



## Mining for Growth

### High Paying Mining Jobs Anchor the Northeastern Minnesota Labor Market

**I**t's no secret that Mining is a critical industry to the economy of Northeastern Minnesota which is home to the Iron Range after all. Sitting atop vast deposits of iron ore and precious metals and strategically located near the Port of Duluth, the region has been able to develop the highly specialized infrastructure and workforce needed to take advantage of these

rich natural resources.

Just how specialized has Northeastern Minnesota's Mining industry become? One way to measure this is with a location quotient (LQ) — a measurement of an industry's concentration or specialization in a region relative to another region, the U.S. in this case. The LQ is simply the ratio of an industry's share of local employment to the industry's share of the national employment. Location quotients greater than one indicate a high concentration or specialization within a region. With a location quotient of 5.7, Northeast Minnesota's Mining sector is highly specialized, and Northeastern Minnesota has truly become a national leader in the Mining industry.

#### Employment

Mining is an industry that is highly sensitive to fluctuations in the business cycle. The sector was already in decline when the country slid into recession between March and November of 2001. According to QCEW data, 1,321 mining jobs were lost between 2000 and 2001. When the 2001 recession hit, the Mining sector lost an additional 427 jobs and continued losing jobs until 2004 when mining employment finally posted gains, growing by 68 jobs. In 2008 it appeared that the Mining sector was in the midst of a nice recovery with employment in the sector having grown to 3,925 jobs, but of course the country again slid into recession. This affected Mining sector employment numbers that plummeted to 3,048, the lowest levels of the past decade.

Since the recovery began in mid-2009, employment in the Mining sector has once again started to recover, growing at a rate of 48.9% between 2009 and 2012 and posting positive job growth every year during that period. By 2012 Mining sector employment in Northeast Minnesota had grown to 4,539 jobs, more mining jobs



#### Feature:

Geographic and Industry Mobility of New Nursing Grads

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than at any time since 2000 (see Chart 1). Employment growth in the Mining sector has already outpaced DEED's 2010-2020 projections, which estimated that the sector would grow by 12.4% to 4,316 jobs by 2020.

### *Wages*

The 4,539 mining jobs in Northeast Minnesota in 2012 represented about 3.2% of all employment in the region. However, the \$393 million in mining sector wages that year represented a robust 7.3% of all wages paid. Clearly, with an average weekly wage of \$1,666, the Mining sector is home to some of the highest paying jobs in the region, followed closely by Utilities (\$1,632), Management of Companies and Enterprises (\$1,318), and Professional, Scientific, and Technical Services (\$1,080). Since 2009, total wages paid in the sector have increased by 91.6% from \$205,098,802 to \$392,971,418. The dramatic increase is tied in part to increased total employment numbers as well as a 31.2% increase in the average weekly wage (see Chart 1).

### *Occupations*

The Mining sector is home to a wide range of occupations, with the majority classified as Installation, Maintenance, and Repair Occupations, Transportation and Material Moving Occupations, Production Occupations, and Construction and Extraction Occupations. Across the board, occupations found in the Mining Sector pay more when compared to other industry sectors. The median wage for occupations in the Mining sector is, on average, 27.4% more than the median wage for the same occupations in other industries. The most notable difference is found in Office and Administrative Support Occupations which has an industry wide median wage of \$14.89 per hour, while the same jobs when found in the Mining sector pay a median wage of \$25.71 per hour, a difference of 72.7% (see Table 1). Other occupations with impressive differences include Transportation and Material Moving Occupations, with a median wage in the Mining sector of \$28.34 per hour compared to \$22.70 for all industries, a difference of 42.1%, and Production Occupations,

which pays a median wage of \$26.45 an hour in the Mining sector, 37.3% higher than the median production occupation wage for all industries.

### *Hiring Outlook*

As the previous data demonstrates, employment in the Mining sector has seen impressive growth in recent years and jobs in the sector pay very well, but are there any opportunities out there for current job seekers? According to DEED's Job Vacancy Survey data, there were 17 vacancies in the Mining sector in the second quarter of 2013, a job vacancy rate of 0.4%. This is well below the overall job vacancy rate of 3.8% and indicates that, as of mid-2013, mining employment was at or near maximum levels.

With that said, there are several projects in the region that are currently in various phases of approval and development that could impact Mining sector hiring in the future. Indian steel producer Essar is in the process of constructing an open pit mine and taconite plant near Nashwauk on the site of the

old Butler Taconite plant which shut down in the 1980's. Canadian mine development company PolyMet is currently undergoing the supplemental environmental impact statement draft review process and could begin the permitting phase for its proposed copper and nickel mine at the old LTV plant near Aurora in the coming year. Additionally, Cliff's North Shore Mining recently announced it will be reopening two shuttered pellet production lines at its Silver Bay plant because of increased demand. If all of these projects go forward, it could have a significant impact on Mining sector employment in the coming years.

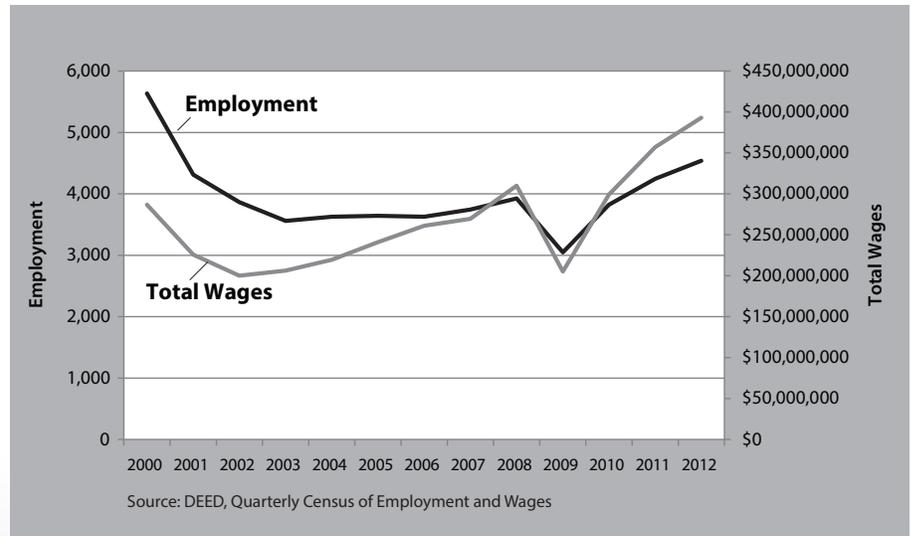
### Projections

The Mining sector and key mining related occupations are projected to see significant growth in Northeastern Minnesota. According to DEED's employment projections, between 2010 and 2020 the Mining sector

was projected to grow by 12.4% from 3,389 jobs in 2010 to 4,316 jobs in 2020. As previously mentioned, the Mining sector as a whole has already surpassed these projected growth numbers, and many mining related occupations have outpaced

projections as well. Of the 17 occupations common to the Mining sector included in Table 2, seven have already surpassed projected 2020 employment levels, while several of the others are getting very close (see Table 2).

**Chart 1: Mining Employment and Total Wages 2000-2012**



**Table 1: Occupational Employment and Wages: Mining vs. All Industries**

| SOC     | Occupation                             | NE MN Mining Employment | Median Wage All Industries | Median Wage Mining | Percent Difference |
|---------|--|-------------------------|----------------------------|--------------------|--------------------|
| 49-0000 | Installation, Maintenance, and Repair  | 1,100                   | \$22.70                    | \$28.34            | 24.8%              |
| 52-0000 | Transportation and Material Moving     | 970                     | \$16.33                    | \$23.21            | 42.1%              |
| 51-0000 | Production                             | 930                     | \$19.27                    | \$26.45            | 37.3%              |
| 47-0000 | Construction and Extraction            | 740                     | \$25.48                    | \$28.79            | 13.0%              |
| 43-0000 | Office and Administrative Support      | 350                     | \$14.89                    | \$25.71            | 72.7%              |
| 17-0000 | Architecture and Engineers             | 270                     | \$31.70                    | \$34.86            | 10.0%              |
| 11-0000 | Management                             | 180                     | \$37.01                    | \$47.43            | 28.2%              |
| 45-0000 | Farming, Fishing, and Forestry         | 170                     | \$17.51                    | \$17.99            | 2.7%               |
| 13-0000 | Business and Financial Operations      | 110                     | \$25.43                    | \$29.30            | 15.2%              |
| 15-0000 | Computer and Mathematical              | 10                      | \$28.11                    | \$33.73            | 20.0%              |
| 29-0000 | Healthcare Practitioners and Technical | 10                      | \$29.50                    | \$39.79            | 34.9%              |

Source: DEED, Occupational Employment and Wages

**Table 2: 2010-2020 Employment Outlook**

| SOC     | Occupation  | EDR3 Employment 2012 | Projected Employment 2020 | Percent Change 2010-2020 | Numeric Change 2010-2020 | Replacement Openings 2010-2020 | Total Openings 2010-2020 |
|---------|---|----------------------|---------------------------|--------------------------|--------------------------|--------------------------------|--------------------------|
| 11-1021 | General and Operations Managers   | 1,580                | 1,371                     | 2.9%                     | 39                       | 250                            | 290                      |
|         | Transportation, Storage, and Distribution Managers                        | 80                   | 89                        | 3.5%                     | 3                        | 20                             | 20                       |
|         | Managers, All Others  | 420                  | 824                       | 12.1%                    | 89                       | 160                            | 250                      |
| 17-2071 | Electrical Engineers  | 170                  | 177                       | 9.3%                     | 15                       | 40                             | 60                       |
| 17-2081 | Environmental Engineers   | 40                   | 41                        | 17.1%                    | 6                        | 10                             | 20                       |
| 17-2112 | Industrial Engineers  | 180                  | 177                       | 13.5%                    | 21                       | 30                             | 50                       |
| 17-2141 | Mechanical Engineers  | 200                  | 182                       | 16.7%                    | 26                       | 50                             | 80                       |
| 17-2151 | Mining and Geological Engineers   | 40                   | 30                        | 7.1%                     | 2                        | 10                             | 10                       |
| 47-4023 | Construction Equipment Operators  | 980                  | 904                       | 15.5%                    | 121                      | 180                            | 300                      |
| 49-3042 | Mobile Heavy Equipment Mechanics  | 900                  | 688                       | 12.6%                    | 77                       | 160                            | 240                      |
| 49-9041 | Industrial Machinery Mechanics  | 780                  | 801                       | 28.4%                    | 177                      | 120                            | 300                      |
| 51-1011 | First-Line Supervisors of Production and Operating Workers                | 520                  | 619                       | 4.9%                     | 29                       | 80                             | 110                      |
| 51-4051 | Machinists  | 310                  | 353                       | 14.6%                    | 45                       | 60                             | 100                      |
| 51-4121 | Welders   | 490                  | 506                       | 20.5%                    | 86                       | 110                            | 200                      |
| 51-9021 | Crushing, Grinding, and Polishing Machine Setters, Operators, and Tenders | 160                  | 187                       | 10.0%                    | 17                       | 50                             | 70                       |
| 51-9061 | Inspectors, Testers, Sorters, Samplers, and Weighers                      | 240                  | 186                       | 9.4%                     | 16                       | 40                             | 60                       |
| 53-3032 | Truck Drivers, Heavy and Tractor Trailer                                  | 1,730                | 2,227                     | 19.1%                    | 357                      | 370                            | 730                      |

Source: DEED, 2010-2020 Employment Outlook, Occupational Employment and Wages

## Conclusion

For a region that is eager for high paying jobs, a healthy Mining sector is important to the Northeastern Minnesota economy. As Iron Range residents know all too well, Mining is susceptible to swings in the global economy, but since the Great Recession ended in 2009, times have been good. Mining sector employment has

grown by 48.9% over the past four years, and wages have shown a similar upward swing. While current vacancies indicate that hiring may have peaked for the moment, new projects with the potential to come online in the coming years could lead to continued employment growth in the industry, and that would be welcome news.

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# Featuring the QCEW

The Labor Market Information (LMI) office in the Minnesota Department of Employment and Economic Development (DEED) in conjunction with the federal Bureau of Labor Statistics (BLS) generates quarterly counts of employment and wages by industry classification, using the North American Industrial Classification System (NAICS), at the national, state, county, and local jurisdiction level. These data are compiled using Minnesota's Unemployment Insurance (UI) database which covers approximately 97 percent of statewide employment and are considered a census of all jobs reported by employers covered under the UI program. While the data published on DEED's website is published back to 2000, the Quarterly Census of Employment and Wages (QCEW) program has been collecting data for the past 72 years.

The QCEW provides the best available employment counts for the state and particularly the smaller communities within it. But as with any form of public data gathering, methods of collection and dissemination of QCEW data have evolved over time. A brief history of the evolution of QCEW data:

In 1936 the Minnesota state legislature created the Unemployment Insurance Program, effectively establishing through a payroll tax system a reserve fund to benefit persons unemployed through no fault of their own. This set the foundation for collecting employment and unemployment data. A covered employer was defined then as any who providing employment for eight or more individuals (one of which must be employed within the corporate limits of a city) for 20 different although not necessarily consecutive weeks within the calendar year.

In 1941 statistics began to be collected from the program under the auspices and funding of the Department of Labor. Then and for many subsequent years, the report was known as the ES-202. The Standard Industrial Classification (SIC) manual, created in 1937 by the U.S. Census to classify industries at a four-digit industry level, was used nationally to create comparable data for all states. This system was modified several times over the years to reflect changes in the economy.

In 1959 UI coverage changed to employers with four or more employees in towns with a

population fewer than 10,000, defined as "outside the corporate limits of a city, village, or borough", as determined by the most recent U.S. Census. For employers within a community of 10,000 or more, coverage remained unchanged with one employee. In 1971, however, delineations of coverage based on population was dropped entirely and changed to one or more at any firm in Minnesota.

Coverage extended to nonprofit organizations with a 501(C)3 exemption from the I.R.S. in 1972. In 1974 coverage extended to state and local government employees. But other changes were in store as well — most notably, Minnesota added community codes to each location reported down to the level of unorganized territories and thus laid the groundwork for QCEW data as we know it today where it identifies industry-level employment both public and private aggregated to specific communities.

The most recent changes to the ES-202 was a 1997 coding system change to define industry by the six digit NAICS system in order to ensure full data compatibility with Canada and Mexico. In 2002 the name of the ES-202 was informally changed to QCEW.

*by Brent Pearson*



# Labor Force Estimates

Numbers are unadjusted unless otherwise labeled.  
Source: Department of Employment and Economic Development,  
Local Area Unemployment Statistics, and North Dakota Job Service, 2014.

## County/ Area

| County/<br>Area   | Labor Force            |                        |                        | Employment             |                        |                        | Unemployment       |                    |                    | Rate of<br>Unemployment |             |             |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|--------------------|--------------------|--------------------|-------------------------|-------------|-------------|
|   | Dec<br>2013            | Nov<br>2013            | Dec<br>2012            | Dec<br>2013            | Nov<br>2013            | Dec<br>2012            | Dec<br>2013        | Nov<br>2013        | Dec<br>2012        | Dec<br>2013             | Nov<br>2013 | Dec<br>2012 |
| <b>United States ('000s)</b><br>(Seasonally adjusted)<br>(Unadjusted) | 154,937<br>154,408     | 155,284<br>155,046     | 155,511<br>154,904     | 144,586<br>144,423     | 144,443<br>144,775     | 143,305<br>143,060     | 10,351<br>9,984    | 10,841<br>10,271   | 12,206<br>11,844   | 6.7%<br>6.5             | 7.0%<br>6.6 | 7.8%<br>7.6 |
| <b>Minnesota</b><br>(Seasonally adjusted)<br>(Unadjusted)             | 2,971,572<br>2,936,358 | 2,965,982<br>2,970,009 | 2,977,783<br>2,962,246 | 2,834,248<br>2,825,408 | 2,828,347<br>2,846,444 | 2,816,131<br>2,800,812 | 137,324<br>137,950 | 137,635<br>123,565 | 161,652<br>161,434 | 4.6<br>4.7              | 4.6<br>4.2  | 5.4<br>5.4  |
| <b>Metropolitan<br/>Statistical Areas (MSA)*</b>                      |                        |                        |                        |                        |                        |                        |                    |                    |                    |                         |             |             |
| Mpls.-St. Paul MSA  | 1,870,263              | 1,875,029              | 1,858,152              | 1,790,025              | 1,800,355              | 1,762,494              | 80,238             | 74,674             | 95,658             | 4.3                     | 4.0         | 5.1         |
| Duluth-Superior MSA   | 144,340                | 144,822                | 144,093                | 135,795                | 137,002                | 134,652                | 8,545              | 7,820              | 9,441              | 5.9                     | 5.4         | 6.6         |
| Rochester MSA   | 103,879                | 104,047                | 104,165                | 99,909                 | 100,480                | 99,590                 | 3,970              | 3,567              | 4,575              | 3.8                     | 3.4         | 4.4         |
| St. Cloud MSA   | 108,181                | 108,674                | 108,510                | 102,976                | 104,287                | 102,321                | 5,205              | 4,387              | 6,189              | 4.8                     | 4.0         | 5.7         |
| Mankato-N Mankato MSA   | 57,578                 | 58,080                 | 57,993                 | 55,523                 | 56,268                 | 55,446                 | 2,055              | 1,812              | 2,547              | 3.6                     | 3.1         | 4.4         |
| Fargo-Moorhead MSA  | 117,176                | 117,344                | 118,466                | 113,657                | 114,363                | 114,045                | 3,519              | 2,981              | 4,421              | 3.0                     | 2.5         | 3.7         |
| Grand Forks MSA   | 53,349                 | 53,847                 | 54,100                 | 51,491                 | 52,237                 | 51,876                 | 1,858              | 1,610              | 2,224              | 3.5                     | 3.0         | 4.1         |
| <b>Region One</b>   | <b>51,098</b>          | <b>51,052</b>          | <b>51,491</b>          | <b>48,540</b>          | <b>48,980</b>          | <b>48,542</b>          | <b>2,558</b>       | <b>2,072</b>       | <b>2,949</b>       | <b>5.0</b>              | <b>4.1</b>  | <b>5.7</b>  |
| Kittson   | 2,680                  | 2,658                  | 2,718                  | 2,567                  | 2,562                  | 2,590                  | 113                | 96                 | 128                | 4.2                     | 3.6         | 4.7         |
| Marshall  | 5,458                  | 5,413                  | 5,578                  | 5,033                  | 5,097                  | 5,091                  | 425                | 316                | 487                | 7.8                     | 5.8         | 8.7         |
| Norman  | 3,660                  | 3,601                  | 3,703                  | 3,474                  | 3,457                  | 3,494                  | 186                | 144                | 209                | 5.1                     | 4.0         | 5.6         |
| Pennington  | 9,394                  | 9,418                  | 9,529                  | 8,885                  | 9,055                  | 8,931                  | 509                | 363                | 598                | 5.4                     | 3.9         | 6.3         |
| Polk  | 18,681                 | 18,753                 | 18,598                 | 17,819                 | 18,015                 | 17,612                 | 862                | 738                | 986                | 4.6                     | 3.9         | 5.3         |
| Red Lake  | 2,362                  | 2,414                  | 2,403                  | 2,242                  | 2,293                  | 2,254                  | 120                | 121                | 149                | 5.1                     | 5.0         | 6.2         |
| Roseau  | 8,863                  | 8,795                  | 8,962                  | 8,520                  | 8,501                  | 8,570                  | 343                | 294                | 392                | 3.9                     | 3.3         | 4.4         |
| <b>Region Two</b>   | <b>39,546</b>          | <b>39,528</b>          | <b>40,256</b>          | <b>36,611</b>          | <b>37,020</b>          | <b>36,925</b>          | <b>2,935</b>       | <b>2,508</b>       | <b>3,331</b>       | <b>7.4</b>              | <b>6.3</b>  | <b>8.3</b>  |
| Beltrami  | 21,772                 | 21,937                 | 22,143                 | 20,338                 | 20,696                 | 20,514                 | 1,434              | 1,241              | 1,629              | 6.6                     | 5.7         | 7.4         |
| Clearwater  | 4,142                  | 4,089                  | 4,217                  | 3,634                  | 3,699                  | 3,680                  | 508                | 390                | 537                | 12.3                    | 9.5         | 12.7        |
| Hubbard   | 8,897                  | 8,939                  | 9,063                  | 8,176                  | 8,306                  | 8,228                  | 721                | 633                | 835                | 8.1                     | 7.1         | 9.2         |
| Lake of the Woods   | 2,308                  | 2,145                  | 2,368                  | 2,173                  | 2,010                  | 2,200                  | 135                | 135                | 168                | 5.8                     | 6.3         | 7.1         |
| Mahnomen  | 2,427                  | 2,418                  | 2,465                  | 2,290                  | 2,309                  | 2,303                  | 137                | 109                | 162                | 5.6                     | 4.5         | 6.6         |
| <b>Region Three</b>   | <b>166,993</b>         | <b>167,621</b>         | <b>167,450</b>         | <b>156,418</b>         | <b>157,920</b>         | <b>155,894</b>         | <b>10,575</b>      | <b>9,701</b>       | <b>11,556</b>      | <b>6.3</b>              | <b>5.8</b>  | <b>6.9</b>  |
| Aitkin  | 7,170                  | 7,189                  | 7,221                  | 6,626                  | 6,724                  | 6,635                  | 544                | 465                | 586                | 7.6                     | 6.5         | 8.1         |
| Carlton   | 17,722                 | 17,668                 | 17,724                 | 16,637                 | 16,797                 | 16,533                 | 1,085              | 871                | 1,191              | 6.1                     | 4.9         | 6.7         |
| Cook  | 2,958                  | 2,937                  | 2,982                  | 2,767                  | 2,782                  | 2,785                  | 191                | 155                | 197                | 6.5                     | 5.3         | 6.6         |
| Itasca  | 23,059                 | 23,096                 | 23,320                 | 21,431                 | 21,617                 | 21,534                 | 1,628              | 1,479              | 1,786              | 7.1                     | 6.4         | 7.7         |
| Koochiching   | 6,554                  | 6,514                  | 6,547                  | 5,936                  | 5,909                  | 5,975                  | 618                | 605                | 572                | 9.4                     | 9.3         | 8.7         |
| Lake  | 6,000                  | 6,132                  | 6,061                  | 5,670                  | 5,808                  | 5,694                  | 330                | 324                | 367                | 5.5                     | 5.3         | 6.1         |
| St. Louis   | 103,530                | 104,085                | 103,595                | 97,351                 | 98,283                 | 96,738                 | 6,179              | 5,802              | 6,857              | 6.0                     | 5.6         | 6.6         |
| City of Duluth  | 45,285                 | 45,534                 | 45,407                 | 43,018                 | 43,430                 | 42,747                 | 2,267              | 2,104              | 2,660              | 5.0                     | 4.6         | 5.9         |
| Balance of St. Louis County   | 58,245                 | 58,551                 | 58,188                 | 54,333                 | 54,853                 | 53,991                 | 3,912              | 3,698              | 4,197              | 6.7                     | 6.3         | 7.2         |
| <b>Region Four</b>  | <b>125,478</b>         | <b>125,444</b>         | <b>126,441</b>         | <b>119,735</b>         | <b>120,888</b>         | <b>119,808</b>         | <b>5,743</b>       | <b>4,556</b>       | <b>6,633</b>       | <b>4.6</b>              | <b>3.6</b>  | <b>5.2</b>  |
| Becker  | 17,507                 | 17,514                 | 17,746                 | 16,487                 | 16,729                 | 16,643                 | 1,020              | 785                | 1,103              | 5.8                     | 4.5         | 6.2         |
| Clay  | 35,479                 | 35,316                 | 35,206                 | 34,169                 | 34,255                 | 33,592                 | 1,310              | 1,061              | 1,614              | 3.7                     | 3.0         | 4.6         |
| Douglas   | 20,512                 | 20,558                 | 20,750                 | 19,655                 | 19,837                 | 19,732                 | 857                | 721                | 1,018              | 4.2                     | 3.5         | 4.9         |
| Grant   | 3,260                  | 3,254                  | 3,332                  | 3,076                  | 3,120                  | 3,108                  | 184                | 134                | 224                | 5.6                     | 4.1         | 6.7         |
| Otter Tail  | 30,130                 | 30,129                 | 30,468                 | 28,465                 | 28,827                 | 28,585                 | 1,665              | 1,302              | 1,883              | 5.5                     | 4.3         | 6.2         |
| Pope  | 6,520                  | 6,538                  | 6,637                  | 6,237                  | 6,321                  | 6,349                  | 283                | 217                | 288                | 4.3                     | 3.3         | 4.3         |
| Stevens   | 6,559                  | 6,602                  | 6,715                  | 6,356                  | 6,445                  | 6,478                  | 203                | 157                | 237                | 3.1                     | 2.4         | 3.5         |
| Traverse  | 1,657                  | 1,648                  | 1,697                  | 1,580                  | 1,587                  | 1,615                  | 77                 | 61                 | 82                 | 4.6                     | 3.7         | 4.8         |
| Wilkin  | 3,854                  | 3,885                  | 3,890                  | 3,710                  | 3,767                  | 3,706                  | 144                | 118                | 184                | 3.7                     | 3.0         | 4.7         |
| <b>Region Five</b>  | <b>80,514</b>          | <b>80,824</b>          | <b>81,669</b>          | <b>74,441</b>          | <b>75,711</b>          | <b>74,930</b>          | <b>6,073</b>       | <b>5,113</b>       | <b>6,739</b>       | <b>7.5</b>              | <b>6.3</b>  | <b>8.3</b>  |
| Cass  | 13,255                 | 13,303                 | 13,447                 | 12,041                 | 12,289                 | 12,122                 | 1,214              | 1,014              | 1,325              | 9.2                     | 7.6         | 9.9         |
| Crow Wing   | 31,309                 | 31,660                 | 31,762                 | 28,929                 | 29,527                 | 29,124                 | 2,380              | 2,133              | 2,638              | 7.6                     | 6.7         | 8.3         |
| Morrison  | 17,306                 | 17,277                 | 17,554                 | 15,994                 | 16,261                 | 16,068                 | 1,312              | 1,016              | 1,486              | 7.6                     | 5.9         | 8.5         |
| Todd  | 12,410                 | 12,330                 | 12,569                 | 11,676                 | 11,761                 | 11,761                 | 734                | 569                | 808                | 5.9                     | 4.6         | 6.4         |
| Wadena  | 6,234                  | 6,254                  | 6,337                  | 5,801                  | 5,873                  | 5,855                  | 433                | 381                | 482                | 6.9                     | 6.1         | 7.6         |
| <b>Region Six East</b>  | <b>63,124</b>          | <b>63,029</b>          | <b>64,102</b>          | <b>59,779</b>          | <b>60,330</b>          | <b>60,132</b>          | <b>3,345</b>       | <b>2,699</b>       | <b>3,970</b>       | <b>5.3</b>              | <b>4.3</b>  | <b>6.2</b>  |
| Kandiyohi   | 23,823                 | 23,822                 | 24,151                 | 22,681                 | 22,940                 | 22,897                 | 1,142              | 882                | 1,254              | 4.8                     | 3.7         | 5.2         |
| McLeod  | 18,802                 | 18,819                 | 19,117                 | 17,799                 | 17,944                 | 17,800                 | 1,003              | 875                | 1,317              | 5.3                     | 4.6         | 6.9         |
| Meeker  | 12,322                 | 12,289                 | 12,493                 | 11,620                 | 11,741                 | 11,637                 | 702                | 548                | 856                | 5.7                     | 4.5         | 6.9         |
| Renville  | 8,177                  | 8,099                  | 8,341                  | 7,679                  | 7,705                  | 7,798                  | 498                | 394                | 543                | 6.1                     | 4.9         | 6.5         |

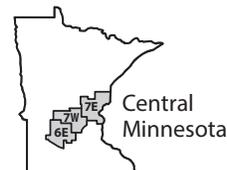
\*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

Numbers are unadjusted unless otherwise labeled.  
Source: Department of Employment and Economic Development,  
Local Area Unemployment Statistics, and North Dakota Job Service, 2014.

# Labor Force Estimates

## County/ Area

| County/<br>Area          | Labor Force      |                  |                  | Employment       |                  |                  | Unemployment  |               |               | Rate of<br>Unemployment |             |             |
|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------|---------------|---------------|-------------------------|-------------|-------------|
|                          | Dec<br>2013      | Nov<br>2013      | Dec<br>2012      | Dec<br>2013      | Nov<br>2013      | Dec<br>2012      | Dec<br>2013   | Nov<br>2013   | Dec<br>2012   | Dec<br>2013             | Nov<br>2013 | Dec<br>2012 |
| <b>Region Six West</b>   | <b>24,984</b>    | <b>25,051</b>    | <b>25,417</b>    | <b>23,799</b>    | <b>24,136</b>    | <b>24,063</b>    | <b>1,185</b>  | <b>915</b>    | <b>1,354</b>  | <b>4.7%</b>             | <b>3.7%</b> | <b>5.3%</b> |
| Big Stone                | 2,797            | 2,828            | 2,826            | 2,664            | 2,738            | 2,679            | 133           | 90            | 147           | 4.8                     | 3.2         | 5.2         |
| Chippewa                 | 7,337            | 7,341            | 7,452            | 7,007            | 7,076            | 7,061            | 330           | 265           | 391           | 4.5                     | 3.6         | 5.2         |
| Lac Qui Parle            | 4,130            | 4,165            | 4,153            | 3,933            | 4,018            | 3,980            | 197           | 147           | 173           | 4.8                     | 3.5         | 4.2         |
| Swift                    | 5,077            | 5,115            | 5,223            | 4,810            | 4,897            | 4,874            | 267           | 218           | 349           | 5.3                     | 4.3         | 6.7         |
| Yellow Medicine          | 5,643            | 5,602            | 5,763            | 5,385            | 5,407            | 5,469            | 258           | 195           | 294           | 4.6                     | 3.5         | 5.1         |
| <b>Region Seven East</b> | <b>84,932</b>    | <b>84,306</b>    | <b>84,957</b>    | <b>79,031</b>    | <b>79,779</b>    | <b>78,262</b>    | <b>5,901</b>  | <b>4,527</b>  | <b>6,695</b>  | <b>6.9</b>              | <b>5.4</b>  | <b>7.9</b>  |
| Chisago                  | 29,074           | 28,796           | 28,796           | 27,339           | 27,501           | 26,932           | 1,735         | 1,295         | 1,864         | 6.0                     | 4.5         | 6.5         |
| Isanti                   | 21,003           | 20,823           | 21,002           | 19,799           | 19,916           | 19,504           | 1,204         | 907           | 1,498         | 5.7                     | 4.4         | 7.1         |
| Kanabec                  | 8,016            | 7,988            | 8,109            | 7,223            | 7,374            | 7,205            | 793           | 614           | 904           | 9.9                     | 7.7         | 11.1        |
| Mille Lacs               | 12,512           | 12,392           | 12,588           | 11,434           | 11,570           | 11,402           | 1,078         | 822           | 1,186         | 8.6                     | 6.6         | 9.4         |
| Pine                     | 14,327           | 14,307           | 14,462           | 13,236           | 13,418           | 13,219           | 1,091         | 889           | 1,243         | 7.6                     | 6.2         | 8.6         |
| <b>Region Seven West</b> | <b>228,591</b>   | <b>228,570</b>   | <b>228,466</b>   | <b>216,999</b>   | <b>218,988</b>   | <b>214,649</b>   | <b>11,592</b> | <b>9,582</b>  | <b>13,817</b> | <b>5.1</b>              | <b>4.2</b>  | <b>6.0</b>  |
| Benton                   | 22,451           | 22,492           | 22,521           | 21,197           | 21,467           | 21,062           | 1,254         | 1,025         | 1,459         | 5.6                     | 4.6         | 6.5         |
| Sherburne                | 50,055           | 49,830           | 49,839           | 47,296           | 47,577           | 46,593           | 2,759         | 2,253         | 3,246         | 5.5                     | 4.5         | 6.5         |
| Stearns                  | 85,730           | 86,182           | 85,989           | 81,779           | 82,820           | 81,259           | 3,951         | 3,362         | 4,730         | 4.6                     | 3.9         | 5.5         |
| Wright                   | 70,355           | 70,066           | 70,117           | 66,727           | 67,124           | 65,735           | 3,628         | 2,942         | 4,382         | 5.2                     | 4.2         | 6.2         |
| <b>Region Eight</b>      | <b>68,749</b>    | <b>68,540</b>    | <b>69,555</b>    | <b>66,086</b>    | <b>66,341</b>    | <b>66,666</b>    | <b>2,663</b>  | <b>2,199</b>  | <b>2,889</b>  | <b>3.9</b>              | <b>3.2</b>  | <b>4.2</b>  |
| Cottonwood               | 6,499            | 6,425            | 6,538            | 6,250            | 6,187            | 6,231            | 249           | 238           | 307           | 3.8                     | 3.7         | 4.7         |
| Jackson                  | 7,221            | 7,223            | 7,340            | 6,995            | 7,031            | 7,088            | 226           | 192           | 252           | 3.1                     | 2.7         | 3.4         |
| Lincoln                  | 3,541            | 3,509            | 3,598            | 3,405            | 3,400            | 3,456            | 136           | 109           | 142           | 3.8                     | 3.1         | 3.9         |
| Lyon                     | 14,871           | 14,873           | 14,997           | 14,253           | 14,379           | 14,355           | 618           | 494           | 642           | 4.2                     | 3.3         | 4.3         |
| Murray                   | 5,969            | 5,916            | 6,008            | 5,713            | 5,735            | 5,762            | 256           | 181           | 246           | 4.3                     | 3.1         | 4.1         |
| Nobles                   | 11,333           | 11,333           | 11,437           | 10,933           | 10,984           | 11,019           | 400           | 349           | 418           | 3.5                     | 3.1         | 3.7         |
| Pipestone                | 5,613            | 5,672            | 5,700            | 5,399            | 5,504            | 5,475            | 214           | 168           | 225           | 3.8                     | 3.0         | 3.9         |
| Redwood                  | 8,335            | 8,244            | 8,505            | 7,926            | 7,920            | 8,052            | 409           | 324           | 453           | 4.9                     | 3.9         | 5.3         |
| Rock                     | 5,367            | 5,345            | 5,432            | 5,212            | 5,201            | 5,228            | 155           | 144           | 204           | 2.9                     | 2.7         | 3.8         |
| <b>Region Nine</b>       | <b>131,358</b>   | <b>131,738</b>   | <b>132,642</b>   | <b>125,496</b>   | <b>126,767</b>   | <b>125,783</b>   | <b>5,862</b>  | <b>4,971</b>  | <b>6,859</b>  | <b>4.5</b>              | <b>3.8</b>  | <b>5.2</b>  |
| Blue Earth               | 38,158           | 38,519           | 38,436           | 36,769           | 37,262           | 36,718           | 1,389         | 1,257         | 1,718         | 3.6                     | 3.3         | 4.5         |
| Brown                    | 14,986           | 15,056           | 15,141           | 14,297           | 14,457           | 14,376           | 689           | 599           | 765           | 4.6                     | 4.0         | 5.1         |
| Faribault                | 7,468            | 7,406            | 7,606            | 7,073            | 7,071            | 7,160            | 395           | 335           | 446           | 5.3                     | 4.5         | 5.9         |
| Le Sueur                 | 14,461           | 14,413           | 14,510           | 13,440           | 13,661           | 13,401           | 1,021         | 752           | 1,109         | 7.1                     | 5.2         | 7.6         |
| Martin                   | 10,982           | 10,963           | 11,166           | 10,504           | 10,524           | 10,594           | 478           | 439           | 572           | 4.4                     | 4.0         | 5.1         |
| Nicollet                 | 19,420           | 19,561           | 19,557           | 18,754           | 19,006           | 18,728           | 666           | 555           | 829           | 3.4                     | 2.8         | 4.2         |
| Sibley                   | 10,296           | 10,226           | 10,468           | 9,865            | 9,883            | 9,941            | 431           | 343           | 527           | 4.2                     | 3.4         | 5.0         |
| Waseca                   | 10,028           | 10,086           | 10,162           | 9,525            | 9,636            | 9,575            | 503           | 450           | 587           | 5.0                     | 4.5         | 5.8         |
| Watonwan                 | 5,559            | 5,508            | 5,596            | 5,269            | 5,267            | 5,290            | 290           | 241           | 306           | 5.2                     | 4.4         | 5.5         |
| <b>Region Ten</b>        | <b>271,020</b>   | <b>271,336</b>   | <b>272,781</b>   | <b>259,452</b>   | <b>261,306</b>   | <b>259,315</b>   | <b>11,568</b> | <b>10,030</b> | <b>13,466</b> | <b>4.3</b>              | <b>3.7</b>  | <b>4.9</b>  |
| Dodge                    | 11,159           | 11,101           | 11,170           | 10,624           | 10,684           | 10,590           | 535           | 417           | 580           | 4.8                     | 3.8         | 5.2         |
| Fillmore                 | 11,160           | 11,218           | 11,342           | 10,639           | 10,804           | 10,743           | 521           | 414           | 599           | 4.7                     | 3.7         | 5.3         |
| Freeborn                 | 15,988           | 16,073           | 16,228           | 15,211           | 15,352           | 15,306           | 777           | 721           | 922           | 4.9                     | 4.5         | 5.7         |
| Goodhue                  | 25,742           | 25,702           | 25,898           | 24,563           | 24,710           | 24,560           | 1,179         | 992           | 1,338         | 4.6                     | 3.9         | 5.2         |
| Houston                  | 10,763           | 10,685           | 10,737           | 10,151           | 10,214           | 10,105           | 612           | 471           | 632           | 5.7                     | 4.4         | 5.9         |
| Mower                    | 21,060           | 21,089           | 21,289           | 20,243           | 20,350           | 20,325           | 817           | 739           | 964           | 3.9                     | 3.5         | 4.5         |
| Olmsted                  | 80,993           | 81,193           | 81,209           | 78,031           | 78,477           | 77,782           | 2,962         | 2,716         | 3,427         | 3.7                     | 3.3         | 4.2         |
| City of Rochester        | 59,094           | 59,265           | 59,183           | 56,881           | 57,207           | 56,700           | 2,213         | 2,058         | 2,483         | 3.7                     | 3.5         | 4.2         |
| Rice                     | 32,138           | 32,127           | 32,346           | 30,521           | 30,773           | 30,368           | 1,617         | 1,354         | 1,978         | 5.0                     | 4.2         | 6.1         |
| Steele                   | 21,077           | 21,134           | 21,365           | 20,204           | 20,385           | 20,277           | 873           | 749           | 1,088         | 4.1                     | 3.5         | 5.1         |
| Wabasha                  | 11,727           | 11,753           | 11,787           | 11,254           | 11,319           | 11,218           | 473           | 434           | 569           | 4.0                     | 3.7         | 4.8         |
| Winona                   | 29,213           | 29,261           | 29,410           | 28,011           | 28,238           | 28,041           | 1,202         | 1,023         | 1,369         | 4.1                     | 3.5         | 4.7         |
| <b>Region Eleven</b>     | <b>1,626,970</b> | <b>1,632,976</b> | <b>1,617,013</b> | <b>1,559,019</b> | <b>1,568,279</b> | <b>1,535,842</b> | <b>67,951</b> | <b>64,697</b> | <b>81,171</b> | <b>4.2</b>              | <b>4.0</b>  | <b>5.0</b>  |
| Anoka                    | 191,042          | 191,377          | 190,356          | 182,387          | 183,470          | 179,676          | 8,655         | 7,907         | 10,680        | 4.5                     | 4.1         | 5.6         |
| Carver                   | 51,544           | 51,534           | 51,141           | 49,297           | 49,590           | 48,564           | 2,247         | 1,944         | 2,577         | 4.4                     | 3.8         | 5.0         |
| Dakota                   | 233,584          | 234,216          | 231,902          | 223,981          | 225,311          | 220,651          | 9,603         | 8,905         | 11,251        | 4.1                     | 3.8         | 4.9         |
| Hennepin                 | 665,056          | 668,610          | 660,617          | 638,132          | 641,922          | 628,645          | 26,924        | 26,688        | 31,972        | 4.0                     | 4.0         | 4.8         |
| City of Bloomington      | 48,581           | 48,828           | 48,265           | 46,604           | 46,880           | 45,911           | 1,977         | 1,948         | 2,354         | 4.1                     | 4.0         | 4.9         |
| City of Minneapolis      | 217,300          | 218,574          | 215,809          | 208,040          | 209,276          | 204,947          | 9,260         | 9,298         | 10,862        | 4.3                     | 4.3         | 5.0         |
| Ramsey                   | 275,612          | 276,742          | 274,184          | 263,731          | 265,297          | 259,810          | 11,881        | 11,445        | 14,374        | 4.3                     | 4.1         | 5.2         |
| City of St. Paul         | 147,385          | 148,101          | 146,751          | 140,696          | 141,531          | 138,604          | 6,689         | 6,570         | 8,147         | 4.5                     | 4.4         | 5.6         |
| Scott                    | 75,659           | 75,650           | 75,194           | 72,454           | 72,885           | 71,377           | 3,205         | 2,765         | 3,817         | 4.2                     | 3.7         | 5.1         |
| Washington               | 134,473          | 134,847          | 133,619          | 129,037          | 129,804          | 127,119          | 5,436         | 5,043         | 6,500         | 4.0                     | 3.7         | 4.9         |



# Industrial Analysis

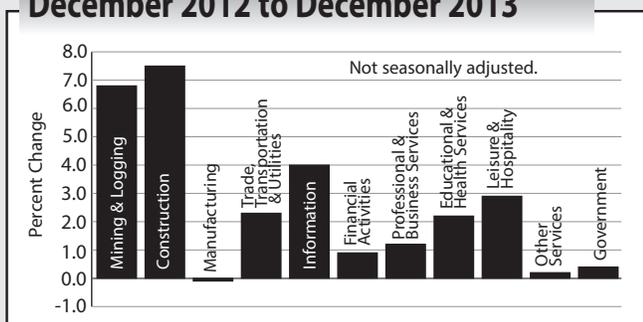
## Overview

Employment climbed sharply in December with 9,500 jobs added. Private Sector employment jumped 6,900 while Public Sector employment rose 2,600. Private Sector employment was split with 2,200 jobs in Private Goods Producing and 4,700 jobs in Private Service Providing. Public Sector employment growth was split between State Government (800) and Local Government (1,800). Five sectors added 1,000 workers or more with Trade, Transportation, and Utilities leading the way with 4,600 jobs (0.9 percent). Government added 2,600 (0.6 percent), and Manufacturing increased 1,700 (0.6 percent). The other big job adders were Educational and Health Services 1,200 (0.2 percent) and Professional and Business Services 1,000 (0.3 percent). The big job losers were Leisure and Hospitality which cut 800 jobs (0.3 percent), Other Services down 700 (0.6 percent), and Financial Activities dropping 500 (0.3 percent). Employment growth was stronger in the second half of the year as 19,200 jobs were added during the first six months and 24,600 during last six months. The 45,800 jobs added between December 2012 and 2013 created a 1.7 percent increase. Private Sector employment expanded by 44,100 (1.9 percent), and Public Sector employment increased 1,700 (0.4 percent).

## Mining and Logging

Employment increased 100, lifting job gains for the year to 500. This sector had the second highest job growth in 2013 on a percentage basis, increasing 7.0 percent. Employment in the industry is the highest it's been since 2000 with the majority of job expansion occurring in mining.

### MN Employment Growth December 2012 to December 2013



Source: Department of Employment and Economic Development, Current Employment Statistics, 2014.

## Construction

Construction employment increased for the third straight month (400 jobs in December), pushing job growth to 7.1 percent for the year. Construction jobs increased 6,600 over the year, pushing employment in the industry to its highest level since April 2012. December's 99,100 total is up from the trough of 85,900 in May 2010 but still far below the housing boom peak of 132,000 reached in February 2006. The state lost 46,100 construction jobs from the 2006 peak to 2010 bottom and has regained only 13,200 construction jobs since.

## Manufacturing

Manufacturing employment increased for the fourth consecutive month, adding 1,700 jobs. But the pickup in hiring during the last few months wasn't strong enough to make up for job cutbacks earlier in the year. The industry lost 500 jobs over the year, marking 2013 as the first year of job loss for manufacturing since 2010. Durable Goods Manufacturing added 700 jobs over the year, but Non-Durable Goods Manufacturing cut 1,200 jobs.

## Trade, Transportation, and Utilities

Trade, Transportation, and Utilities had its second strongest month of the year in December, adding 4,600 jobs. Job growth over 2013 was stronger than in 2012 with 11,800 jobs added. All three component industries added employment during the year. Wholesale Trade added 1,900 (1.5 percent), Retail Trade added 7,400 (2.6 percent), and Transportation, Warehousing, and Utilities has added 2,500 (2.7 percent) jobs over the last 12 months.

## Information

Information employment dropped 100 jobs in December after having surged 1,300 in November. The huge jump in the November workforce lifted job growth for the year to 2,200. Job growth over the year was 4.0 percent, up sharply from last year's 1.4 percent. Job growth was generated in Internet Service Providers, Web Search Portals, and Data Processing Services or Other Information Services as Publishing and Telecommunications employment continue to shrink. This sector looks like it will experience annual job growth for the first time in 12 years.

\*Over-the-year data are not seasonally adjusted because of small changes in seasonal adjustment factors from year to year. Also, there is no seasonality in over-the-year changes.

## Financial Activities

Employment in Financial Activities dipped in December with both Finance and Insurance (100 jobs) and Real Estate and Rental and Leasing (400) cutting employment. Employment in both components is up over the year with Finance and Insurance adding 900 and Real Estate and Rental and Leasing employment increasing 700. The 1,600 jobs added in Financial Activities is down from the 3,000 employment jump in 2012.

## Professional and Business Services

Professional and Business Services employment increased for the first time in six months in December, climbing 1,000 jobs. The sector added 14,000 just during the first six months but then cut 10,100 jobs over the last six months. The net employment growth for the year was 3,900. While Professional and Technical Services employment was down 700 (0.5 percent), 3,800 jobs were added in Management of Companies (3.7 percent), and Administrative and Support Services employment rose 1,800 (1.4 percent) for the year.

## Educational and Health Services

Employment in Educational Services jumped 1,200 in December. Private Education increased 1,000 while Health and Social Assistance added 200. This sector added 10,900 workers in 2013 with almost all the growth accounted for by Health and Social Assistance.

## Leisure and Hospitality

Employment in Leisure and Hospitality slipped 800 in December with 900 jobs lost in Accommodation and Food Services and 100 jobs gained in Arts, Entertainment, and Recreation. The sector added 6,900 (2.8 percent) over the last 12 months with 5,100 positions created in Accommodation and Food Service (up 2.5 percent) and 1,800 jobs added in Arts, Entertainment, and Recreation (4.5 percent).

## Other Services

Employment in Other Services ended the year on a down note as employment fell 700 in December. December's drop pushed employment growth over the year down to 200 (0.2 percent). The sector added jobs for the third consecutive year after five straight years of declining employment.

## Government

Government employment jumped 2,600 in December. Federal Government employment was unchanged from the November while State Government climbed 800 and Local Government rose 1,800. Local government payrolls were up 2,000 (0.7 percent) from a year ago while State Government was up 200 (0.2 percent). Federal Government employment declined for the fifth straight year, losing 500 (1.6 percent) over the year.

by Dave Senf

## Seasonally Adjusted Nonfarm Employment

In 1,000's

| Industry                             | December 2013  | November 2013  | October 2013   |
|--------------------------------------|----------------|----------------|----------------|
| <b>Total Nonagricultural</b>         | <b>2,797.7</b> | <b>2,788.2</b> | <b>2,787.3</b> |
| <b>Goods-Producing</b>               | <b>413.5</b>   | <b>411.3</b>   | <b>410.4</b>   |
| Mining and Logging                   | 7.6            | 7.5            | 7.5            |
| Construction                         | 99.1           | 98.7           | 98.0           |
| Manufacturing                        | 306.8          | 305.1          | 304.9          |
| <b>Service-Providing</b>             | <b>2,384.2</b> | <b>2,376.9</b> | <b>2,376.9</b> |
| Trade, Transportation, and Utilities | 521.8          | 517.2          | 517.7          |
| Information                          | 56.8           | 56.9           | 55.1           |
| Financial Activities                 | 179.4          | 179.9          | 178.9          |
| Professional and Business Services   | 341.8          | 340.8          | 343.1          |
| Educational and Health Services      | 497.5          | 496.3          | 495.3          |
| Leisure and Hospitality              | 253.8          | 254.6          | 253.4          |
| Other Services                       | 116.0          | 116.7          | 116.0          |
| Government                           | 417.1          | 414.5          | 417.4          |

Source: Department of Employment and Economic Development  
Current Employment Statistics, 2014.

# Regional Analysis

## Minneapolis-St. Paul-Bloomington Metropolitan Statistical Area (MSA)

Employment in the Minneapolis-St. Paul-Bloomington MSA slipped 8,700 (0.5 percent) over the month of December and was up 35,180 (2.0 percent) over the year. Private employment dropped 7,307 (0.5 percent) for the month and was up 33,252 over the year (2.2 percent). Government employment slipped 832 (0.4 percent) in December and was up 1,928 (0.8 percent) for the year. Five private sectors lost jobs in December. Mining, Logging, and Construction lost the most jobs (down 8,277, 12.3 percent) followed by Leisure and Hospitality (down 3,066, 1.9 percent). The other job losers were Other Services (down 589, 0.8 percent), Educational and Health Services (down 1,103, 0.4 percent), and Professional and Business Services (down 347, 0.1 percent). The big job gainer was Trade, Transportation, and Utilities (up 4,284, 1.3 percent). Manufacturing added 970 (0.5 percent), while Information added 173 (0.4 percent), and Financial Activities employment was up 117 (0.1 percent). Local Government cut 842 jobs (0.5 percent). All private sectors added jobs over the year with Educational and Health Services (13,320), Leisure and Hospitality (4,511), Mining, Logging, and Construction (4,182), Trade (4,182), Professional and Business Services (3,511), and Manufacturing (3,210) leading the way. Government employment is up 1,928 from a year ago, the majority of the growth occurring in Local Government Education (up 1,682).

## Duluth-Superior MSA

Employment declined 733 (0.5 percent) over the month but increased 1,656 (1.3 percent) over the year. Over the month Private Sector employment dipped 882 (0.5 percent), while Government employment rose 149

(0.6 percent). Only three private sectors expanded payroll numbers in December. Trade, Transportation, and Utilities (61), Financial Activities (36) and Other Services (22) reported job gains. The big monthly job losers were Mining, Logging, and Construction (378), Professional and Business Services (186), Educational and Health Services (172), and Manufacturing (142). Most of the Public Sector job gain was in Local Government (87). Over the year the Private Sector added 1,656 jobs (1.3 percent), while Government employment inched up by 59 jobs (0.2 percent). Other Services employment fell the most over the year (282, 4.8 percent), while Leisure and Hospitality added the most jobs (1,643, 12.3 percent).

## Rochester MSA

Employment tailed off in December with jobs dropping by 318 (0.3 percent), leaving the over-the-year employment increase at 932 (0.9 percent). Government employment rose 9,138 (1.3 percent) over the month, but Private Sector employment dropped 0.5 percent (456 jobs). Job cuts were highest in Mining, Logging, and Construction (down 394, 11.5 percent) and Manufacturing (down 167, 1.7 percent). The only significant job growth was in Trade, Transportation, and Utilities (up 186, 1.1 percent). Over the year Private Sector employment increased 842 (0.9 percent) with Trade, Transportation, and Utilities adding the most jobs (650), while Manufacturing cut the most jobs (272). Federal and State Government employment declined over the year, but Local Government employment rose 183 over the year.

## St. Cloud MSA

Employment stumbled in December, declining by 1,049 (1.0 percent) over the month but finished the year with

employment increasing 1,177 (1.1 percent) over the year. Both Government and Private Sector employment were down from November with Private Sector jobs down 1,007 (1.1 percent) and Government jobs down 42 (0.3 percent). Employment dipped the most in Mining, Logging, and Construction (558, 9.5 percent) and in Educational and Health Services (242, 1.2 percent). Hiring was highest in Trade, Transportation, and Utilities (63, 0.2 percent). Over the year employment growth was concentrated in the Private Sector as Government employment was down 52 jobs from a year ago. Educational and Health Services (609), Trade, Transportation, and Utilities (566), and Mining, Logging, and Construction (524) added the most workers over the year.

## Mankato-North Mankato MSA

Employment dropped 567 jobs (1.0 percent) over the month and increased 385 (0.7 percent) over the year. The Private Sector cut 152 jobs last month (0.3 percent). Government employment plunged 415 jobs (4.5 percent) during December. Over-the-year growth was in the Private Sector which added 546 jobs (1.2 percent), while Government employment decreased 162 (1.8 percent).

## Fargo-Moorhead MSA

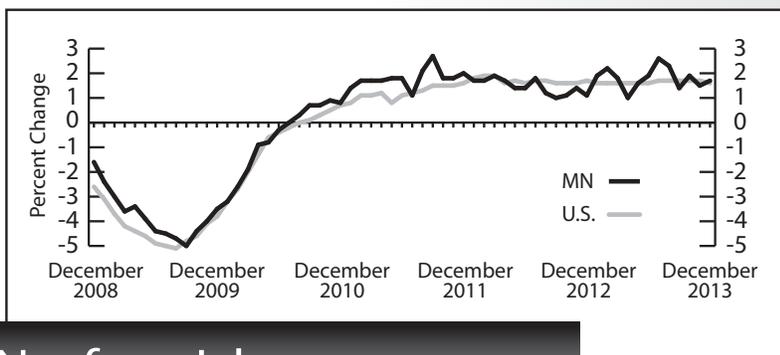
Employment dropped 140 (0.1 percent) over the month and was up 2,939 (2.2 percent) over the year. Government employment increased 58 (0.3 percent) over the month, while Private Sector declined 198 (0.1 percent). The leading job generator was Leisure and Hospitality (403, 3.3 percent). Job cuts were largest in Mining, Logging, and Construction (down 608, 6.1 percent) and Professional and Business Services (down 285, 1.8 percent).

## Grand Forks-East Grand Forks MSA

Employment slipped 567 (1.0 percent) over the month but jumped 946 (1.7 percent) over the year. Government employment dropped 71 (0.5 percent), while 496 jobs were lost in the Private Sector (-1.1 percent). Most of the monthly private employment loss was in Mining, Logging, and Construction (342, 10.6 percent). Hiring was strongest in Trade, Transportation, and Utilities (up 52, 0.4 percent).

by Dave Senf

Source: Department of Employment and Economic Development, Current Employment Statistics, 2014; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2014.



## Total Nonfarm Jobs U.S. and MN over-the-year percent change

# Employer Survey of Minnesota Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

Note: State, regional and local estimates from past months (for all tables pages 11-13) may be revised from figures previously published.

## Industry

| Industry  | Jobs*<br>(Thousands) |                |                | Percent Change:<br>From** |             | Production Workers Hours and Earnings |               |                         |             |                            |              |
|---|----------------------|----------------|----------------|---------------------------|-------------|---------------------------------------|---------------|-------------------------|-------------|----------------------------|--------------|
|   | Dec<br>2013          | Nov<br>2013    | Dec<br>2012    | Nov<br>2013               | Dec<br>2012 | Average Weekly<br>Earnings            |               | Average Weekly<br>Hours |             | Average Hourly<br>Earnings |              |
|   |                      |                |                |                           |             | Dec<br>2013                           | Dec<br>2012   | Dec<br>2013             | Dec<br>2012 | Dec<br>2013                | Dec<br>2012  |
| <b>TOTAL NONFARM WAGE AND SALARY</b>                      | <b>2,796.5</b>       | <b>2,808.3</b> | <b>2,750.6</b> | <b>-0.4%</b>              | <b>1.7%</b> | —                                     | —             | —                       | —           | —                          | —            |
| <b>GOODS-PRODUCING</b>                                    | <b>405.1</b>         | <b>416.9</b>   | <b>398.6</b>   | <b>-2.8</b>               | <b>1.6</b>  | —                                     | —             | —                       | —           | —                          | —            |
| <b>Mining and Logging</b>                                 | <b>7.3</b>           | <b>7.6</b>     | <b>6.8</b>     | <b>-4.4</b>               | <b>6.8</b>  | —                                     | —             | —                       | —           | —                          | —            |
| <b>Construction</b>                                       | <b>92.7</b>          | <b>103.9</b>   | <b>86.2</b>    | <b>-10.8</b>              | <b>7.5</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Specialty Trade Contractors                               | 60.0                 | 65.4           | 53.5           | -8.3                      | 12.1        | \$1,167.77                            | \$1,154.75    | 38.3                    | 38.3        | \$30.49                    | \$30.15      |
| <b>Manufacturing</b>                                      | <b>305.2</b>         | <b>305.4</b>   | <b>305.6</b>   | <b>-0.1</b>               | <b>-0.1</b> | <b>848.32</b>                         | <b>782.46</b> | <b>42.1</b>             | <b>40.5</b> | <b>20.15</b>               | <b>19.32</b> |
| Durable Goods   | 195.7                | 195.2          | 194.9          | 0.2                       | 0.4         | 861.65                                | 786.83        | 42.3                    | 39.9        | 20.37                      | 19.72        |
| Wood Product Manufacturing                                | 10.7                 | 10.7           | 10.5           | -0.6                      | 1.5         | —                                     | —             | —                       | —           | —                          | —            |
| Fabricated Metal Production                               | 42.2                 | 41.7           | 42.2           | 1.3                       | 0.0         | —                                     | —             | —                       | —           | —                          | —            |
| Machinery Manufacturing                                   | 31.5                 | 30.8           | 32.1           | 2.1                       | -2.0        | —                                     | —             | —                       | —           | —                          | —            |
| Computer and Electronic Product                           | 45.5                 | 45.2           | 45.1           | 0.6                       | 0.8         | —                                     | —             | —                       | —           | —                          | —            |
| Navigational, Measuring, Electromedical and Control       | 25.1                 | 25.0           | 24.9           | 0.2                       | 0.9         | —                                     | —             | —                       | —           | —                          | —            |
| Transportation Equipment                                  | 10.2                 | 10.2           | 10.7           | 0.2                       | -4.9        | —                                     | —             | —                       | —           | —                          | —            |
| Medical Equipment and Supplies Manufacturing              | 16.0                 | 15.9           | 15.6           | 0.7                       | 2.3         | —                                     | —             | —                       | —           | —                          | —            |
| Nondurable Goods  | 109.5                | 110.1          | 110.7          | -0.5                      | -1.1        | 825.66                                | 775.42        | 41.7                    | 41.4        | 19.80                      | 18.73        |
| Food Manufacturing  | 44.4                 | 44.6           | 44.8           | -0.4                      | -0.8        | —                                     | —             | —                       | —           | —                          | —            |
| Paper Manufacturing                                       | 32.4                 | 32.7           | 33.5           | -0.9                      | -3.2        | —                                     | —             | —                       | —           | —                          | —            |
| Printing and Related                                      | 22.8                 | 23.0           | 23.4           | -1.0                      | -2.6        | —                                     | —             | —                       | —           | —                          | —            |
| <b>SERVICE-PROVIDING</b>                                  | <b>2,391.4</b>       | <b>2,391.4</b> | <b>2,352.0</b> | <b>0.0</b>                | <b>1.7</b>  | —                                     | —             | —                       | —           | —                          | —            |
| <b>Trade, Transportation, and Utilities</b>               | <b>531.4</b>         | <b>527.1</b>   | <b>519.6</b>   | <b>0.8</b>                | <b>2.3</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Wholesale Trade   | 132.4                | 133.1          | 130.5          | -0.5                      | 1.4         | 996.47                                | 1,023.75      | 39.7                    | 39          | 25.10                      | 26.25        |
| Retail Trade  | 301.1                | 297.1          | 293.6          | 1.3                       | 2.5         | 391.50                                | 365.79        | 29                      | 28.4        | 13.50                      | 12.88        |
| Motor Vehicle and Parts                                   | 31.3                 | 31.3           | 30.8           | 0.1                       | 1.8         | —                                     | —             | —                       | —           | —                          | —            |
| Building Material and Garden Equipment                    | 23.8                 | 24.1           | 23.7           | -1.4                      | 0.1         | —                                     | —             | —                       | —           | —                          | —            |
| Food and Beverage Stores                                  | 51.5                 | 51.0           | 51.3           | 1.0                       | 0.4         | —                                     | —             | —                       | —           | —                          | —            |
| Gasoline Stations   | 24.4                 | 24.4           | 23.6           | 0.1                       | 3.6         | —                                     | —             | —                       | —           | —                          | —            |
| General Merchandise Stores                                | 66.4                 | 64.8           | 65.6           | 2.5                       | 1.2         | 317.63                                | 320.27        | 30.6                    | 30.3        | 10.38                      | 10.57        |
| Transportation, Warehouse, Utilities                      | 97.9                 | 97.0           | 95.5           | 1.0                       | 2.5         | —                                     | —             | —                       | —           | —                          | —            |
| Transportation and Warehousing                            | 85.3                 | 84.3           | 82.9           | 1.2                       | 2.9         | 655.81                                | 704.41        | 38.6                    | 40.6        | 16.99                      | 17.35        |
| <b>Information</b>  | <b>56.9</b>          | <b>56.2</b>    | <b>54.7</b>    | <b>1.4</b>                | <b>4.0</b>  | <b>838.95</b>                         | <b>839.36</b> | <b>35</b>               | <b>34.4</b> | <b>23.97</b>               | <b>24.40</b> |
| Publishing Industries                                     | 20.4                 | 20.4           | 21.1           | 0.3                       | -3.1        | —                                     | —             | —                       | —           | —                          | —            |
| Telecommunications  | 13.4                 | 13.5           | 13.6           | -0.9                      | -1.3        | —                                     | —             | —                       | —           | —                          | —            |
| <b>Financial Activities</b>                               | <b>178.9</b>         | <b>178.6</b>   | <b>177.3</b>   | <b>0.2</b>                | <b>0.9</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Finance and Insurance                                     | 140.2                | 139.6          | 139.3          | 0.4                       | 0.6         | 986.00                                | 920.90        | 36.6                    | 36.5        | 26.94                      | 25.23        |
| Credit Intermediation                                     | 54.2                 | 54.0           | 54.0           | 0.3                       | 0.2         | 771.85                                | 731.64        | 35.9                    | 35.9        | 21.50                      | 20.38        |
| Securities, Commodity Contracts, and Other                | 18.1                 | 18.0           | 17.9           | 0.4                       | 0.9         | —                                     | —             | —                       | —           | —                          | —            |
| Insurance Carriers and Related                            | 65.1                 | 64.6           | 63.9           | 0.8                       | 1.8         | —                                     | —             | —                       | —           | —                          | —            |
| Real Estate and Rental and Leasing                        | 38.7                 | 39.0           | 38.0           | -0.7                      | 1.9         | —                                     | —             | —                       | —           | —                          | —            |
| <b>Professional and Business Services</b>                 | <b>344.6</b>         | <b>344.1</b>   | <b>340.6</b>   | <b>0.2</b>                | <b>1.2</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Professional, Scientific, and Technical Services          | 132.8                | 131.9          | 133.5          | 0.7                       | -0.5        | —                                     | —             | —                       | —           | —                          | —            |
| Legal Services  | 19.2                 | 19.0           | 19.0           | 0.8                       | 1.0         | —                                     | —             | —                       | —           | —                          | —            |
| Accounting, Tax Preparation                               | 13.9                 | 13.4           | 14.2           | 3.4                       | -1.9        | —                                     | —             | —                       | —           | —                          | —            |
| Computer Systems Design                                   | 31.2                 | 31.2           | 31.1           | -0.2                      | 0.1         | —                                     | —             | —                       | —           | —                          | —            |
| Management of Companies and Enterprises                   | 78.3                 | 77.9           | 75.5           | 0.6                       | 3.7         | —                                     | —             | —                       | —           | —                          | —            |
| Administrative and Support Services                       | 133.5                | 134.3          | 131.6          | -0.6                      | 1.4         | —                                     | —             | —                       | —           | —                          | —            |
| <b>Educational and Health Services</b>                    | <b>498.0</b>         | <b>500.4</b>   | <b>487.1</b>   | <b>-0.5</b>               | <b>2.2</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Educational Services                                      | 67.2                 | 69.0           | 66.6           | -2.6                      | 1.0         | —                                     | —             | —                       | —           | —                          | —            |
| Health Care and Social Assistance                         | 430.7                | 431.4          | 420.5          | -0.2                      | 2.4         | —                                     | —             | —                       | —           | —                          | —            |
| Ambulatory Health Care                                    | 142.0                | 141.3          | 136.7          | 0.5                       | 3.8         | 1,221.85                              | 1,107.23      | 34.9                    | 34.1        | 35.01                      | 32.47        |
| Offices of Physicians                                     | 68.9                 | 68.4           | 66.3           | 0.7                       | 4.0         | —                                     | —             | —                       | —           | —                          | —            |
| Hospitals   | 103.6                | 103.5          | 103.4          | 0.2                       | 0.2         | —                                     | —             | —                       | —           | —                          | —            |
| Nursing and Residential Care Facilities                   | 106.7                | 107.4          | 105.4          | -0.6                      | 1.3         | 412.89                                | 426.43        | 29.2                    | 28.6        | 14.14                      | 14.91        |
| Social Assistance   | 78.3                 | 79.2           | 75.0           | -1.1                      | 4.5         | —                                     | —             | —                       | —           | —                          | —            |
| <b>Leisure and Hospitality</b>                            | <b>242.3</b>         | <b>244.5</b>   | <b>235.5</b>   | <b>-0.9</b>               | <b>2.9</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Arts, Entertainment, and Recreation                       | 36.7                 | 37.0           | 34.8           | -1.0                      | 5.5         | —                                     | —             | —                       | —           | —                          | —            |
| Accommodation and Food Services                           | 205.6                | 207.4          | 200.7          | -0.9                      | 2.4         | —                                     | —             | —                       | —           | —                          | —            |
| Food Services and Drinking Places                         | 181.8                | 183.7          | 176.3          | -1.0                      | 3.1         | 250.80                                | 221.14        | 21.2                    | 20.4        | 11.83                      | 10.84        |
| <b>Other Services</b>                                     | <b>116.5</b>         | <b>117.4</b>   | <b>116.3</b>   | <b>-0.7</b>               | <b>0.2</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Religious, Grantmaking, Civic, Professional Organizations | 67.2                 | 67.7           | 68.3           | -0.8                      | -1.7        | —                                     | —             | —                       | —           | —                          | —            |
| <b>Government</b>   | <b>422.7</b>         | <b>423.1</b>   | <b>420.9</b>   | <b>-0.1</b>               | <b>0.4</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Federal Government  | 30.9                 | 30.7           | 31.4           | 0.6                       | -1.7        | —                                     | —             | —                       | —           | —                          | —            |
| State Government  | 101.6                | 102.5          | 101.3          | -0.9                      | 0.3         | —                                     | —             | —                       | —           | —                          | —            |
| State Government Education                                | 64.1                 | 64.7           | 64.3           | -1.0                      | -0.3        | —                                     | —             | —                       | —           | —                          | —            |
| Local Government  | 290.3                | 289.9          | 288.3          | 0.1                       | 0.7         | —                                     | —             | —                       | —           | —                          | —            |
| Local Government Education                                | 143.8                | 144.0          | 143.8          | -0.2                      | 0.0         | —                                     | —             | —                       | —           | —                          | —            |

Note: Not all industry subgroups are shown for every major industry category.

\* Totals may not add because of rounding.

\*\* Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2014.

# Employer Survey of Twin Cities Nonfarm Payroll Jobs, Hours and Earnings

Numbers are unadjusted.

Note: State, regional and local estimates from past months (for all tables pages 11-13) may be revised from figures previously published.

| Industry  | Jobs*<br>(Thousands) |                |                | Percent Change<br>From** |             | Production Workers Hours and Earnings |               |                         |             |                            |              |
|---|----------------------|----------------|----------------|--------------------------|-------------|---------------------------------------|---------------|-------------------------|-------------|----------------------------|--------------|
|   | Dec<br>2013          | Nov<br>2013    | Dec<br>2012    | Nov<br>2013              | Dec<br>2012 | Average Weekly<br>Earnings            |               | Average Weekly<br>Hours |             | Average Hourly<br>Earnings |              |
|   |                      |                |                |                          |             | Dec<br>2013                           | Dec<br>2012   | Dec<br>2013             | Dec<br>2012 | Dec<br>2013                | Dec<br>2012  |
| <b>TOTAL NONFARM WAGE AND SALARY</b>                      | <b>1,823.2</b>       | <b>1,831.9</b> | <b>1,788.0</b> | <b>-0.5%</b>             | <b>2.0%</b> | —                                     | —             | —                       | —           | —                          | —            |
| <b>GOODS-PRODUCING</b>                                    | <b>244.0</b>         | <b>251.3</b>   | <b>236.6</b>   | <b>-2.9</b>              | <b>3.1</b>  | —                                     | —             | —                       | —           | —                          | —            |
| <b>Mining, Logging, and Construction</b>                  | <b>59.0</b>          | <b>67.3</b>    | <b>54.8</b>    | <b>-12.3</b>             | <b>7.6</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Construction of Buildings                                 | 12.7                 | 13.3           | 12.8           | -4.2                     | -0.7        | —                                     | —             | —                       | —           | —                          | —            |
| Specialty Trade Contractors                               | 41.5                 | 45.4           | 37.9           | -8.6                     | 9.4         | \$1,257.59                            | \$1,233.59    | 38.6                    | 39.5        | \$32.58                    | \$31.23      |
| <b>Manufacturing</b>                                      | <b>185.0</b>         | <b>184.0</b>   | <b>181.8</b>   | <b>0.5</b>               | <b>1.8</b>  | <b>851.59</b>                         | <b>805.98</b> | <b>41.1</b>             | <b>39.9</b> | <b>20.72</b>               | <b>20.20</b> |
| Durable Goods   | 127.9                | 126.6          | 125.8          | 1.0                      | 1.7         | 879.87                                | 820.98        | 41.7                    | 39.3        | 21.10                      | 20.89        |
| Fabricated Metal Production                               | 28.8                 | 28.4           | 28.4           | 1.5                      | 1.7         | —                                     | —             | —                       | —           | —                          | —            |
| Machinery Manufacturing                                   | 19.2                 | 18.8           | 19.9           | 2.2                      | -3.2        | —                                     | —             | —                       | —           | —                          | —            |
| Computer and Electronic Product                           | 35.8                 | 35.6           | 35.5           | 0.4                      | 0.7         | —                                     | —             | —                       | —           | —                          | —            |
| Navigational, Measuring, Electromedical and Control       | 23.7                 | 23.6           | 23.4           | 0.2                      | 1.2         | —                                     | —             | —                       | —           | —                          | —            |
| Medical Equipment and Supplies Manufacturing              | 14.3                 | 14.2           | 14.1           | 0.8                      | 1.5         | —                                     | —             | —                       | —           | —                          | —            |
| Nondurable Goods  | 57.1                 | 57.4           | 56.0           | -0.6                     | 2.0         | 796.80                                | 776.54        | 39.9                    | 41          | 19.97                      | 18.94        |
| Food Manufacturing  | 12.2                 | 12.3           | 12.2           | -0.6                     | 0.3         | —                                     | —             | —                       | —           | —                          | —            |
| Printing and Related                                      | 14.7                 | 14.8           | 14.8           | -0.7                     | -0.8        | —                                     | —             | —                       | —           | —                          | —            |
| <b>SERVICE-PROVIDING</b>                                  | <b>1,579.2</b>       | <b>1,580.6</b> | <b>1,551.5</b> | <b>-0.1</b>              | <b>1.8</b>  | —                                     | —             | —                       | —           | —                          | —            |
| <b>Trade, Transportation, and Utilities</b>               | <b>329.9</b>         | <b>325.6</b>   | <b>326.4</b>   | <b>1.3</b>               | <b>1.1</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Wholesale Trade   | 81.4                 | 81.9           | 82.2           | -0.6                     | -0.9        | 1,007.19                              | 1,049.54      | 39.7                    | 38.8        | 25.37                      | 27.05        |
| Merchant Wholesalers - Durable Goods                      | 42.9                 | 43.1           | 43.8           | -0.5                     | -2.1        | —                                     | —             | —                       | —           | —                          | —            |
| Merchant Wholesalers - Nondurable Goods                   | 24.1                 | 24.2           | 24.3           | -0.3                     | -0.6        | —                                     | —             | —                       | —           | —                          | —            |
| Retail Trade  | 183.9                | 179.8          | 180.3          | 2.2                      | 2.0         | 385.39                                | 342.63        | 29.6                    | 28.6        | 13.02                      | 11.98        |
| Food and Beverage Stores                                  | 29.4                 | 29.1           | 29.3           | 1.0                      | 0.1         | —                                     | —             | —                       | —           | —                          | —            |
| General Merchandise Stores                                | 40.6                 | 39.6           | 40.5           | 2.5                      | 0.3         | 333.26                                | 328.86        | 31.8                    | 31.5        | 10.48                      | 10.44        |
| Transportation, Warehouse, Utilities                      | 64.7                 | 63.9           | 63.9           | 1.2                      | 1.2         | —                                     | —             | —                       | —           | —                          | —            |
| Utilities   | 7.2                  | 7.3            | 7.3            | -0.7                     | -1.5        | —                                     | —             | —                       | —           | —                          | —            |
| Transportation and Warehousing                            | 57.4                 | 56.6           | 56.6           | 1.4                      | 1.5         | 833.57                                | 771.76        | 45.7                    | 43.9        | 18.24                      | 17.58        |
| <b>Information</b>  | <b>39.3</b>          | <b>39.2</b>    | <b>39.0</b>    | <b>0.4</b>               | <b>0.8</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Publishing Industries                                     | 16.5                 | 16.4           | 16.5           | 0.6                      | 0.4         | —                                     | —             | —                       | —           | —                          | —            |
| Telecommunications  | 9.4                  | 9.4            | 9.5            | -0.6                     | -1.4        | —                                     | —             | —                       | —           | —                          | —            |
| <b>Financial Activities</b>                               | <b>140.8</b>         | <b>140.7</b>   | <b>140.4</b>   | <b>0.1</b>               | <b>0.3</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Finance and Insurance                                     | 109.6                | 109.4          | 109.1          | 0.3                      | 0.5         | 1,113.74                              | 1,061.26      | 36.6                    | 37.7        | 30.43                      | 28.15        |
| Credit Intermediation                                     | 37.2                 | 37.2           | 37.3           | 0.0                      | -0.2        | —                                     | —             | —                       | —           | —                          | —            |
| Securities, Commodity Contracts, and Other                | 16.0                 | 16.0           | 16.0           | -0.1                     | -0.2        | —                                     | —             | —                       | —           | —                          | —            |
| Insurance Carriers and Related                            | 53.7                 | 53.5           | 53.0           | 0.4                      | 1.4         | —                                     | —             | —                       | —           | —                          | —            |
| Real Estate and Rental and Leasing                        | 31.2                 | 31.3           | 31.3           | -0.5                     | -0.3        | —                                     | —             | —                       | —           | —                          | —            |
| <b>Professional and Business Services</b>                 | <b>279.6</b>         | <b>279.9</b>   | <b>276.0</b>   | <b>-0.1</b>              | <b>1.3</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Professional, Scientific, and Technical Services          | 106.4                | 105.8          | 108.0          | 0.6                      | -1.4        | —                                     | —             | —                       | —           | —                          | —            |
| Legal Services  | 16.1                 | 16.0           | 16.0           | 0.8                      | 1.0         | —                                     | —             | —                       | —           | —                          | —            |
| Architectural, Engineering, and Related                   | 15.3                 | 15.5           | 15.1           | -0.9                     | 1.9         | —                                     | —             | —                       | —           | —                          | —            |
| Computer Systems Design                                   | 26.6                 | 26.6           | 26.5           | -0.2                     | 0.1         | —                                     | —             | —                       | —           | —                          | —            |
| Management of Companies and Enterprises                   | 69.3                 | 69.2           | 67.2           | 0.2                      | 3.2         | —                                     | —             | —                       | —           | —                          | —            |
| Administrative and Support Services                       | 103.8                | 104.9          | 100.9          | -1.1                     | 2.9         | —                                     | —             | —                       | —           | —                          | —            |
| Employment Services                                       | 57.6                 | 57.7           | 51.5           | -0.2                     | 12.0        | —                                     | —             | —                       | —           | —                          | —            |
| <b>Educational and Health Services</b>                    | <b>306.7</b>         | <b>307.8</b>   | <b>293.4</b>   | <b>-0.4</b>              | <b>4.5</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Educational Services                                      | 48.0                 | 49.2           | 45.6           | -2.3                     | 5.3         | —                                     | —             | —                       | —           | —                          | —            |
| Health Care and Social Assistance                         | 258.7                | 258.7          | 247.8          | 0.0                      | 4.4         | —                                     | —             | —                       | —           | —                          | —            |
| Ambulatory Health Care                                    | 86.1                 | 85.7           | 80.9           | 0.5                      | 6.5         | —                                     | —             | —                       | —           | —                          | —            |
| Hospitals   | 60.5                 | 60.5           | 60.0           | 0.0                      | 0.8         | —                                     | —             | —                       | —           | —                          | —            |
| Nursing and Residential Care Facilities                   | 57.2                 | 57.3           | 55.5           | -0.2                     | 3.0         | —                                     | —             | —                       | —           | —                          | —            |
| Social Assistance   | 54.8                 | 55.1           | 51.3           | -0.6                     | 6.8         | —                                     | —             | —                       | —           | —                          | —            |
| <b>Leisure and Hospitality</b>                            | <b>161.6</b>         | <b>164.6</b>   | <b>157.1</b>   | <b>-1.9</b>              | <b>2.9</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Arts, Entertainment, and Recreation                       | 25.6                 | 26.4           | 26.1           | -2.8                     | -1.7        | —                                     | —             | —                       | —           | —                          | —            |
| Accommodation and Food Services                           | 135.9                | 138.2          | 131.0          | -1.7                     | 3.8         | 276.86                                | 255.97        | 22.9                    | 22.2        | 12.09                      | 11.53        |
| Food Services and Drinking Places                         | 124.2                | 126.8          | 118.9          | -2.0                     | 4.5         | 272.95                                | 249.17        | 22.3                    | 21.8        | 12.24                      | 11.43        |
| <b>Other Services</b>                                     | <b>77.8</b>          | <b>78.3</b>    | <b>77.6</b>    | <b>-0.8</b>              | <b>0.3</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Repair and Maintenance                                    | 13.5                 | 13.6           | 13.4           | -0.8                     | 0.6         | —                                     | —             | —                       | —           | —                          | —            |
| Religious, Grantmaking, Civic, Professional Organizations | 43.3                 | 43.4           | 43.2           | -0.3                     | 0.1         | —                                     | —             | —                       | —           | —                          | —            |
| <b>Government</b>   | <b>243.6</b>         | <b>244.4</b>   | <b>241.7</b>   | <b>-0.4</b>              | <b>0.8</b>  | —                                     | —             | —                       | —           | —                          | —            |
| Federal Government  | 19.9                 | 19.7           | 20.1           | 0.7                      | -1.4        | —                                     | —             | —                       | —           | —                          | —            |
| State Government  | 68.1                 | 68.3           | 68.4           | -0.2                     | -0.5        | —                                     | —             | —                       | —           | —                          | —            |
| State Government Education                                | 42.4                 | 42.6           | 43.3           | -0.5                     | -1.9        | —                                     | —             | —                       | —           | —                          | —            |
| Local Government  | 155.6                | 156.5          | 153.1          | -0.5                     | 1.7         | —                                     | —             | —                       | —           | —                          | —            |
| Local Government Education                                | 90.0                 | 90.3           | 88.3           | -0.4                     | 1.9         | —                                     | —             | —                       | —           | —                          | —            |

Note: Not all industry subgroups are shown for every major industry category.

\* Totals may not add because of rounding.

\*\* Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2010.

# Employer Survey

## Industry

### TOTAL NONFARM WAGE AND SALARY

#### GOODS-PRODUCING

Mining, Logging, and Construction  
Manufacturing

#### SERVICE-PROVIDING

Trade, Transportation, and Utilities  
Wholesale Trade  
Retail Trade  
Transportation, Warehouse, Utilities  
Information  
Financial Activities  
Professional and Business Services  
Educational and Health Services  
Leisure and Hospitality  
Other Services  
Government

### Duluth-Superior MSA

#### Jobs % Chg. From

|                                      | Dec 2013       | Nov 2013       | Dec 2012       | Nov 2013     | Dec 2012    |
|--------------------------------------|----------------|----------------|----------------|--------------|-------------|
| <b>TOTAL NONFARM WAGE AND SALARY</b> | <b>132,732</b> | <b>133,465</b> | <b>131,076</b> | <b>-0.5%</b> | <b>1.3%</b> |
| <b>GOODS-PRODUCING</b>               | <b>14,467</b>  | <b>14,987</b>  | <b>14,749</b>  | <b>-3.5</b>  | <b>-1.9</b> |
| Mining, Logging, and Construction    | 7,338          | 7,716          | 7,534          | -4.9         | -2.6        |
| Manufacturing                        | 7,129          | 7,271          | 7,215          | -2.0         | -1.2        |
| <b>SERVICE-PROVIDING</b>             | <b>118,265</b> | <b>118,478</b> | <b>116,327</b> | <b>-0.2</b>  | <b>1.7</b>  |
| Trade, Transportation, and Utilities | 25,449         | 25,388         | 25,171         | 0.2          | 1.1         |
| Wholesale Trade                      | 3,171          | 3,226          | 3,193          | -1.7         | -0.7        |
| Retail Trade                         | 15,948         | 15,815         | 15,712         | 0.8          | 1.5         |
| Transportation, Warehouse, Utilities | 6,330          | 6,347          | 6,266          | -0.3         | 1.0         |
| Information                          | 1,299          | 1,381          | 1,339          | -5.9         | -3.0        |
| Financial Activities                 | 5,440          | 5,404          | 5,443          | 0.7          | -0.1        |
| Professional and Business Services   | 7,393          | 7,579          | 7,507          | -2.5         | -1.5        |
| Educational and Health Services      | 30,941         | 31,113         | 30,544         | -0.6         | 1.3         |
| Leisure and Hospitality              | 14,948         | 14,989         | 13,305         | -0.3         | 12.3        |
| Other Services                       | 5,564          | 5,542          | 5,846          | 0.4          | -4.8        |
| Government                           | 27,231         | 27,082         | 27,172         | 0.6          | 0.2         |

### Rochester MSA

#### Jobs % Chg. From

|                                      | Dec 2013       | Nov 2013       | Dec 2012       | Nov 2013     | Dec 2012    |
|--------------------------------------|----------------|----------------|----------------|--------------|-------------|
| <b>TOTAL NONFARM WAGE AND SALARY</b> | <b>107,035</b> | <b>107,353</b> | <b>106,103</b> | <b>-0.3%</b> | <b>0.9%</b> |
| <b>GOODS-PRODUCING</b>               | <b>12,834</b>  | <b>13,395</b>  | <b>13,108</b>  | <b>-4.2</b>  | <b>-2.1</b> |
| Mining, Logging, and Construction    | 3,022          | 3,416          | 3,024          | -11.5        | -0.1        |
| Manufacturing                        | 9,812          | 9,979          | 10,084         | -1.7         | -2.7        |
| <b>SERVICE-PROVIDING</b>             | <b>94,201</b>  | <b>93,958</b>  | <b>92,995</b>  | <b>0.3</b>   | <b>1.3</b>  |
| Trade, Transportation, and Utilities | 17,105         | 16,919         | 16,468         | 1.1          | 3.9         |
| Wholesale Trade                      | 2,325          | 2,332          | 2,331          | -0.3         | -0.3        |
| Retail Trade                         | 12,202         | 12,027         | 11,649         | 1.5          | 4.7         |
| Transportation, Warehouse, Utilities | 2,578          | 2,560          | 2,488          | 0.7          | 3.6         |
| Information                          | 1,785          | 1,779          | 1,719          | 0.3          | 3.8         |
| Financial Activities                 | 2,316          | 2,327          | 2,373          | -0.5         | -2.4        |
| Professional and Business Services   | 5,052          | 5,041          | 5,109          | 0.2          | -1.1        |
| Educational and Health Services      | 44,466         | 44,548         | 44,274         | -0.2         | 0.4         |
| Leisure and Hospitality              | 9,182          | 9,232          | 8,877          | -0.5         | 3.4         |
| Other Services                       | 3,665          | 3,620          | 3,635          | 1.2          | 0.8         |
| Government                           | 10,630         | 10,492         | 10,540         | 1.3          | 0.9         |

# Employer Survey

## Industry

### TOTAL NONFARM WAGE AND SALARY

#### GOODS-PRODUCING

Mining, Logging, and Construction  
Manufacturing

#### SERVICE-PROVIDING

Trade, Transportation, and Utilities  
Wholesale Trade  
Retail Trade  
Transportation, Warehouse, Utilities  
Information  
Financial Activities  
Professional and Business Services  
Educational and Health Services  
Leisure and Hospitality  
Other Services  
Government

### St. Cloud MSA

#### Jobs % Chg. From

|                                      | Dec 2013       | Nov 2013       | Dec 2012       | Nov 2013     | Dec 2012    |
|--------------------------------------|----------------|----------------|----------------|--------------|-------------|
| <b>TOTAL NONFARM WAGE AND SALARY</b> | <b>103,991</b> | <b>105,040</b> | <b>102,814</b> | <b>-1.0%</b> | <b>1.1%</b> |
| <b>GOODS-PRODUCING</b>               | <b>20,116</b>  | <b>20,870</b>  | <b>19,824</b>  | <b>-3.6</b>  | <b>1.5</b>  |
| Mining, Logging, and Construction    | 5,296          | 5,854          | 4,772          | -9.5         | 11.0        |
| Manufacturing                        | 14,820         | 15,016         | 15,052         | -1.3         | -1.5        |
|                                      | 83,875         | 84,170         | 82,990         | -0.4         | 1.1         |
| <b>SERVICE-PROVIDING</b>             | <b>21,813</b>  | <b>21,770</b>  | <b>21,247</b>  | <b>0.2</b>   | <b>2.7</b>  |
| Trade, Transportation, and Utilities | 4,315          | 4,319          | 4,193          | -0.1         | 2.9         |
| Wholesale Trade                      | 13,914         | 13,812         | 13,516         | 0.7          | 2.9         |
| Retail Trade                         | 3,584          | 3,639          | 3,538          | -1.5         | 1.3         |
| Transportation, Warehouse, Utilities | 1,633          | 1,636          | 1,652          | -0.2         | -1.2        |
| Information                          | 4,379          | 4,378          | 4,385          | 0.0          | -0.1        |
| Financial Activities                 | 8,223          | 8,371          | 8,292          | -1.8         | -0.8        |
| Professional and Business Services   | 19,748         | 19,990         | 19,139         | -1.2         | 3.2         |
| Educational and Health Services      | 8,560          | 8,468          | 8,638          | 1.1          | -0.9        |
| Leisure and Hospitality              | 3,331          | 3,327          | 3,397          | 0.1          | -1.9        |
| Other Services                       | 16,188         | 16,230         | 16,240         | -0.3         | -0.3        |

### Mankato MSA

#### Jobs % Chg. From

|                                      | Dec 2013      | Nov 2013      | Dec 2012      | Nov 2013     | Dec 2012    |
|--------------------------------------|---------------|---------------|---------------|--------------|-------------|
| <b>TOTAL NONFARM WAGE AND SALARY</b> | <b>54,438</b> | <b>55,005</b> | <b>54,053</b> | <b>-1.0%</b> | <b>0.7%</b> |
| <b>GOODS-PRODUCING</b>               | <b>9,596</b>  | <b>9,802</b>  | <b>9,732</b>  | <b>-2.1</b>  | <b>-1.4</b> |
| Mining, Logging, and Construction    | --            | --            | --            | --           | --          |
| Manufacturing                        | --            | --            | --            | --           | --          |
|                                      | <b>44,842</b> | <b>45,203</b> | <b>44,321</b> | <b>-0.8</b>  | <b>1.2</b>  |
| <b>SERVICE-PROVIDING</b>             | <b>44,842</b> | <b>45,203</b> | <b>44,321</b> | <b>-0.8</b>  | <b>1.2</b>  |
| Trade, Transportation, and Utilities | --            | --            | --            | --           | --          |
| Wholesale Trade                      | --            | --            | --            | --           | --          |
| Retail Trade                         | --            | --            | --            | --           | --          |
| Transportation, Warehouse, Utilities | --            | --            | --            | --           | --          |
| Information                          | --            | --            | --            | --           | --          |
| Financial Activities                 | --            | --            | --            | --           | --          |
| Professional and Business Services   | --            | --            | --            | --           | --          |
| Educational and Health Services      | --            | --            | --            | --           | --          |
| Leisure and Hospitality              | --            | --            | --            | --           | --          |
| Other Services                       | --            | --            | --            | --           | --          |
| Government                           | 8,832         | 9,247         | 8,993         | -4.5         | -1.8        |

# Employer Survey

## Industry

### TOTAL NONFARM WAGE AND SALARY

#### GOODS-PRODUCING

Mining, Logging, and Construction  
Manufacturing

#### SERVICE-PROVIDING

Trade, Transportation, and Utilities  
Wholesale Trade  
Retail Trade  
Transportation, Warehouse, Utilities  
Information  
Financial Activities  
Professional and Business Services  
Educational and Health Services  
Leisure and Hospitality  
Other Services  
Government

### Fargo-Moorhead MSA

#### Jobs % Chg. From

|                                      | Dec 2013       | Nov 2013       | Dec 2012       | Nov 2013     | Dec 2012    |
|--------------------------------------|----------------|----------------|----------------|--------------|-------------|
| <b>TOTAL NONFARM WAGE AND SALARY</b> | <b>134,971</b> | <b>135,111</b> | <b>132,032</b> | <b>-0.1%</b> | <b>2.2%</b> |
| <b>GOODS-PRODUCING</b>               | <b>19,630</b>  | <b>20,157</b>  | <b>17,552</b>  | <b>-2.6</b>  | <b>11.8</b> |
| Mining, Logging, and Construction    | 9,076          | 9,664          | 7,319          | -6.1         | 24.0        |
| Manufacturing                        | 10,554         | 10,493         | 10,233         | 0.6          | 3.1         |
| <b>SERVICE-PROVIDING</b>             | <b>115,341</b> | <b>114,954</b> | <b>114,480</b> | <b>0.3</b>   | <b>0.8</b>  |
| Trade, Transportation, and Utilities | 30,381         | 30,193         | 29,698         | 0.6          | 2.3         |
| Wholesale Trade                      | 8,928          | 8,869          | 8,556          | 0.7          | 4.4         |
| Retail Trade                         | 16,399         | 16,277         | 16,283         | 0.8          | 0.7         |
| Transportation, Warehouse, Utilities | 5,054          | 5,047          | 4,859          | 0.1          | 4.0         |
| Information                          | 3,262          | 3,278          | 3,231          | -0.5         | 1.0         |
| Financial Activities                 | 9,403          | 9,311          | 9,246          | 1.0          | 1.7         |
| Professional and Business Services   | 15,286         | 15,571         | 15,468         | -1.8         | -1.2        |
| Educational and Health Services      | 21,462         | 21,523         | 20,851         | -0.3         | 2.9         |
| Leisure and Hospitality              | 12,701         | 12,293         | 13,431         | 3.3          | -5.4        |
| Other Services                       | 5,157          | 5,154          | 5,047          | 0.1          | 2.2         |
| Government                           | 17,689         | 17,631         | 17,508         | 0.3          | 1.0         |

### Grand Forks-East Grand Forks MSA

#### Jobs % Chg. From

|                                      | Dec 2013      | Nov 2013      | Dec 2012      | Nov 2013     | Dec 2012    |
|--------------------------------------|---------------|---------------|---------------|--------------|-------------|
| <b>TOTAL NONFARM WAGE AND SALARY</b> | <b>58,116</b> | <b>58,683</b> | <b>57,170</b> | <b>-1.0%</b> | <b>1.7%</b> |
| <b>GOODS-PRODUCING</b>               | <b>6,628</b>  | <b>6,995</b>  | <b>6,580</b>  | <b>-5.3</b>  | <b>0.7</b>  |
| Mining, Logging, and Construction    | 2,877         | 3,219         | 2,839         | -10.6        | 1.3         |
| Manufacturing                        | 3,751         | 3,776         | 3,741         | -0.7         | 0.3         |
| <b>SERVICE-PROVIDING</b>             | <b>51,488</b> | <b>51,688</b> | <b>50,590</b> | <b>-0.4</b>  | <b>1.8</b>  |
| Trade, Transportation, and Utilities | 13,436        | 13,384        | 12,722        | 0.4          | 5.6         |
| Wholesale Trade                      | 2,062         | 2,059         | 2,034         | 0.2          | 1.4         |
| Retail Trade                         | 9,069         | 9,014         | 8,476         | 0.6          | 7.0         |
| Transportation, Warehouse, Utilities | 2,305         | 2,311         | 2,212         | -0.3         | 4.2         |
| Information                          | 616           | 604           | 615           | 2.0          | 0.2         |
| Financial Activities                 | 1,678         | 1,659         | 1,681         | 1.2          | -0.2        |
| Professional and Business Services   | 2,898         | 2,938         | 2,777         | -1.4         | 4.4         |
| Educational and Health Services      | 9,758         | 9,858         | 9,582         | -1.0         | 1.8         |
| Leisure and Hospitality              | 6,242         | 6,321         | 6,373         | -1.3         | -2.1        |
| Other Services                       | 1,973         | 1,966         | 1,968         | 0.4          | 0.3         |
| Government                           | 14,887        | 14,958        | 14,872        | -0.5         | 0.1         |

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2014.

# Minnesota Economic Indicators

## Highlights

The **Minnesota Index** advanced for the 51st straight month in December, but the rate of growth has slowed over the last few months. The index advanced 0.1 percent for the third straight month in December after averaging 0.2 percent advancement during the summer. The U.S. index jumped 0.3 percent for the third straight month. Minnesota's index has trailed the U.S. index for the last four months. Minnesota employment increased in December along with average weekly manufacturing hours, but the state's unemployment rate remained unchanged, slowing the index.

Minnesota's index was 2.5 percent higher in December than a year ago, while the U.S. index was 3.1 percent higher than 12 months ago. The 2.5 percent increase was the lowest over-the-year increase since December 2010. The index will be revised when employment data is revised in March so the slowdown in the index may be revised away like last year. Most other indicators are not pointing toward a slowdown in Minnesota. The index was up 2.9 percent on an annual average basis in 2013.

Minnesota's adjusted **Wage and Salary Employment** ended the year on a high note, increasing by 9,500 jobs. Private Sector and Public Sector payrolls climbed 6,900 and 2,600 respectively in December. Trade, Transportation, and Utilities led the private employers, adding 4,600 jobs. Hiring was also strong in Manufacturing, Educational and Health Services, and Professional

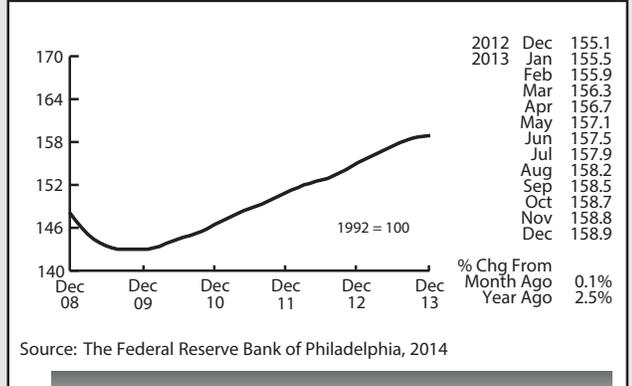
and Business Services. Job cutbacks were the highest in Leisure and Hospitality, Other Services, and Financial Activities.

Over-the-year job growth in Minnesota using unadjusted employment jumped to 1.7 percent in December, a tad ahead of the national 1.6 rate. Minnesota's job growth for the year, on an annual average basis, was 1.8 percent. That's up significantly from 1.4 percent in 2012 and above the 1.6 percent achieved nationally in 2013. Minnesota's average annual job growth has averaged 2.0 percent since 1950. The 49,400 jobs added in 2013 on an annual average basis were the most since 2000.

Minnesota's adjusted online **Help-Wanted Ads** climbed for the fourth time over the last five months, advancing 4.8 percent in December. The 130,000 ad volume was the highest since the series started in May 1995. The high volume suggests that Minnesota employers are ramping up hiring. Job growth should remain solid through the first few months of 2014 based on online help-wanted ads being a reliable proxy for labor demand.

Minnesota's **Purchasing Managers' Index (PMI)** gained ground for the second straight month, jumping to 58.9, the highest reading since August. A reading above 50 indicates economic growth over the next few months, so December's solid reading implies that Minnesota's economy is on track to continue to expand during the first few months of 2014. The index averaged 55.4 for the year — the sixth highest annual reading since the index was first published in 1995.

Adjusted **Manufacturing Hours** ticked up a couple of notches to 41.8 in December. This was the longest factory workweek since April 2007. The robust workweek is another indicator that Minnesota's economy remains on a



## Minnesota Index

steady growth path. Manufacturing should continue to add workers during the first half of 2014. **Manufacturing Earnings** rose for the second month in a row, reaching a seven-year high of \$837.68. Increases in manufacturing paychecks over the last few months have easily exceeded inflation, giving workers real gains in income over the last six months.

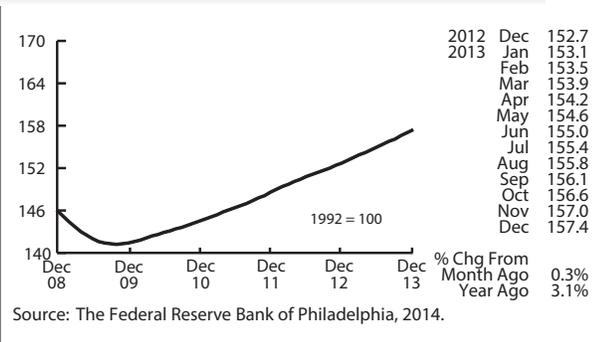
The **Minnesota Leading Index** waned for the fifth time in the last six months, falling to 0.36 in December. The index hasn't been this low since late 2009. The low reading implies that economic growth in the state is headed for a big drop-off during the first half of 2014. Such a prediction is inconsistent with all the other indicators. Look for the leading index to be revised upward when employment and income data is revised early in 2014.

Adjusted **Residential Building Permits** inched up to 1,386 permits, just slightly above the average monthly volume for 2013. Minnesota's home-building rebound was uneven in 2013, but permits totaled 16,800 for the year. That is the highest annual total since 2007, but 52 percent below the 43-year average of 25,500.

Adjusted **Initial Claims for Unemployment Benefits (UB)** surged in December, spiking 14.9 percent. Claim numbers were the highest since November 2012. The uptick was unexpected and perhaps tied to early winter weather. Total initial claims for 2013 were down 6.5 percent from 2012 and the lowest level since 2000.

by Dave Senf

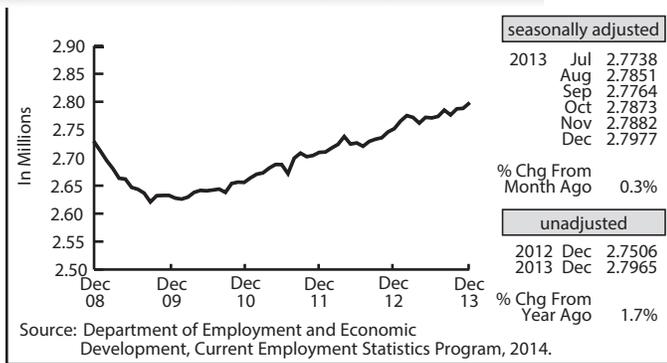
## United States Index



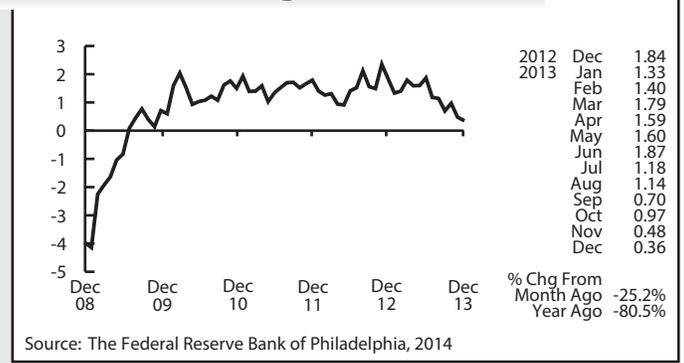
Note: All data except for Minnesota's PMI have been seasonally adjusted. See the feature article in the Minnesota Employment Review, May 2010, for more information on the Minnesota Index.

# Minnesota Economic Indicators

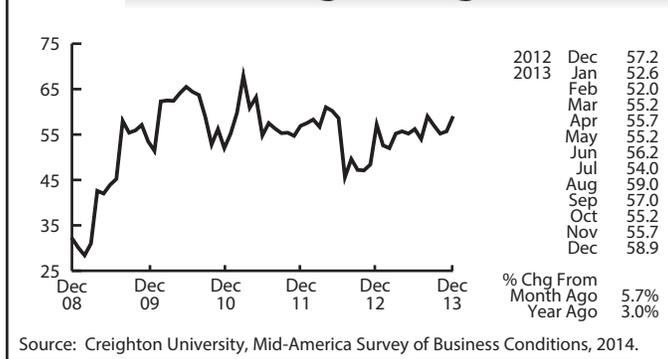
## Wage and Salary Employment



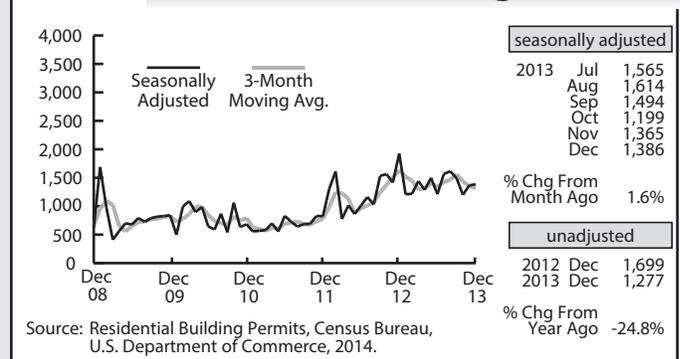
## Minnesota Leading Index



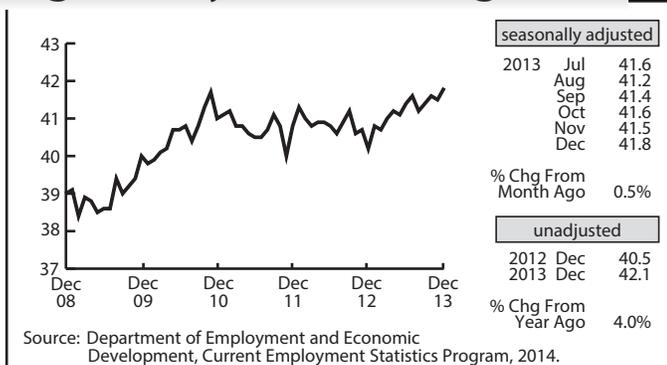
## Purchasing Managers' Index



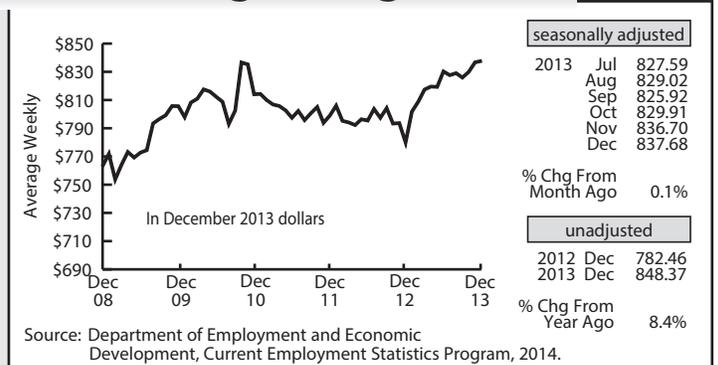
## Residential Building Permits



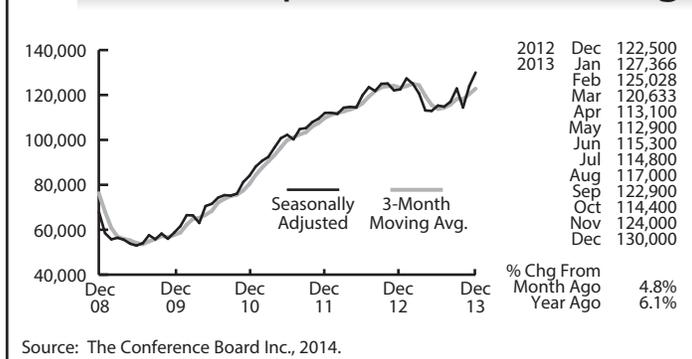
## Average Weekly Manufacturing Hours



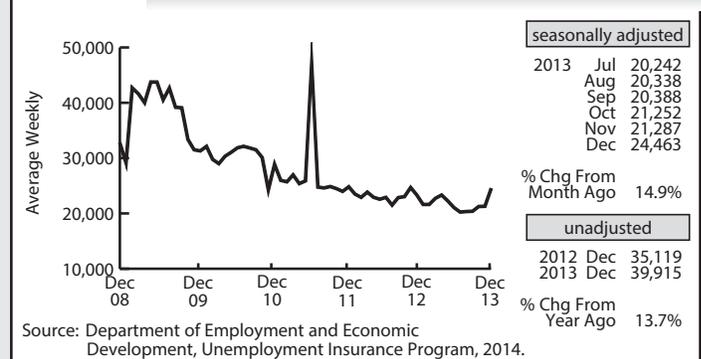
## Manufacturing Earnings



## Online Help-Wanted Advertising



## Initial UB Claimants



# Review

Minnesota Employment



## DEED

### Labor Market Information Office

1st National Bank Building  
332 Minnesota Street, Suite E200  
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### Labor Market Information

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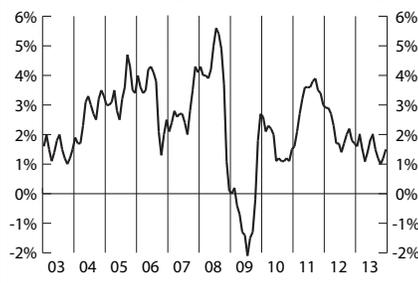
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The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in December on a seasonally adjusted basis. Over the last year, the All Items index increased 1.5 percent before seasonal adjustment. The Energy index saw a 2.1 percent increase, while the Shelter index rose 0.2 percent in December. The indexes for Apparel, Tobacco, and Personal Care increased as well. These increases more than offset declines in the indices for Airline Fares, for Recreation, for Household Furnishings and Operations, and for Used Cars and Trucks, resulting in the index for All Items Less Food and Energy rising 0.1 percent. The Food index rose slightly in December, increasing 0.1 percent. The All Items index increased 1.5 percent over the last 12 months. The Index for All Items Less Food and Energy has risen 1.7 percent over the last 12 months, the same figure as for the 12-month changes ending September, October, and November.

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Department of Employment and Economic Development

# Geographic and Industry Mobility of New Nursing Grads

## Understanding the Effect of Place and Industry on Workforce Outcomes

### Research question

This article offers an overview of success outcomes for post-secondary programs in registered nursing in Minnesota and evaluates the impact of industry and geographic mobility on such outcomes.<sup>1</sup> Finally, the study investigates hiring difficulties in nursing to assess whether workforce mobility patterns align with the needs of local Health Care employers.

Why is mobility of nurses important? Registered nurses are a high demand occupation in all regions of the state. Geographic and industry mobility of recent graduates affect the long-term supply of RNs in each local market, which then affect employers' hiring decisions. It is important to prevent local shortages of nurses before they impact the ability of Health Care employers to deliver high quality care to local residents.

### Employment outcomes of recent nursing graduates

The analysis of wage data for two graduation cohorts (classes of 2010 and 2011) shows registered nursing as one of the programs with the strongest workforce outcomes in Minnesota. Program success is captured by the following four indicators:

1. *In-state employment rate*, given by share of graduates appearing in Minnesota payroll records following graduation;
2. *Salary growth trend*, given by the increase in hourly wages over time following graduation;
3. *Full-time employment trend*, or the increase in full-time employment over time;
4. *Relevant employment*, measured by the share of graduates who found jobs in an industry related to their field of study.

The first success measure is presented in Table 1.



The portion of degree completers who found jobs in the state of Minnesota one year after graduation was very high: 78 percent for the class of 2010 and 81 percent for the class of 2011. Even in the aftermath of the Great Recession nursing degree completers were highly employable.

Table 1

#### Employment Outcomes One Year after Completing a Program in Registered Nursing, Nursing Administration, or Nursing Research and Clinical Nursing (Current Instructional Program 5138)

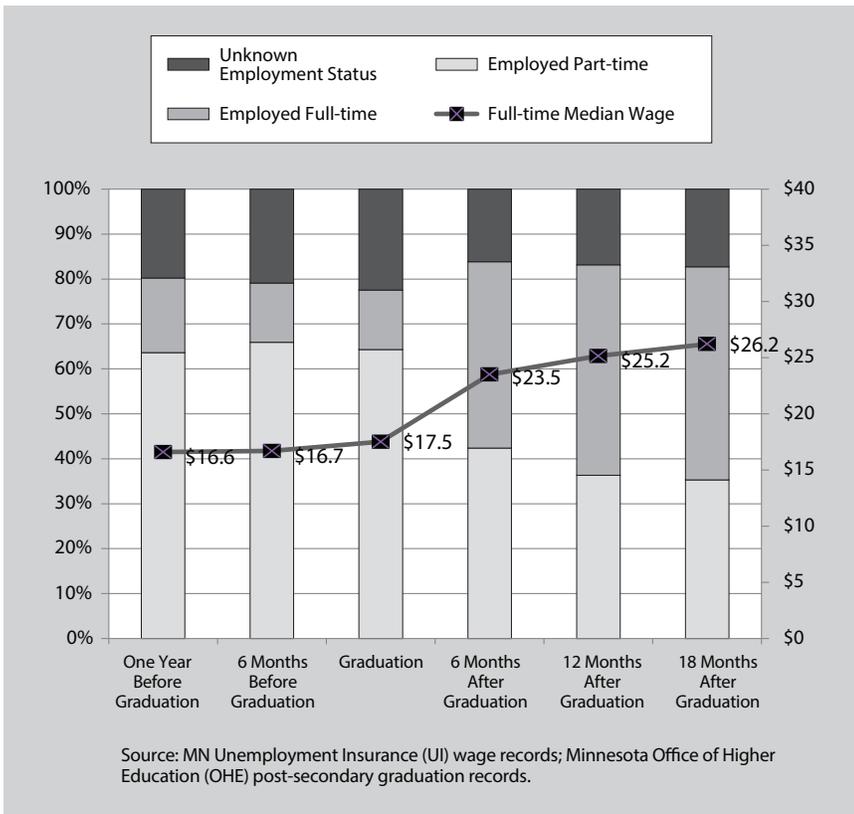
|   | Class of 2010 | Class of 2011 |
|---|---------------|---------------|
| <b>Total Graduates</b>  | <b>2,800</b>  | <b>2,995</b>  |
| Associate's   | 1,742         | 1,792         |
| Bachelor's  | 1,058         | 1,203         |
| Percent Employed in Minnesota (according to payroll records)                      | 78%           | 81%           |
| Unknown Employment Status* (unemployed, moved out of state, became self-employed) | 22%           | 19%           |

Sources: Quarterly Census of Employment and Wages (QCEW); MN Unemployment Insurance (UI) wage records; Minnesota Office of Higher Education (OHE) post-secondary graduation records. Data on each individual completing a degree from July 2010 through June 2012 were linked with wage records from all employers subject to Unemployment Insurance taxes in Minnesota.

\*Graduates without reported earnings in Minnesota UI wage records could be unemployed, self-employed, or employed in another state.

Figure 1

### Employment and Wage Outcomes for Associate’s Degree Nursing Completers, Class 2010 and 2011



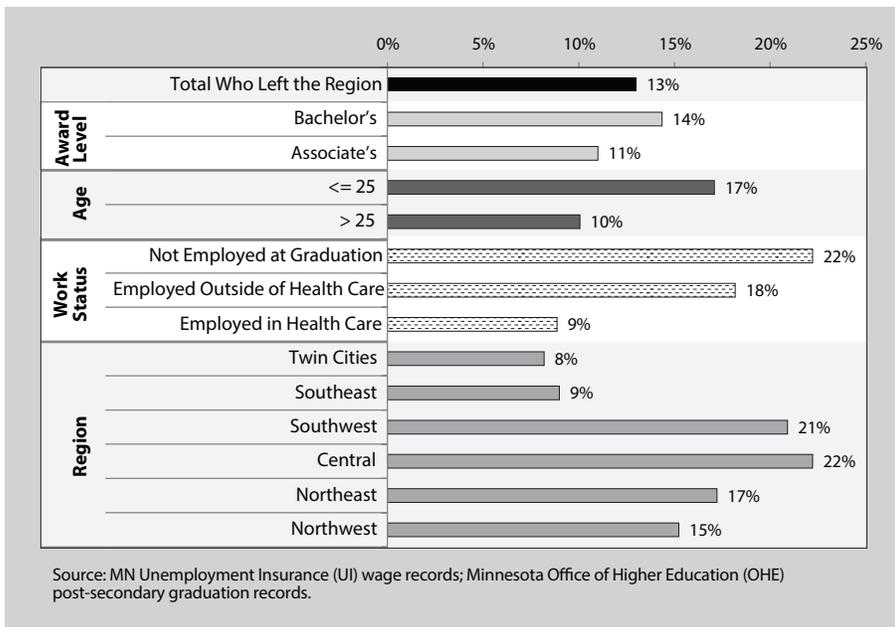
The second and third success measures represent growth trends over time in earnings and full-time status. Results for the most numerous and representative group, Associate’s degree completers, are shown in Figure 1. Employment levels were very high (80 percent) even before graduation<sup>2</sup> and rose above 80 percent six months after graduation, indicating strong labor force attachment.

The most dramatic impacts became noticeable six months after graduation, when more new grads entered the job market. The share of full-time employment increased to 50 percent, and full-time hourly wages increased from \$17.50 to \$23.50. These successful outcomes are clearly attributable to degree completion and subsequent attainment of an RN license.

Finally, registered nursing programs scored high on the fourth success measure, *employment in a related industry*. Six months after graduation, 88 percent of employed graduates already had jobs in Health Care, the most closely related industry. High shares of employment in unrelated fields would indicate saturation in the industries that require RN skills, and this is evidently not the case.

Figure 2

### Characteristics of Nursing Completers Who Were Employed Outside the Region of Schooling One Year after Graduation



### Geographic mobility of the recent nursing workforce

Is Minnesota experiencing a nursing brain drain? Recall from Table 1 that 22 percent of 2010 graduates and 19 percent of 2011 graduates disappeared from Minnesota payroll records. Although some certainly left the state, the loss is too small to cause concerns.

What about mobility from one region to another within the state? The study of geographic mobility must start from a definition of who moves and who doesn’t. For simplicity, we define as leaver an individual who takes a job outside of the Planning Region<sup>3</sup> of schooling after one year post-graduation. Results show that only 13 percent of nursing graduates took jobs outside the region of schooling (Figure

2), while the majority (87 percent) landed a job either in the region in which they had been trained or in their region of residence. Such low geographic mobility implies that nursing labor markets are local in nature, and it is hard for employers to attract workers from a larger area.

Figure 2 also presents the demographic profile of leavers to identify which characteristics might influence the decision to move. The following characteristics stand out:

**Education level:** As expected, Bachelor’s degree completers were slightly more likely to move than Associate’s degree completers. Fourteen percent of Bachelor’s degree holders left the region of schooling compared to 11 percent of Associate’s degree holders;

**Age:** Eighteen percent of individuals under 25 years of age moved versus 10 percent of those above 25. Younger graduates are more available for relocation because they are less likely to have a stable job and a family of their own;

**Employment status and industry of employment:** Almost one fourth (22 percent) of those who were unemployed at graduation decided to leave the region, probably in hopes of finding a job elsewhere. Those already employed in Health Care were much more reluctant to leave the region (only 9 percent did), while 18 percent of those not employed in Health Care moved. Interestingly, geographic mobility of Bachelor’s degree completers was strongly driven by the desire to enter a specific industry: half of these leavers were not employed in hospitals at the time of graduation but landed a job in a hospital as a result of the relocation. This important finding shows that hospitals are drawing graduates with the highest education level out of their region of schooling;

**Region of Schooling:** Central and Southwest Minnesota had the highest

Table 2

| Region            | Number of RNs Employed in Health Care in 2010 <sup>i</sup> | Share of RNs Employed in Health Care over the Statewide Total <sup>i</sup> | Projected Growth in RN Employment 2010-2020 <sup>ii</sup> | 2012 Hourly Median for RNs Employed in Health Care and Social Assistance <sup>i</sup> |
|-------------------|--|--|---|---|
| Twin Cities Metro | 26,554   | 55%  | 26%   | \$35.40   |
| Southeast         | 8,008  | 17%  | 26%   | \$34.59   |
| Central           | 4,135  | 9%   | 27%   | \$35.11   |
| Northeast         | 3,874  | 8%   | 22%   | \$33.86   |
| Northwest         | 3,271  | 7%   | 24%   | \$30.97   |
| Southwest         | 2,409  | 5%   | 17%   | \$29.23   |
| Statewide Total   | 48,251   | 100%   | 25%   | \$34.40   |

<sup>i</sup>Source: Occupational Employment Survey 2011 and 2012

<sup>ii</sup>Source: 2010-2020 Minnesota Occupational Projections

share of leavers, 22 and 21 percent of employed individuals, respectively. The Twin Cities Metro and Southeast had the lowest shares, 8 and 9 percent respectively. Distance definitely played a role in the decision to move, as 82 percent of leavers relocated to a neighboring region.

Not only did the Metro area and Southeast Minnesota retain most of their graduates, but they benefited from a high inflow of graduates from other regions. What attracts new nursing grads to these regions? Table 2 offers some clues. First of all, employment opportunities for RNs in their industry of choice — Health Care — are highly concentrated in the Twin Cities Metro, which accounts for 55 percent of the Health Care RN workforce in Minnesota, and Southeast, which accounts for 17 percent. Southwest bottoms the list with only 5 percent of the state’s Health Care RN workforce. Second, estimated future growth in RN employment is highest in the Metro and Southeast (26 percent) and lowest in Southwest (17 percent). Clearly, regions with lower staffing needs and lower growth are more likely to lose recently graduated nurses because of weak local demand. Third, wage differentials across regions

encourage relocations especially when commuting distances are short. As expected, where demand is highest so are wages.

One region, Central Minnesota, raises some concerns. Why did 22 percent of graduates leave (Figure 2) despite future demand at 27 percent and median wages at \$35.11 per hour? One would expect strong local demand and competitive wages to motivate new grads to stay. Close proximity to the Metro could be a double-edged sword: on the one hand, local schools can attract students from the Metro Area and surroundings. On the other hand, graduates can easily commute to the Twin Cities where hiring in Health Care is much more frequent.

To summarize, findings suggest that relocations are motivated by the pursuit of better jobs where nursing skills are in higher demand, typically in regions where related industries are more concentrated, larger in size, or pay higher wages. Since the industry mix of a region strongly influences the decision to move, we can interpret geographic mobility as industry mobility across regions.

## Industry Mobility in Recent Nursing Graduates

While geographic mobility affected only 13 percent of graduates, industry mobility affected 41 percent. Most industry transfers took place from six to 18 months from graduation and are displayed in Figure 3.

Industry of employment is important not only to determine whether skills acquired at school are properly utilized in the marketplace but because it correlates with earnings. In fact, the graph shows that new graduates can expect higher wages in Health Care — up to \$30 an hour — than outside Health Care. We also notice three main outcomes of industry mobility:

- 1. Transfers into Health Care:** Six months from graduation, 12 percent of graduates were working outside Health Care. At 18 months from graduation that share had fallen to 8 percent. This is a desirable outcome, since it implies that skills learned at school are fully utilized within a short period of time;
- 2. Wage growth as a consequence of industry transfers:** Wages increased across the board from six to 18 months from graduation, but did so more rapidly outside of Health Care where they rose from \$20 to \$25.50. This does not mean that nurses' wages increased faster in these industries, but that the mix of industries changed from low-pay, unrelated ones to high-pay, related ones. More individuals moved out of low-pay jobs in Food Services or Retail and into jobs in Education, Social Assistance, and Health Insurance where RN credentials are valued. This is also a desirable outcome of industry mobility;
- 3. Transfers within Health Care:** Among those who switched industries within Health Care, more than half moved to Hospitals.<sup>4</sup> Firm size might have influenced these transfers, because firms in Nursing Homes and Residential Care Facilities tend to be medium-sized (between 50 and 249 employees), while Hospitals are predominantly much larger. As a result, Hospitals ended up with 56 percent of the 2010 and 2011 cohorts, while Nursing and Residential Care Facilities were left with only 27 percent. This outcome is positive for individuals since Hospitals pay more, but might signal a problem of retention of experienced employees elsewhere in Health Care.

These results suggest that some subsectors have more capacity to attract and aggressively recruit nurses away from other subsectors or other regions.

## Industry mobility as an indicator of demand for skills

Are industry mobility patterns aligned with the skill needs of employers? To try to answer this question, let's look at which industries employ low-skilled versus high-skilled young graduates (age less than 25<sup>5</sup>) and how wages varied by industry. The low-skilled group in our dataset is represented by Associate's degree students who are just in the process of entering the nursing profession (time of graduation), while the high-skill group is represented by registered nurses 18 months from graduation. For both education levels, the industries of employment within Health Care changed over time as experience increased, resulting in a steady increase in Hospitals and a strong decrease in Nursing Homes and Residential Care facilities. The share of Ambulatory Services remained fairly consistent over time for both education levels.

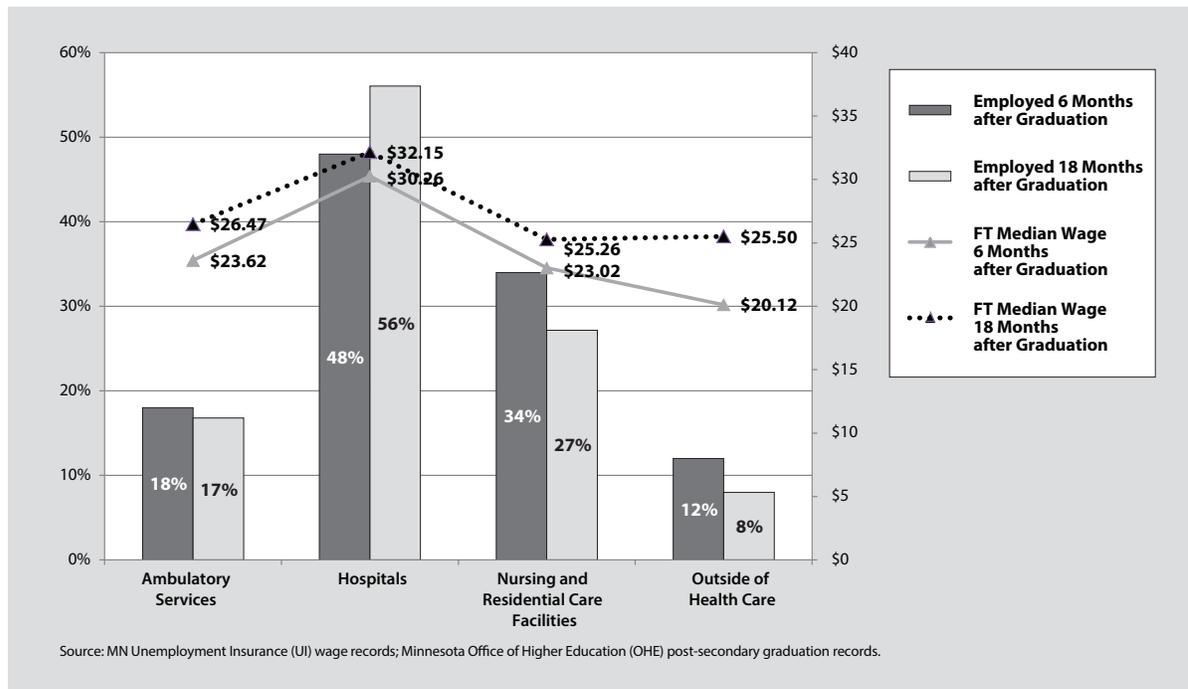
Since the shifts occurred much faster in the Bachelor's group, whose share of Hospital employment rose from 37 percent at graduation to 76 percent 18 months after, we can presume that training and work experience tends to be most rewarded in Hospitals and least in Nursing and Residential Care facilities. The declining share of Bachelor's completers in the latter does not mean that the industry laid off nurses or changed its staffing ratio toward employing more Associate's-degreed nurses.<sup>6</sup> A more likely reason for the decline is that the Bachelor's 2010-2011 cohorts tend to exit the sector once their training and experience level cannot be adequately rewarded anymore, either with monetary incentives or better work conditions. We thus assume that vacant positions will be filled with the younger cohort of 2012 completers.

Hospitals appear to attract the highest skill level, Ambulatories the intermediate, and Nursing Homes the lowest. Although two years of data are definitely not enough to draw conclusions about long-term trends in demand for skills, we can speculate that Hospitals might need more specialized, Bachelor's-trained nurses in the future, but other sectors of Health Care might continue to rely on Associate's-degreed nurses or freshly minted Bachelor's new grads who might work there a short time and then leave.

The important implication of these findings is that job mobility in nursing responds to differences in skills demand and buying power that vary significantly by industry. So, a common career trajectory is to move to an industry that rewards the higher skills acquired on the job. Another very common trajectory is to stay with the same employer, since job tenure also can have significant advantages in Health Care.

Figure 3

## Changes in Industry Employment and Hourly Wages Over Time, Associate's and Bachelor's Degree Completers Class, 2010 and 2011



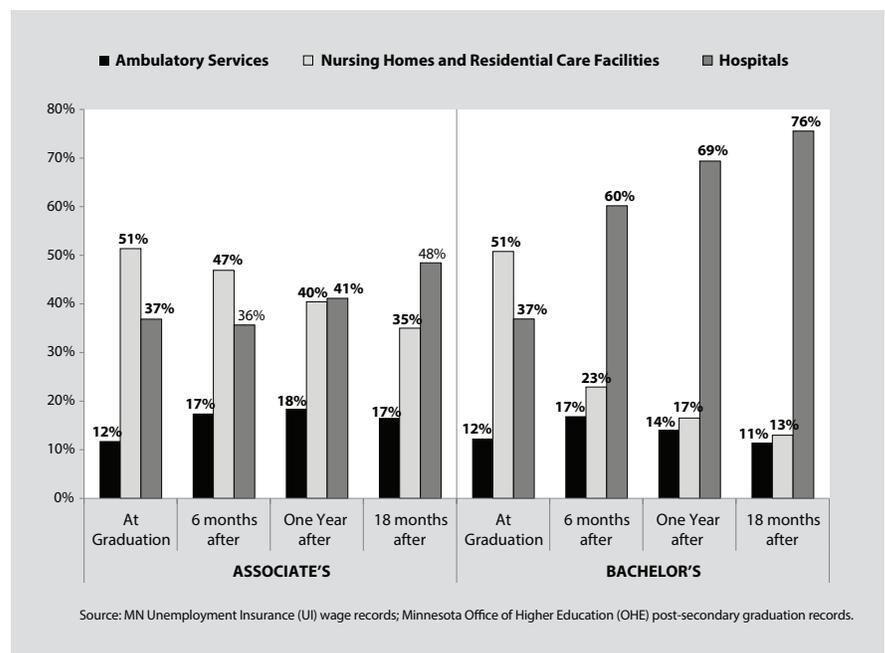
Why are Hospitals so attractive for RNs and those with Bachelor's degrees in particular? To see if there is a wage premium in hospitals we must attempt to isolate the effect of industry from the effect of work experience on earnings. For simplicity, Figure 5 displays only students younger than 25 who do not have a long work history. The trajectory of earnings in hospitals is compared with that in non-hospital employment (Ambulatory Services and Nursing Home and Residential Care Facilities).

Hospitals' rates were highest for both Associate's and Bachelor's graduates. In Hospitals Bachelor's rates started very high, at \$29.13, and rose gradually, while Associate's rates started lower but grew more rapidly. In other Health Care subsectors Bachelor's rates started even lower than hospitals' Associate's rates, and reached only \$25.24 after 21 months from graduation. The same wage premium exists for older graduates.

The wage premium for young graduates in Hospitals might partially come from demanding work conditions or shift work, but must also be driven by something else. Higher wages for Bachelor's degreed nurses

Figure 4

## Shifts in the Industry Distribution of Young Completers (<25) within Health Care as a Function of Education Level and Time from Graduation



likely reflect demand for higher skills in hospitals, and higher wages for Associate's degree nurses might reflect higher anticipated hiring needs for RNs and stronger bargaining power of some hospitals. Higher-skilled nurses might be motivated to join hospitals to reap the full benefits of a four-year program. More years of data would be needed to verify these interpretations, and see if hospital nurses end up with burnout and leave the sector after a few years.

In conclusion, job mobility in Health Care appears to be driven predominantly by differences in demand for skills — ultimately from variations in skill requirements by industry — and pay differentials among industries. Efficiency exists as long as workers leave places where the market is saturated, or higher skills are under-utilized, in favor of places with unmet skill needs. But efficiency might be lost if certain Health Care sectors are hindered by continually having to replace their workforce to keep up with experienced nurses' turnover. Furthermore, the competitive disadvantage of home-based and residential care facilities raises concern at a time when policies are calling for a shift in medical care delivery toward outpatient settings and away from hospitals.

## Is the nursing supply aligned with industry demands? Concerns of Health Care employers

We'll now present employers' hiring experiences in nursing for the same time period, with the aim of fitting the longitudinal findings within a broader context.

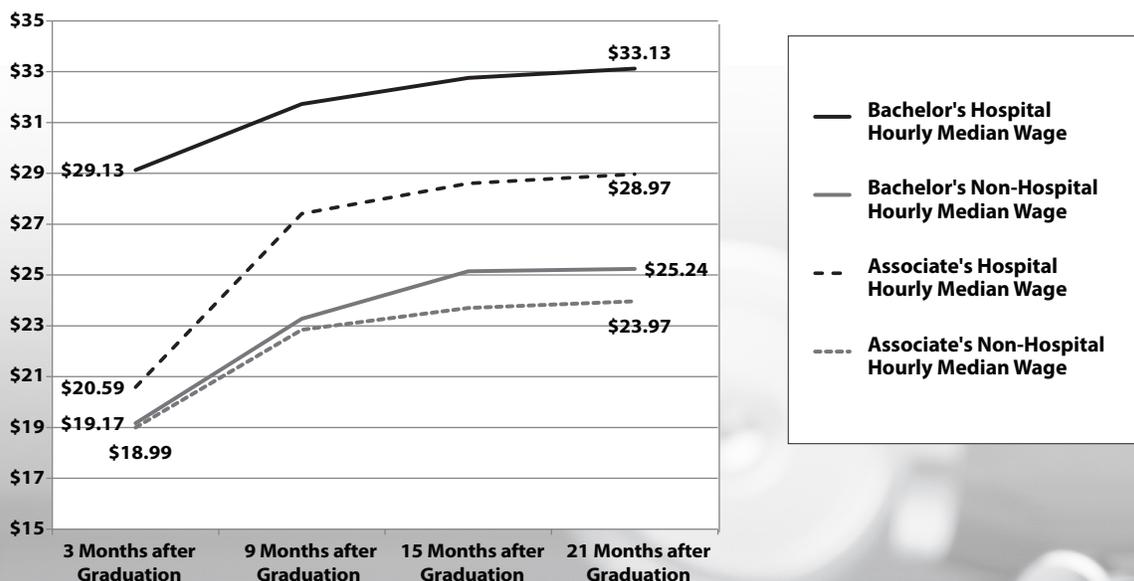
The Minnesota 2012 Hiring Difficulties survey found that 28 percent of RN openings were hard to fill for employers. Factors as varied as geographic location, industry, firm size, experience level of a position, competition from other Health Care industries, and unattractive job offers (work shifts, wages, benefits) were identified as causes of the difficulties.

Consistent with the results of the cohort study, there were dramatic differences in hiring conditions among subsectors within Health Care. As shown in Figure 6, filling RN openings was hardest in Nursing and Residential Care Facilities (58 percent). Employers outside of Health Care rarely experienced difficulties, probably because nurses are not essential to their business and there is no urgency to hire.

Interestingly, the desired level of skills varied by industry, with Hospitals having more trouble finding experienced or

Figure 5

### Median Wage Trend Comparison for Traditional Students (aged <25), Associate's versus Bachelor's and Hospital versus Non-Hospital Health Care Sector Employment



Source: MN Unemployment Insurance (UI) wage records; Minnesota Office of Higher Education (OHE) post-secondary graduation records.

Bachelor's degreed nurses and Nursing and Residential Care facilities sectors struggling to fill associate degree, entry-level positions. Ambulatory Services' skill needs fell between these two opposites. Differences in hiring difficulties are described below.

**Nursing and Residential Care facilities:** Hiring difficulties were primarily caused by demand conditions, including structurally lower wages or incentives relative to other Health Care industries and to inconvenient hours or shifts. Here are some representative quotes:

*"There were just not enough applicants for entry-level positions. This happens every few years: hospitals start hiring. We've lost a lot of our nurses to hospitals. It used to be that hospitals wouldn't hire new grads, but recently they have been."*

*"Our wages are very competitive with other nursing homes, but we can't compete with a \$15,000 sign-on bonus hospitals up here are offering."*

*"Long-term care has a much lower wage base than the hospitals and acute care industries. We cannot increase the wage because we have lower Medicare/Medicaid reimbursements."*

*"This position goes into clients' homes. They need to be able to serve all clients we have in the time frame we have. It's a tough position for someone who wants to be guaranteed hours."*

**Hospitals:** Hospitals were more likely to experience skills gaps, defined as recruiting difficulties caused by specialized requirements that make it harder to find the right person.<sup>7</sup> Hospitals in rural or poor areas of the state were considerably more likely to encounter difficulties compared to those in urban areas.

*"We can't take a brand new nursing graduate because the position operates very independently. We need at least one year of experience in an acute care setting."*

*"Location could be a barrier: Being a rural hospital, people do not look at us. They might prefer a city."*

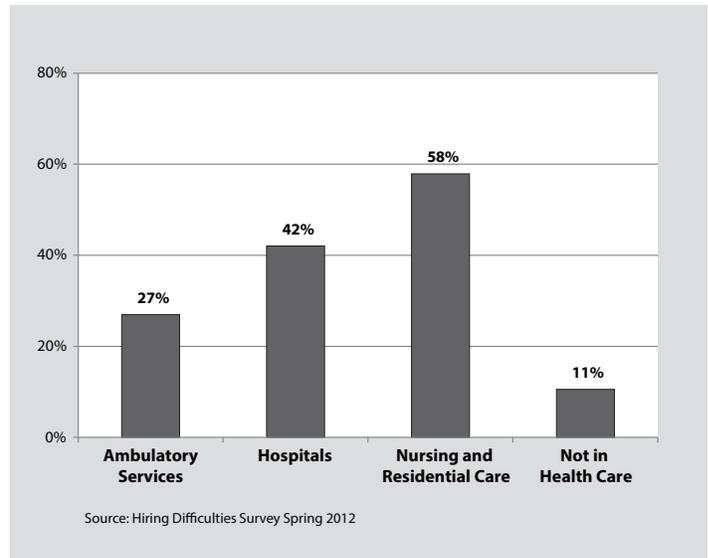
*"We are one hour and a half north of the Metro area, in a pretty poor county, and it is hard to get people to relocate or travel this way."*

**Ambulatory Health Care Services:** Hiring difficulties were uncommon because work conditions in ambulatories are desirable overall. When difficulties existed, they were either from uncompetitive wages, or from lacking industry-specific experience, or from undesirable work conditions in Home Health Care Services, a branch of Ambulatory Services.

*"We can't raise the wage because the state and the insurance company will reimburse at a certain wage. We must pay the most of what is reimbursable but not more."*

Figure 6

## Percent Hard to Fill RN Job Vacancies by Industry



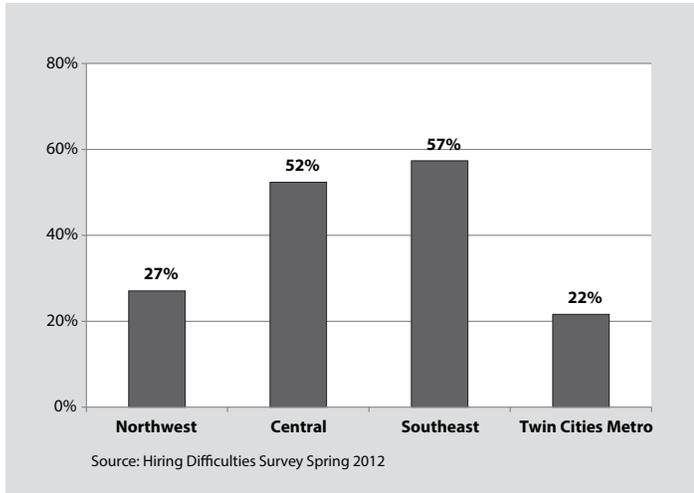
*"We were looking for RNs with experience working with pacemakers in a clinic setting and could not easily find them."*

*"Qualified nurses would not choose home care. Normally a home care nurse needs to drive to see patients and not many nurses like to do that, especially with Minnesota's weather."*

Consistent with the cohort results, hiring difficulties were lowest in the Twin Cities and Northwest (Figure 7), and high in Central Minnesota where employers complained about not being able to find experienced nurses. As we learned from the cohort analysis, this region lost locally trained nurses despite high demand and competitive wages. These conditions might signal the risk of future shortages.

Figure 7

## Percent Hard to Fill RN Job Vacancies by Planning Region with Available Data



An unexpected finding was the high level of hiring difficulties in Southeast, which seems to contradict results from the cohort analysis. How can the region retain and even attract graduates from outside and yet have hiring difficulties? Employers pointed at local competition as the main problem:

*"We can't compete with larger employers in terms of wages and benefits. Furthermore, another close competitor in the region is now offering a \$15,000 sign-on bonus, and we can't match that."*

*"Our location is too close to a large hospital. We've lost some really good nurses lately down there."*

*"From this area people can easily commute to the Metro area or to Rochester where there are a lot of other opportunities and so a lot of competition."*

Thus, difficulties can exist in certain pockets of the labor market even if the overall regional supply is adequate. Such imbalances in the allocation of local supply can pose recruiting challenges for small hospitals, rural areas of the state, or industries where wages cannot adequately reward higher educational attainment or more experience.

## Conclusions

Blending results from the cohort study with results from the Hiring Difficulties Survey for the same time period allows us to draw the following preliminary conclusions:

1. Low geographic mobility of the nursing workforce implies that local employers must rely heavily on locally trained nurses. Only a few employers, mostly hospitals, succeed in drawing graduates outside their region of schooling;
2. Industry mobility not only influences employment and earnings outcomes but also drives geographic mobility;
3. Job mobility patterns in nursing are affected by differences in skills and pay levels within the Health Care industry. By and large, industry mobility aligns with market needs so that the right level of skills is matched to the industry that needs it. However, inefficiencies and temporary shortages can emerge when firms feel in need of higher skills but cannot reward them as much as their competitors. Increasing the local supply of nursing graduates may not be enough to alleviate these types of hiring difficulties, since they are firm-related.

More years of data are needed to verify if such hypotheses hold in the long term. Certainly this experimental study revealed that nursing labor markets — given their local nature — rely heavily on local schools to provide a steady supply of RNs. Since hiring decisions can be seriously disrupted if enrollment and graduation rates fail to keep up with demand, it is essential to monitor market trends frequently and support the efforts of local schools.

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<sup>1</sup>The data in this study result from matching postsecondary education records with earnings information from Minnesota Unemployment Insurance records. By examining these data, it is possible to compare salaries of individuals before and after they obtained their degree.

<sup>2</sup>Many students were already tenured with the same employer at the time of graduation since over 70 percent were above the age of 25.

<sup>3</sup>There are six Planning Regions in Minnesota: Southeast, Southwest, Northeast, Northwest, Central, and Twin Cities Metro. Since some students have a tendency to attend school in a neighboring region, we excluded from the definition of leavers all individuals who returned to their region of residence.

<sup>4</sup>Three large employers in the Twin Cities and Southeast Minnesota accounted for 50 percent of transfers into Hospitals. The analysis has been restricted to this group to eliminate the effect of prior relevant work experience that can confound the results.

<sup>5</sup>The analysis has been restricted to this group to eliminate the effect of prior relevant work experience that can confound the results.

<sup>6</sup>The industry did not suffer from employment losses during the Great Recession and is projected to grow at a rate of 29.7 percent, so there are good reasons to believe that the overwhelming majority of these transfers were voluntary. The data do not allow us to distinguish quits from separations.

<sup>7</sup>The level of responsibility and specialization required in some hospital units — such as intensive care — might prevent these employers from hiring entry-level candidates.