unemployment rate ticked up one-tenth of a percentage point to 2.8% in May on a seasonally adjusted basis. The number of employed decreased by 3,199 workers, and the number of unemployed increased 1,717. The employment to population ratio ticked down two-tenths of a percentage point to 66.0% from the prior month.
- The labor force decreased 1,482 people over the month, totaling 3,099,934 people in May. The labor force participation rate stayed at 68%. Minnesota’s labor force was 31,634 people fewer 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 4.0% and the employment to population ratio ticked down one-tenth of a percentage point to 60.1%. The labor force participation rate fell two-tenths of a percentage point to 62.5% over the month.

Industry Details

Mining and Logging: Employment in Mining and Logging was off by 100 (1.5%) over the month (OTM) in May, on a seasonally adjusted basis. Employment has declined or remained flat in every month of 2024 so far and is down to 6,500 after starting the year at 6,900. Over the year, employers in Mining and Logging added 22 jobs (0.3%). This was down from April when annual growth was at 2.9% and has declined in every month of 2024.

Construction: Construction employers added 100 jobs (0.1%) OTM in May. This marked three consecutive months of seasonally adjusted growth for the supersector. On an annual basis, employment in Construction was down by 1,234 (0.9%), after jumping briefly into positive OTY growth in April. Heavy and Civil Engineering Construction was the only component sector to add jobs on the year, up 665, or 3.2%. Specialty Trade Contractors lost 1,697 jobs (1.9%) and Construction of Buildings was off by 202 (0.7%).

Manufacturing: Employment in Manufacturing was down by 3,700 (1.1%) OTM in May, after adding 1,100 jobs in April. Both component sectors lost jobs on the month, with Durable Goods off by 2,200 (1.1%) and Non-Durable Goods off by 1,500 (1.3%). Over the year, Manufacturing employers lost 4,517 jobs, or 1.4%. Durable Goods manufacturers lost 3,652 jobs (1.7%), with Machinery Manufacturing down 705 (1.9%). Their counterparts in Non-Durable Goods manufacturing lost 865 (0.8%) despite the addition of 944 jobs (2%) in Food Manufacturing.

Trade, Transportation, and Utilities: Trade, Transportation and Utilities employment was down by 1,600 (0.3%) OTM in May, with losses in all three component sectors. Wholesale Trade was down 600 (0.4%), Retail Trade was down 200 (0.1%) and Transportation, Warehousing and Utilities was down 800 (0.7%). Employment in the supersector has been down or flat in each of the last four months. Over the year, Trade, Transportation and Utilities employment was off by 759 (0.1%). Retail Trade added 1,466 jobs (0.5%) and Wholesale was up 62 (0.0%), but Transportation, Warehousing and Utilities was down by 2,287 (2%). Utilities employment was up (348, or 2.7%) but Transportation and Warehousing employers lost 2,635 jobs (2.6%).

Information: Employment in Information was up by 100 (0.2%) OTM in May after losing jobs in each of the last two months. Over the year, Information employers lost 2,203 jobs, or 4.9%. This was the largest proportional annual job loss of any supersector in the state. Both published component sectors lost jobs, with Publishing down 657 (3.4%) and Telecommunications down 351 (3.9%).

Financial Activities: Financial Activities employers added 800 jobs (0.4%) OTM in May. Both component sectors added 400 jobs, with Finance and Insurance up 0.3% and Real Estate and Rental and Leasing up 1.1%. On an annual basis, the supersector lost 4,386 jobs, or 2.3%. This was an improvement over April's 2.5% OTY loss, and the lowest decline the supersector has had in 2024. Finance and Insurance lost 4,257 jobs (2.7%), while Real Estate and Rental and Leasing lost 129 jobs (0.4%).

Professional and Business Services: Employment in Professional and Business Services was down by 9,300 (2.5%) OTM in May. This was the largest real and proportional decline of any supersector in the state. Administrative and Support and Waste Management and Remediation Services drove the declines, losing 8,100 jobs or 6.4%. Professional, Scientific and Technical Services was down 1,400 (0.8%) while Management of Companies was up by 200 (0.2%). Over the year, the supersector lost 16,308 jobs, or 4.2%. All three component sectors posted negative growth, with the largest real and proportional declines coming in Administrative and Support and Waste Management and Remediation Services, which was down 10,000 or 7.8%. Component Employment Services lost 7,077 jobs, or 12.3%, which was a slight improvement over April.

Education and Health Services: Education and Health Services employers added 2,800 jobs (0.5%) OTM in May, the largest real and proportional monthly growth of any supersector in the state. The supersector has added jobs in every month of 2024, and has not posted negative monthly growth since June of 2022. Health Care and Social Assistance was up 2,500 (0.5%) in May, and Educational Services was up 300 (0.4%). Over the year, employment in the supersector was up by 31,270 jobs, or 5.6%, the largest real and proportional annual growth in the state. Most of the May

growth came in Health Care and Social Assistance, which was up 30,009 (6.1%). Educational Services added 1,261 jobs, or 1.7%.

Leisure and Hospitality: Employment in Leisure and Hospitality was up 900 (0.3%) OTM in May, the third consecutive month of growth for the supersector. Arts, Entertainment and Recreation added 800 jobs (1.7%) and Accommodation and Food Services added 100 jobs (0.0%). On an annual basis, Leisure and Hospitality employers added 7,161 (2.6%), which was down from April’s 3.4% OTY growth. Accommodation and Food Services was up 6,550 (2.9%) while Arts, Entertainment and Recreation was up 611 (1.2%).

Other Services: Other Services employers added 200 jobs (0.2%) OTM in May, after losing 700 jobs in April. So far in 2024, the supersector has added 400 seasonally adjusted jobs. Over the year, Other Services added 3,033 jobs (2.7%), with all three component sectors posting positive growth. Personal and Laundry Services and Religious, Grantmaking, Civic and Professional Organizations were both up 2.9% (790 and 1,828 jobs, respectively), while Repair and Maintenance employers added 415 jobs (1.7%).

Government: Government employers added 1,200 jobs (0.3%) OTM in May, and has posted positive growth in four of five months of 2024 so far. Local Government employers added 1,800 jobs (0.6%), and Federal employers added 100 (0.3%), while State Government employers lost 700 jobs (0.7%). Over the year, Government employers added 22,871 jobs, or 5.4%. This was an improvement over April’s 5% OTY growth. All three levels of Government added jobs in May. Federal employment was up 801 (2.5%), State was up 3,764 (3.7%) and Local was up 18,306 (6.3%).

Over-the-Year Job Growth by MSAs

May data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	12,418	0.6
Duluth-Superior MN-WI MSA	-604	-0.5
Rochester MSA	4,707	3.8
St. Cloud MSA	569	0.5
Mankato MSA	485	0.8
Fargo-Moorhead ND-MN MSA (April)	3,200	2.1
Grand Forks-East Grand Forks ND-MN MSA (April)	1,500	2.8
La Crosse-Onalaska WI-MN (April)	1,700	2.2

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