

ECONOMIC DEVELOPMENT REGION 8: Southwest

Covers counties:

Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, and Rock

2018 REGIONAL PROFILE

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Luke Greiner

Regional Analyst, Central & Southwest Minnesota

Minnesota Department of Employment and Economic Development

St. Cloud WorkForce Center

1542 Northway Dr. Door 2

St. Cloud, MN 56303

Office: 320-308-5378

E-mail: luke.greiner@state.mn.us

Web: <http://mn.gov/deed/data/>



DEMOGRAPHICS

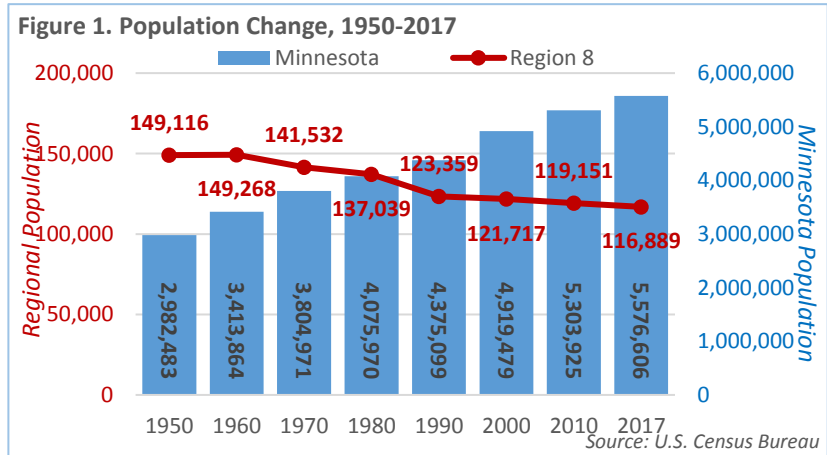
POPULATION CHANGE, 2000-2017

Economic Development Region 8 includes a total of 9 counties located in the Southwest Minnesota planning area, which also encompasses Region 6W and Region 9. Region 8 was home to 116,889 people in 2017, comprising just over 2 percent of the state’s total population. One of only three economic development regions (EDRs) to see a population decline from 2000 to 2017, Region 8 lost 4,828 residents since 2000, a 4.0 percent decline. In comparison, the state of Minnesota saw a 13.4 percent gain from 2000 to 2017 (see Table 1).

	2000 Population	2017 Estimates	2000-2017 Change	
			Number	Percent
Region 8	121,717	116,889	-4,828	-4.0%
Cottonwood Co.	12,167	11,295	-872	-7.2%
Jackson Co.	11,268	9,946	-1,322	-11.7%
Lincoln Co.	6,429	5,678	-751	-11.7%
Lyon Co.	25,425	25,831	+406	+1.6%
Murray Co.	9,165	8,346	-819	-8.9%
Nobles Co.	20,832	21,944	+1,112	+5.3%
Pipestone Co.	9,895	9,087	-808	-8.2%
Redwood Co.	16,815	15,272	-1,543	-9.2%
Rock Co.	9,721	9,490	-231	-2.4%
Southwest Minnesota	394,518	392,228	-2,290	-0.6%
Region 6W	50,011	42,965	-7,046	-14.1%
Region 9	222,790	232,374	+9,584	+4.3%
State of Minnesota	4,919,479	5,576,606	+657,127	+13.4%

Source: U.S. Census Bureau, Population Estimates

Just two counties in the region enjoyed population gains over the past decade and a half. Anchored by Worthington, Nobles County gained 1,112 net new residents from 2000 to 2017, a 5.3 percent growth that ranked 34th fastest in the state; and Lyon County, which welcomed 406 new residents, primarily in Marshall, reported a 1.6 percent increase that ranked 47th overall. Lyon and Nobles are now the 40th and 44th largest counties in the state, respectively. After declining about 12 percent since 2000, Jackson and Lincoln County saw the fastest population declines in the region and the 10th fastest decline of the 87 counties in the state. Redwood, Murray, and Pipestone were also among the 20 fastest declining counties in the state. These recent declines are part of a long-term trend in the region, which has been losing population since 1950 (see Figure 1).



COMPONENTS OF POPULATION CHANGE, 2010-2017

Region 8 has experienced a natural increase – more births than deaths – of 2,458 people so far this decade. However, the region lost population because of out-migration, with 4,776 more people moving out of the region than moving in. Though there was domestic out-migration of nearly 7,000 people, the region did enjoy positive in-migration of just over 2,200 additional residents from international sources (see Table 2).

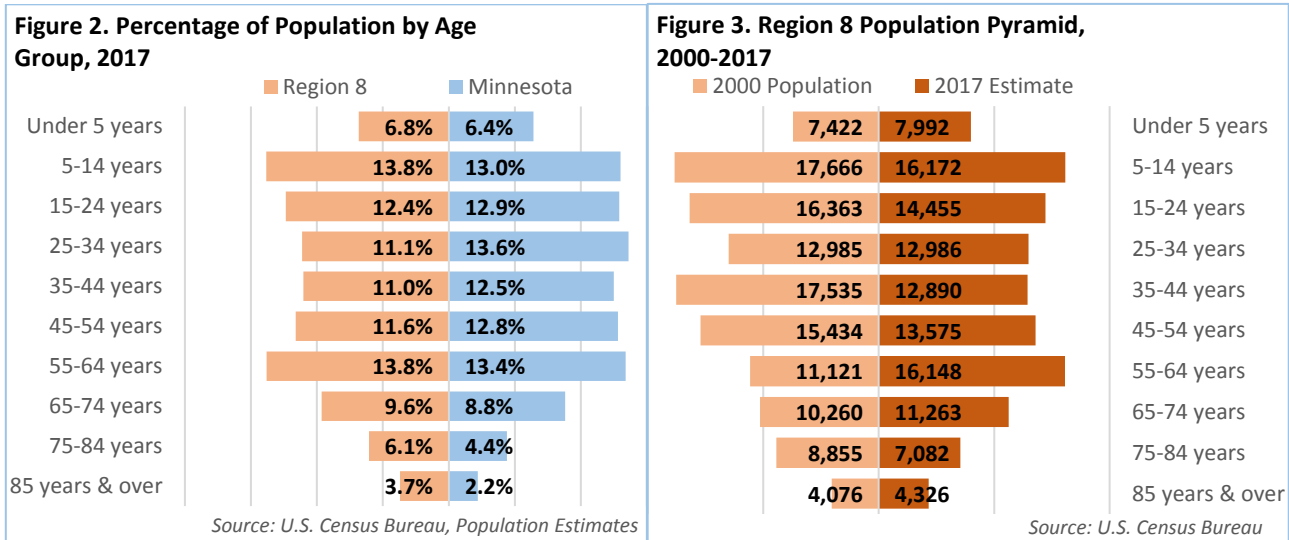
Region 8 is now home to 7,885 foreign born residents, or about 7 percent of the total population. The number of immigrants in the region jumped by 28.3 percent since 2010, outpacing the statewide growth rate of 16.3 percent. Over half (4,297 people) of these immigrants were from Latin America, while the second largest number were from Asia, accounting for 27 percent of the region’s immigrants, and the fastest growth came from Africa.

Total Change	Natural Increase	Vital Events		Net Migration		
		Births	Deaths	Total	Inter-national	Domestic
-2,262	+2,458	11,366	8,908	-4,776	+2,201	-6,977

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

POPULATION BY AGE GROUP, 2000-2017

Southwest Minnesota has a much older population than the rest of the state, with 19.4 percent of residents aged 65 years and over, compared to 15.4 percent statewide. Consequently, Region 8 had a lower percentage of people in the 25- to 54-year-old age group, typically considered the “prime working years,” but a slightly higher percent of school-aged children (see Figure 2).

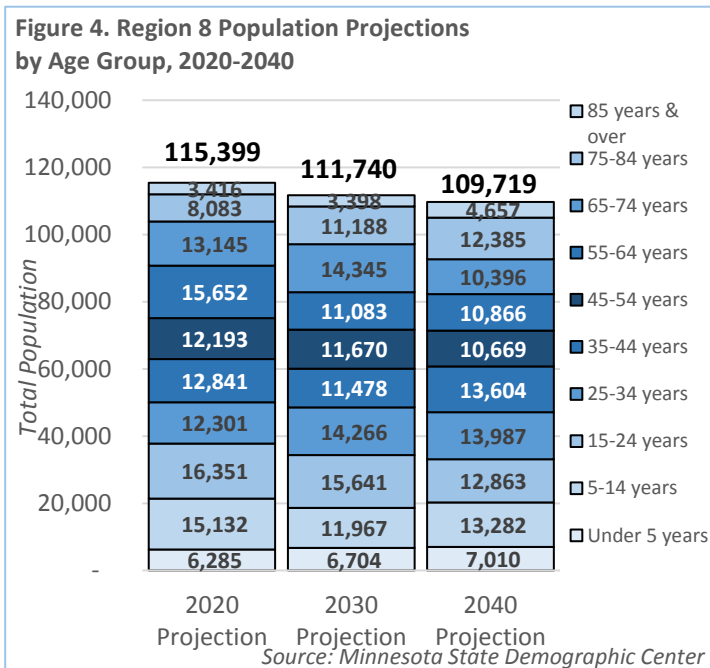


A large portion of the region’s population is a part of the Baby Boom generation, people born between 1946 and 1964, which is creating a significant shift in the population over time. While the number of younger and middle-aged residents was declining, the number of residents aged 55 years and over was rapidly increasing. This included a huge jump in the number of people from 55 to 64 years of age, but a more measured increase in people aged 65 years and over (see Figure 2).

POPULATION PROJECTIONS BY AGE GROUP, 2020-2040

Region 8 is projected to continue losing residents in the next 20 years. According to population projections from the [Minnesota State Demographic Center](#), Region 8 is expected to lose 5,680 residents from 2020 to 2040, a -4.9 percent decrease (see Figure 4). In comparison, the state of Minnesota is projected to grow 8.8 percent.

Most notably, Region 8 is projected to gain more than 5,500 people aged 75 years and over, a 48 percent increase. The region is also expected to see a small increase in the 25- to 44-year-old age group, as well as a corresponding bump in children under 5 years of age. In contrast, Region 8 is expected to lose school-aged children and young adults from 5 to 24 years of age, as well as a huge decline in people from 45 to 74 years of age – as the current Baby Boom generation moves through the population pyramid.



POPULATION BY RACE, 2016

Region 8’s population is less diverse than the state’s, but is becoming more diverse over time. In 2016, about 90 percent of the region’s residents reported White alone as their race, compared to 84.3 percent of residents statewide. The region had about the same percentage of American Indian and Alaska Natives as the state (1.1%), but a smaller percentage of Black or African American residents, Asian or Other Pacific Islanders, or people of Two or More Races. However, at 8.4 percent, Region 8 had a higher percentage of people reporting Hispanic or Latino origin than the state, and also a higher percentage of people of Some Other Race (see Table 3).

The number of Black residents and people of Hispanic or Latino origin more than doubled since 2000. Nobles County had the most diverse populace in the region, with just 80 percent of residents reporting White alone as their race, and 26 percent of residents reporting Hispanic origin, the highest in the state.

Table 3. Race and Hispanic Origin, 2016	Region 8			Minnesota	
	Number	Percent	Change from 2000-2016	Percent	Change from 2000-2016
Total	117,792	100.0%	-3.2%	100.0%	+10.8%
White	105,964	90.0%	-7.6%	84.3%	+4.5%
Black or African American	2,115	1.8%	+180.1%	5.7%	+81.0%
American Indian & Alaska Native	1,320	1.1%	+38.2%	1.0%	+3.5%
Asian & Other Pac. Islander	3,554	3.0%	+92.5%	4.6%	+72.8%
Some Other Race	3,407	2.9%	+44.5%	1.6%	+34.2%
Two or More Races	1,432	1.2%	+28.9%	2.7%	+79.5%
Hispanic or Latino	9,932	8.4%	+126.4%	5.1%	+92.5%

Source: U.S. Census Bureau, American Community Survey

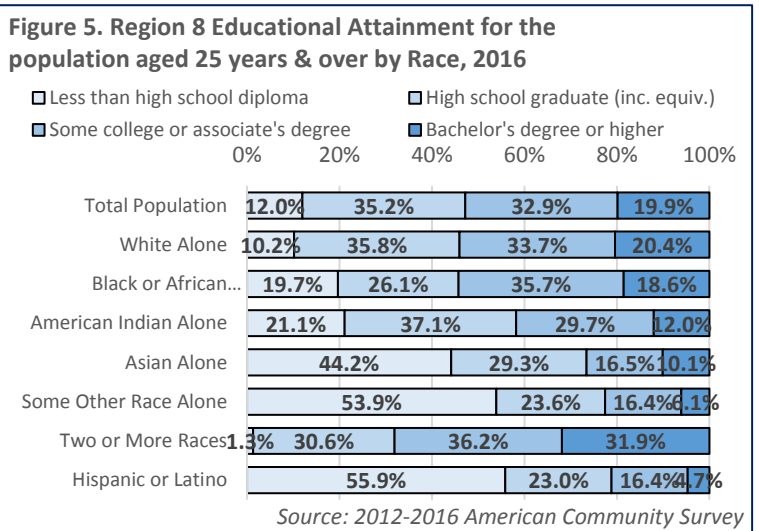
EDUCATIONAL ATTAINMENT, 2016

With 30.9 percent of adults aged 25 years and over having a college degree, Region 8 has lower educational attainment than the state, where 45.3 percent of adults have an associate, bachelor’s, or advanced degree. In contrast, Region 8 has a slightly higher percentage of people with some college but no degree or associate’s degrees, but a much higher percentage of people with a high school diploma or less (see Table 4).

Table 4. Educational Attainment for the Adult Population, 2016	Region 8		Minnesota
	Number	Percent	Percent
Total Population, 25 years & over	79,140	100.0%	100.0%
Less than high school	9,470	12.0%	7.4%
High school graduate (incl. equiv.)	27,874	35.2%	25.7%
Some college, no degree	17,344	21.9%	21.7%
Associate's degree	8,718	11.0%	11.0%
Bachelor's degree	11,611	14.7%	22.8%
Advanced degree	4,123	5.2%	11.5%

Source: U.S. Census Bureau, 2012-2016 American Community Survey

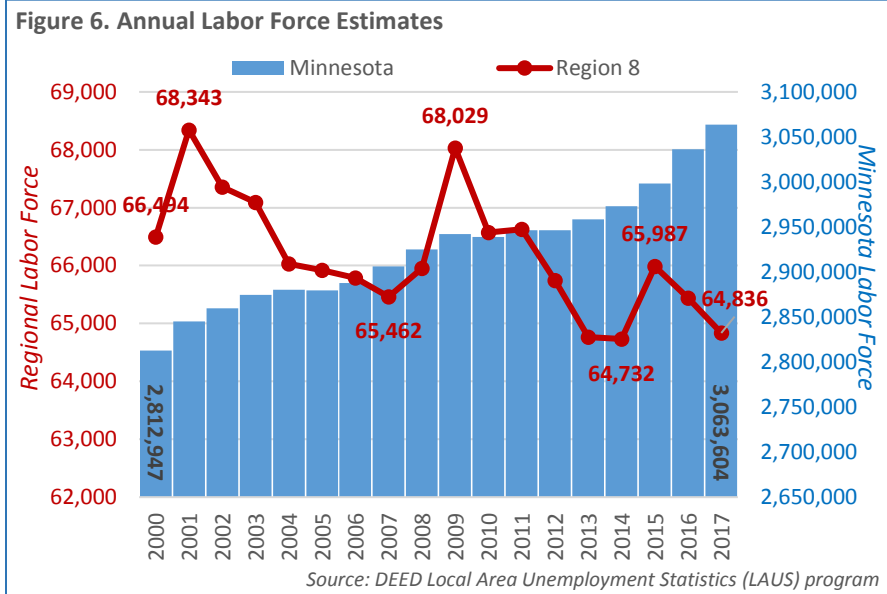
Educational attainment varies significantly by race and ethnicity in Region 8. Over half of Hispanic or Latino residents and people of Some Other Race had less than a high school diploma, compared to just 10 percent of White residents. Encouragingly, over 50 percent of Whites, Black or African Americans, and people of Two or More Races have attended some college or earned a degree. Just over 20 percent of White residents had earned bachelor’s degrees or higher, compared to 12 percent or less of American Indians, Asians, and people of Hispanic or Latino origin (see Figure 5).



LABOR FORCE

LABOR FORCE CHANGE, 2000-2017

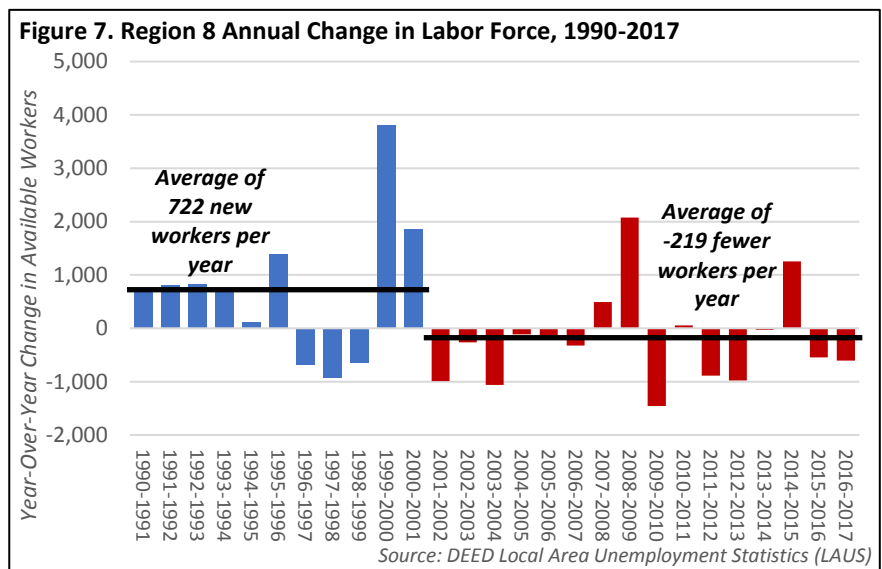
According to data from DEED’s [Local Area Unemployment Statistics](#) program, Region 8 had an annual average labor force count of just under 65,000 workers through 2017. In line with the region’s population decline, Region 8 has lost about 1,650 workers since 2000; and is down from a peak of 68,343 workers in 2001. While previous jumps in labor force size coincided with recessions (in 2001 and 2007-2009), the recent rise from 2014 to 2015 happened during better economic times (see Figure 6).



With low unemployment rates, the labor market in Region 8 is now extremely tight, with just 2,389 unemployed workers actively seeking work in 2017, down from a peak of 3,977 workers in 2010.

After averaging a net gain of nearly 725 additional labor force participants per year between 1990 and 2001, Region 8 employers were able to tap into a slowly growing pool of talented workers. However, from 2001 to 2017, Region 8’s labor force started to shrink, losing just over 3,500 workers (see Figure 7).

Increasingly tight labor markets and a scarcity of workers is now recognized as one of Region 8’s most significant barriers to future economic growth. In the face of these constraints, it has become evident that 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.



LABOR FORCE PROJECTIONS, 2020-2030

Applying current labor force participation rates to future population projections by age group, as shown in Figure 4 above, would lead to a steeper decrease in workforce numbers in Region 8 through 2030 (see Table 5).

In addition to the changing size, the labor force will also see a significant shift in composition over time, with small gains in the number of workers aged 65 years and over against huge declines in the number of workers aged 45 to 64 years. The region is also projected to lose teenaged workers. However, the region is expected to see steady gains in the number of workers aged 20 to 44 years, and the 25 to 54 year old age group will still be the largest part of the labor force, still accounting for about 57 percent of the total workforce. This will likely lead to a tight labor market in the future as well, with employers needing to respond to the changing labor force availability in the region.

Table 5. Region 8 Labor Force Projections

	2020 Labor Force Projection	2030 Labor Force Projection	2020-2030 Change	
			Numeric	Percent
16 to 19 years	3,656	3,283	-373	-10.2%
20 to 24 years	6,800	6,907	+107	+1.6%
25 to 44 years	22,207	22,739	+532	+2.4%
45 to 54 years	10,450	10,002	-448	-4.3%
55 to 64 years	12,164	8,613	-3,551	-29.2%
65 to 74 years	4,531	4,945	+414	+9.1%
75 years & over	810	1,028	+218	+26.8%
Total Labor Force	60,619	57,517	-3,102	-5.1%

Source: calculated from [MN State Demographic Center projections](#), and [2012-2016 American Community Survey 5-Year Estimates](#).

EMPLOYMENT CHARACTERISTICS, 2016

With just 67.1 percent of the population aged 16 years and over in the labor force, Region 8 had lower labor force participation rates than the state’s 69.9 percent. However, the region actually had higher labor force participation rates than the state in all but one age group, yet the overall rate was lower because a higher percentage of Region 8’s labor force was older (see Table 6).

Like the state, the region had large unemployment rate disparities for most minority groups, with the exception of American Indians and Asian residents. In sum, unemployment rates were highest for young people, minorities, workers with disabilities, veterans and people with lower educational attainment.

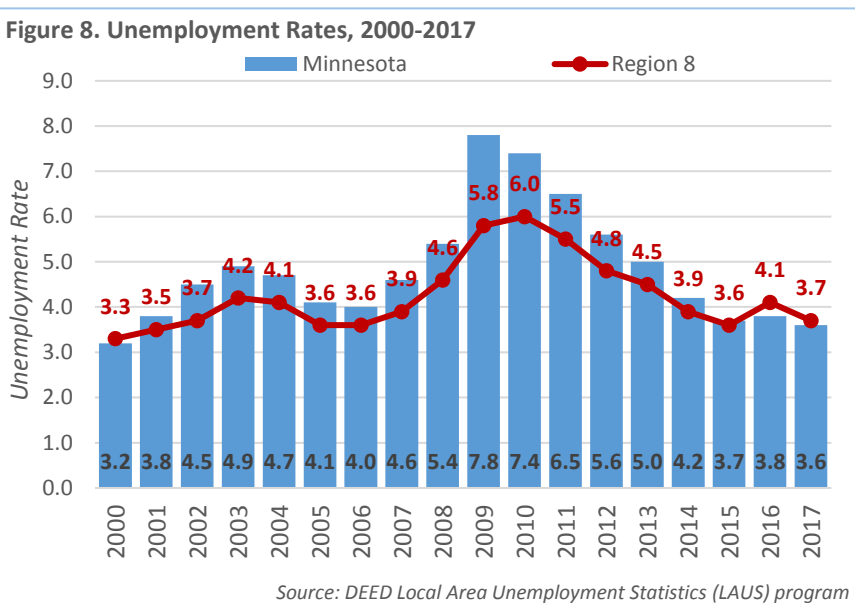
Table 6. Employment Characteristics, 2016

	Region 8			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	61,822	67.1%	4.4%	69.9%	4.8%
16 to 19 years	3,461	55.6%	13.8%	52.3%	14.2%
20 to 24 years	5,671	83.7%	8.9%	83.5%	8.1%
25 to 44 years	23,190	88.3%	4.3%	88.2%	4.4%
45 to 54 years	12,739	85.7%	2.7%	87.2%	3.4%
55 to 64 years	12,287	77.7%	2.7%	72.3%	3.6%
65 to 74 years	3,670	34.5%	2.2%	27.1%	3.0%
75 years & over	815	7.0%	1.1%	6.0%	2.7%
Employment Characteristics by Race & Hispanic Origin					
White alone	56,427	66.7%	3.8%	69.9%	4.1%
Black or African American	1,000	71.7%	17.5%	68.5%	12.9%
American Indian & Alaska Native	532	57.4%	4.5%	58.8%	14.8%
Asian or Other Pac. Islanders	1,719	68.6%	5.9%	70.7%	5.6%
Some Other Race	1,756	81.9%	13.8%	77.3%	8.4%
Two or More Races	408	71.7%	14.5%	71.3%	10.1%
Hispanic or Latino	4,512	74.5%	11.8%	75.5%	8.2%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	2,440	80.6%	6.6%	78.6%	4.8%
Employment Characteristics by Disability					
With Any Disability	3,120	58.1%	12.4%	51.4%	10.9%
Employment Characteristics by Educational Attainment					
Population, 25 to 64 years	48,222	84.7%	3.3%	84.0%	4.0%
Less than H.S. Diploma	3,724	67.5%	3.9%	65.0%	5.6%
H.S. Diploma or Equivalent	14,780	82.8%	2.0%	78.7%	3.4%
Some College or Assoc. Degree	18,306	87.4%	3.2%	85.1%	4.0%
Bachelor’s Degree or Higher	11,415	90.5%	1.4%	89.5%	2.3%

Source: [2012-2016 American Community Survey, 5-Year Estimates](#)

UNEMPLOYMENT RATE, 2000-2017

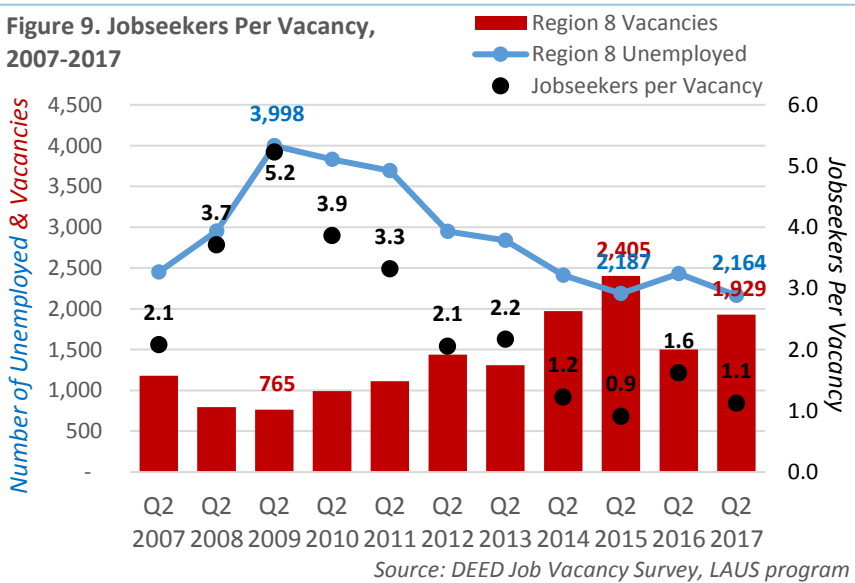
Region 8 has consistently reported lower unemployment rates than the state rate, until the past two years. According to [Local Area Unemployment Statistics](#), the region’s unemployment rate hovered below the state rate from 2001 to 2015, dropping well below the state during the recession in 2009 and 2010. However, while the state’s economy has recovered and unemployment rates are back to prerecession levels statewide, Region 8’s rate jumped higher in 2016 and 2017 (see Figure 8).



JOBSEEKERS PER VACANCY, 2017

As the number of available workers has declined, the region’s labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which now stands at 1.1-to-1 in Region 8.

According to recent Job Vacancy Survey results, there were 1,929 openings reported by employers compared to 2,164 unemployed jobseekers in the region. The ratio climbed as high as 5.2 in the depths of the recession in 2009 (see Figure 9).



COMMUTE SHED AND LABOR SHED, 2015

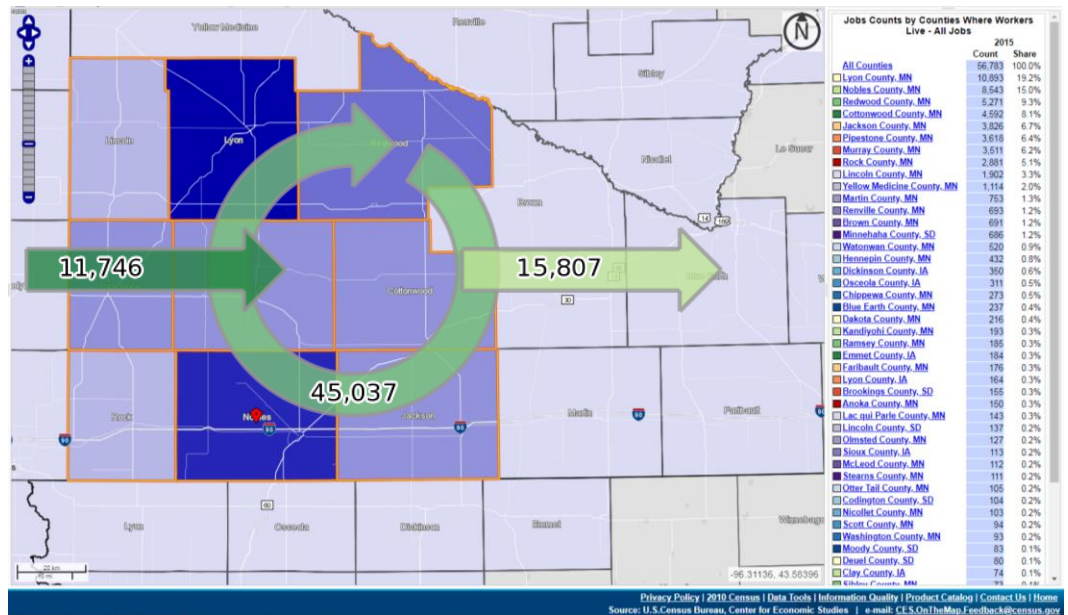
According to commuting data from the [Census Bureau](#), Region 8 is a net labor exporter, having more workers than available jobs. In sum, 45,037 workers both lived and worked in Region 8 in 2015, while another 11,746 workers drove into the region from surrounding counties for work, compared to 15,087 workers who lived in the region but drove elsewhere for work (see Table 7 and Figure 10).

	2015	
	Count	Share
Employed in the Selection Area	56,783	100.0%
Employed in the Selection Area but Living Outside	11,746	20.7%
Employed and Living in the Selection Area	45,037	79.3%
Living in the Selection Area	60,844	100.0%
Living in the Selection Area but Employed Outside	15,087	26.0%
Living and Employed in the Selection Area	45,037	74.0%

Source: U.S. Census Bureau, OnTheMap

Home to Marshall, Lyon County is the largest job source in the region and was the biggest draw for workers, followed by Worthington in Nobles County. Employers in the region both lose and draw workers from nearby regional centers like Willmar in Kandiyohi County, Sioux Falls in Minnehaha County, South Dakota, and Mankato in Blue Earth County (see Figure 10).

Figure 10. Region 8 Labor and Commute Shed, 2015

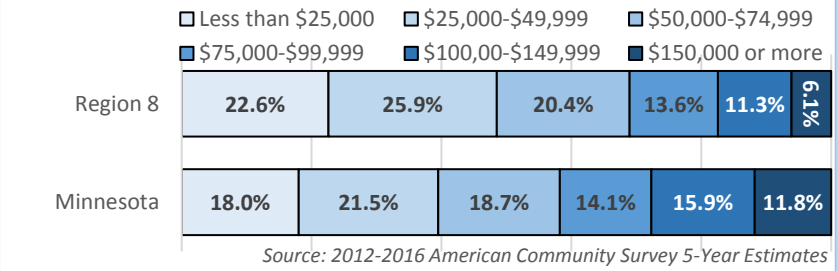


INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

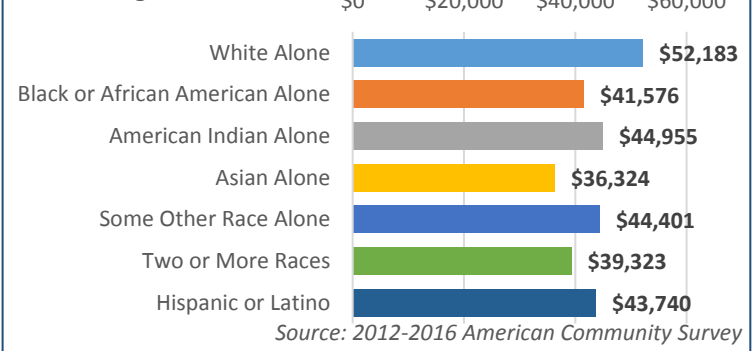
Household incomes were significantly lower in Region 8 than the rest of the state. The median household income in Region 8 was \$51,265 in 2016, compared to \$63,217 in Minnesota. Almost half (48.5%) of the households in the region had incomes below \$50,000 in 2016, compared to just 39.5 percent statewide. Another 34 percent of households earned between \$50,000 and \$100,000 in the region. In contrast, only 17.4 percent of households in Region 8 earned over \$100,000 per year, compared to 27.7 percent of households statewide (see Figure 11).

Figure 11. Household Incomes, 2016



Median household incomes varied by race or origin in the region. Asian households reported the lowest incomes in Region 8, with a median income that was about \$16,000 lower than for White households. Two or More Races and Black or African American households also reported much lower household incomes (see Figure 12). Poverty rates also vary widely by race, from a low of 10.5 percent for Whites to more than 24 percent for all other race groups.

Figure 12. Region 8 Median Household Income by Race or Origin, 2016



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 \$57,624 in 2018. The cost of living for a similar family in Region 8 was \$44,460 – which was the lowest of the 13 economic development regions in the state. The highest monthly costs were for transportation, food, and housing; though the region's housing, child care, taxes, and transportation costs were significantly lower than the rest of the state. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn \$14.25 per hour over the course of 60 hours per work 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 Region 8 would be \$26,328, which would require an hourly wage of \$12.66 to meet the basic needs standard of living (see Table 8). That was again the lowest in the state.

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Region 8										
Single, 0 children	1 FT	\$26,328	\$12.66	\$0	\$334	\$134	\$536	\$627	\$254	\$309
Single, 1 child	1 FT	\$38,628	\$18.57	\$413	\$492	\$269	\$698	\$664	\$348	\$335
2 parents, 1 child	1 FT, 1 PT	\$44,460	\$14.25	\$207	\$761	\$417	\$698	\$774	\$426	\$422
2 parents, 2 children	2 FT	\$62,028	\$14.91	\$719	\$992	\$426	\$943	\$823	\$566	\$700
State of Minnesota										
Single, 0 children	1 FT	\$31,656	\$15.22	\$0	\$334	\$136	\$754	\$696	\$318	\$400
2 parents, 1 child	1 FT, 1 PT	\$57,624	\$18.47	\$504	\$763	\$459	\$980	\$869	\$510	\$717

Source: DEED Cost of Living tool

WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Region 8 was \$16.53 in the first quarter of 2018, which was the lowest wage level of the 13 EDRs in the state. Region 8's median wage was \$3.54 below the state's median hourly wage, equaling 82.4 percent of the statewide wage rate, and over \$5.00 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to over \$10,000 per year for a full-time worker. Region 8 had slightly lower wages than Region 6W at \$16.86, but significantly lower wages than surrounding regions like Region 6E and Region 9, which were both at \$17.56 (see Table 9).

Not surprisingly, the lowest-paying jobs are in food preparation and serving, personal care and service, sales, and building cleaning and maintenance jobs, which tend to have lower educational and training requirements. For the most part, the gap in pay between Region 8 and the state is lower in these jobs. In contrast, the highest paying jobs are found in management, computer, business and financial operations, healthcare practitioners, and architecture and engineering occupations, which all need higher levels of education and experience, including many that require postsecondary training. The pay gaps between the region and state are much bigger in these occupations.

Region	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	\$18.39	36,250
EDR 2 - Headwaters	\$17.06	30,460
EDR 3 - Arrowhead	\$17.72	143,490
EDR 4 - West Central	\$17.46	86,020
EDR 5 - North Central	\$16.75	59,210
EDR 6E - Southwest Central	\$17.56	50,120
EDR 6W - Upper MN Valley	\$16.86	16,640
EDR 7E - East Central	\$18.47	51,730
EDR 7W - Central	\$17.91	184,060
EDR 8 - Southwest	\$16.53	55,150
EDR 9 - South Central	\$17.56	107,700
EDR 10 - Southeast	\$18.91	238,090
EDR 11 - 7-County Twin Cities	\$21.92	1,769,290
State of Minnesota	\$20.07	2,838,270

Source: DEED Occupational Employment Statistics

Over 13 percent of the jobs in the region were production occupations, which was nearly twice as concentrated as in the state as a whole. Region 8 also had a higher share than the state of workers in healthcare support, transportation and material moving, installation, maintenance, and repair; construction and extraction; and farming, fishing and forestry occupations, which had the highest location quotient in the region (see Table 10).

Table 10. Region 8 Occupational Employment Statistics, 1 st Qtr. 2018					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	\$16.53	55,150	100.0%	1.0	\$20.07	2,838,270	100.0%
Production	\$15.63	7,320	13.3%	1.7	\$17.89	217,610	7.7%
Office & Administrative Support	\$16.41	7,230	13.1%	0.9	\$18.45	409,820	14.4%
Sales & Related	\$13.52	5,200	9.4%	1.0	\$14.10	277,720	9.8%
Food Preparation & Serving Related	\$10.65	4,730	8.6%	1.0	\$11.12	239,950	8.5%
Transportation & Material Moving	\$17.51	4,370	7.9%	1.3	\$17.59	178,720	6.3%
Education, Training & Library	\$20.42	3,570	6.5%	1.1	\$23.65	163,850	5.8%
Healthcare Practitioners & Technical	\$26.10	3,140	5.7%	0.9	\$34.44	182,500	6.4%
Healthcare Support	\$13.20	2,660	4.8%	1.6	\$15.81	85,940	3.0%
Personal Care & Service	\$12.79	2,500	4.5%	0.9	\$12.12	139,210	4.9%
Installation, Maintenance & Repair	\$19.91	2,420	4.4%	1.3	\$23.22	95,660	3.4%
Construction & Extraction	\$20.30	2,410	4.4%	1.2	\$27.10	99,900	3.5%
Management	\$37.72	2,330	4.2%	0.7	\$49.99	168,930	6.0%
Building, Grounds Cleaning & Maint.	\$11.63	1,740	3.2%	1.1	\$14.07	84,300	3.0%
Business & Financial Operations	\$27.67	1,550	2.8%	0.5	\$31.97	161,080	5.7%
Community & Social Service	\$17.82	1,080	2.0%	1.0	\$21.88	55,430	2.0%
Protective Service	\$15.83	760	1.4%	0.9	\$20.27	43,150	1.5%
Architecture & Engineering	\$28.62	570	1.0%	0.5	\$36.61	53,780	1.9%
Farming, Fishing & Forestry	\$14.87	410	0.7%	6.0	\$15.45	3,540	0.1%
Computer & Mathematical	\$31.84	350	0.6%	0.2	\$40.00	94,290	3.3%
Life, Physical & Social Science	\$27.22	340	0.6%	0.7	\$31.27	26,220	0.9%
Arts, Design, Entertainment & Media	\$16.55	310	0.6%	0.4	\$23.44	36,910	1.3%
Legal	\$33.27	160	0.3%	0.4	\$37.34	19,750	0.7%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2018](#)

JOB VACANCY SURVEY

Employers in Region 8 reported 1,601 job vacancies in the fourth quarter of 2017, a slight decline compared to the past three years when the region was posting record highs, but still nearly three times as many as the low point reached during the recession in the fourth quarter of 2009. The region has averaged between 1,700 and 2,100 vacancies over the past 4 years of surveys, an unprecedented level of consistent demand.

Overall, 46 percent of the openings were part-time, and only one-third required postsecondary education. The percent of job openings requiring a college degree has seemingly been going down over time, while the percentage needing prior work experience has been higher and going up. In 2017, 34 percent of vacancies required 1 or more years of experience. The median hourly wage offer for all occupations was \$13.68, but ranged from about \$10 for food prep and serving related and sales jobs; to as high as \$42.96 for health care practitioners. The largest number of vacancies were for transportation, food prep and serving, and production workers – those three occupation groups offered just over half of all vacancies in the region (see Table 11).

Table 11. Region 8 Job Vacancy Survey Results, 4th Qtr. 2017

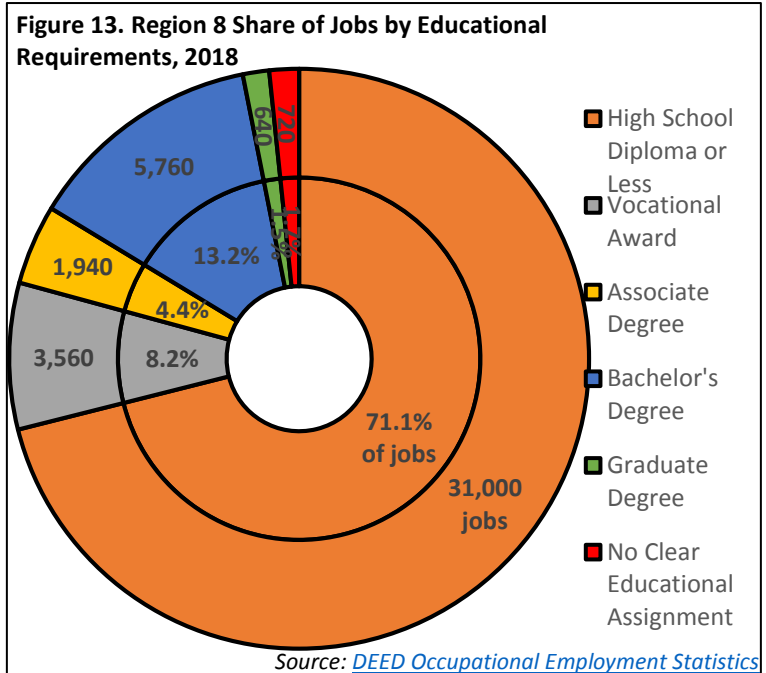
	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	1,601	46%	5%	32%	34%	42%	\$13.68
Healthcare Practitioners & Technical	235	27%	1%	99%	78%	98%	\$22.68
Healthcare Support	172	52%	0%	41%	13%	85%	\$13.50
Office & Administrative Support	171	61%	0%	5%	30%	5%	\$10.67
Personal Care & Service	136	92%	2%	6%	0%	7%	\$10.42
Sales & Related	136	72%	7%	2%	3%	0%	\$9.50
Food Preparation & Serving Related	133	86%	0%	3%	4%	7%	\$8.20
Production	125	0%	0%	0%	2%	11%	\$13.19
Business & Financial Operations	49	2%	0%	88%	93%	7%	\$18.13
Architecture & Engineering	30	0%	0%	40%	77%	0%	\$15.92
Education, Training & Library	30	24%	54%	90%	89%	71%	\$17.67
Installation, Maintenance & Repair	30	0%	0%	50%	81%	35%	\$15.83
Management	21	0%	0%	77%	93%	18%	\$27.55
Community & Social Service	17	18%	0%	93%	94%	62%	\$17.10
Building, Grounds Cleaning & Maint.	17	46%	6%	3%	18%	9%	\$11.22
Computer & Mathematical	5	0%	0%	74%	79%	53%	\$22.60
Life, Physical & Social Sciences	4	0%	0%	57%	29%	71%	\$15.24

Source: [DEED Job Vacancy Survey, Qtr. 4 2017](#)

EDUCATIONAL REQUIREMENTS

Similar to Job Vacancy Survey results, data from DEED’s Occupational Employment Statistics program shows that less than 30 percent of jobs in the region require postsecondary education for entry. The other 70 percent can be started with a high school diploma or less and some amount of on-the-job training (see Figure 13).

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 marketplace. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between \$14,500 and almost \$50,000 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.



OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, about 200 occupations are showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, health care, manufacturing, transportation and warehousing, and retail trade and accommodation and food services have the most openings based on the consistent need for workers in these fields (see Table 12).

Less than High School	High School or Equivalent	Some College or Associate's Degree	Bachelor's Degree or Higher
Cement Masons & Concrete Finishers (\$32,921)	Heavy & Tractor-Trailer Truck Drivers (\$36,222)	Nursing Assistants (\$25,771)	Accountants & Auditors (\$55,287)
Retail Salespersons (\$21,429)	Teacher Assistants (\$25,612)	Licensed Practical & Licensed Vocational Nurses (\$38,988)	Elementary School Teachers (\$47,852)
Personal Care Aides (\$24,332)	Farmers, Ranchers, & Other Agricultural Managers (\$76,318)	Registered Nurses (\$59,709)	Secondary School Teachers (\$50,449)
Cashiers (\$19,876)	Social & Human Service Assistants (\$30,095)	Automotive Service Technicians & Mechanics (\$35,685)	Mental Health Counselors (\$74,423)
Slaughterers & Meat Packers (\$28,440)	First-Line Supervisors of Retail Sales Workers (\$31,690)	Electricians (\$41,892)	Dentists, General (\$155,172)
Stock Clerks & Order Fillers (\$23,052)	Customer Service Representatives (\$31,610)	Emergency Medical Technicians & Paramedics (\$29,342)	Medical & Health Services Managers (\$70,738)
Helpers--Production Workers (\$40,912)	Executive Secretaries & Exec. Admin. Assistants (\$41,008)	Police & Sheriff's Patrol Officers (\$52,909)	Sales Managers (\$82,408)
Combined Food Prep & Serving Workers (\$20,543)	Automotive Body & Related Repairers (\$35,251)	Heating, Air Conditioning, & Refrig. Mechanics (\$51,924)	Industrial Engineers (\$75,817)
Home Health Aides (\$25,540)	Bus & Truck Mechanics & Diesel Engine Specialists (\$36,506)	Industrial Machinery Mechanics (\$45,136)	Physician Assistants (\$104,252)
Janitors & Cleaners (\$25,003)	Secretaries & Administrative Assistants (\$33,891)	Industrial Engineering Technicians (\$51,958)	Education Administrators, Elem. & Secondary (\$89,647)

Source: [DEED Occupations in Demand](#)

OCCUPATIONS BY GENDER

Although the gap is narrowing, there are still more males than females in the labor force in Region 8. In 2016 males held about 54 percent of jobs, meaning the other 46 percent of workers were females. While the overall distribution is relatively equal, there are significant differences in what men and women do for work. Not surprisingly, men are much more likely to work in natural resources, construction, and maintenance occupations and production, transportation, and material moving occupations; while women are much more likely to be employed in service, sales and office occupations (see Table 13).

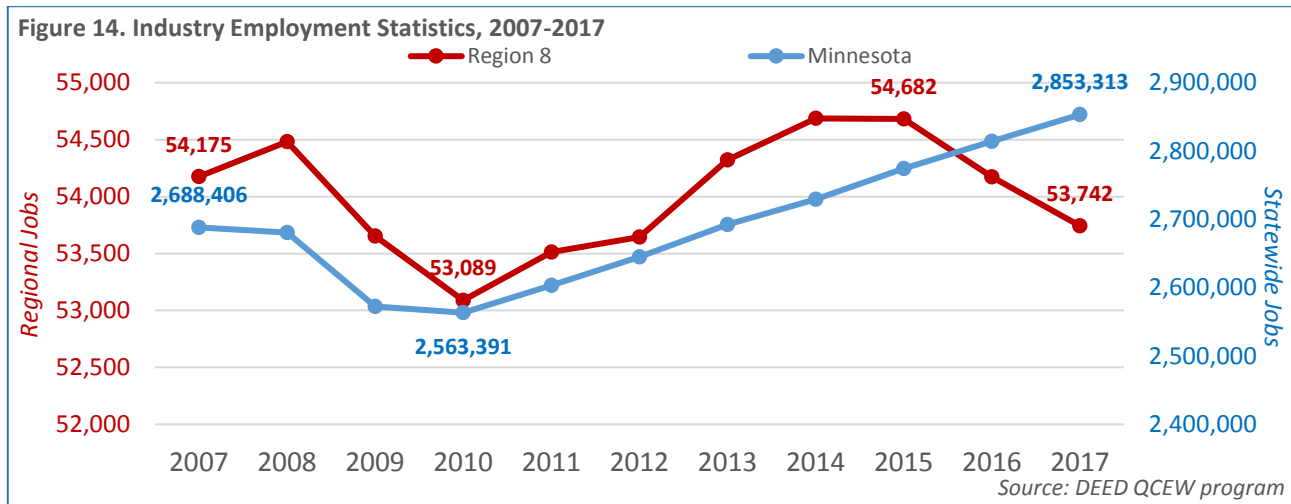
	Male		Female		Total Number
	Number	Percent	Number	Percent	
Management, business, science, & arts	8,914	47.4%	9,901	52.6%	18,815
Service occupations	3,158	32.9%	6,452	67.1%	9,610
Sales & office occupations	3,989	34.3%	7,655	65.7%	11,644
Natural resources, construction, & maintenance	7,009	92.2%	590	7.8%	7,599
Production, transportation, & material moving	8,761	77.0%	2,615	23.0%	11,376
Total, All Occupations	31,831	53.9%	27,213	46.1%	59,044

Source: 2012-2016 American Community Survey, 5-Year Estimates

ECONOMY

INDUSTRY EMPLOYMENT

Region 8 has seen several employment ups and downs over the past decade, ending 2017 with 433 fewer jobs than it had in 2007. The region entered the recession later than the state, still experiencing job growth through 2008, before suffering severe declines in 2009 and 2010. Region 8 then saw a rapid recovery, adding almost 1,600 jobs from 2010 to 2015. However, since peaking in 2014 and 2015, Region 8 has lost 940 jobs in the past two years, while the state continued growing (see Figure 14).



According to DEED’s [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 8 was home to 3,888 firms providing 53,742 jobs through 2017, with a total payroll of just over \$2.1 billion. That was 1.9 percent of total employment in the state of Minnesota. Average annual wages were \$39,500 in the region, which was over \$16,500 lower than the state’s average annual wage, and the fifth lowest of the 13 EDRs.

Home to Marshall, Lyon County is the largest employment center in the region, with 14,479 jobs at 810 firms; followed by Worthington and Nobles County with 10,457 jobs at 614 firms. Despite the big drop in the past year, the region still gained about 100 jobs in the past five years; with 4 of the 9 counties adding jobs, led by Rock, Pipestone, and Nobles County. Jackson, Redwood, and Cottonwood suffered the biggest losses. Six counties added jobs in the past year, but larger losses in the other 3 counties overwhelmed those gains (see Table 14).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2012-2017		2016-2017	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
Region 8	3,888	53,742	\$2,122,820,733	\$39,500	+98	+0.2%	-432	-0.8%
Cottonwood Co.	386	4,798	\$179,681,326	\$37,449	-146	-3.0%	+350	+7.9%
Jackson Co.	335	5,117	\$191,865,898	\$37,496	-370	-6.7%	-310	-5.7%
Lincoln Co.	223	1,788	\$66,468,841	\$37,175	+42	+2.4%	+78	+4.6%
Lyon Co.	810	14,479	\$613,179,109	\$42,350	-87	-0.6%	-113	-0.8%
Murray Co.	322	2,965	\$108,113,762	\$36,463	-4	-0.1%	+6	+0.2%
Nobles Co.	614	10,457	\$434,747,660	\$41,575	+271	+2.7%	+88	+0.8%
Pipestone Co.	353	4,497	\$166,946,566	\$37,124	+245	+5.8%	+38	+0.9%
Redwood Co.	548	6,041	\$223,134,023	\$36,937	-265	-4.2%	-586	-8.8%
Rock Co.	297	3,599	\$138,683,548	\$38,534	+412	+12.9%	+17	+0.5%
State of Minnesota	167,485	2,853,730	\$160,254,656,806	\$56,156	+208,795	+7.9%	+39,728	+1.4%

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

With 9,942 jobs at 176 firms, manufacturing is the largest employing industry in Region 8, accounting for 18.5 percent of total jobs in the region. That is over 7 percent higher than the state's concentration of employment in manufacturing, thanks in part to a huge 317 job increase over the past year. Food manufacturing is the largest sector, providing 4,757 jobs at 38 firms; followed by machinery manufacturing and wood product manufacturing. At \$48,959 in 2017, average annual wages were nearly \$10,000 higher in manufacturing than the total of all industries.

The next largest industry in Region 8 was health care and social assistance, with 9,029 jobs at 330 firms, after gaining 76 new jobs from 2012 to 2017. Due to the region's older population, the largest sectors were nursing and residential care facilities with 3,239 jobs and ambulatory health care services with 3,375 jobs.

Retail trade is the third largest industry, with 5,980 jobs at 505 stores, and the related accommodation and food services industry had 3,357 jobs at 248 firms. Combined, these two industries provide 17.3 percent of total jobs, but wages are relatively low in both industries, and jobs have been declining in recent years.

Other important industries in Region 8 include educational services, public administration, wholesale trade, finance and insurance, construction, and transportation and warehousing. Twelve of the 20 main industries in the region cut jobs since 2012, but big gains in finance and insurance and administrative support and waste management services – including temporary staffing agencies – offset losses in accommodation and food services and management of companies. Educational services, public administration, transportation and warehousing, and agriculture saw steady gains as well. Likewise, just 9 of the 20 industries gained jobs in the past year, leading to the overall decline (see Table 15).

Table 15. Region 8 Industry Employment Statistics, 2017

NAICS Industry Title	2017 Annual Data				Avg. Annual Wage	2012-2017		2016-2017	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll (\$1,000s)		Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	3,888	53,742	100.0%	\$2,122,821	\$39,500	+98	+0.2%	-431	-0.8%
Manufacturing	176	9,942	18.5%	\$486,755	\$48,959	+38	+0.4%	+317	+3.3%
Health Care & Social Assistance	330	9,029	16.8%	\$318,536	\$35,279	+76	+0.8%	-12	-0.1%
Retail Trade	505	5,980	11.1%	\$141,736	\$23,702	-83	-1.4%	-141	-2.3%
Educational Services	77	4,716	8.8%	\$185,499	\$39,334	+268	+6.0%	+131	+2.9%
Accommodation & Food Services	248	3,357	6.2%	\$54,318	\$16,181	-902	-21.2%	-693	-17.1%
Public Administration	213	3,098	5.8%	\$117,012	\$37,770	+152	+5.2%	+44	+1.4%
Wholesale Trade	233	2,733	5.1%	\$141,662	\$51,834	-67	-2.4%	-44	-1.6%
Finance & Insurance	234	2,648	4.9%	\$157,357	\$59,425	+430	+19.4%	+32	+1.2%
Construction	496	2,372	4.4%	\$110,634	\$46,641	-6	-0.3%	+33	+1.4%
Transportation & Warehousing	265	2,098	3.9%	\$80,207	\$38,230	+129	+6.6%	+1	0.0%
Agriculture, Forestry, Fish & Hunt	234	1,803	3.4%	\$67,280	\$37,315	+273	+17.8%	+35	+2.0%
Admin. Support & Waste Mgt. Svcs.	115	1,399	2.6%	\$51,382	\$36,728	+411	+41.6%	-28	-2.0%
Other Services	308	1,259	2.3%	\$33,393	\$26,523	-108	-7.9%	-46	-3.5%
Professional & Technical Services	181	1,182	2.2%	\$69,092	\$58,454	-62	-5.0%	-10	-0.8%
Management of Companies	8	569	1.1%	\$49,003	\$86,121	-281	-33.1%	-27	-4.5%
Information	79	496	0.9%	\$16,505	\$33,275	-33	-6.2%	-21	-4.1%
Arts, Entertainment, & Recreation	73	419	0.8%	\$6,017	\$14,360	0	0.0%	-16	-3.7%
Utilities	30	335	0.6%	\$27,959	\$83,458	-35	-9.5%	+12	+3.7%
Real Estate & Rental & Leasing	76	237	0.4%	\$5,598	\$23,619	-88	-27.1%	+4	+1.7%
Mining	8	65	0.1%	\$2,876	\$44,247	-14	-17.7%	-3	-4.4%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

Upon request, this information can be made available in alternate formats for people with disabilities by contacting Luke Greiner at 320-308-5378 or at luke.greiner@state.mn.us.