NORTHWEST MINNESOTA

ECONOMIC DEVELOPMENT REGIONS 1, 2, 4, 5

Covering the following counties:

Becker, Beltrami, Cass, Clay, Clearwater, Crow Wing, Douglas, Grant, Hubbard, Kittson, Lake of the Woods, Mahnomen, Marshall, Morrison, Norman, Otter Tail, Pennington, Polk, Pope, Red Lake, Roseau, Stevens, Todd, Traverse, Wadena, and Wilkin

2025 REGIONAL PROFILE

Updated October 2025

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DEMOGRAPHICS

POPULATION CHANGE

Northwest Minnesota is a mostly rural, 26-county region located in the central and northwest areas of the state, bordering North Dakota and Canada. Covering four Economic Development Regions (EDRs), Northwest is the third largest of the six planning regions in the state, accounting for 10.1% of the state's total population. The area population increased by about 8,300 residents from 2020 to 2024, a 1.4% increase, compared to a 1.5% rise statewide.

Sixteen of the 26 counties in the Northwest planning region have grown in population so far this decade, while the other 10 declined. Notably, seven of the 11 counties in the region with less than 10,000 residents declined in population from 2020 to 2024. In contrast, the larger counties in the region generally had more population growth. As part of the fast-growing Fargo-Moorhead Metropolitan Statistical Area, Clay County added 1,530 new residents, a 2.3% increase, making it the 24th fastest growing county in the state (of 87). Crow Wing County, the largest county in the region with 68,642 people in 2024, was the 15th largest in the state. Eight of the nine counties in the region with more than 30,000 residents saw population growth (see Table 1).

Table 1. Population Change 2020-2024

	2020 Population	2024 Estimates	*2020-2024 Change* Number	Percent
Northwest Minnesota	**575,441**	**583,724**	***+8,283***	***+1.4%***
Region 1	**84,138**	**82,259**	***-1,879***	***-2.2%***
Kittson Co.	4,207	3,992	*-215*	*-5.1%*
Marshall Co.	9,040	8,771	*-269*	*-3.0%*
Norman Co.	6,441	6,284	*-157*	*-2.4%*
Pennington Co.	13,992	13,652	*-340*	*-2.4%*
Polk Co.	31,192	30,413	*-779*	*-2.5%*
Red Lake Co.	3,935	3,882	*-53*	*-1.3%*
Roseau Co.	15,331	15,265	*-66*	*-0.4%*
Region 2	**85,270**	**86,535**	***+1,265***	***+1.5%***
Beltrami Co.	46,228	46,762	*+534*	*+1.2%*
Clearwater Co.	8,524	8,630	*+106*	*+1.2%*
Hubbard Co.	21,344	22,050	*+706*	*+3.3%*
Lake of the Woods Co.	3,763	3,797	*+34*	*+0.9%*
Mahnomen Co.	5,411	5,296	*-115*	*-2.1%*
Region 4	**236,507**	**239,934**	***+3,427***	***+1.4%***
Becker Co.	35,183	35,444	*+261*	*+0.7%*
Clay Co.	65,318	66,848	*+1,530*	*+2.3%*
Douglas Co.	39,006	39,933	*+927*	*+2.4%*
Grant Co.	6,074	6,109	*+35*	*+0.6%*
Otter Tail Co.	60,081	60,884	*+803*	*+1.3%*
Pope Co.	11,308	11,495	*+187*	*+1.7%*
Stevens Co.	9,671	9,819	*+148*	*+1.5%*
Traverse Co.	3,360	3,134	*-226*	*-6.7%*
Wilkin Co.	6,506	6,268	*-238*	*-3.7%*
Region 5	**169,526**	**174,996**	***+5,470***	***+3.2%***
Cass Co.	30,066	31,442	*+1,376*	*+4.6%*
Crow Wing Co.	66,123	68,642	*+2,519*	*+3.8%*
Morrison Co.	34,010	34,520	*+510*	*+1.5%*
Todd Co.	25,262	25,955	*+693*	*+2.7%*
Wadena Co.	14,065	14,437	*+372*	*+2.6%*
State of Minnesota	**5,706,494**	**5,793,151**	***+86,657***	***+1.5%***

Source: U.S. Census Bureau, Population Estimates

COMPONENTS OF POPULATION CHANGE

Northwest Minnesota's population increase from 2020 to 2024 was driven by net migration of more than 11,300 new residents – more people moving in than moving out. This handily overcame the natural decrease – more deaths than births. The bulk of the net migration was from other places in the state or the U.S., with the remaining net gain was from international migration. Population change differed from the state overall, which had a positive natural increase and rapid international in-migration, but negative net domestic migration (Table 2).

Table 2. Estimates of the Components of Population Change, 2020-2024

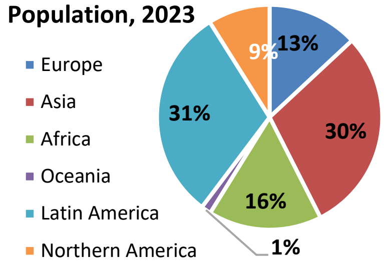
			Vital Events		Net Migration		
	Total Change	*Natural Increase*	Births	Deaths	*Total*	*Inter-national*	*Domestic*
Northwest	+8,256	-3,087	+25,529	-28,616	+11,305	+2,730	+8,575
Minnesota	+86,459	+51,570	+268,689	-217,119	+33,161	+81,091	-47,930

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

In total, the Northwest has just under 13,000 foreign-born residents, or 2.2% of the total population. That was significantly lower than the state, where 8.6% of the population is foreign-born. The largest number of immigrants in the region came from Latin America, Asia, Africa, Europe, and Canada (Figure 1).

The number of immigrants rose by 21.6% from 2013 to 2023, slower than statewide at 24.7%. Based on year of entry, the region's foreign-born population was "newer," with 40% of immigrants entering the U.S. since 2010, compared to 35% statewide. Foreign-born residents are younger, with 56.9% between 25 and 54 years of age, compared to 33.3% of the total Northwest population. While an identical percentage (26.8%) of foreign-born residents had a bachelor's degree or higher compared to native-born residents, immigrants were much more likely to have less than a high school education (22.2% vs. 6.3%).

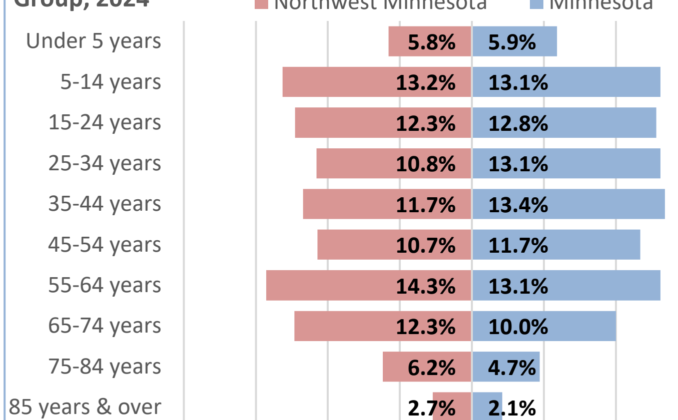
Figure 2. Northwest Minnesota Place of Birth for the Foreign Born Population, 2023



POPULATION BY AGE GROUP

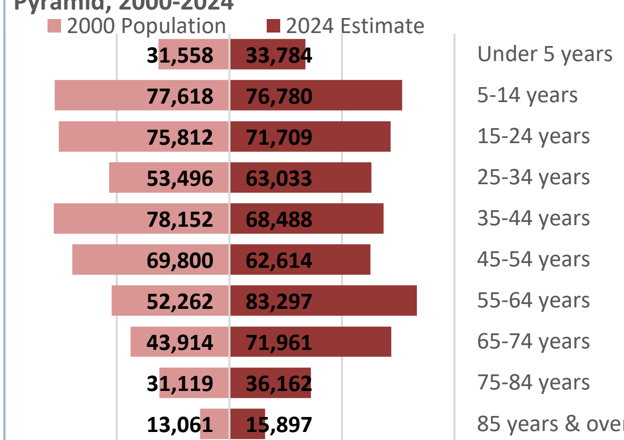
Northwest Minnesota has an older population than the state, with over one-third (35.5%) of the population 55 or older, compared to 29.9% statewide. In contrast, the region had a smaller percentage of people in the 25 to 54 age group - typically considered the "prime working years." A large portion of Northwest's population is a part of the Baby Boom generation. While the number of residents under 25 years of age steadied, the number of people aged 55 years and over increased by nearly 67,000 between 2000 and 2024 (Figure 2 and Figure 3).

Figure 2. Percentage of Population by Age Group, 2024



Source: 2019-2023 American Community Survey, 2024 Population Estimates

Figure 3. Northwest Minnesota Population Pyramid, 2000-2024



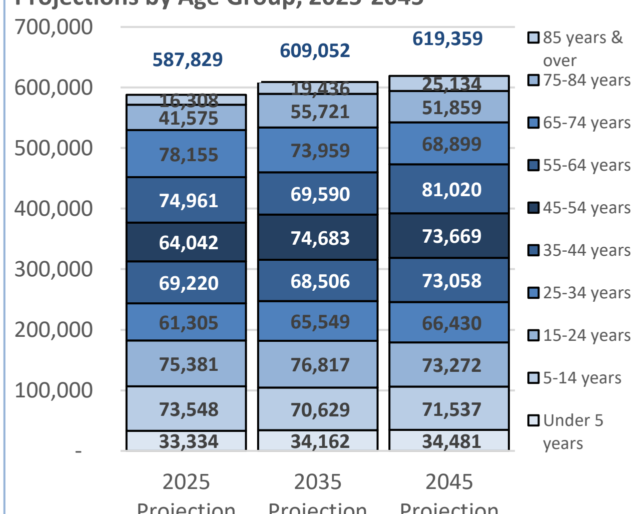
Source: 2024 Population Estimates

POPULATION PROJECTIONS BY AGE GROUP

Population projections from the [Minnesota State Demographic Center] show that the Northwest is expected to gain over 31,500 net new residents from 2025 to 2045, a 5.4% increase (Figure 4). In comparison, the state of Minnesota is projected to grow 5.5%, with the fastest growth expected to occur in the Twin Cities metro area.

The Northwest's fastest growth is expected in ages 75 and older, reflecting the aging of the large Baby Boomer cohort. The next-largest Millennial cohort will swell the age 45 to 54 group. Net outmigration of young adults is projected to continue. Note that there are 75,381 people aged 15 to 24 in 2025, but 65,549 aged 25-34 projected in 2035. The under-25 groups are expected to decline slightly through the two decades.

Figure 4. Northwest Minnesota Population Projections by Age Group, 2025-2045



Source: Minnesota State Demographic Center

POPULATION BY RACE

The population in Northwest Minnesota is less racially diverse than the state overall, but is becoming more diverse over time. About 88% of the region's residents are white, compared to 78.4% of residents statewide. At 3.3%, Northwest had the highest concentration of American Indian and Alaska Natives of the 6 planning regions in Minnesota. Besides white alone and American Indian, the Northwest had a much smaller share of every other racial group than statewide, as well as a smaller share reporting Hispanic or Latino origin.

From 2013 to 2023, the share of white residents saw a small decline, due to aging and better reporting. Every other racial and ethnic group besides American Indian grew rapidly. People of some other race and two or more races doubled, and the number of Black or African American residents increased 84.5%. In all three cases, and for Hispanics or Latinos, the region's population grew more rapidly than statewide (Table 3).

Table 3. Race and Hispanic Origin, 2023	Northwest Minnesota				Minnesota	
	Number	Percent	*Change from 2013-2023*		Percent	*Change from 2013-2023*
Total	**578,252**	**100.0%**	***+23,016***	***+4.1%***	**100.0%**	***+6.8%***
White	509,868	88.2%	*-2,397*	*-0.5%*	78.4%	*-2.2%*
Black or African American	7,390	1.3%	*+3,384*	*+84.5%*	6.8%	*+38.9%*
American Indian & Alaska Native	19,211	3.3%	*-2,156*	*-10.1%*	0.9%	*-11.6%*
Asian & Other Pacific Islander	4,794	0.8%	*+842*	*+21.3%*	5.1%	*+29.6%*
Some Other Race	6,497	1.1%	*+3,504*	*+117.1%*	2.7%	*+96.1%*
Two or More Races	30,492	5.3%	*+19,839*	*+186.2%*	6.2%	*+168.3%*
Hispanic or Latino origin	19,659	3.4%	*+6,717*	*+51.9%*	6.2%	*+37.5%*

Source: U.S. Census Bureau, 2019-2023 American Community Survey

EDUCATIONAL ATTAINMENT

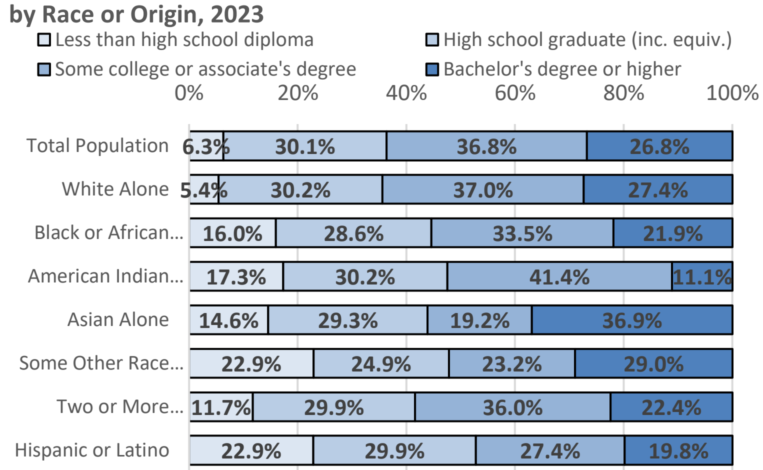
The Northwest had a lesser percentage of residents with a bachelor's degree or higher than statewide. However, the Northwest had a greater share of adults with some college or an associate's degree, reflecting the education requirements of jobs in the region (Table 4).

Table 4. Educational Attainment for the Population, 2023	**Northwest Minnesota**		**Minnesota**
	Number	**Percent**	**Percent**
Total, 18 years & over	**445,323**	**100.0%**	**100.0%**
Less than high school	32,106	7.2%	6.8%
High school graduate (incl. equiv.)	135,303	30.4%	24.4%
Some college, no degree	104,308	23.4%	21.4%
Associate's degree	63,196	14.2%	11.2%
Bachelor's degree	77,142	17.3%	24.0%
Advanced degree	33,268	7.5%	12.1%

Source: 2019-2023 American Community Survey, 5-Year Estimates

Educational attainment varies significantly by race and ethnicity. Compared to white alone, more than triple the share of Black or African American, American Indian, Asian, and Hispanic or Latino residents had less than a high school diploma. Those identifying as Some Other Race had the highest share with less than high school. Asians had the highest share of adults with bachelor's degrees, and American Indians had the lowest. However, American Indians had the highest share with some college or an associate's degree. Whites had the highest percentage with more than high school, and over a quarter had a bachelor's degree or higher (Figure 5).

Figure 5. Northwest Minnesota Educational Attainment for the population aged 25 years & over by Race or Origin, 2023



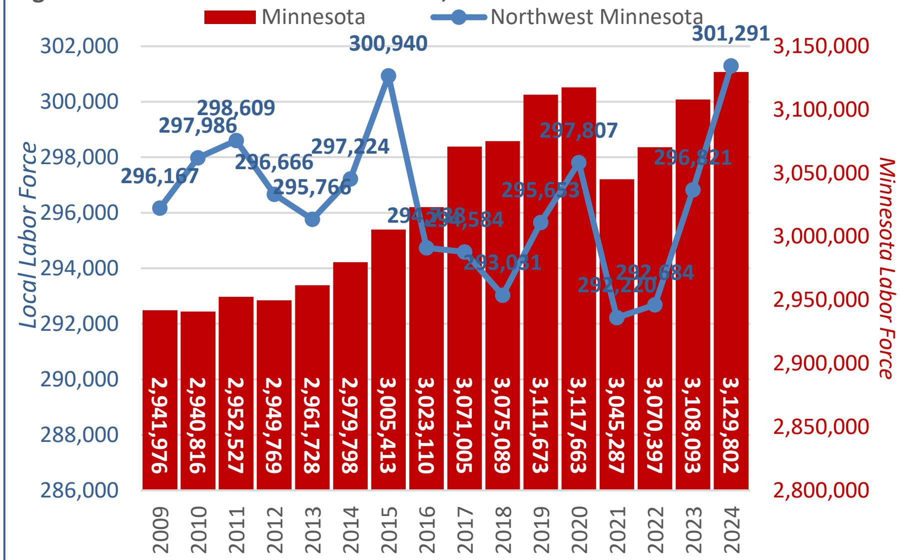
Source: 2019-2023 American Community Survey

LABOR FORCE

LABOR FORCE CHANGE

According to data from DEED's [Local Area Unemployment Statistics](#) program, Northwest Minnesota had an average of just over 301,000 workers in 2024. Despite several ups and downs, the labor force increased over the past 15 years. Past recessions have caused sharp drops, but the labor force has always recovered and continued growing (Figure 6).

Figure 6. Annual Labor Force Estimates, 2009-2024

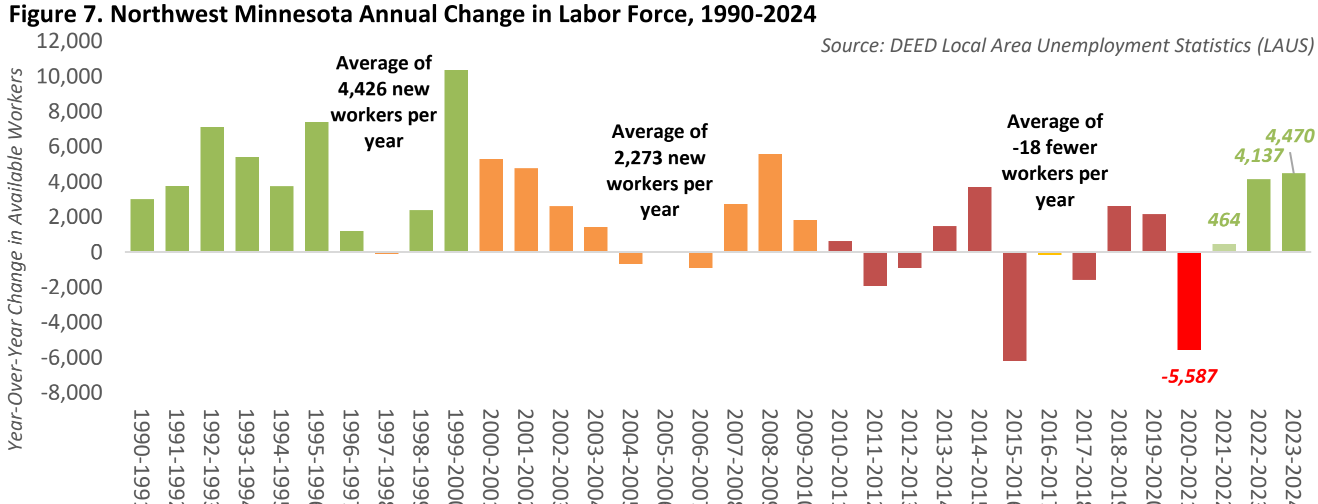


Source: DEED Local Area Unemployment Statistics (LAUS) program

Past declines in the Northwest's labor force began shortly after the peak unemployment rates of the 2001 and 2008 recessions. Northwest's labor force hit a peak in 2015 at 300,940 workers, then dropped down until 2018. The next peak was 2020 at 297,807 workers. The Pandemic Recession shook the labor market from 2020 to 2021, but by 2023, the labor force had rebounded, and in 2024, it reached a new peak above 301,000 workers. However, with the large Baby Boomer population cohort in the Northwest, labor force growth going forward will be more constrained due to retirements.

Averaging a net gain of 4,426 additional labor force participants per year between 1990 and 2000, employers were able to tap into a large and growing pool of talented workers. Although the regional labor force and economy continued to grow, the rate of labor force growth is slowing considerably, adding an average of 2,273 workers from 2000 to 2010 and then a decline from 2010 to 2020 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in Northwest. In the face of these constraints, a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and immigration has been and will continue to be a vital source of the workers that employers need to succeed. As the white, native-born workforce continues to age, younger workers of different races or from different countries will comprise the fastest growing segment of the labor force.

Figure 7. Northwest Minnesota Annual Change in Labor Force, 1990-2024



Source: DEED Local Area Unemployment Statistics (LAUS)

LABOR FORCE PROJECTIONS, 2025-2035

Applying current labor force participation rates to future population projections by age group creates labor force projections for the region. Despite Northwest Minnesota's 5.4% projected population increase shown in Figure 4 above, the regional labor force is expected to grow just 3.5% from 2025 to 2035. This is due to the aging Baby Boomers exiting the labor force (Table 5).

Table 5. Northwest Minnesota Labor Force Projections				
	2025 Labor Force Projection	2035 Labor Force Projection	*2025-2035 Change*	
			Numeric	*Percent*
16 to 19 years	17,866	17,241	*-624*	*-3.5%*
20 to 24 years	30,402	32,747	*+2,344*	*+7.7%*
25 to 44 years	114,246	117,335	*+3,090*	*+2.7%*
45 to 54 years	55,013	64,154	*+9,141*	*+16.6%*
55 to 64 years	51,539	47,846	*-3,693*	*-7.2%*
65 to 74 years	20,008	18,934	*-1,074*	*-5.4%*
75 years & over	3,524	4,576	*+1,052*	*+29.8%*
Total Labor Force	**292,597**	**302,832**	***+10,235***	***+3.5%***

Source: calculated from Minnesota State Demographic Center population projections and 2019-2023 American Community Survey 5-Year Estimates

The largest decline is projected for the 55 to 64 age group, with a decrease in those aged 65 to 74 as well. Those aged 45 to 54 gain the most as Millennials move into that age group. Those aged 20 to 24 should also increase, while those aged 75 & over have the fastest growth. The anticipated change in labor force age distribution may lead regional employers to adapt their management and hiring practices to attract employees from the growing age cohorts.

EMPLOYMENT CHARACTERISTICS

With 63.0% of the population over 16 years of age in the labor force, Northwest had a much lower labor force participation rate than Minnesota's 68.5%. This is because all but the two youngest age groups had lower labor force participation rates than those statewide, and the overall rate is also lower because a higher percentage of the region's labor force is in the oldest age groups (Table 6).

Participation rates varied by race in Northwest, but also lagged state averages. American Indians were the only race that had a higher participation rate here than the state overall, and Hispanic or Latino workers were just above statewide. Like the state, the region's unemployment rates were higher than whites for every race and ethnicity group, and higher than the state overall. In sum, unemployment was higher and participation rates lower among young workers, minorities, people with lower educational attainment, and workers with disabilities.

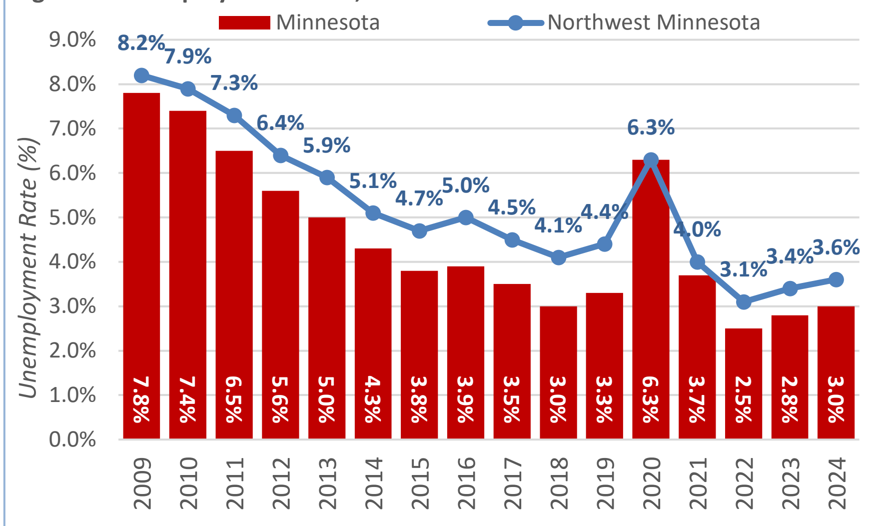
Table 6. Northwest Minnesota Employment Characteristics, 2023					
	Northwest Minnesota			Minnesota	
Age Group	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	**290,223**	**63.0%**	**4.3%**	**68.5%**	**3.9%**
16 to 19 years	17,034	57.2%	7.6%	52.7%	9.9%
20 to 24 years	27,776	83.7%	6.8%	83.4%	6.5%
25 to 44 years	114,038	87.5%	4.4%	88.7%	3.5%
45 to 54 years	53,282	85.9%	3.4%	87.8%	2.9%
55 to 64 years	56,733	68.8%	2.9%	72.8%	3.0%
65 to 74 years	18,249	25.6%	4.3%	27.8%	3.4%
75 years & over	3,140	6.1%	3.3%	6.6%	3.1%
Employment Characteristics by Gender					
Male	154,682	66.6%	4.8%	72.0%	4.3%
Female	135,581	59.4%	3.7%	64.9%	3.6%
Employment Characteristics by Race & Hispanic Origin					
White alone	260,145	62.7%	3.7%	67.5%	3.4%
Black or African American	3,501	71.2%	11.3%	71.0%	8.4%
American Indian & Alaska Native	7,538	58.1%	14.5%	57.7%	11.4%
Asian or Other Pacific Islanders	2,270	61.5%	4.0%	74.6%	3.5%
Some Other Race	3,483	73.1%	5.3%	75.9%	5.6%
Two or More Races	13,326	69.4%	7.8%	74.2%	6.1%
Hispanic or Latino	9,592	77.2%	8.9%	77.1%	5.9%
Employment Characteristics by Veteran Status, 18 to 64 years					
Military Veteran	10,394	77.6%	5.5%	81.2%	4.1%
Employment Characteristics by Disability, 20 to 64 years					
With Any Disability	19,384	53.3%	11.4%	55.3%	9.5%
Employment Characteristics by Educational Attainment					
Population 25 to 64 years	224,071	81.5%	3.7%	84.4%	3.3%
Less than H.S. Diploma	10,192	64.1%	5.3%	67.1%	4.7%
H.S. Diploma or Equivalent	56,378	75.9%	2.2%	76.5%	2.6%
Some College or Assoc. Degree	90,139	83.3%	3.6%	85.0%	3.6%
Bachelor's Degree or Higher	67,350	88.1%	1.6%	90.5%	2.0%

Source: 2019-2023 American Community Survey, 5-Year Estimates

UNEMPLOYMENT RATES

With the exception of the COVID-19 pandemic, Northwest consistently reports higher unemployment rates than Minnesota overall. According to the Local Area Unemployment Statistics, the unemployment rate in Northwest hovers roughly 0.5 to 1 percentage point above the statewide rate, shifting in sync to economic fluctuation. During the Great Recession, it rose to 8.2%. Due to the pandemic, unemployment rates spiked for 2020, but dropped to exceptional lows in the recovery for 2021 and through 2023, before ending 2024 at 3.6% (Figure 8).

Figure 8. Unemployment Rates, 2009-2024

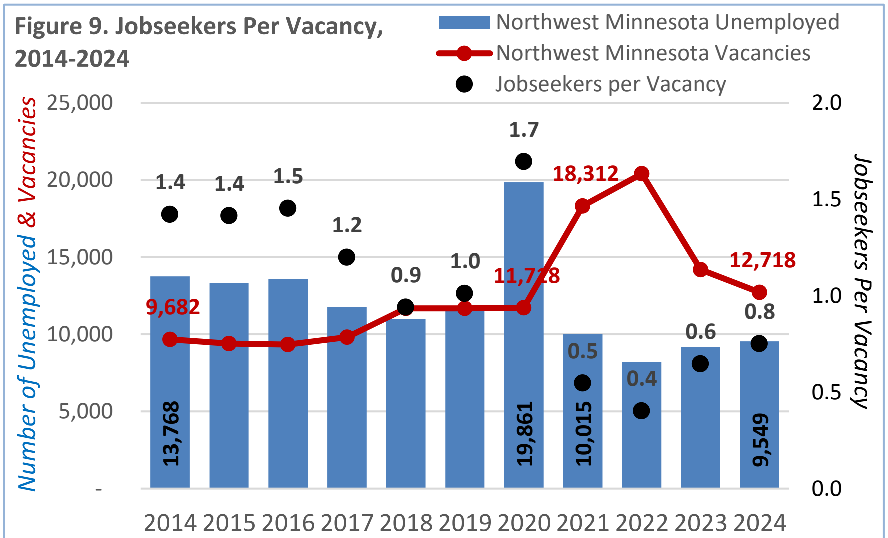


Source: DEED Local Area Unemployment Statistics (LAUS) program

JOBSEEKERS PER VACANCY

As the number of unemployed workers has declined, the region's labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which inched up to 0.8-to-1 in 2024 (Figure 9). There were an estimated 12,718 openings compared to 9,549 unemployed jobseekers in the region. This means that even if every unemployed worker were an immediate fit for an open job, over 3,000 vacancies would remain unfilled (Figure 9).

Figure 9. Jobseekers Per Vacancy, 2014-2024



Source: DEED Job Vacancy Survey, LAUS program

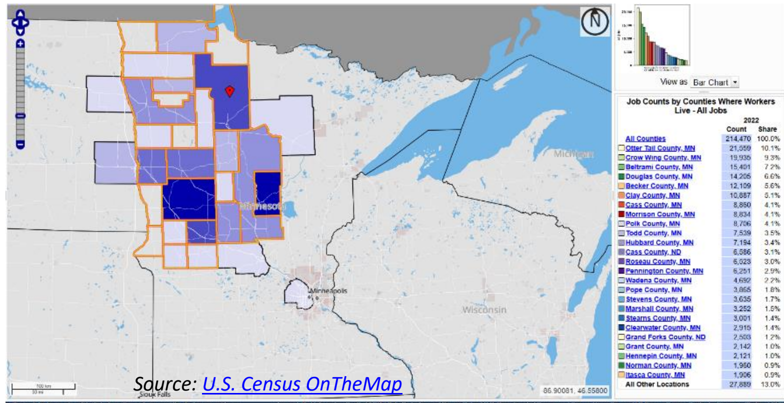
COMMUTE SHED AND LABOR SHED

According to the Census Bureau's OnTheMap program, the vast majority – 70.0% – of residents in the region also work within the region. However, Northwest Minnesota is a net exporter of labor, having fewer jobs than available workers. In 2022, 179,089 workers both lived and worked in Northwest, while another 35,381 workers drove into the region for work. This is compared to 76,599 workers who lived in the region but drove to outside areas for work (Table 7 and Figure 10).

Table 7. Northwest Minnesota Inflow/ Outflow Job Counts (All Jobs), 2022	2022	
	Count	Share
Employed in the Selection Area	214,470	100.0%
Employed in the Selection Area but Living Outside	35,381	16.5%
Employed and Living in the Selection Area	179,089	83.5%
Living in the Selection Area	255,688	100.0%
Living in the Selection Area but Employed Outside	76,599	30.0%
Living and Employed in the Selection Area	179,089	70.0%

Source: U.S. Census Bureau, OnTheMap

Figure 10. Northwest Minnesota Labor and Commute Shed, 2022



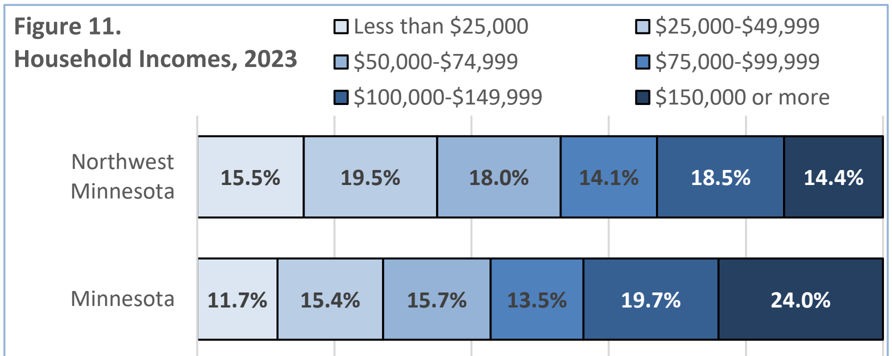
Source: U.S. Census OnTheMap

This is due to proximity to two metropolitan areas in North Dakota: Fargo and Grand Forks. Crow Wing County is the largest employment center in the planning area and the biggest draw for workers, followed by Cass County, ND, Otter Tail, Beltrami, Douglas, Becker, and Clay County. Employers in the region draw workers from surrounding counties like Cass (ND), Stearns, Grand Forks (ND), and Itasca. Workers also travel to these same counties for work, primarily to the Fargo and Grand Forks metropolitan areas in North Dakota (Figure 10). The average commute time for workers in Northwest was 21.8 minutes, compared to 23.1 minutes for workers statewide. Over 75% of workers commuted less than 30 minutes, compared to 70% statewide. Just over 10% of workers worked at home, and 3.2% walked to work.

INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

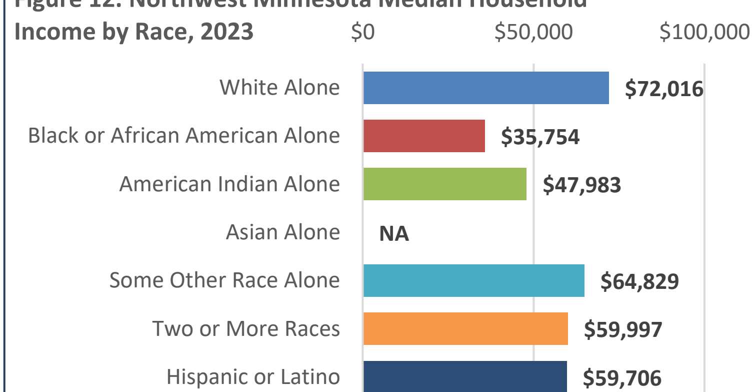
Figure 11. Household Incomes, 2023



Source: 2019-2023 American Community Survey 5-Year Estimates

Median household income was lower in Northwest Minnesota than statewide, at $70,600 compared to $87,556. Northwest had the second lowest median household income of the 6 planning regions. About 35% of households in the region had incomes below $50,000 in 2023, compared to just 27.1% statewide. The share earning $75,000 to $99,000 was similar to statewide, and another 32.9% earned $100,000 or more compared to 43.7% statewide (Figure 11).

Figure 12. Northwest Minnesota Median Household Income by Race, 2023

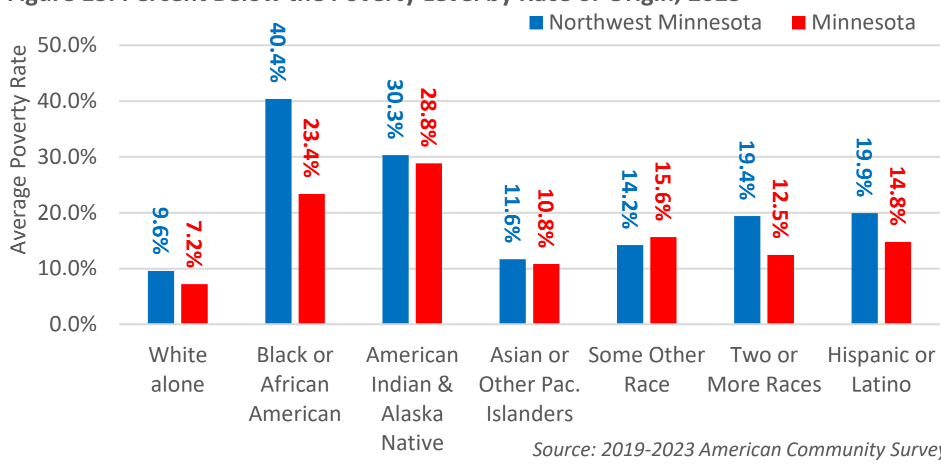


Source: 2019-2023 American Community Survey

Incomes varied widely by race in Northwest, with the lowest incomes reported for American Indians and Blacks. Small sample sizes for most race groups other than white, cause large margins of error and big swings compared to previous years. However, the pattern of income disparity is consistent over time. Also, sample sizes were larger for both whites and American Indians, and there is a nearly $25,000 per year difference in the median income for those two groups. Households of some other race and two or more races or Hispanic or Latino origin had median incomes around $60,000, which was $12,000 below whites, and nearly $25,000 above the median household income for Black households, which was just $35,754 in 2023 (Figure 12).

Overall, Northwest's poverty rate was 11.2% in 2023, which was higher than the statewide rate of 9.2%. Like incomes, poverty levels varied widely by race and origin. Compared to whites, all groups had higher poverty rates, and all groups in the Northwest including whites had higher poverty rates than statewide (Figure 13).

Figure 13. Percent Below the Poverty Level by Race or Origin, 2023



Source: 2019-2023 American Community Survey

An estimated 40% of the region's Black or African American population was below the poverty level in 2023, compared to just 9.6% of the white population. Poverty rates were also high for American Indians, but more like statewide levels than for other groups. About 20% of people of Two or More Races and of Hispanic or Latino origin were below the poverty level in 2023, higher than whites and higher than these groups statewide. Again, sample sizes were small for some groups, so margins of error were large. However, the data clearly show economic disparities by race within the region.

COST OF LIVING

According to DEED's Cost of Living tool, the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was $70,308 in 2024. The cost of living for a similar family in Northwest Minnesota was $59,916 – which was the second lowest of the six planning regions in the state. The highest monthly costs were for transportation, food, and housing; though the region's housing, childcare, and taxes were significantly lower than statewide. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn $19.20 per hour working a combined 60 hours per week.

DEED's Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Northwest would be $30,744, which would require an hourly wage of $14.78 to meet the basic needs cost of living (Table 8).

Table 8. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2024

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Trans-portation	Other	Taxes
Northwest Minnesota										
Single, 0 children	1 FT	$30,744	$14.78	$0	$416	$151	$792	$614	$279	$310
Single, 1 child	1 FT	$49,980	$24.03	$705	$610	$477	$1,018	$620	$377	$358
2 parents, 1 child	**1 FT, 1 PT**	**$59,916**	**$19.20**	**$352**	**$947**	**$532**	**$1,018**	**$1,132**	**$454**	**$558**
2 parents, 2 children	2 FT	$80,568	$19.37	$1,047	$1,230	$543	$1,340	$1,180	$595	$779
State of Minnesota										
Single, 0 children	1 FT	$36,768	$17.68	$0	$424	$156	$1,154	$573	$365	$392
2 parents, 1 child	**1 FT, 1 PT**	**$70,308**	**$22.53**	**$545**	**$964**	**$556**	**$1,446**	**$1,028**	**$557**	**$763**

Source: DEED Cost of Living tool

WAGES AND OCCUPATIONS

The median hourly wage for all occupations in Northwest Minnesota was $22.98 in first quarter of 2025 (Table 9). As such, Northwest has the lowest median wage of Minnesota's six planning areas. Further, Northwest's median wage was $3.24 below the state's median hourly wage. Compared to surrounding areas, Northwest's median hourly wage was $0.87 per hour less than Central and $0.49 less than Northeast. Within Northwest, EDR 5 – North Central had the lowest median wage and EDR 1 – Northwest had the highest wages, reflecting the different occupational mix within the Northwest Minnesota planning area. The region had an estimate of around 223,320 workers in the most recent OEWS survey.

Table 9. Occupational Employment and Wage Statistics, 1st Qtr. 2025	Median Hourly Wage	Estimated Regional Employment
Northwest Planning Area	***$22.98***	***223,320***
EDR 1 - Northwest	*$23.94*	*35,860*
EDR 2 - Headwaters	*$22.84*	*32,920*
EDR 4 - West Central	*$23.20*	*89,640*
EDR 5 - North Central	*$22.38*	*64,910*
Northeast Planning Area	$23.47	138,010
Central Planning Area	$23.85	274,190
Southeast Minnesota	$24.82	240,340
Southwest Minnesota	$23.24	169,300
Twin Cities Metro Area	$28.48	1,743,500
State of Minnesota	**$26.22**	**2,881,100**
Source: DEED Occupational Employment & Wage Statistics		

Location quotient reveals the occupation groups with higher concentrations than statewide (Table 10). Northwest has higher concentrations of Farming, Fishing & Forestry, Education, Training & Library, Construction & Extraction, and Building, Grounds Cleaning & Maintenance. These occupations, along with Healthcare Support, Protective Service, and Transportation & Material Moving occupations pay the closest to statewide wages. Part of the overall difference in wages between Northwest and statewide for Total, All Occupations is due to the Northwest's greater share of Sales & Related and Food Preparation & Serving occupations, which are the two occupational groups with the lowest wages.

Table 10. Northwest Minnesota Occupational Employment Statistics, 1st Qtr. 2025	Northwest Minnesota				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*	*Location Quotient*	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*
Total, All Occupations	**$22.98**	**223,320**	***100.0%***	***1.0***	**$26.22**	**2,920,470**	***100.0%***
Management	$46.98	12,120	*5.4%*	*0.8*	$59.38	200,060	*6.9%*
Business & Financial Operations	$33.60	8,720	*3.9%*	*0.5*	$39.95	208,210	*7.1%*
Computer & Mathematical	$38.58	2,400	*1.1%*	*0.3*	$50.02	97,460	*3.3%*
Architecture & Engineering	$38.78	3,040	*1.4%*	*0.7*	$45.03	57,950	*2.0%*
Life, Physical & Social Science	$33.62	1,710	*0.8%*	*0.7*	$38.33	32,150	*1.1%*
Community & Social Service	$29.24	5,270	*2.4%*	*1.2*	$29.82	59,290	*2.0%*
Legal	$35.48	840	*0.4%*	*0.5*	$49.52	20,750	*0.7%*
Education, Training & Library	$24.46	16,510	*7.4%*	*1.3*	$27.84	170,270	*5.8%*
Arts, Design, Entertainment & Media	$22.22	1,850	*0.8%*	*0.7*	$28.84	36,030	*1.2%*
Healthcare Practitioners & Technical	$39.63	13,840	*6.2%*	*1.0*	$46.51	187,480	*6.4%*
Healthcare Support	$18.61	12,950	*5.8%*	*1.0*	$18.67	176,750	*6.1%*
Protective Service	$28.87	4,040	*1.8%*	*1.1*	$29.37	46,960	*1.6%*
Food Preparation & Serving Related	$14.60	21,870	*9.8%*	*1.2*	$16.05	240,830	*8.2%*
Building, Grounds Cleaning & Maintenance	$18.26	7,940	*3.6%*	*1.3*	$19.16	81,700	*2.8%*
Personal Care & Service	$16.69	4,970	*2.2%*	*1.0*	$17.54	63,300	*2.2%*
Sales & Related	$17.09	20,090	*9.0%*	*1.1*	$18.66	244,780	*8.4%*
Office & Administrative Support	$22.86	25,830	*11.6%*	*1.0*	$24.07	340,040	*11.6%*
Farming, Fishing & Forestry	$23.44	610	*0.3%*	*2.4*	$23.48	3,300	*0.1%*
Construction & Extraction	$29.91	11,050	*4.9%*	*1.3*	$34.20	114,050	*3.9%*
Installation, Maintenance & Repair	$28.06	9,800	*4.4%*	*1.2*	$30.40	105,650	*3.6%*
Production	$22.73	18,300	*8.2%*	*1.2*	$23.56	205,220	*7.0%*
Transportation & Material Moving	$21.94	19,570	*8.8%*	*1.1*	$22.85	228,260	*7.8%*
Source: DEED Occupational Employment & Wage Statistics							

Some of the highest paying jobs are in Management and Computer & Mathematical, but these have 20% to 25% lower median wages in the Northwest compared to statewide. Healthcare Practitioners & Technical has the second highest median wage and is much closer to statewide. The highest paying occupations generally require higher levels of education and experience, including many that require bachelor's degrees or higher.

JOB VACANCY SURVEY

Employers in the 26-county Northwest Planning region reported just over 12,700 job vacancies in 2024, a significant drop compared to the record highs posted in the past couple years following the Pandemic Recession; but still above historical levels. The sectors with the most openings were Health Care & Social Assistance (2,589 vacancies), Retail Trade (2,383), Accommodation & Food Services (2,166), Educational Services (1,099), Public Administration (858), and Manufacturing (779). About 78% of the region's vacancies were in these six sectors.

Continuing demand for workers has fueled substantially increased wage offers. The median wage offer for all vacancies increased to $18.57, up from less than $15 an hour in second and fourth quarter 2019, prior to the Pandemic Recession. Even with the high rate of inflation, the increased wage offers represent a real and substantial increase in wages.

At the occupational level, the largest number of vacancies were in Food Preparation & Serving Related, Sales & Related, Healthcare Support, Healthcare Practitioners, and Installation, Maintenance & Repair occupations. These occupation groups account for over 55% of openings. The highest job vacancy rates are for Arts, Design, Entertainment & Media, Food Prep & Serving, Healthcare Practitioners, and Healthcare Support. Only 24% of total openings in the region required postsecondary education to start, which is down from previous years, but nearly 45% required a certificate or license, which is up compared to prior surveys. About one-third of openings were part-time, while the other two-thirds are full-time (Table 11).

Table 11. Northwest Minnesota Job Vacancy Survey Results, 2024

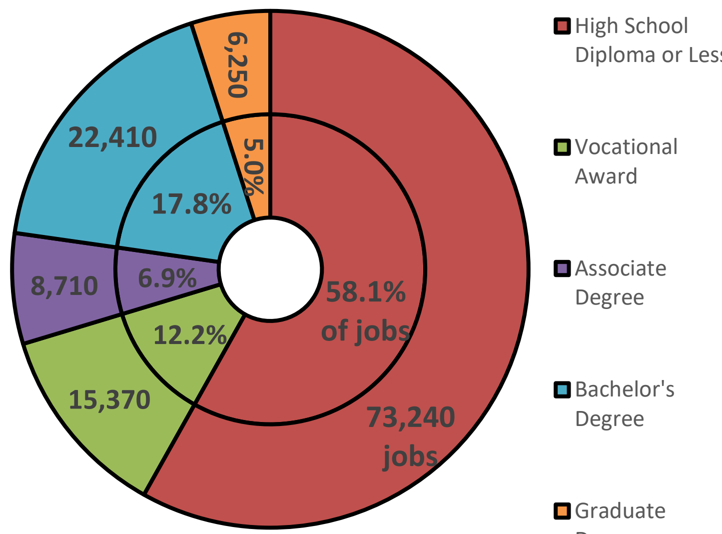
	Number of Total Vacancies	Median Hourly Wage Offer	Percent Part-Time	Percent Temporary or Seasonal	Percent Requiring Postsecondary Education	Requiring 1 or More Years of Work Exp.	Percent Requiring Certificate or License	Job Vacancy Rate
Total, All Occupations	**12,718**	**$18.57**	**32%**	**16%**	**24%**	**25%**	**44%**	***5.6%***
Management	171	$30.60	1%	5%	55%	92%	65%	*1.4%*
Business & Financial Operations	215	$21.51	1%	3%	43%	77%	44%	*2.5%*
Computer & Mathematical	63	$19.52	2%	0%	19%	40%	15%	*2.6%*
Architecture & Engineering	322	$34.28	0%	1%	86%	81%	83%	*10.6%*
Life, Physical & Social Sciences	57	$25.42	0%	4%	62%	82%	56%	*3.3%*
Community & Social Service	386	$21.69	35%	3%	55%	50%	60%	*7.3%*
Legal	32	$28.31	0%	0%	101%	97%	100%	*3.9%*
Education, Training & Library	638	$20.64	45%	32%	63%	29%	87%	*3.9%*
Arts, Design, Entertainment & Media	203	$19.91	85%	60%	64%	51%	68%	*10.9%*
Healthcare Practitioners & Technical	1,009	$31.22	31%	1%	94%	36%	99%	*7.3%*
Healthcare Support	1,082	$18.32	46%	6%	26%	2%	67%	*8.4%*
Protective Service	188	$23.57	29%	17%	47%	14%	88%	*4.6%*
Food Preparation & Serving Related	2,330	$15.00	58%	8%	0%	12%	4%	*10.7%*
Building, Grounds Cleaning & Maint.	625	$17.65	34%	66%	1%	2%	37%	*7.9%*
Personal Care & Service	327	$18.14	47%	47%	3%	14%	60%	*6.6%*
Sales & Related	1,850	$15.63	21%	6%	1%	7%	10%	*9.2%*
Office & Administrative Support	525	$18.77	26%	7%	9%	33%	18%	*2.0%*
Construction & Extraction	441	$23.70	5%	70%	6%	55%	86%	*4.0%*
Installation, Maintenance & Repair	751	$20.05	20%	7%	40%	61%	57%	*7.7%*
Production	604	$19.93	8%	12%	6%	21%	22%	*3.3%*
Transportation & Material Moving	662	$18.81	19%	6%	0%	23%	66%	*3.4%*

Source: DEED Job Vacancy Survey, 2024

EDUCATIONAL REQUIREMENTS

Similar to the Job Vacancy Survey results, DEED's Occupational Employment & Wage Statistics program shows that around one-third of jobs in the region require some form of postsecondary education for entry. The other two-thirds can be obtained with a high school diploma or less and some amount of on-the-job training (Figure 14).

Figure 14. Northwest Minnesota Share of Jobs by Educational Requirements, 2024



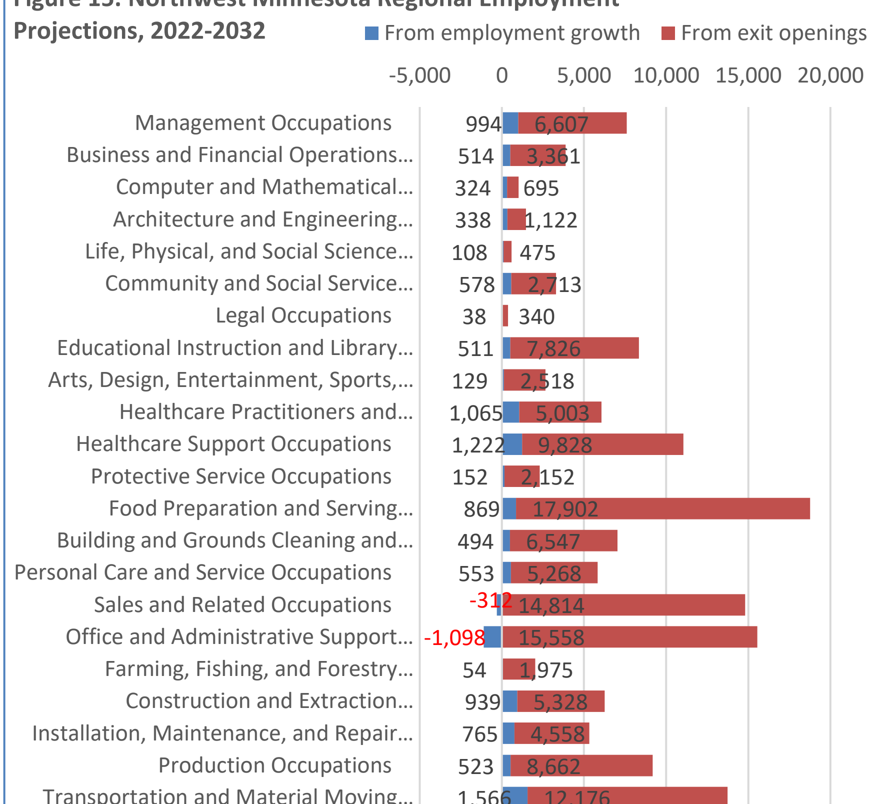
Source: *DEED Occupational Employment & Wage Statistics*

Certain careers – such as dentists, lawyers, and teachers – require a college education, while other jobs – including cost estimators, sales representatives, and correctional officers – do not. College is an excellent way to move up career ladders and open windows of opportunity to fields that would otherwise be closed, such as nursing or engineering. Many of these occupations offer high wages and are in high demand in the job market. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between $13,000 and almost $44,000 per year in Minnesota. For those who go to college, choice of major matters – different programs lead to different jobs that earn different amounts of money.

EMPLOYMENT PROJECTIONS

Overall, the Northwest Planning Region is projected to grow employment 3.9% from 2022 to 2032, a gain of 10,326 new jobs. In addition, the region is also expected to need 135,428 replacement openings to fill jobs left vacant by those retiring or otherwise leaving the labor force. Transportation & Material Moving, Healthcare Support, and Healthcare Practitioners are expected to see the most growth. Food prep & Serving, Office & Administrative Support, and Sales & Related occupations are expected to see the largest number of replacements needed for those leaving these occupations. Though not all will see growth, every occupational group will show some future demand through replacement openings (Figure 15).

Figure 15. Northwest Minnesota Regional Employment Projections, 2022-2032



Source: DEED 2022-2032 Employment Outlook

OCCUPATIONS IN DEMAND

According to DEED's Occupations in Demand tool, there are about 290 occupations are showing relatively high demand. Training and education requirements of these occupations range from short-term on-the-job training to postsecondary education and advanced degrees. Most OID require a high school diploma or less, and less than one-third require a bachelor's degree or higher. While OID exist in every sector, the region's major industries are well represented as many of the jobs are concentrated in health care and social assistance, education, and manufacturing. There are also OID employed in many industries, including managers, accountants, and computer support (Table 12).

Table 12. Northwest Minnesota Occupations in Demand by Education Level, 2024

High School or Less	Vocational Training	Some College or Assoc. Degree	Bachelor's Degree or Higher
Retail Salespersons	Nursing Assistants	Registered Nurses	Elementary School Teachers, Except Special Education
$34,731/yr	$42,735/yr	$87,175/yr	$62,671/yr
Home Health and Personal Care Aides	Heavy and Tractor-Trailer Truck Drivers	Police and Sheriff's Patrol Officers	General and Operations Managers
$37,192/yr	$57,658/yr	$77,799/yr	$77,911/yr
Fast Food and Counter Workers	Licensed Practical and Licensed Vocational Nurses	Radiologic Technologists and Technicians	Secondary School Teachers, Except Special and Career/Technical Education
$30,264/yr	$58,256/yr	$79,629/yr	$62,998/yr
Cashiers	Bus and Truck Mechanics and Diesel Engine Specialists	Dental Hygienists	Preschool Teachers, Except Special Education
$29,907/yr	$60,780/yr	$93,217/yr	$38,558/yr
Maids and Housekeeping Cleaners	Bookkeeping, Accounting, and Auditing Clerks	Civil Engineering Technologists and Technicians	Accountants and Auditors
$34,874/yr	$50,072/yr	$76,366/yr	$68,758/yr
Waiters and Waitresses	Automotive Service Technicians and Mechanics	Paralegals and Legal Assistants	Substitute Teachers, Short-Term
$23,459/yr	$49,015/yr	$60,312/yr	$44,046/yr
First-Line Supervisors of Retail Sales Workers	Substance abuse, behavioral disorder, and mental health counselors	Industrial Engineering Technologists and Technicians	Child, Family, and School Social Workers
$46,176/yr	$56,834/yr	$61,026/yr	$66,942/yr
Cooks, Restaurant	Machinists	Surgical Technologists	Civil Engineers
$36,688/yr	$51,108/yr	$67,653/yr	$95,647/yr
Stockers and Order Fillers	Farm Equipment Mechanics and Service Technicians	Veterinary Technologists and Technicians	Business Operations Specialists, All Other
$41,330/yr	$59,711/yr	$48,247/yr	$65,312/yr
Food Preparation Workers	Electricians	Architectural and Civil Drafters	Human Resources Specialists
$33,374/yr	$73,544/yr	$64,617/yr	$67,419/yr

Source: DEED Occupations in Demand

ECONOMY

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Northwest Minnesota was home to 18,410 business establishments providing 227,053 covered jobs in 2024, with a total payroll of just over $12.1 billion. That was about 7.8% of total employment in the state of Minnesota, and was the fourth largest of the six planning regions in the state in terms of job counts. Average annual wages were $53,438 in the region, which was about $20,000 lower than the state's average annual wage (Table 13).

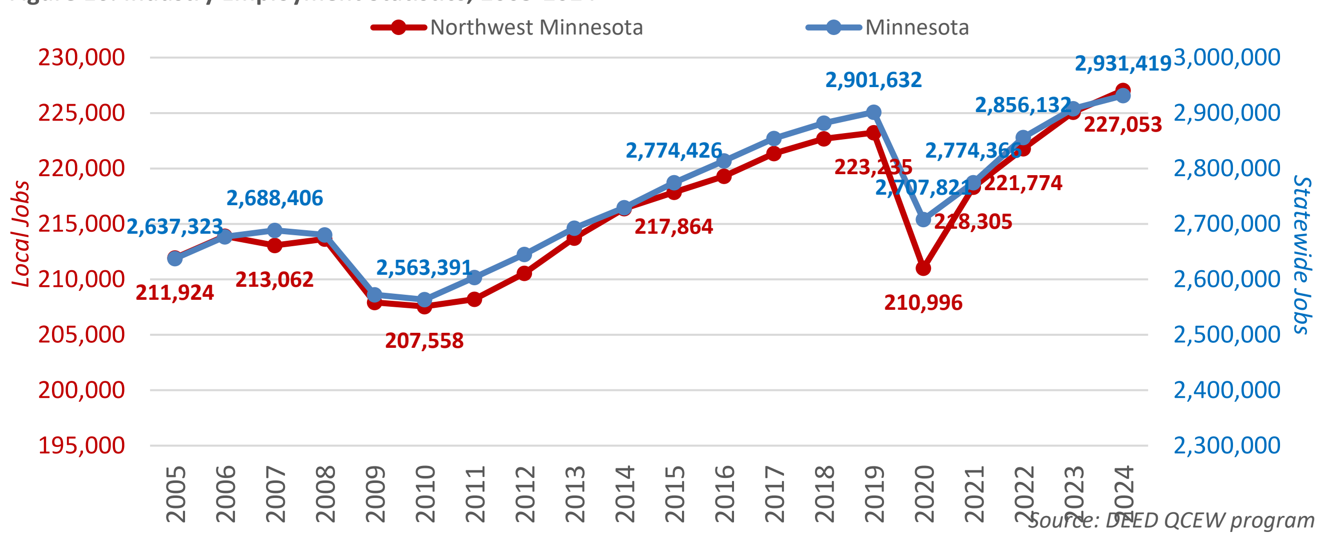
Table 13. Northwest Industry Employment Statistics, 2024				Average Annual Wage	2023-2024		2020-2024	
Geography	Number of Firms	Number of Jobs	Total Payroll		*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
Northwest Minnesota	**18,410**	**227,053**	**$12,133,229,944**	**$53,438**	***+1,979***	***+0.9%***	***+16,057***	***+7.6%***
EDR 1 – Northwest	2,856	36,336	$2,044,131,568	$56,256	*-137*	*-0.4%*	*+1,604*	*+4.6%*
EDR 2 – Headwaters	2,548	33,101	$1,764,232,752	$53,298	*+339*	*+1.0%*	*+2,431*	*+7.9%*
EDR 4 – West Central	7,459	92,010	$5,019,636,835	$54,555	*+481*	*+0.5%*	*+5,542*	*+6.4%*
EDR 5 – North Central	5,547	65,605	$3,305,228,789	$50,381	*+1,296*	*+2.0%*	*+6,480*	*+11.0%*
State of Minnesota	**212,756**	**2,931,419**	**$217,596,492,078**	**$74,229**	***+23,696***	***+0.8%***	***+223,598***	***+8.3%***

Source: DEED Quarterly Census of Employment & Wages (QCEW)

In terms of employment, EDR 4 – West Central is the largest region in Northwest Minnesota with 92,010 jobs; followed by EDR 5 – North Central with 65,605 jobs. EDR 2 – Headwaters has the smallest economy in terms of jobs, payrolls, and firms. EDR 1 – Northwest had 36,336 jobs and had the highest average annual wages in the region. With job gains in 2023, the state, the Northwest Planning Region, and three of the four EDRs finally surpassed pre-pandemic employment levels, while EDR 1 still down slightly. From 2020 to 2024, the Northwest Planning Region had a similar recovery to the state and is now up 7.6% compared to 8.3% statewide.

Prior to the pandemic, Northwest Minnesota's economy was steadily growing. Both the Northwest Region and Minnesota fully recovered all the jobs lost during the Great Recession (between 2008 and 2010) by 2013, then between 2013 and 2019, the region added just over 9,500 jobs, experiencing a 4.4% gain, compared to 7.8% growth statewide. In the Pandemic Recession, Northwest lost 12,239 jobs from 2019 to 2020, a 5.5% decrease compared to the state's 6.7% drop (Figure 16).

Figure 16. Industry Employment Statistics, 2005-2024



Source: DEED QCEW program

With 40,668 jobs at 1,938 establishments, the Health Care & Social Assistance industry employs the most people in Northwest Minnesota, accounting for 17.9% of total jobs in the region. The share of Health Care & Social Assistance jobs dropped from 18.1% in 2020 as the pandemic and its after-effects have been a challenge for worker recruitment and retention. However, Health Care & Social Assistance regained 2,440 jobs from 2020 to 2024, including 1,573 additional jobs from 20203 to 2024.

The second largest industry in Northwest is Manufacturing, with 29,702 jobs or 13.1% of total jobs. Following the pandemic, Manufacturing increased employment from 2020 to 2024, with 1,734 (+6.2%) more jobs. However, Manufacturers cut 553 jobs from 2023 to 2024. In addition, average annual wages in manufacturing ($66,078) were around $12,500 higher than the overall regional average ($52,438).

The largest subsector is Food Manufacturing (6,724 jobs), followed by Machinery Manufacturing (4,206 jobs), Transportation Equipment Manufacturing (4,129 jobs), Fabricated Metal Product Manufacturing (4,039 jobs), and Wood Product Manufacturing (3,278 jobs). Led by Transportation Equipment Manufacturing, all five of these subsectors are much more strongly concentrated in the region than the state.

Retail Trade is the third largest industry, with 12.3% of total employment, while the closely related Accommodation & Food Services industry was fifth largest with 9.9% of total employment. Combined, these industries offer almost one in every four (22.2%) jobs in the region, but annual wages are still relatively low in these service-providing industries. Other large industries in Northwest include Educational Services, Public Administration, Construction, and Wholesale Trade, which all have greater concentrations of employment in the region than statewide.

The recovery has been strong in the region, with 15 of the 20 industry sectors adding jobs from 2020 to 2024. Accommodation & Food Services saw the biggest job recovery, followed by Health Care & Social Assistance. Construction stands out with particularly strong job gains and fast growth since 2020. Like Accommodation & Food Services, other industries that bounced back from pandemic-related job declines include Retail Trade, Other Services, and Arts, Entertainment & Recreation, which all regained over 1,000 jobs. In contrast, Public Administration and Management of Companies both saw job declines since 2020 (Table 14).

Table 14. Northwest Minnesota Industry Employment Statistics, 2024

	2024 Annual Data				*2023-2024*		*2020-2024*	
NAICS Industry Title	**Number of Firms**	**Number of Jobs**	**Total Payroll ($1,000s)**	**Avg. Annual Wage**	***Change in Jobs***	***Percent Change***	***Change in Jobs***	***Percent Change***
Total, All Industries	**18,410**	**227,053**	**$12,133,230**	**$53,438**	***+1,979***	***+0.9%***	***+16,057***	***+7.6%***
Agriculture, Forestry, Fish & Hunting	1,009	5,748	$332,355	$57,821	*+247*	*+4.5%*	*+468*	*+8.9%*
Mining	43	233	$17,393	$74,649	*+18*	*+8.4%*	*+17*	*+7.9%*
Construction	2,452	13,362	$965,547	$72,261	*+367*	*+2.8%*	*+1,744*	*+15.0%*
Manufacturing	822	29,702	$1,962,648	$66,078	*-553*	*-1.8%*	*+1,734*	*+6.2%*
Utilities	71	1,328	$142,051	$106,966	*+39*	*+3.0%*	*+70*	*+5.6%*
Wholesale Trade	654	11,504	$804,002	$69,889	*-32*	*-0.3%*	*+527*	*+4.8%*
Retail Trade	2,324	28,037	$970,200	$34,604	*-122*	*-0.4%*	*+1,134*	*+4.2%*
Transportation & Warehousing	869	6,041	$334,443	$55,362	*-23*	*-0.4%*	*-14*	*-0.2%*
Information	236	2,610	$171,300	$65,632	*+2*	*+0.1%*	*+175*	*+7.2%*
Finance & Insurance	871	5,833	$464,039	$79,554	*+4*	*+0.1%*	*-80*	*-1.4%*
Real Estate & Rental & Leasing	483	1,455	$65,274	$44,862	*-109*	*-7.0%*	*-46*	*-3.1%*
Professional & Technical Services	930	4,640	$319,756	$68,913	*+38*	*+0.8%*	*+19*	*+0.4%*
Management of Companies	68	516	$66,528	$128,929	*-30*	*-5.5%*	*-131*	*-20.2%*
Admin. Support & Waste Mgmt. Svcs.	739	3,912	$173,921	$44,458	*-84*	*-2.1%*	*+94*	*+2.5%*
Educational Services	418	22,446	$1,181,116	$52,620	*+10*	*0.0%*	*+1,401*	*+6.7%*
Health Care & Social Assistance	1,938	40,668	$2,367,263	$58,209	*+1,573*	*+4.0%*	*+2,440*	*+6.4%*
Arts, Entertainment, & Recreation	437	3,753	$90,442	$24,099	*+21*	*+0.6%*	*+1,000*	*+36.3%*
Accommodation & Food Services	1,650	22,428	$511,982	$22,828	*+181*	*+0.8%*	*+4,613*	*+25.9%*
Other Services	1,692	6,989	$225,191	$32,221	*+58*	*+0.8%*	*+1,123*	*+19.1%*
Public Administration	708	15,844	$967,780	$61,082	*+372*	*+2.4%*	*-229*	*-1.4%*

Source: DEED Quarterly Census of Employment & Wages (QCEW) program

EMPLOYMENT DEMOGRAPHICS

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Over one-quarter (25.5%) of workers in the region were 55 years or older, compared to 22.6% statewide and just 22.3% in the region one decade earlier. In contrast, the percentage of workers under age 25 was falling rapidly. However, the number of hours worked increased the most for younger workers, as did their wages (Table 15).

Table 15. Workforce Demographics by Age Group and Gender, Total of All Industries, 2014-2024								
Northwest Minnesota	Percentage of Workers		*Percent of Workers, Minnesota*		Median Hourly Wage		Median Hours Worked (Per Qtr.)	
	2024	2014	2024	2014	2024	2014	2024	2014
Total, all ages	100.0%	100.0%	100.0%	100.0%	$23.32	$14.89	398	402
19 years & under	7.5%	8.5%	6.0%	6.4%	$15.61	$8.46	124	119
20 to 24 years	8.6%	11.1%	9.0%	11.1%	$20.14	$11.13	309	273
25 to 44 years	40.3%	37.8%	43.6%	42.4%	$26.27	$16.28	456	457
45 to 54 years	18.1%	20.3%	18.7%	20.8%	$28.79	$17.75	475	480
55 to 64 years	17.5%	17.1%	16.5%	15.4%	$26.40	$17.41	466	471
65 years & over	8.0%	5.2%	6.1%	3.9%	$20.00	$13.01	219	206
Male	48.0%	47.2%	48.9%	49.3%	$26.14	$16.66	471	472
Female	52.0%	52.8%	51.1%	50.7%	$22.75	$13.57	359	358
Source: DEED Quarterly Employment Demographics								

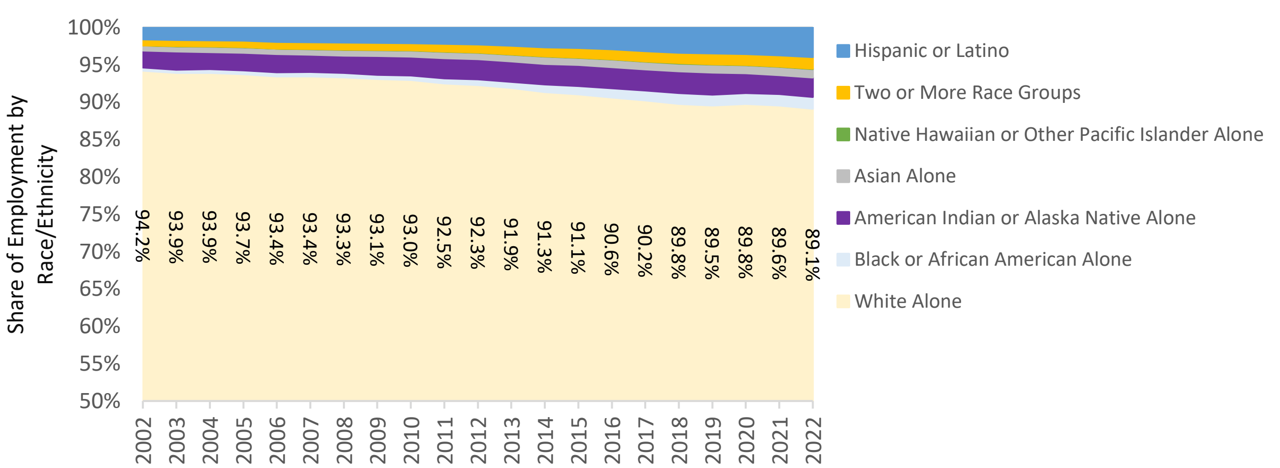
Wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-fulltime jobs in industries like Retail Trade and Accommodation & Food Services, these two age groups enjoyed the fastest percentage increase in wages from 2014 to 2024. Wages were highest for workers aged 45 to 54.

Despite the current tight labor market, hours worked hardly changed overall since 2014, falling from 402 to 398. However, there were increases in hours worked for workers under 24 years of age, and 65 years & over. Thus, the drop in the share of workers aged 45 to 54 (-4%), which continues to work the most hours, outweighed the increases in hours of other age groups. Although males continued to work more hours than females, over the decade females increased hours while males decreased, narrowing the gap in hours worked.

EMPLOYMENT DIVERSITY

People of color held 10.9% of the jobs in the Northwest Minnesota Planning Region, according to data from the Quarterly Workforce Indicators program. In 2022, that equaled 23,906 jobs held by BIPOC workers, compared to 195,748 jobs held by workers who were White Alone. BIPOC workers held just 5.8% of total jobs in 2002, meaning their employment almost doubled (a 1.9-fold increase) over 20 years (Figure 17).

Figure 17. Employment by Race & Ethnicity, All Industries, Northwest Minnesota, 2002-2022

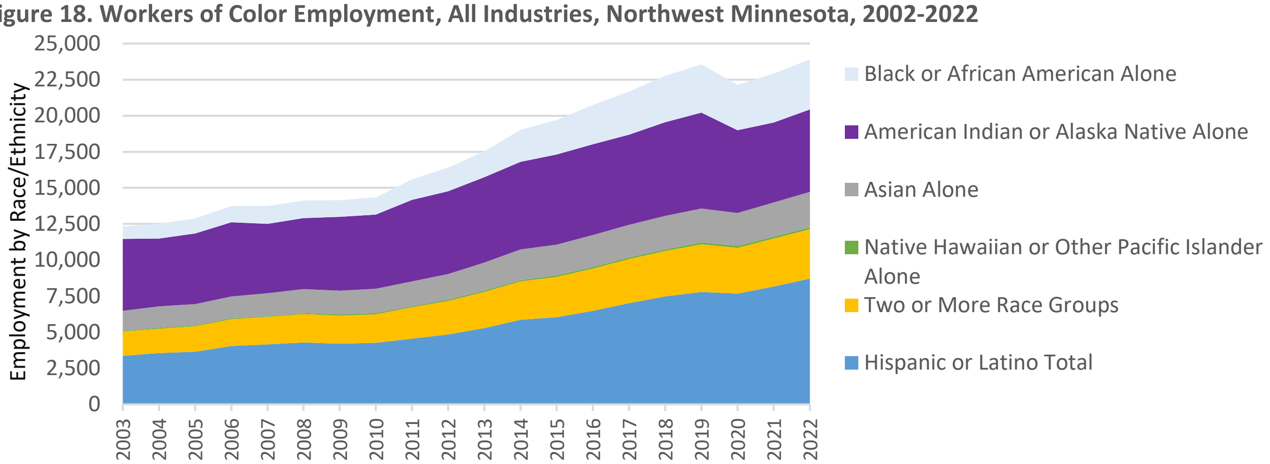


Source: DEED, Census LEHD Quarterly Workforce Indicators

Workers of color have filled an additional 12,503 jobs in the region since 2002, accounting for over 55% of the 22,696 new jobs added. With 8,713 jobs, Hispanic or Latino was the largest group of color in the region's economy, after increasing more than 175% (two-and-three-quarter-fold) since 2002. American Indian or Alaska Native was the next largest group of color in the region's economy, with 5,719 jobs in 2022 and growing over 27%. However, American Indians had the largest pandemic declines, losing 14.1% of their jobs since the peak of 6,661 in 2019 due to a subdued casino employment rebound since the pandemic. Black or African American had 3,470 jobs in 2022, with the fastest growth of 315% (over 4-fold) since 2002. Two or More Races held 3,411 jobs in the area, more than doubling since 2002. With 2,459 jobs in 2022, Asians experienced a gain of 1,154 or 88% since 2002.

Besides Whites and American Indians, all other racial and ethnic groups increased employment from 2019 to 2022 during the pandemic recovery, filling much neded positions in an extremely tight labor market. Jobs held by white workers declined by 2.9% from 2019 to 2022, while jobs held by BIPOC workers increased 1.5%. Jobs held by Hipanic or Latino workers increased the most at 921, and also the fastst at 12% (Figure 18).

Figure 18. Workers of Color Employment, All Industries, Northwest Minnesota, 2002-2022

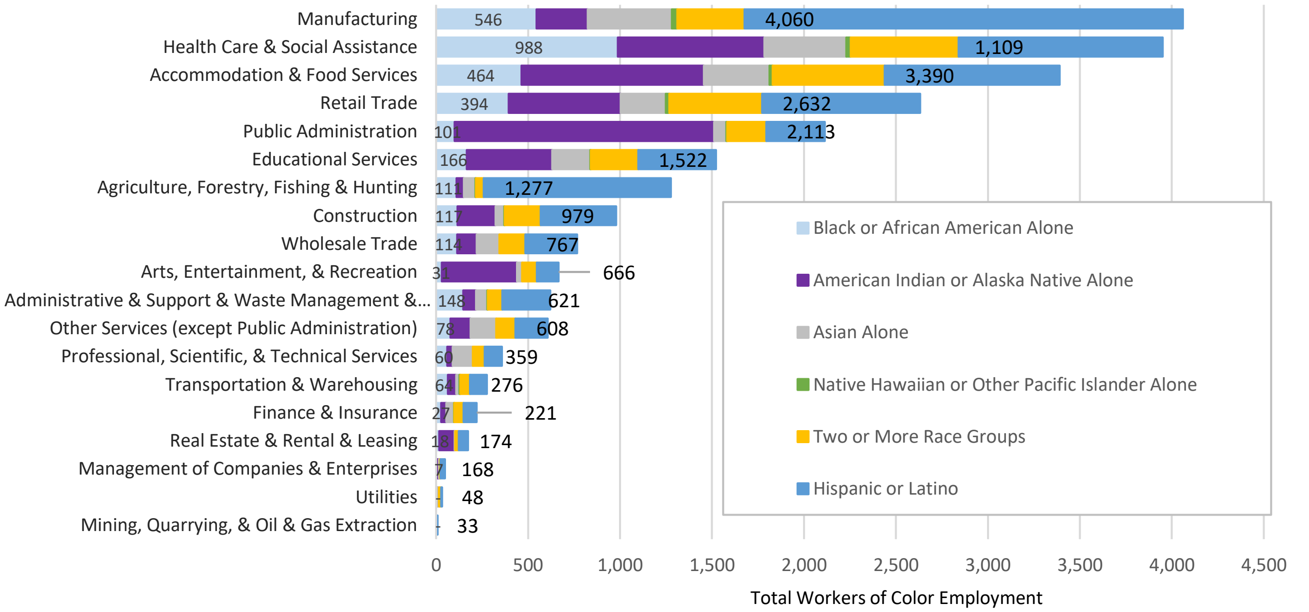


Source: DEED, Census LEHD Quarterly Workforce Indicators

Most industry sectors in Northwest Minnesota are non-diverse, but there are industries that rely more heavily on workers of color (Figure 19). Agriculture, Forestry, Fishing & Hunting had 23% of jobs held by people of color, the largest share of any industry sector, and with a high representation of Hispanic or Latino workers filling 1,017 jobs. Arts, Entertainment & Recreation had 19% of jobs held by people of color, with 408 American Indians, reflecting casino employment. Likewise, the Public Administration workforce was 15.5% people of color with 1,411 American Indians, which reflects tribal government employment.

The Accommodation & Food Services workforce was 16.1% people of color, with broad representation of racial and ethnic groups. In addition to employing the largest number of BIPOC people, Manufacturing also had an above average 14.1% share of people of color, with significant numbers from every group. Manufacturing also had the largest numbers of Hispanic or Latino, Asian, and Native Hawaiian or Other Pacific Islander workers of any industry sector. The Food Manufacturing subsector is staffed by 26% Hispanic or Latino workers. While Health Care & Social Assistance had the second largest number of workers of color, its 10.7% share of BIPOC workers is slightly below average for all industries. However, the Nursing and Residential Care subsector has a larger than average 13.1% share of workers of color.

Figure 19. Workers of Color Employment by Industry, Northwest Minnesota, 2022



Source: DEED, Census LEHD Quarterly Workforce Indicators

INDUSTRY PROJECTIONS

The 26-county Northwest Planning Area is projected to see a 3.9% increase in employment from 2022 to 2032, adding an estimated 10,326 new jobs across various industries. Health Care & Social Assistance, the largest sector in the region, is expected to drive much of this growth with a projected gain of 2,557 jobs—a 7.0% increase—accounting for over a quarter of all new employment by 2032. Meanwhile, Arts, Entertainment & Recreation (+7.9%) and Accommodation & Food Services (+6.8%) are anticipated to be the fastest-growing industries, fueled by a strong post-pandemic rebound in activity and job demand. Other Services is also expected to see solid growth (+3.1%) after suffering substantial employment losses in 2020, highlighting a trend of recovery in the region's hardest-hit sectors.

Table 16. Northwest Industry Projections, 2022-2032

Industry	Estimated Employment 2022	Projected Employment 2032	*Percent Change 2022-2032*	*Numeric Change 2022-2032*
Total, All Industries	**265,321**	**275,647**	***+3.9%***	***+10,326***
Health Care & Social Assistance	36,421	38,978	*+7.0%*	*+2,557*
Manufacturing	29,871	31,429	*+5.2%*	*+1,558*
Retail Trade	27,705	27,590	*-0.4%*	*-115*
Public Administration	24,161	24,869	*+2.9%*	*+708*
Educational Services	22,849	22,989	*+0.6%*	*+140*
Accommodation & Food Services	20,569	21,972	*+6.8%*	*+1,403*
Wholesale Trade	12,936	14,034	*+8.5%*	*+1,098*
Construction	11,719	12,715	*+8.5%*	*+996*
Other Services	9,824	10,129	*+3.1%*	*+305*
Finance & Insurance	6,599	6,769	*+2.6%*	*+170*
Agriculture, Forestry, Fish & hunt	5,875	6,114	*+4.1%*	*+239*
Transportation & Warehousing	5,579	5,997	*+7.5%*	*+418*
Professional & Technical Services	5,023	5,512	*+9.7%*	*+489*
Arts, Entertainment & Recreation	4,389	4,734	*+7.9%*	*+345*
Admin. Support & Waste Mgmt.	4,192	4,460	*+6.4%*	*+268*
Information	2,451	2,470	*+0.8%*	*+19*
Real Estate & Rental & Leasing	1,468	1,597	*+8.8%*	*+129*
Utilities	1,126	1,125	*-0.1%*	*-1*
Management of Companies	586	640	*+9.2%*	*+54*
Mining	220	221	*+0.5%*	*+1*

Source: DEED 2022-2032 Employment Outlook

These growth rates underscore a broader trend of steady expansion and economic resilience in Northwest Minnesota, with sectors like Wholesale Trade (+8.5%) and Construction (+8.5%) also making significant contributions to the area's job market (Table 16).

NONEMPLOYER ESTABLISHMENTS

Northwest Minnesota was home to 44,934 self-employed businesses or "nonemployers" in 2023, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Northwest saw a steady 7.0% increase in nonemployers over the past decade, with that increase driven most by growth in EDR 4 (+11.0%) and EDR 5 (+8.1%). EDR 1, the northernmost economic development region, saw a decline, while EDR 2 saw a small 2.4% increase. In total, these Northwest area nonemployers generated sales receipts of over $2.5 billion in 2023 (Table 17).

Table 17. Nonemployer Statistics, 2023

	2023		2013-2023	
	Number of Firms	Receipts ($1,000s)	*Change in Firms*	*Percent Change*
Northwest Minnesota	**44,934**	**$2,534,662**	***+2,920***	***+7.0%***
Region 1	5,750	$279,272	*-178*	*-3.0%*
Region 2	6,125	$317,737	*+145*	*+2.4%*
Region 4	19,454	$1,114,008	*+1,933*	*+11.0%*
Region 5	13,605	$823,645	*+1,020*	*+8.1%*
Minnesota	**453,181**	**$25,619,689**	***+64,281***	***+16.5%***

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Like other parts of Greater Minnesota, agriculture is also a key industry in Northwest, with 18,598 farms producing just under $6.7 billion in the market value of products sold in 2022, according to the U.S. Department of Agriculture. That was the second highest value of the six planning regions in the state. Region 4 led the way with 7,650 farms and 3.15 billion in market value, which ranked 4th highest of the 13 EDRs in the state, followed by Region 1 with 4,690 farms and $2.2 billion in market value. Both Region 5 (4,456 farms and $1 billion) and Region 2 (1,802 farms and $306 million) have a smaller reliance on agriculture. All four regions saw a decline in the number of farms from 2017 to 2022, though the Northwest region as a whole saw a smaller decline than the state (Table 18).

Table 18. Census of Agriculture, 2022

	Number of Farms	*Change in Farms, 2017-2022*		Market Value of Products Sold, 2022	*State Rank (of 6/13)*	*Change in Mkt. Value, 2017-2022*
Northwest Minnesota	**18,598**	***-782***	***-4.0%***	**$6,684,066,000**	***2 (of 6)***	***+60.2%***
Region 1	4,690	*-201*	*-4.1%*	$2,183,006,000	*6 (of 13)*	*+68.0%*
Region 2	1,802	*-24*	*-1.3%*	$306,235,000	*11 (of 13)*	*+65.1%*
Region 4	7,650	*-207*	*-2.6%*	$3,148,520,000	*4 (of 13)*	*+56.2%*
Region 5	4,456	*-350*	*-7.3%*	$1,046,305,000	*9 (of 13)*	*+55.6%*
State of Minnesota	**65,531**	***-3,291***	***-4.8%***	**$28,482,097,000**		***+54.8%***

Source: 2022 Census of Agriculture

Upon request, this information can be made available in alternate formats for people with disabilities by contacting Anthony Schaffhauser at (320) 441-6594 or at anthony.schaffhauser@state.mn.us.