

# SOUTH CENTRAL MINNESOTA ECONOMIC DEVELOPMENT REGION 9

Covers counties:

Blue Earth, Brown, Faribault,  
Le Sueur, Martin, Nicollet,  
Sibley, Waseca, Watonwan

## 2018 REGIONAL PROFILE

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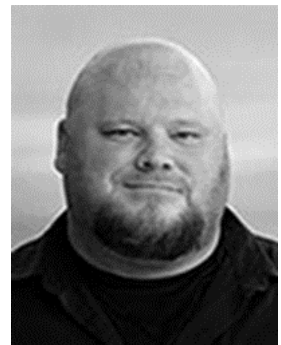
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## DEMOGRAPHICS

### POPULATION CHANGE, 2000-2017

Economic Development Region 9 – South Central includes nine counties and one Workforce Development Board (WDB). In sum, South Central was home to 232,374 people in 2017, comprising 4.2 percent of the state’s total population. The region saw a 4.3 percent increase in population over the past 17 years. However, population change was varied across the region.

Blue Earth County alone saw a population gain that was larger than the region as a whole, increasing by 11,032 people (+19.7%). That made it the 10<sup>th</sup> fastest growing county (of 87) in the state. However, the regional total was lower due to decreases in six of the nine counties, including large drops in Faribault (-14.8%), Martin (-9.0%), Watonwan (-8.7%) and Brown (-6.4%) Counties. The remaining two counties that saw population increases saw considerable gains, including 14.1 percent growth in Nicollet County and a 10.6 percent rise in Le Sueur County.

The three counties that saw population gains are also the largest counties in the region. Blue Earth made up 28.8 percent of the regional population, and is the 13<sup>th</sup> most populous and 10<sup>th</sup> fastest growing county (of 87) in the state, while Nicollet and Le Sueur Counties were home to 14.6 and 12.1 percent of the region’s residents, and were the 32<sup>nd</sup> and 38<sup>th</sup> largest counties in the state, respectively.

### COMPONENTS OF POPULATION CHANGE, 2010-2017

South Central Minnesota has experienced a natural increase – more births than deaths – of 4,048 people so far this decade. However, the region lost population because of out-migration, with 2,946 more people moving out of the region than moving in. Though there was domestic out-migration of 4,430 people who chose to live elsewhere in the state or in a different state, the region did enjoy positive in-migration of 1,484 additional residents from international sources (see Table 2).

According to Census estimates, South Central Minnesota is now home to 8,766 foreign born residents, or about 3.8 percent of the total regional population. The number of immigrants in the region increased by 17.6 percent since 2010, outpacing the statewide growth rate of 16.3 percent. The largest percentage of foreign born population (4,345 or 49.6 percent) came from the Americas, with the majority of those (94.6 percent) coming from Latin America. The second largest number of foreign born residents (2,179 or 24.9 percent) were from Asia, with almost two-thirds of whom came from Eastern and South Eastern Asia. The fastest growing wave of new immigrants to South Central came from Africa, rising by 453 people from 2010 to 2016, a 55.7 percent jump.

**Table 1. Population Change 2000-2017**

	2000 Population	2017 Estimates	2000-2017 Change	
			Number	Percent
<b>Region 9-South Central</b>	<b>222,790</b>	<b>232,374</b>	<b>+9,584</b>	<b>+4.3%</b>
Blue Earth Co.	55,941	66,973	+11,032	+19.7%
Brown Co.	26,911	25,194	-1,717	-6.4%
Faribault Co.	16,181	13,784	-2,397	-14.8%
Le Sueur Co.	25,426	28,111	+2,685	+10.6%
Martin Co.	21,802	19,850	-1,952	-9.0%
Nicollet Co.	29,771	33,966	+4,195	+14.1%
Sibley Co.	15,356	14,869	-487	-3.2%
Waseca Co.	19,526	18,787	-739	-3.8%
Watonwan Co.	11,876	10,840	-1,036	-8.7%
<b>State of Minnesota</b>	<b>4,919,479</b>	<b>5,576,606</b>	<b>+657,127</b>	<b>+13.4%</b>

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

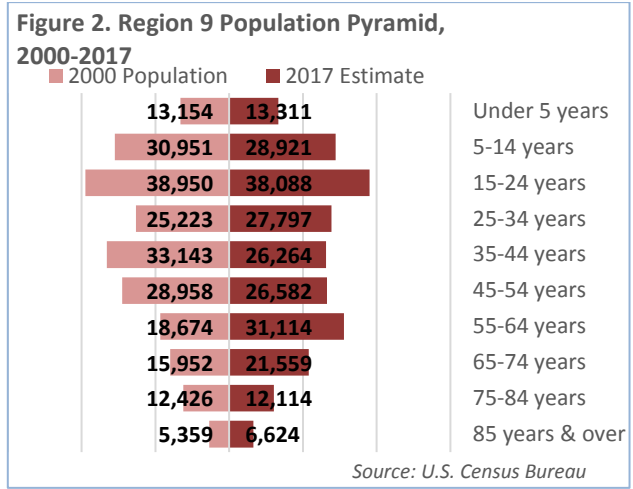
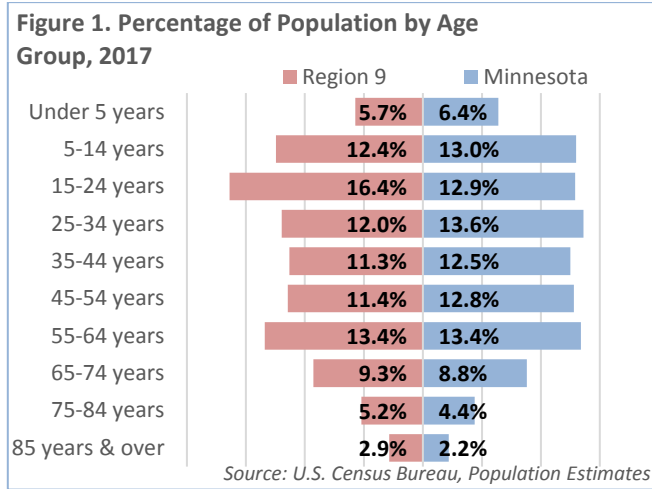
**Table 2. Cumulative Estimates of the Components of Population Change in Region 9 – South Central: April 1, 2010 to July 1, 2017**

Total Change	Natural Increase	Vital Events		Net Migration		
		Births	Deaths	Total	Inter-national	Domestic
+1,072	+4,048	18,990	14,942	-2,946	+1,484	-4,430

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

### POPULATION BY AGE GROUP, 2000-2017

South Central Minnesota has an older population than the rest of the state, with 17.4 percent of residents aged 65 years and over, compared to 15.4 percent statewide. Consequently, the region has a lower percentage of people in the 25- to 54-year-old age group, typically considered the “prime working years,” as well as a smaller percent of school-aged children and those under 5 years. However, having several postsecondary institutions in the region led to a higher percentage of people aged 15 to 24 (see Figure 1).

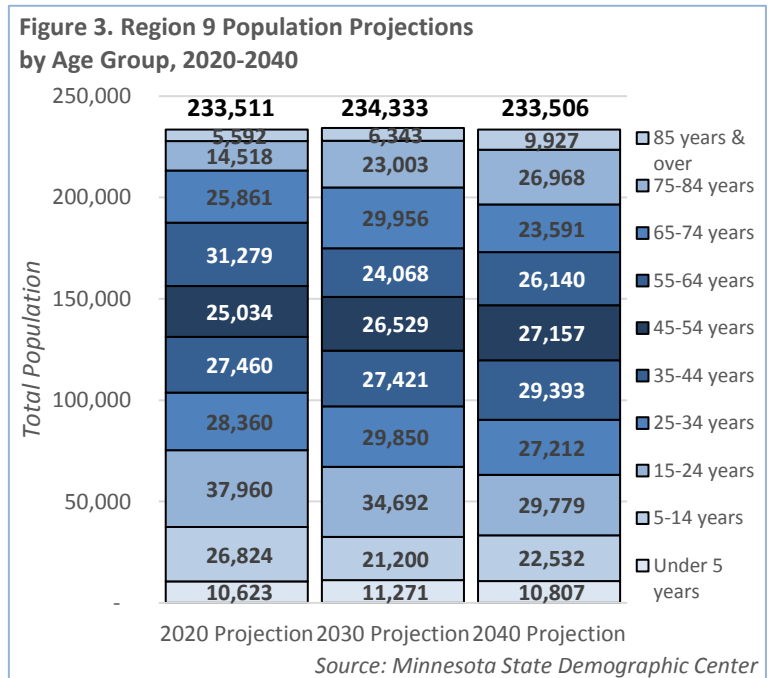


A large portion of the region’s population is a part of the Baby Boom generation, people born between 1946 and 1964, which is creating a significant shift in the population over time. While the number of younger and middle-aged residents was declining in some age groups, especially those between the ages of 35 and 44, the number of residents aged 55 years and over was rapidly increasing. This included a huge 66.6 percent jump in the number of people from 55 to 64 years of age, a 35.1 percent increase among those 65 to 74 years, and a 23.6 percent increase in people aged 85 years and over (see Figure 2).

### POPULATION PROJECTIONS BY AGE GROUP, 2020-2040

According to projections from the [State Demographic Center](#), Region 9’s population is expected to hold steady from 2020 to 2040 (see Figure 3). In comparison, the state of Minnesota is projected to grow 8.8 percent.

Despite the lack of growth, Region 9 is expected to see a shift of almost 16,800 more people aged 75 years and over, an 83.5 percent jump. The region is also projected to see a small gain in 35 to 54 year olds, as well as a bump in children under 5. In contrast, the region is expected to lose school-aged children and young adults from 5 to 24 years, as well as fewer people from 55 to 74 years as the current Baby Boom generation moves through the population pyramid.



**POPULATION BY RACE, 2016**

South Central Minnesota’s population is much less diverse than the state’s, but is becoming more diverse over time. In 2016, 94.3 percent of the region’s residents reported White alone as their race, compared to 84.3 percent of residents statewide. The region had much smaller percentages of Black or African American, American Indian, Asian or Other Pacific Islanders, and people of Some Other Race or Two or More Races. However at 5.4 percent, South Central Minnesota had a higher percentage of people reporting Hispanic or Latino origin than the state (see Table 3).

Watonswan County had the most diverse population within the region, with 22.6 percent of residents reporting Hispanic or Latino origin, which was the second highest among all 87 counties in Minnesota. As the largest county, Blue Earth was home to the largest percentage of Black or African Americans, Asian and Other Pacific Islanders, and people of Two or More Races, while Waseca County had the largest percentage of American Indian and Alaska Natives.

Table 3. Race and Hispanic Origin, 2016	Region 9 – South Central			Minnesota	
	Number	Percent	Change from 2000-2016	Percent	Change from 2000-2016
<b>Total</b>	<b>231,026</b>	<b>100.0%</b>	<b>+3.7%</b>	<b>100.0%</b>	<b>+10.8%</b>
White	217,797	94.3%	+2.1%	84.3%	+4.5%
Black or African American	4,118	1.8%	+162.6%	5.7%	+81.0%
American Indian & Alaska Native	730	0.3%	+29.4%	1.0%	+3.5%
Asian & Other Pac. Islander	2,696	1.2%	+35.1%	4.6%	+72.8%
Some Other Race	2,402	1.0%	-33.3%	1.6%	+34.2%
Two or More Races	3,283	1.4%	+83.3%	2.7%	+79.5%
Hispanic or Latino	12,424	5.4%	+71.2%	5.1%	+92.5%

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

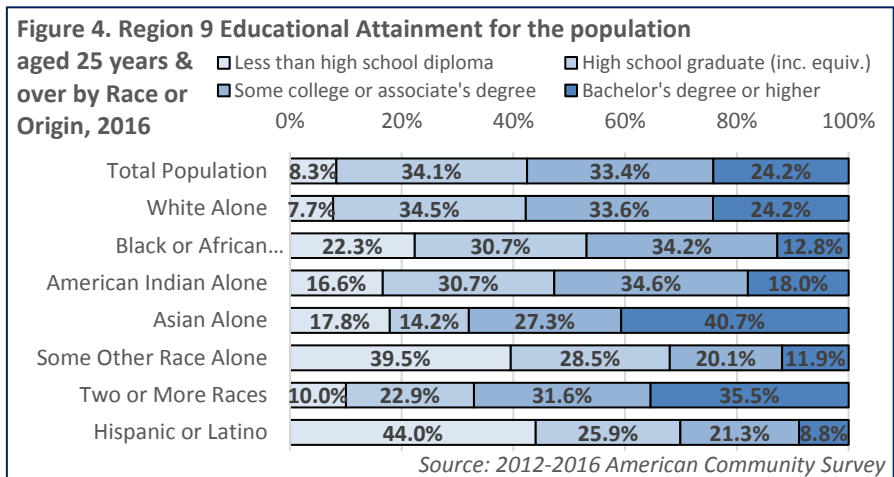
**EDUCATIONAL ATTAINMENT, 2016**

With 36 percent of adults aged 25 years and over having a college degree, Region 9 has slightly lower educational attainment than the state, where 45.3 percent of adults have an associate, bachelor’s, or advanced degree. However, the region has a higher percentage of people with associate’s degrees, and a higher percentage with a high school diploma or less (see Table 4).

Table 4. Educational Attainment for the Adult Population, 2016	Region 9		Minnesota
	Number	Percent	Percent
<b>Total, 25 years &amp; over</b>	<b>151,005</b>	<b>100.0%</b>	<b>100.0%</b>
Less than high school	12,507	8.3%	7.4%
High school graduate (incl. equiv.)	51,550	34.1%	25.7%
Some college, no degree	32,618	21.6%	21.7%
Associate's degree	17,809	11.8%	11.0%
Bachelor's degree	25,907	17.2%	22.8%
Advanced degree	10,614	7.0%	11.5%

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

Educational attainment varied significantly by race and ethnicity in Region 9. About 40 percent of Hispanic or Latino residents and people of Some Other Race had less than a high school diploma, along with 22 percent of the Black or African American population, compared to just 7.7 percent of White adults. In contrast, over 40 percent of Asian residents had bachelor’s degrees (see Figure 4).



Source: 2012-2016 American Community Survey

## LABOR FORCE

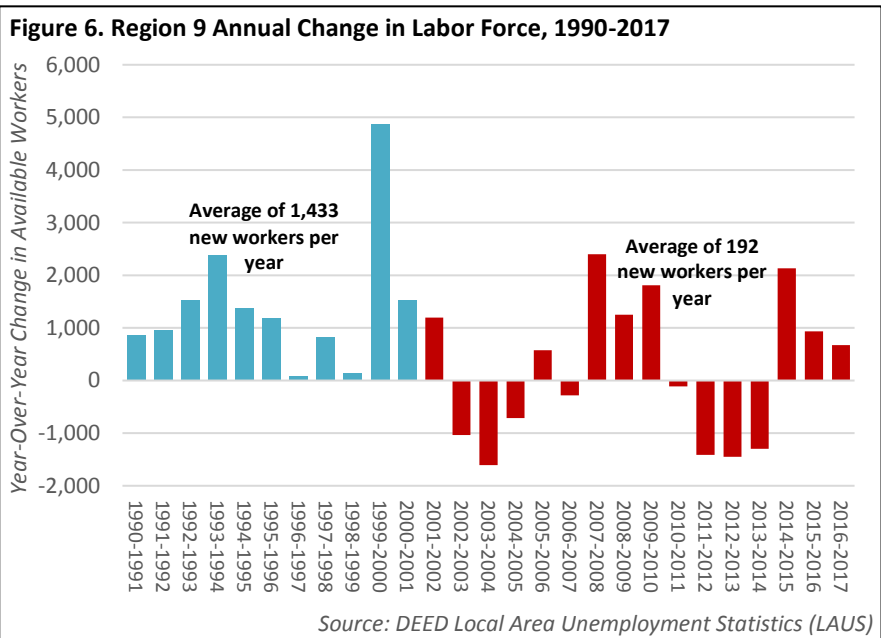
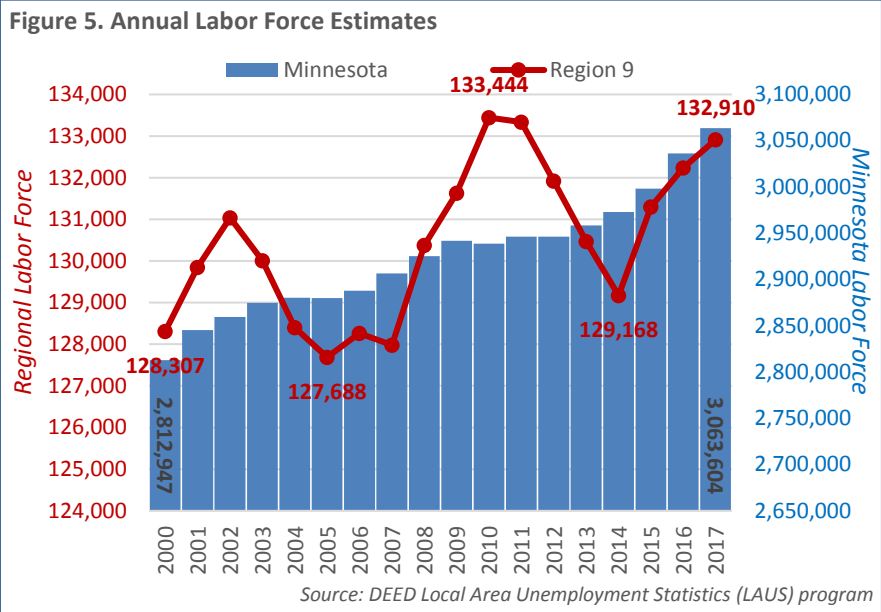
### LABOR FORCE CHANGE, 2000-2017

According to data from DEED’s [Local Area Unemployment Statistics](#) program, Region 9 has experienced some fluctuations in the size of the available labor force over the last 17 years in response to changing economic conditions. The region saw increases in the labor force during the recessions in both 2001 and 2007 as workers flooded into the labor market to earn extra income; then dropped back out when the region’s economy improved. However, in 2014, after the economy had already experienced a few years of

recovery, the labor force began to grow again even with the economy continuing to improve. Despite this growth, the region still had not reached its 2010 labor force peak of 133,444 participants. In contrast, the state was steadily gaining workers over the past decade and a half (see Figure 5).

Averaging a net gain of over 1,400 additional labor force participants per year between 1990 and 2001, employers in Region 9 were able to tap into a large and growing pool of talented workers. However, from 2001 to 2017, the region’s labor force growth has slowed to less than 200 new workers per year (see Figure 6).

Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of South Central’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 may comprise the fastest growing segment of the labor force.



## LABOR FORCE PROJECTIONS, 2020-2030

If South Central's population changes at the projected rates shown in Figure 3 above, the region would be expected to see a small decline in the labor force over the next decade. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which shows a 2.4 percent drop in workforce numbers from 2020 to 2030 (see Table 5).

In addition to the overall decline, the labor force will also see a significant shift over time, with gains in the number of workers aged 65 years and over against a huge decline in the number of workers aged 55 to 64 years. The region is also expected to lose teenaged and entry-level workers yet see subsequent increases in workers between the ages of 25 and 54 in the next decade. These long-term declines will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability in the region.

	2020 Labor Force Projection	2030 Labor Force Projection	2020-2030 Change	
			Numeric	Percent
16 to 19 years	7,295	6,335	-960	-13.2%
20 to 24 years	18,307	17,316	-991	-5.4%
25 to 44 years	49,914	51,212	+1,297	+2.6%
45 to 54 years	22,197	23,522	+1,326	+6.0%
55 to 64 years	24,138	18,573	-5,565	-23.1%
65 to 74 years	7,287	8,441	+1,154	+15.8%
75 years & over	1,260	1,839	+579	+45.9%
<b>Total Labor Force</b>	<b>130,398</b>	<b>127,238</b>	<b>-3,160</b>	<b>-2.4%</b>

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

## EMPLOYMENT CHARACTERISTICS, 2016

With 69.4 percent of the working age population aged 16 years and over in the labor force, South Central had slightly lower labor force participation rates than the state's 69.9 percent rate. However, the region actually had higher labor force participation rates than the state in all but one age group (20 to 24 years), but the overall rate was lower because a higher percentage of the region's labor force was older (see Table 6).

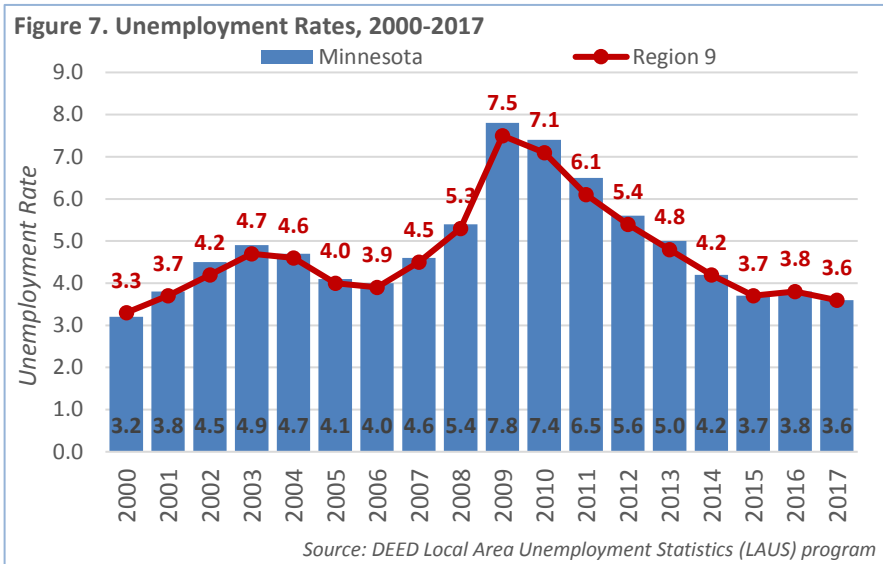
In contrast, the region had lower participation rates than the state for every race group and Hispanic or Latino origin, yet had higher participation rates for people with disabilities and veterans. Unemployment rates were highest for youth, minorities, and workers with disabilities.

	Region 9 - South Central			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
<b>Total Labor Force</b>	<b>129,043</b>	<b>69.4%</b>	<b>4.0%</b>	<b>69.9%</b>	<b>4.8%</b>
16 to 19 years	8,107	58.2%	13.2%	52.3%	14.2%
20 to 24 years	17,154	82.1%	5.0%	83.5%	8.1%
25 to 44 years	47,966	89.4%	3.7%	88.2%	4.4%
45 to 54 years	25,629	88.7%	2.9%	87.2%	3.4%
55 to 64 years	23,597	77.2%	2.6%	72.3%	3.6%
65 to 74 years	5,482	28.2%	2.3%	27.1%	3.0%
75 years & over	1,154	6.3%	1.8%	6.0%	2.7%
<b>Employment Characteristics by Race &amp; Hispanic Origin</b>					
White alone	123,177	69.7%	3.7%	69.9%	4.1%
Black or African American	1,840	62.7%	19.2%	68.5%	12.9%
American Indian & Alaska Native	323	57.7%	11.5%	58.8%	14.8%
Asian or Other Pac. Islanders	1,405	64.1%	6.6%	70.7%	5.6%
Some Other Race	1,126	72.4%	7.3%	77.3%	8.4%
Two or More Races	1,245	70.7%	7.3%	71.3%	10.1%
Hispanic or Latino	5,649	72.6%	8.0%	75.5%	8.2%
<b>Employment Characteristics by Veteran Status</b>					
Veterans, 18 to 64 years	5,741	80.1%	4.6%	78.6%	4.8%
<b>Employment Characteristics by Disability</b>					
With Any Disability	6,256	56.1%	8.5%	51.4%	10.9%
<b>Employment Characteristics by Educational Attainment</b>					
Population, 25 to 64 years	97,194	85.9%	3.0%	84.0%	4.0%
Less than H.S. Diploma	4,875	71.5%	4.3%	65.0%	5.6%
H.S. Diploma or Equivalent	29,092	82.5%	3.0%	78.7%	3.4%
Some College or Assoc. Degree	36,586	87.5%	2.3%	85.1%	4.0%
Bachelor's Degree or Higher	26,630	91.1%	1.5%	89.5%	2.3%

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

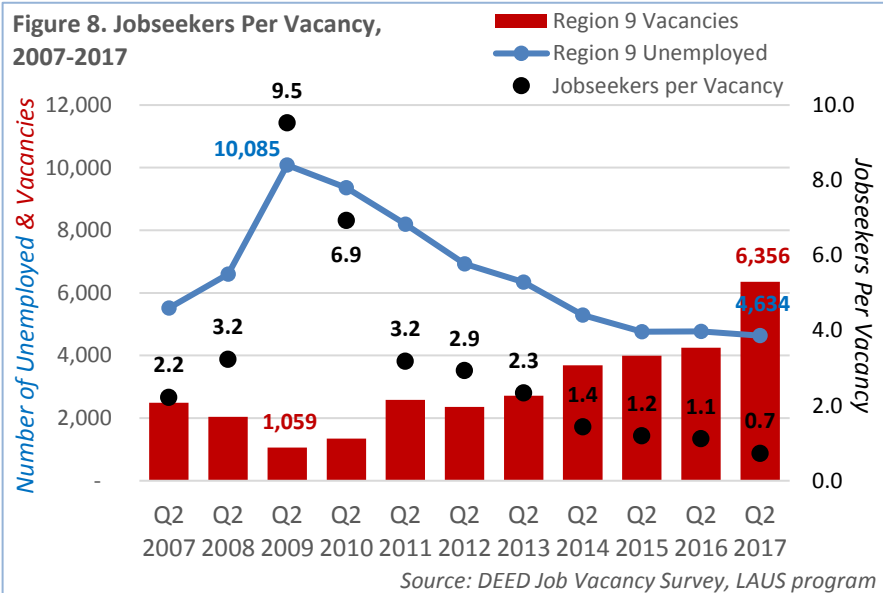
### UNEMPLOYMENT RATE, 2000-2017

Region 9’s unemployment rates have closely tracked the statewide rate, regardless of the state of the economy. According to [Local Area Unemployment Statistics](#), the region’s unemployment rate has hovered 0.1 to 0.4 percent lower than the state between 2001 and 2013, then matched the state rate from 2014 to 2017. The unemployment rate in the region peaked at 7.5 during the height of the recession and has steadily dropped since (see Figure 7).



### JOBSEEKERS PER VACANCY, 2017

As the region’s economy continues to recover, the labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which now stands at 0.7-to-1 in Region 9, meaning that for every 10 jobs vacancies there are only seven unemployed people. According to recent Job Vacancy Survey results, there were 6,356 openings reported by employers compared to only 4,634 unemployed jobseekers in the region. The peak was during the second quarter of 2009 where the ratio jumped to 9.5-to-1 (see Figure 8).



### COMMUTE SHED AND LABOR SHED, 2015

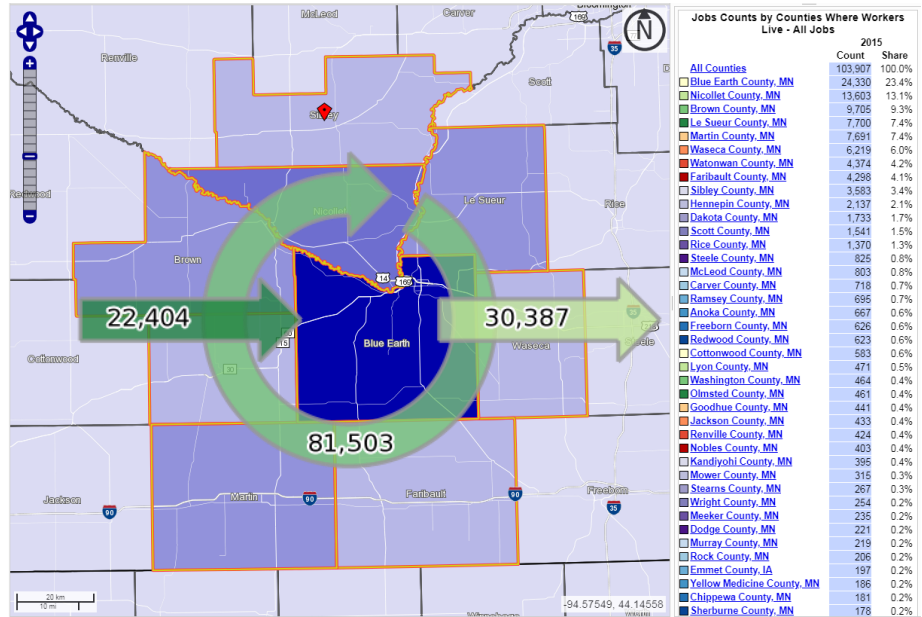
According to commuting data from the [U.S. Census Bureau](#), about 73 percent of people who live in the region also work within the region. However, South Central is a net exporter of labor, having more workers than available jobs. In sum, 81,503 workers both lived and worked in the region in 2015, while 22,404 workers drove into the region for work, compared to 30,387 workers who lived in the region but drove to surrounding counties for work (see Table 7).

	2015	
	Count	Share
Employed in the Selection Area	103,907	100.0%
Employed in the Selection Area but Living Outside	22,404	21.6%
Employed and Living in the Selection Area	81,503	78.4%
Living in the Selection Area	111,890	100.0%
Living in the Selection Area but Employed Outside	30,387	27.2%
Living and Employed in the Selection Area	81,503	72.8%

Source: U.S. Census Bureau, OnTheMap

Home to Mankato, Blue Earth County is the largest regional employment center, and was the biggest draw for workers, followed by Nicollet, Brown, Le Sueur, Martin, Waseca, Watonwan, Faribault, and Sibley Counties. Employers in the region both lose and draw workers from the Twin Cities metro area with many more residents leaving the region for work in the metro. The South Central region also attracts and sends workers from the Southeast and Southwest regions. Overall, more workers commute out of the region than commute in (see Figure 9).

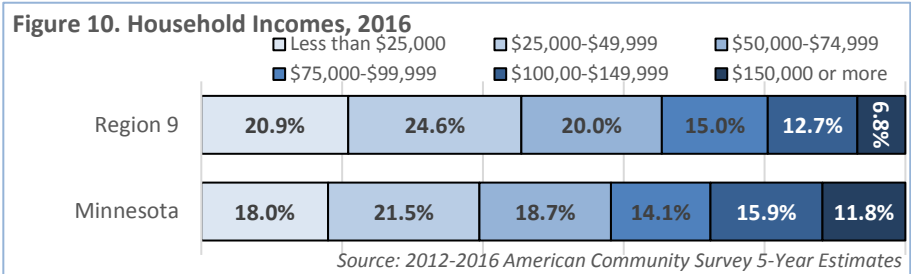
Figure 9. Region 9 - South Central Labor and Commute Shed, 2015



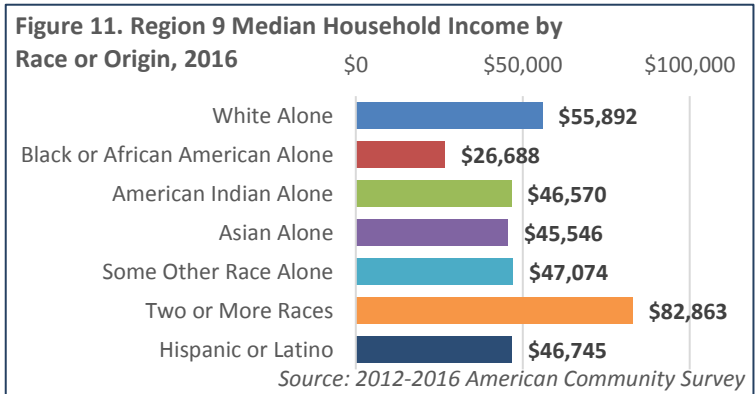
## INCOMES, WAGES AND OCCUPATIONS

### HOUSEHOLD INCOMES

Household incomes were lower in Region 9 than the rest of the state. The median household income in South Central was \$55,007 in 2016, compared to \$63,217 in Minnesota, and 45.5 percent of the households in the region had incomes below \$50,000 in 2016, compared to 39.5 percent of households statewide (see Figure 10).



Median household incomes varied by race or origin in the region. Black or African American households reported the lowest incomes with a median income of under \$27,000, less than half (47.7 percent) of White households. Three of the four remaining race groups also had lower median household incomes as did those of Hispanic or Latino origin, with incomes ranging from 15 to 20 percent less than White households. In contrast, the small number of households of Two or More Races reported median household incomes that were almost 50 percent higher than that of White households (see Figure 11). Poverty rates also vary widely by race, from a low of 11.3 percent for Whites to 54.2 percent for Black or African Americans, compared to 12.4 percent for the entire population.





## 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 the same family in South Central Minnesota was \$46,812 – which was the 5<sup>th</sup> lowest of the 13 Economic Development Regions in the state. The highest monthly costs were for transportation, housing, and food though the all of the region's monthly costs were 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 \$15.00 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 South Central would be \$27,804, which would require an hourly wage of \$13.37 to meet the basic needs standard of living, compared to \$19.88 if they had one child (see Table 8).

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
<b>Southwest Minnesota</b>										
Single, 0 children	1 FT	\$27,804	\$13.37	\$0	\$330	\$134	\$605	\$642	\$273	\$333
Single, 1 child	1 FT	\$41,352	\$19.88	\$459	\$486	\$269	\$782	\$681	\$371	\$398
<b>2 parents, 1 child</b>	<b>1 FT, 1 PT</b>	<b>\$46,812</b>	<b>\$15.00</b>	<b>\$230</b>	<b>\$753</b>	<b>\$417</b>	<b>\$782</b>	<b>\$795</b>	<b>\$449</b>	<b>\$475</b>
2 parents, 2 children	2 FT	\$65,484	\$15.74	\$760	\$982	\$426	\$1,074	\$846	\$601	\$768
<b>State of Minnesota</b>										
Single, 0 children	1 FT	\$31,656	\$15.22	\$0	\$334	\$136	\$754	\$696	\$318	\$400
<b>2 parents, 1 child</b>	<b>1 FT, 1 PT</b>	<b>\$57,624</b>	<b>\$18.47</b>	<b>\$504</b>	<b>\$763</b>	<b>\$459</b>	<b>\$980</b>	<b>\$869</b>	<b>\$510</b>	<b>\$717</b>

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 South Central was \$17.56 in the first quarter of 2018, which was the sixth lowest wage level of the 13 Economic Development Regions in the state. Region 9's median wage was \$2.51 below the state's median hourly wage, equaling 87.5 percent of the statewide wage rate. The South Central median wage is also \$4.36 below the median hourly wage in the Twin Cities metro area, amounting to nearly \$9,070 less annually for a full-time worker (see Table 9).

Based on location quotient, South Central stands out for having higher concentrations of farming, fishing and forestry, education, training and library, and personal care and service compared to the state. The largest occupational groups in the region include office and administrative support, sales and related, food preparation and serving, production, education, training and library, transportation and material moving, and personal care and service which, altogether, make up 63 percent of the total employment in the region.

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
<b>EDR 9 - South Central</b>	<b>\$17.56</b>	<b>107,700</b>
EDR 10 - Southeast	\$18.91	238,090
EDR 11 - 7-County Twin Cities	\$21.92	1,769,290
<b>State of Minnesota</b>	<b>\$20.07</b>	<b>2,838,270</b>

Source: DEED Occupational Employment Statistics

The lowest-paying jobs are concentrated in food prep and serving, sales and related, personal care and service, and building and grounds cleaning and maintenance, all of which pay lower than \$13 an hour and which tend to have lower educational and training requirements. In contrast, the highest paying jobs are found in management, legal, and computer and mathematical, which pay median hourly wages over \$30 per hour (see Table 10). While these are among the highest paying jobs they also are ones that require higher levels of education and experience, including many that require postsecondary training. Thus, the wages for these occupations may be a bit offset due to workers having to pay on their student loans.

	Region 9 - South Central				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Statewide Employment	Share of Total Employment
<b>Total, All Occupations</b>	<b>\$17.56</b>	<b>107,700</b>	<b>100.0%</b>	<b>1.0</b>	<b>\$20.07</b>	<b>2,838,270</b>	<b>100.0%</b>
Office & Administrative Support	\$16.69	15,720	14.6%	1.0	\$18.45	409,820	14.4%
Sales & Related	\$12.07	10,360	9.6%	1.0	\$14.10	277,720	9.8%
Food Preparation & Serving Related	\$10.44	10,320	9.6%	1.1	\$11.12	239,950	8.5%
Production	\$17.67	9,360	8.7%	1.1	\$17.89	217,610	7.7%
Education, Training & Library	\$21.65	8,140	7.6%	1.3	\$23.65	163,850	5.8%
Transportation & Material Moving	\$17.41	7,720	7.2%	1.1	\$17.59	178,720	6.3%
Personal Care & Service	\$12.56	6,230	5.8%	1.2	\$12.12	139,210	4.9%
Healthcare Practitioners & Technical	\$29.71	5,910	5.5%	0.9	\$34.44	182,500	6.4%
Management	\$39.32	4,960	4.6%	0.8	\$49.99	168,930	6.0%
Construction & Extraction	\$24.37	4,930	4.6%	1.3	\$27.10	99,900	3.5%
Installation, Maintenance & Repair	\$22.02	3,930	3.6%	1.1	\$23.22	95,660	3.4%
Building, Grounds Cleaning & Maint.	\$12.72	3,600	3.3%	1.1	\$14.07	84,300	3.0%
Healthcare Support	\$14.05	3,580	3.3%	1.1	\$15.81	85,940	3.0%
Business & Financial Operations	\$28.24	3,300	3.1%	0.5	\$31.97	161,080	5.7%
Community & Social Service	\$22.88	2,410	2.2%	1.1	\$21.88	55,430	2.0%
Protective Service	\$20.71	1,600	1.5%	1.0	\$20.27	43,150	1.5%
Architecture & Engineering	\$31.72	1,510	1.4%	0.7	\$36.61	53,780	1.9%
Computer & Mathematical	\$27.46	1,500	1.4%	0.4	\$40.00	94,290	3.3%
Arts, Design, Entertainment & Media	\$17.40	1,030	1.0%	0.7	\$23.44	36,910	1.3%
Life, Physical & Social Science	\$25.09	780	0.7%	0.8	\$31.27	26,220	0.9%
Legal	\$35.00	570	0.5%	0.8	\$37.34	19,750	0.7%
Farming, Fishing & Forestry	\$14.94	260	0.2%	1.9	\$15.45	3,540	0.1%

Source: DEED Occupational Employment Statistics, Qtr. 1 2018

## JOB VACANCY SURVEY

Employers in South Central reported 5,076 vacancies in the fourth quarter of 2017, which was an increase of 1,277 additional openings compared to last year, and the second highest number ever reported in the region, which was in the second quarter of 2017. The median hourly wage offer was \$13.56 across all occupations, but ranged from a low of \$10.36 for food prep and serving related workers to \$26.13 per hour for legal occupations. Reflecting changing demand for occupations and for the workers to fill the openings, the median wage offer increased \$1.00 compared to the prior year, an 8 percent increase.

The largest number of vacancies were in sales and related occupations, food preparation and serving, production, and personal care and service, all of which have over 500 vacancies. Over one-half (56.8 percent) of the regional vacancies were in these four occupational groups. Overall, 39 percent of the openings were part-time, 30 percent required postsecondary education, and 40 percent required a year or more of experience (see Table 11). Over the past five years educational requirements in the region had been declining while work experience requirements remained relatively stable, and as the labor force declines as projected these requirements may decline for some occupations.

**Table 11. Region 9 - South Central Job Vacancy Survey Results, Qtr. 4 2017**

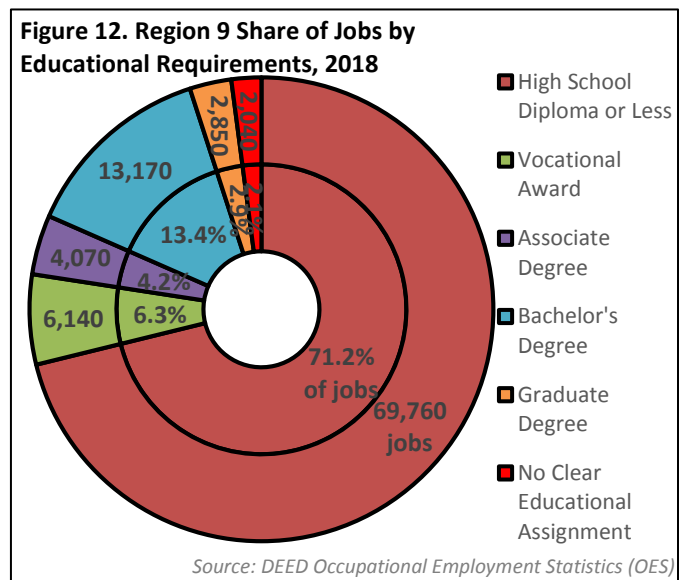
	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Work Exp.	Requiring Certificate or License	Median Hourly Wage Offer
<b>Total, All Occupations</b>	<b>5,076</b>	<b>39%</b>	<b>9%</b>	<b>30%</b>	<b>40%</b>	<b>28%</b>	<b>\$13.56</b>
Sales & Related	963	54%	12%	19%	37%	10%	\$11.75
Food Preparation & Serving Related	754	77%	10%	2%	17%	10%	\$10.36
Production	624	4%	7%	18%	36%	2%	\$13.92
Personal Care & Service	542	52%	3%	26%	12%	68%	\$11.05
Office & Administrative Support	321	30%	7%	51%	57%	3%	\$16.32
Healthcare Practitioners & Technical	306	26%	2%	80%	72%	90%	\$22.42
Transportation & Material Moving	266	54%	18%	3%	15%	58%	\$12.39
Management	209	0%	0%	63%	80%	21%	\$25.53
Construction & Extraction	203	0%	0%	6%	50%	4%	\$18.49
Architecture & Engineering	179	0%	0%	93%	93%	5%	\$24.14
Education, Training & Library	134	47%	49%	94%	81%	84%	\$17.62
Building, Grounds Cleaning & Maint.	128	70%	5%	0%	17%	10%	\$11.34
Healthcare Support	100	46%	1%	67%	37%	89%	\$13.75
Installation, Maintenance & Repair	70	24%	0%	13%	38%	42%	\$14.88
Protective Service	48	32%	11%	46%	72%	85%	\$17.55
Community & Social Service	42	13%	0%	41%	71%	47%	\$15.11
Business & Financial Operations	32	0%	0%	77%	88%	28%	\$20.04
Computer & Mathematical	26	0%	15%	81%	67%	8%	\$22.98
Arts, Design, Entertainment & Media	24	52%	55%	42%	89%	30%	\$12.89
Internships	16	51%	92%	55%	18%	14%	\$14.32
Life, Physical & Social Sciences	9	0%	1%	93%	82%	46%	\$26.13

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 only about 30 percent of jobs in the region require postsecondary education for entry. The remaining 71 percent can be started with a high school diploma or less and some amount of on-the-job training (see Figure 12).

Certain careers – such as registered nurses, teachers, electricians, and software developers – require postsecondary education, while other jobs – including team assemblers, retail and production supervisors, and correctional officers – do not. College is an excellent way to move up career ladders and open up opportunities 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 as different programs lead to different jobs that earn different amounts of money. However, college is not always a requirement to earn a high wage.



**OCCUPATIONS IN DEMAND**

According to DEED’s [Occupations in Demand](#) tool, there are well over 290 occupations showing moderate to high demand in the region, with training and education requirements ranging from short-term to long-term on-the-job training and less-than high school to postsecondary education, including advanced degrees. These occupations are spread across different categories but are also concentrated in the region’s major industries. For example, jobs in sales, such as cashiers and sales representatives, transportation and maintenance jobs such as truck drivers and HVAC mechanics, health care occupations such as registered nurses and nursing assistants, and education occupations such as elementary and secondary school teachers, are among the top occupations in demand based on the consistent need for workers in these fields (see Table 12).

**Table 12. Region 9 - South Central Occupations in Demand by Education Level, 2017**

Less than High School	High School or Equivalent	Some College, Vocational Training, or Assoc. Degree	Bachelor’s Degree or Higher
Personal Care Aides (\$26,458)	Supervisors of Retail Sales Workers (\$35,603)	Registered Nurses (\$56,815)	Accountants (\$62,792)
Cashiers (\$20,467)	Heavy & Tractor Trailer Truck Driver (\$40,584)	Nursing Assistants (\$27,125)	Elementary School Teachers (\$51,454)
Combined Food Prep & Serving Workers (\$20,776)	Supervisors of Food Prep & Serving Workers (\$34,717)	Licensed Practical & Vocational Nurses (\$42,936)	Secondary School Teachers (\$57,719)
Retail Salespersons (\$21,092)	Farmers, Ranchers & Other Agricultural Managers (\$79,870)	HVAC Mechanics (\$47,753)	Child, Family & School Social Workers (\$52,133)
Laborers & Freight, Stock & Material Movers (\$31,014)	Sales Reps. Wholesale & Manufacturing (\$54,482)	Automotive Service Techs. & Mechanics (\$37,089)	Civil Engineers (\$77,894)
Stock Clerks & Order Fillers (\$23,555)	Teacher Assistants (\$27,881)	Machinists (\$37,305)	Physician Assistants (\$107,805)
Janitors & Cleaners (\$25,913)	Light Truck or Delivery Services Drivers (\$30,064)	Industrial Machinery Mechanics (\$46,637)	Training & Development Specialists (\$53,903)
Slaughterers & Meat Packers (\$30,742)	Social & Human Service Assistants (\$41,846)	Police & Sheriff’s Patrol Officers (\$54,424)	Industrial Engineers (\$75,822)
Farmworkers, Farm & Ranch Animals (\$20,314)	Office Clerks, General (\$31,557)	Computer User Support Specialists (\$43,013)	Electrical Engineers (\$78,367)
Construction Laborers (\$41,596)	Secretaries & Admin. Assistants (\$37,489)	Radiologic Technicians (\$60,114)	Computer Systems Analysts (\$77,286)

*Source: DEED Occupations in Demand*

**OCCUPATIONS BY GENDER**

Although the gap is narrowing, there are still slightly more males than females in the labor force in South Central. In 2016 males held about 52 percent of jobs, leaving 48 percent of workers being female. While the overall distribution is relatively equal, there are significant differences in what men and women do for work. Men are much more likely to work in natural resources, construction, maintenance, production, transportation, and material moving occupations – making these nontraditional occupations for women, which are

**Table 13. Region 9 Occupational Groups by Gender, 2016**

	Male		Female		Total Number
	Number	Percent	Number	Percent	
Management, business, science, & arts	17,885	43.7%	23,076	56.3%	40,961
Service occupations	7,860	36.5%	13,691	63.5%	21,551
Sales & office occupations	9,763	36.3%	17,126	63.7%	26,889
Natural resources, construction, & maintenance	12,936	95.7%	577	4.3%	13,513
Production, transportation, & material moving	15,969	76.2%	4,975	23.8%	20,944
<b>Total, All Occupations</b>	<b>64,413</b>	<b>52.0%</b>	<b>59,445</b>	<b>48.0%</b>	<b>123,858</b>

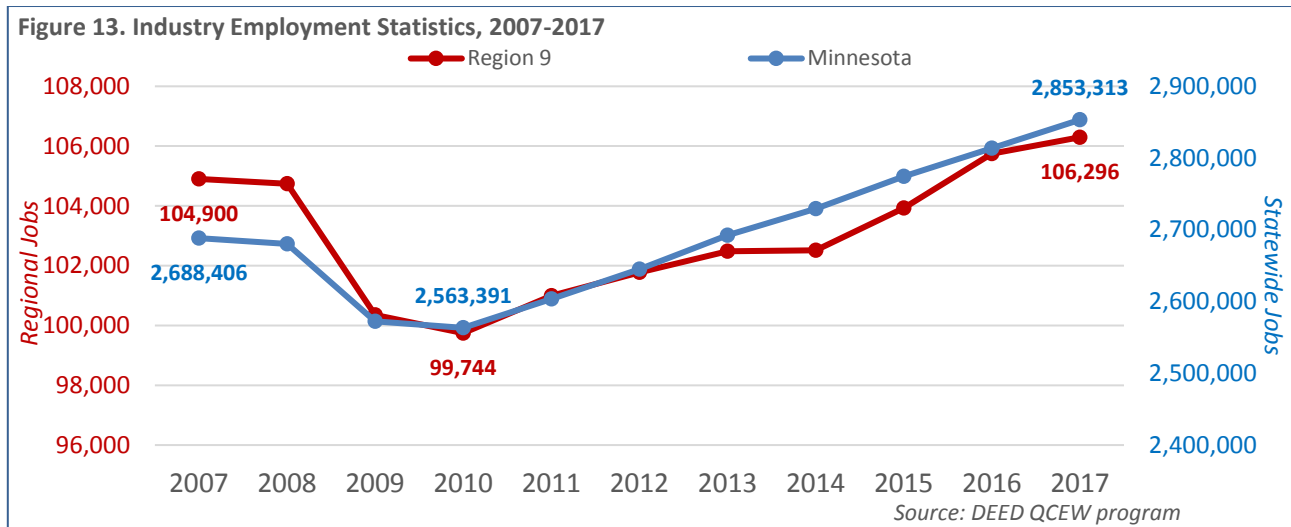
*Source: 2012-2016 American Community Survey, 5-Year Estimates*

defined as any occupation in which women or men comprise less than 25 percent of the total workforce. On the other hand, women are much more likely to be employed in service, sales, and office occupations (see Table 13).

## ECONOMY

### INDUSTRY EMPLOYMENT

Region 9’s economy has seen some ups and downs over the last decade, but ended 2017 with about 1,400 more jobs than it had in 2007. The region mirrored the state by suffering severe declines from 2008 to 2010, but since then, the region has recovered more slowly than the state. Region 9 saw a 6.6 percent increase in jobs from 2010 to 2017, compared to 11.3 percent growth statewide during this time. After hitting a low of 99,744 jobs in 2010, the region finally recovered all the jobs lost during the recession by 2016, then reached a new peak in 2017 (see Figure 13).



According to DEED’s [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 9 was home to 6,589 business establishments providing an average of 106,296 covered jobs through 2017, with a total payroll of just under \$4.4 billion. That was about 3.7 percent of all jobs in the state. Average annual wages were \$41,326 in the region, which was about \$15,000 below the state’s average wage (see Table 14).

Table 14. Employment Statistics	2017 Annual Data				2010-2017		2016-2017	
	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Region 9</b>	<b>6,589</b>	<b>106,296</b>	<b>\$4,392,790,877</b>	<b>\$41,326</b>	<b>+4,524</b>	<b>+4.4%</b>	<b>+553</b>	<b>+0.5%</b>
Blue Earth Co.	2,007	40,188	\$1,708,197,717	\$42,505	+2,718	+7.3%	+541	+1.4%
Brown Co.	812	13,909	\$571,285,521	\$41,073	+446	+3.3%	+47	+0.3%
Faribault Co.	445	4,596	\$170,802,643	\$37,163	-524	-10.2%	-94	-2.0%
Le Sueur Co.	717	8,858	\$371,816,998	\$41,975	+1,271	+16.8%	-283	-3.1%
Martin Co.	667	8,886	\$354,065,656	\$39,845	+5	+0.1%	+113	+1.3%
Nicollet Co.	731	14,698	\$633,518,359	\$43,102	+1,345	+10.1%	+208	+1.4%
Sibley Co.	391	4,409	\$170,578,544	\$38,689	-158	-3.5%	+41	+0.9%
Waseca Co.	505	6,412	\$262,074,904	\$40,873	-895	-12.2%	-46	-0.7%
Watonwan Co.	316	4,338	\$150,450,535	\$34,682	+316	+7.9%	+24	+0.6%
<b>State of Minnesota</b>	<b>167,485</b>	<b>2,853,730</b>	<b>\$160,254,656,806</b>	<b>\$56,156</b>	<b>+208,795</b>	<b>+7.9%</b>	<b>+39,728</b>	<b>+1.4%</b>

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

With 40,188 jobs at 2,007 firms, Blue Earth County accounted for 37.8 percent of total jobs in the region, and also accounted for 61 percent of the jobs gained from 2012 to 2017. Le Sueur and Nicollet also saw huge job gains in the past 5 years. In contrast, Waseca, Faribault, and Sibley Counties lost jobs during the recovery period (see Table 14).

With 19,520 jobs at 362 firms accounting for 18.4 percent of total regional jobs, Region 9 is one of four economic development regions where manufacturing is still the largest employing industry. At \$51,665 in 2017, average annual wages were about \$10,000 higher in manufacturing than the total of all industries. After suffering declines during the recession, local manufacturers have been adding jobs in recent years, including a gain of 51 jobs in the past year. The largest sectors in the region include food manufacturing (5,909 jobs), printing and related activities (3,039 jobs), and electrical equipment, appliance, and component manufacturing (1,850 jobs). While food manufacturing was growing, printing was cutting jobs.

The next largest industry in South Central was health care and social assistance with 18,408 jobs (17.3 percent of all jobs) at 685 firms, followed by retail trade, with 12,620 jobs at 825 firms. With numerous postsecondary educational institutions to compliment the more localized school districts, educational services is the fourth largest industry, and with accommodation and food services rounding out the top five. Combined these industries account for 64.1 percent of the jobs in the region, however annual wages in two of these top five industries are still relatively low. Other important regional industries include public administration, construction, transportation and warehousing, and wholesale trade.

Thirteen of the 20 main industries in the region added jobs since 2012, with large gains occurring in health care and social assistance, construction, transportation and warehousing, and agriculture. In contrast, the region saw the largest job declines in administrative support and waste management services – which includes temporary staffing agencies – and management of companies, while smaller job losses were seen in information, wholesale trade, and finance and insurance. Just 12 industries saw job gains in the last year, with the biggest gains coming in health care and social assistance and agriculture (see Table 15).

NAICS Industry Title	2017 Annual Data					2012-2017		2016-2017	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll (\$1,000s)	Avg. Annual Wage	Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Total, All Industries</b>	<b>6,589</b>	<b>106,296</b>	<b>100.0%</b>	<b>\$4,392,791</b>	<b>\$41,326</b>	<b>+4,524</b>	<b>+4.4%</b>	<b>+555</b>	<b>+0.5%</b>
Manufacturing	362	19,520	18.4%	\$1,008,495	\$51,665	+55	+0.3%	+51	+0.3%
Health Care & Social Assistance	685	18,408	17.3%	\$786,853	\$42,745	+944	+5.4%	+376	+2.1%
Retail Trade	825	12,620	11.9%	\$298,668	\$23,666	+396	+3.2%	-82	-0.6%
Educational Services	126	9,699	9.1%	\$404,861	\$41,743	+543	+5.9%	+165	+1.7%
Accommodation & Food Services	484	7,843	7.4%	\$107,567	\$13,715	+323	+4.3%	+27	+0.3%
Public Administration	289	5,614	5.3%	\$252,942	\$45,056	+261	+4.9%	+47	+0.8%
Construction	785	4,922	4.6%	\$253,886	\$51,582	+858	+21.1%	+11	+0.2%
Transportation & Warehousing	374	4,128	3.9%	\$150,713	\$36,510	+849	+25.9%	-31	-0.7%
Wholesale Trade	316	3,787	3.6%	\$230,598	\$60,892	-72	-1.9%	-98	-2.5%
Agriculture, Forestry, Fish & Hunt	316	3,299	3.1%	\$144,260	\$43,728	+606	+22.5%	+134	+4.2%
Other Services	589	3,057	2.9%	\$82,267	\$26,911	+34	+1.1%	+31	+1.0%
Finance & Insurance	398	2,870	2.7%	\$169,922	\$59,206	-65	-2.2%	-13	-0.5%
Professional & Technical Services	347	2,592	2.4%	\$149,995	\$57,868	+311	+13.6%	-26	-1.0%
Admin. Support & Waste Mgmt. Svcs.	207	2,372	2.2%	\$75,316	\$31,752	-301	-11.3%	-12	-0.5%
Information	105	2,098	2.0%	\$106,035	\$50,541	-129	-5.8%	-12	-0.6%
Arts, Entertainment, & Recreation	125	1,106	1.0%	\$13,659	\$12,350	+152	+15.9%	+38	+3.6%
Real Estate & Rental & Leasing	181	846	0.8%	\$24,526	\$28,990	+67	+8.6%	+11	+1.3%
Management of Companies	34	815	0.8%	\$72,574	\$89,048	-228	-21.9%	-67	-7.6%
Utilities	35	465	0.4%	\$39,966	\$85,949	-36	-7.2%	+2	+0.4%
Mining	8	230	0.2%	\$19,689	\$85,606	-27	-10.5%	+4	+1.8%

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

Upon request, this information can be made available in alternate formats by contacting Mark Schultz at 507-205-6068 or at [mark.schultz@state.mn.us](mailto:mark.schultz@state.mn.us)