



They came. They saw. They stayed.



Commuting the Corridor

The commuter corridor from the Twin Cities to Rochester is the pipeline for a shared workforce between the two communities. Commute times from the Twin Cities to Rochester and vice versa range from approximately one hour in parts of the southern metro to approximately one and a half hours to and from downtown Saint Paul or Minneapolis. In recent years this commute has been streamlined by commuter bus lines transporting workers from various stops in the Twin Cities to Rochester, particularly downtown and into the Mayo Clinic Campus. The U.S. Highway 52 corridor runs approximately 90 miles from the Twin Cities to I-90 near Rochester and serves as many as 74,000 vehicles daily, based on 2009 MnDOT estimates.¹ This corridor also connects commuters to U.S. Highways 14, 61 and 63 and cities located along the corridor between the two metropolitan areas — cities such as Cannon Falls, Zumbrota, and Pine Island.

This article uses the U.S. Census Bureau's OnTheMap labor market analysis data tool. This tool uses 2011 American Community Survey (ACS) data as a baseline. While more recent data to assess regional labor markets exists, OnTheMap is an incredibly useful tool for analyzing commuter and labor shed patterns. Effectively using OnTheMap allows us to gain a better understanding of where some of Rochester's residents are commuting to and where Rochester is drawing workers from.

Table 1

Rochester Labor Shed: Primary Jobs Counts by Places Where Workers Live

City	2011	
	Count	Share
Rochester, MN	39,129	46.4%
Stewartville, MN	1,747	2.1%
Byron, MN	1,716	2.0%
Kasson, MN	1,453	1.7%
Minneapolis, MN	1,274	1.5%
Saint Paul, MN	1,268	1.5%
Pine Island, MN	756	0.9%
St. Charles, MN	683	0.8%
Austin, MN	641	0.8%
Plainview, MN	593	0.7%

Source: U.S. Census Bureau Local Employment Dynamics OnTheMap

Feature:

Minnesota
Job Outlook

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Table 2

Rochester Commute Shed: Primary Jobs Counts by Places Where Workers are Employed

City	2011	
	Count	Share
Rochester, MN	39,129	76.10%
Saint Paul, MN	618	1.20%
Minneapolis, MN	532	1.00%
Winona, MN	441	0.90%
Bloomington, MN	401	0.80%
Dodge Center, MN	367	0.70%
Stewartville, MN	344	0.70%
Edina, MN	341	0.70%
Austin, MN	306	0.60%
Plymouth, MN	304	0.60%

Source: U.S. Census Bureau Local Employment Dynamics OnTheMap

Commute and Labor Sheds

Using the OnTheMap tool, a labor shed counts jobs by places where workers live. Typically, labor sheds in southeast Minnesota expand into Rochester and the Twin Cities, as well as communities surrounding the given area. According to the ACS estimates, approximately 46.4 percent of Rochester workers actually live within the city limits (Table 1). This means that 53.6 percent of Rochester workers are commuting from outside the city. This should not be confused with Rochester’s commute shed (Table 2). The commute shed estimates the percentage of Rochester residents commuting out of Rochester for work.

Essentially the labor shed tells us that in 2011, based on ACS estimates, less than half of workers in Rochester were Rochester residents. Typically, larger cities draw residents from surrounding areas for higher paying wages and more jobs within more industries from which to choose. Additionally, workers in larger cities often live outside of the city limits for many reasons ranging from more affordable housing and more space to

less traffic congestion and an overall lower cost of living. But that two major metropolitan areas are swapping workers in such large numbers from many miles away makes the Rochester-Twin Cities connection unique for Minnesota. While nearby cities of Stewartville, Byron and Kasson are the top choice communities of Rochester workers that do not live in Rochester, Minneapolis and St. Paul are a close second — aided by the U.S. 52 corridor, greater transportation options and the wealth of health care jobs located in Rochester.

While Rochester pulls approximately 2,542 workers from the cities of Minneapolis and St. Paul, overall it draws 11,935 workers (approximately 14.1 percent of all workers in the Rochester MSA) from the Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Statistical Area (MSA) as a whole. By contrast, Rochester exports approximately 4,952 workers to the Minneapolis-St. Paul, MN-WI MSA. Collectively, this mutual exchange of workers encompasses more than 16,000 workers commuting between the two metropolitan areas.²

But, as valuable as it is to know

where Rochester is pulling workers from, it is equally as valuable to know how many residents the city of Rochester is retaining for work. Approximately 76.1 percent of Rochester’s workforce is homegrown Rochester talent (Table 2). Essentially, Rochester draws in more than twice as many workers as it exports to the Twin Cities and surrounding areas, and it retains the talent it has, too. Clearly health care occupations are a key draw for workers and the top strength of the Rochester workforce. But if we take health care out of the equation, how do these two markets stack up?

Mirror Labor Economies, Except...

Wouldn’t it seem logical to assume that all things being equal, the outlier tips the scales? Well, when the outlier is nearly 47 percent of a city’s total workforce, probably. A comparison of major sector employment between Rochester and the seven-county Twin Cities Economic Development Region (EDR), based on 2012 annual employment averages using the Quarterly Census of Employment and Wages (QCEW), shows similar labor

Table 3

2012 Annual Employment					
Industry	Rochester		Industry	7-County Twin Cities	
	2012 Annual Employment	Percentage of 2012 Annual Employment		2012 Annual Employment	Percentage of 2012 Annual Employment
Health Care and Social Assistance	39,910	46.9%	Health Care and Social Assistance	227,624	14.3%
Retail Trade	9,389	11.0%	Manufacturing	162,161	10.2%
Manufacturing	6,761	7.9%	Retail Trade	155,651	9.8%
Accommodation and Food Services	6,638	7.8%	Educational Services	126,261	7.9%
Educational Services	3,852	4.5%	Accommodation and Food Services	125,489	7.9%
Public Administration	2,759	3.2%	Finance and Insurance	105,156	6.6%
Administrative and Support and Waste Management and Remediation Services	2,318	2.7%	Professional, Scientific, and Technical Services	101,405	6.4%
Construction	2,067	2.4%	Administrative and Support and Waste Management and Remediation Services	97,749	6.2%
Other Services (except Public Administration)	2,018	2.4%	Management of Companies and Enterprises	66,368	4.2%
Transportation and Warehousing	1,672	2.0%	Public Administration	65,583	4.1%
Professional, Scientific, and Technical Services	1,473	1.7%	Transportation and Warehousing	60,723	3.8%
Finance and Insurance	1,223	1.4%	Other Services (except Public Administration)	53,882	3.4%
Arts, Entertainment, and Recreation	813	1.0%	Construction	53,110	3.3%
Management of Companies and Enterprises	650	0.8%	Real Estate and Rental and Leasing	30,563	1.9%
Real Estate and Rental and Leasing	641	0.8%	Arts, Entertainment, and Recreation	29,403	1.9%

Source: Minnesota Department of Employment and Economic Development Quarterly Census of Employment and Wages

market economies. While the top five industries, based on percentage of employment, are the same, with only minor difference in rankings, the key difference is that Rochester has more than three times the concentration of health care and social assistance than the seven-county Twin Cities EDR (Table 3).

This is no secret as Rochester is one of the global leaders in health care. But perhaps Rochester's competitive advantage represents a key component

of the Rochester commute and labor sheds. While many Twin Cities workers commute to and from Rochester daily to work for Mayo, a comparison of salaries of key health care occupations might explain why.

The difference is remarkable (Chart 1). Very few other places in the state offer wages that rank above the Twin Cities so consistently across an entire industry. For workers commuting into Rochester from the Twin Cities, health care occupations represent the greatest

potential for higher wages. Based on salary survey data produced by DEED, hourly wages for both technical and support occupations in health care were almost exclusively higher in the Rochester MSA than the Minneapolis-Saint Paul, MN-WI MSA during the second quarter of 2012. The few exceptions were massage therapists, dental hygienists, and veterinarians.

It is important to note that health care is a very split industry. On one hand, there is a very technical side

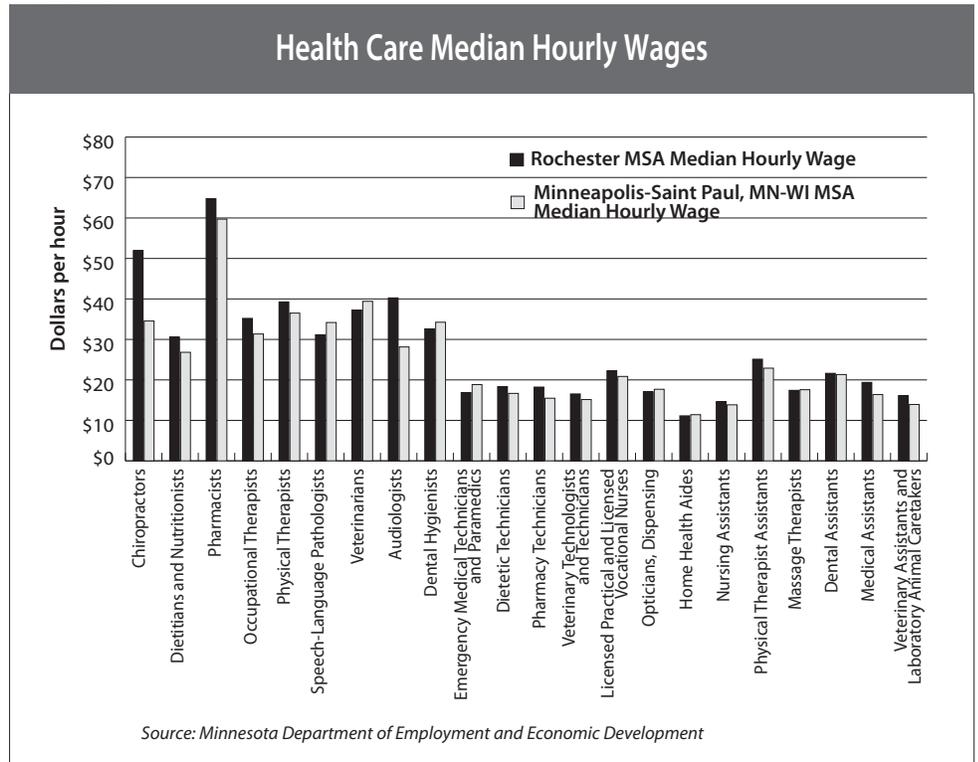
in which surgeons and practitioners exceed median wages of \$80.00 per hour. On the other hand, health care support occupations, such as dental and nurse assistants, sometimes earn a mere fraction of that amount. While certifications and licenses matter, the chasm is vast enough to make the distinction: Health care support workers often earn less than \$20.00 an hour. While data on which industries workers are commuting to and from and more specifically which occupations offer the greater draw is not available, it is hardly an intuitive leap to declare that health care occupations — especially health care technical occupations — are at least a key component in the commute and labor shed data.

Clearly the Twin Cities and Rochester workforce are swapping residents. But what about our neighbors to the south and east? Might interstate poaching be significant as well?

Being More Neighborly

The Twin Cities and Rochester interconnected commute and labor sheds are significant primarily because of the distance between the two. The two regions share one other aspect of their sheds — they pull from other states as well. While 97.5 percent of all workers who work in Rochester live in Minnesota, some live in Wisconsin (1,353 workers, 1.6 percent) and Iowa (448, 0.5 percent). On the other hand, 98 percent of workers who live in Rochester work in Minnesota. There were 377 commuters who live in Rochester and commute to Wisconsin, and 258 commuters who live in Rochester and commute to Iowa for work in 2011. Those numbers pale

Chart 1



in comparison to the Twin Cities-Rochester corridor.

The Three Pillars: Health Care, Sharing, and Transport

While cities and communities often compete for skilled workers, much in the same way businesses do, sometimes one industry is simply too strong to compete with. The Twin Cities has many industry and workforce strengths, and health care is one of them. But Rochester is a global destination for health care patients. Rochester both retains its own workers and pulls workers in significant numbers from other regions.



by Brent Pearson
 Labor Market Information Office
 Minnesota Department of Employment and Economic Development

¹www.dot.state.mn.us/cims/corridor/us52-rochester-tc/index.html
²U.S. Census Bureau Local Employment Dynamics OnTheMap mapping tool.

Minnesota Business Developments

Northern

Under new ownership, **Cirrus Aircraft** announced a plan to hire additional employees in Duluth to support development of its first-ever single-engine jet. The company has hired 50 people at its Duluth site in the past six months, boosting total headcount in the city to about 500. Most of the added jobs are for engineers, technicians and designers.

Altec HiLine, manufacturer of bucket-lift devices that are mounted on trucks, plans a \$1 million expansion in Duluth that will create 85 jobs.

Austin, Texas-based **Whole Foods**, the nation's largest natural and organic supermarket chain, announced it will open two new stores in the metro area, one in Maple Grove and another in downtown Minneapolis, in early fall. These two stores will bring the number of Whole Foods stores in the Twin Cities to six. Currently, the company runs about 350 stores nationwide, with a goal of reaching 1,000 over the next decade. The first metro-area Whole Foods store opened in 1995 at Grand and Fairview Avenues in St. Paul, followed in 1999 by a store near Lake Calhoun in Minneapolis. In 2011, Whole Foods opened a supermarket in Minnetonka, then added another location in Edina in 2012.

Central

New Flyer Industries announced the acquisition of North American Bus Industries from an affiliate of Cerberus Capital Management for \$80 million. The newly combined entity will employ more than 3,000 people and operate more than 40,000 buses in North America. The company's facility in St. Cloud employs about 550 people and will add 136 employees in the next two years upon the completion of the \$4.9 million expansion in St. Cloud.

Sauk Rapids-based **St. Cloud Window** is expanding to meet increasing demand. The company has approved a second shift and added 14 full-time employees, bringing its staff roster to 49.

WFSI Inc. — formerly W.F. Scarince Inc. — of Sauk Rapids is expanding to an existing building within the city. WFSI undertakes critical welding projects and other manufacturing and engineering services for the energy and defense industries. The expansion is expected to create 32 new jobs on site within two years.



Southern

Goodwill opened a new store on Ryan's Road in Worthington in July. The new store added 17 new jobs and is expected to boost the economy of the southern Minnesota city. Goodwill's chief operations officer, Vilay Keokenchanh, said the 10,500 sq. ft. store has about 6,800 sq. ft. of retail with space for at least 125 racks and three dressing rooms. In addition to the retail portion, a connection center with three computers will be open for public use.

Kruse Motors will open Buick GMC and Ford-Lincoln dealerships next to Marshall High School in Marshall, adding 10 to 15 jobs. These are the first car dealerships to be built in Marshall in 25 years, according to Michael Crowley, general manager of Kruse. The new facility will be

large enough to house an express lube center, customer lounge, children's play area and car wash in the Ford dealership. The facility also will feature WiFi and indoor vehicle delivery. Kruse expects the dealerships to open at the end of the year.

Xcel Energy announced it will add a trio of wind-energy projects to its portfolio, greatly expanding its wind capacity. Two of the new wind projects will be located near Windom and Austin and would create enough electricity to power 180,000 homes. These two projects are targeted to come online in 2016.

Project Turnabout plans a \$5 million expansion of its residential treatment campus on the western edge of Granite Falls. According to Project Turnabout CEO Mike Schiks, the facility will expand in September from 89 beds to 122 beds to remain one of largest free-standing centers offering residential treatment for substance abuse and problem gambling in Minnesota. Currently, Project Turnabout employs a staff of 101 at the site, and will likely add 15 to 20 positions as a result of the expansion.

Twin Cities Metro Area

Emerson Process Management Rosemount

announced that it will convert part of the vacant ADC Telecommunications site in Shakopee to a new engineering and manufacturing center. It will cost about \$71 million to replace the ADC Building 2 and transform about 60 acres around the facility. The new center will generate about 400 jobs over the next five years. Shakopee city officials welcomed the news as they have been trying to draw new development to the vacant facility for the past 13 years.

by Mohamed Mourssi

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, 2013.

County/ Area

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	June 2013	May 2013	June 2012	June 2013	May 2013	June 2012	June 2013	May 2013	June 2012	June 2013	May 2013	June 2012
United States ('000s) (Seasonally adjusted) (Unadjusted)	155,835 157,089	155,658 155,734	155,163 156,385	144,058 144,841	143,898 144,432	142,415 143,202	11,777 12,248	11,760 11,302	12,749 13,184	7.6% 7.8	7.6% 7.3	8.2% 8.4
Minnesota (Seasonally adjusted) (Unadjusted)	2,985,373 3,006,755	2,990,565 2,989,291	2,965,047 2,994,326	2,830,830 2,850,965	2,832,097 2,841,883	2,795,530 2,818,592	154,543 155,790	158,559 147,408	169,517 175,734	5.2 5.2	5.3 4.9	5.7 5.9
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,892,241	1,886,523	1,866,387	1,796,627	1,797,050	1,756,789	95,614	89,473	109,598	5.1	4.7	5.9
Duluth-Superior MSA	144,894	145,471	146,330	135,368	136,095	136,150	9,526	9,376	10,180	6.6	6.4	7.0
Rochester MSA	106,183	104,724	106,645	101,396	100,254	101,406	4,787	4,470	5,239	4.5	4.3	4.9
St. Cloud MSA	107,815	107,753	107,129	101,948	102,318	100,921	5,867	5,435	6,208	5.4	5.0	5.8
Grand Forks MSA	52,975	53,139	54,088	50,777	51,282	51,643	2,198	1,857	2,445	4.1	3.5	4.5
Fargo-Moorhead MSA	121,017	120,898	120,289	116,673	117,125	115,692	4,344	3,773	4,597	3.6	3.1	3.8
Region One	50,875	50,620	51,536	48,392	48,278	48,851	2,483	2,342	2,685	4.9	4.6	5.2
Kittson	2,692	2,624	2,765	2,548	2,489	2,610	144	135	155	5.3	5.1	5.6
Marshall	5,631	5,532	5,786	5,280	5,161	5,411	351	371	375	6.2	6.7	6.5
Norman	3,776	3,680	3,818	3,587	3,510	3,613	189	170	205	5.0	4.6	5.4
Pennington	9,547	9,409	9,705	9,092	8,958	9,239	455	451	466	4.8	4.8	4.8
Polk	17,644	17,873	17,791	16,822	17,142	16,887	822	731	904	4.7	4.1	5.1
Red Lake	2,489	2,462	2,384	2,356	2,336	2,232	133	126	152	5.3	5.1	6.4
Roseau	9,096	9,040	9,287	8,707	8,682	8,859	389	358	428	4.3	4.0	4.6
Region Two	40,685	40,197	41,428	37,825	37,343	38,269	2,860	2,854	3,159	7.0	7.1	7.6
Beltrami	21,983	21,877	22,420	20,493	20,418	20,716	1,490	1,459	1,704	6.8	6.7	7.6
Clearwater	4,123	4,134	4,165	3,708	3,696	3,778	415	438	387	10.1	10.6	9.3
Hubbard	9,692	9,399	9,844	9,035	8,724	9,120	657	675	724	6.8	7.2	7.4
Lake of the Woods	2,417	2,303	2,459	2,267	2,158	2,310	150	145	149	6.2	6.3	6.1
Mahnomen	2,470	2,484	2,540	2,322	2,347	2,345	148	137	195	6.0	5.5	7.7
Region Three	169,543	169,206	171,544	158,265	157,840	159,538	11,278	11,366	12,006	6.7	6.7	7.0
Aitkin	7,412	7,255	7,567	6,900	6,750	7,013	512	505	554	6.9	7.0	7.3
Carlton	17,608	17,752	17,967	16,582	16,701	16,702	1,026	1,051	1,265	5.8	5.9	7.0
Cook	3,421	3,135	3,476	3,258	2,944	3,302	163	191	174	4.8	6.1	5.0
Itasca	23,606	23,394	23,733	21,855	21,669	21,920	1,751	1,725	1,813	7.4	7.4	7.6
Koochiching	6,832	6,642	6,971	6,275	6,046	6,411	557	596	560	8.2	9.0	8.0
Lake	6,752	6,393	6,832	6,367	6,005	6,462	385	388	370	5.7	6.1	5.4
St. Louis	103,912	104,635	104,998	97,028	97,725	97,728	6,884	6,910	7,270	6.6	6.6	6.9
City of Duluth	45,578	45,897	46,288	42,876	43,184	43,185	2,702	2,713	3,103	5.9	5.9	6.7
Balance of St. Louis County	58,334	58,738	58,710	54,152	54,541	54,543	4,182	4,197	4,167	7.2	7.1	7.1
Region Four	128,008	126,402	129,075	122,504	121,166	122,982	5,504	5,236	6,093	4.3	4.1	4.7
Becker	18,403	18,008	18,355	17,458	17,096	17,348	945	912	1,007	5.1	5.1	5.5
Clay	34,725	35,047	34,173	33,478	33,922	32,740	1,247	1,125	1,433	3.6	3.2	4.2
Douglas	21,507	21,099	21,815	20,619	20,234	20,790	888	865	1,025	4.1	4.1	4.7
Grant	3,290	3,214	3,371	3,120	3,038	3,184	170	176	187	5.2	5.5	5.5
Otter Tail	31,520	30,812	32,201	29,963	29,305	30,550	1,557	1,507	1,651	4.9	4.9	5.1
Pope	6,609	6,431	6,770	6,356	6,189	6,488	253	242	282	3.8	3.8	4.2
Stevens	6,371	6,317	6,613	6,148	6,119	6,358	223	198	255	3.5	3.1	3.9
Traverse	1,827	1,716	1,892	1,738	1,636	1,801	89	80	91	4.9	4.7	4.8
Wilkin	3,756	3,758	3,885	3,624	3,627	3,723	132	131	162	3.5	3.5	4.2
Region Five	85,049	83,243	86,346	79,756	78,010	80,562	5,293	5,233	5,784	6.2	6.3	6.7
Cass	14,397	14,039	14,632	13,317	12,961	13,453	1,080	1,078	1,179	7.5	7.7	8.1
Crow Wing	34,076	33,182	34,568	31,996	31,140	32,322	2,080	2,042	2,246	6.1	6.2	6.5
Morrison	17,518	17,244	17,763	16,461	16,185	16,625	1,057	1,059	1,138	6.0	6.1	6.4
Todd	12,694	12,502	12,963	12,032	11,860	12,222	662	642	741	5.2	5.1	5.7
Wadena	6,364	6,276	6,420	5,950	5,864	5,940	414	412	480	6.5	6.6	7.5
Region Six East	66,798	65,604	68,035	63,280	62,269	63,995	3,518	3,335	4,040	5.3	5.1	5.9
Kandiyohi	25,493	25,138	25,577	24,359	24,085	24,320	1,134	1,053	1,257	4.4	4.2	4.9
McLeod	19,783	19,434	20,229	18,628	18,327	18,849	1,155	1,107	1,380	5.8	5.7	6.8
Meeker	12,668	12,475	12,873	11,995	11,827	12,071	673	648	802	5.3	5.2	6.2
Renville	8,854	8,557	9,356	8,298	8,030	8,755	556	527	601	6.3	6.2	6.4

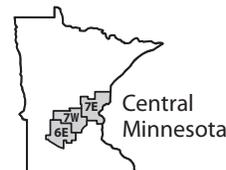
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

Numbers are unadjusted unless otherwise labeled.
 Source: Department of Employment and Economic Development,
 Local Area Unemployment Statistics, and North Dakota Job Service, 2013.

Labor Force Estimates

County/ Area

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	June 2013	May 2013	June 2012	June 2013	May 2013	June 2012	June 2013	May 2013	June 2012	June 2013	May 2013	June 2012
Region Six West	25,701	25,099	26,121	24,467	23,860	24,779	1,234	1,239	1,342	4.8%	4.9%	5.1%
Big Stone	2,966	2,880	3,043	2,834	2,756	2,894	132	124	149	4.5	4.3	4.9
Chippewa	7,309	7,212	7,519	6,966	6,832	7,130	343	380	389	4.7	5.3	5.2
Lac Qui Parle	4,339	4,194	4,373	4,129	3,985	4,170	210	209	203	4.8	5.0	4.6
Swift	5,394	5,243	5,479	5,117	4,973	5,173	277	270	306	5.1	5.1	5.6
Yellow Medicine	5,693	5,570	5,707	5,421	5,314	5,412	272	256	295	4.8	4.6	5.2
Region Seven East	84,878	84,713	84,676	79,564	79,323	78,728	5,314	5,390	5,948	6.3	6.4	7.0
Chisago	29,096	29,117	28,639	27,438	27,457	26,839	1,658	1,660	1,800	5.7	5.7	6.3
Isanti	20,999	21,017	20,717	19,871	19,884	19,437	1,128	1,133	1,280	5.4	5.4	6.2
Kanabec	8,141	8,075	8,209	7,510	7,411	7,490	631	664	719	7.8	8.2	8.8
Mille Lacs	12,360	12,287	12,518	11,446	11,363	11,478	914	924	1,040	7.4	7.5	8.3
Pine	14,282	14,217	14,593	13,299	13,208	13,484	983	1,009	1,109	6.9	7.1	7.6
Region Seven West	228,199	228,115	226,058	216,388	216,835	212,861	11,811	11,280	13,197	5.2	4.9	5.8
Benton	22,184	22,315	22,065	20,985	21,061	20,774	1,199	1,254	1,291	5.4	5.6	5.9
Sherburne	49,981	50,016	49,434	47,469	47,501	46,432	2,512	2,515	3,002	5.0	5.0	6.1
Stearns	85,631	85,438	85,064	80,963	81,257	80,147	4,668	4,181	4,917	5.5	4.9	5.8
Wright	70,403	70,346	69,495	66,971	67,016	65,508	3,432	3,330	3,987	4.9	4.7	5.7
Region Eight	69,931	68,586	70,434	67,007	65,858	67,132	2,924	2,728	3,302	4.2	4.0	4.7
Cottonwood	6,665	6,561	6,708	6,351	6,275	6,329	314	286	379	4.7	4.4	5.6
Jackson	7,337	7,150	7,446	7,080	6,910	7,151	257	240	295	3.5	3.4	4.0
Lincoln	3,597	3,499	3,609	3,454	3,365	3,451	143	134	158	4.0	3.8	4.4
Lyon	14,897	14,807	14,838	14,232	14,206	14,104	665	601	734	4.5	4.1	4.9
Murray	6,192	6,016	6,232	5,982	5,807	6,003	210	209	229	3.4	3.5	3.7
Nobles	11,474	11,373	11,581	11,002	10,938	11,043	472	435	538	4.1	3.8	4.6
Pipestone	5,754	5,597	5,816	5,542	5,397	5,559	212	200	257	3.7	3.6	4.4
Redwood	8,513	8,200	8,632	8,062	7,765	8,149	451	435	483	5.3	5.3	5.6
Rock	5,502	5,383	5,572	5,302	5,195	5,343	200	188	229	3.6	3.5	4.1
Region Nine	133,341	131,663	135,035	126,715	125,466	127,532	6,626	6,197	7,503	5.0	4.7	5.6
Blue Earth	38,318	38,246	38,566	36,532	36,655	36,491	1,786	1,591	2,075	4.7	4.2	5.4
Brown	15,418	15,163	15,706	14,644	14,434	14,880	774	729	826	5.0	4.8	5.3
Faribault	7,793	7,421	7,935	7,377	7,019	7,465	416	402	470	5.3	5.4	5.9
Le Sueur	14,584	14,380	14,748	13,672	13,467	13,781	912	913	967	6.3	6.3	6.6
Martin	11,633	11,429	11,757	11,043	10,889	11,093	590	540	664	5.1	4.7	5.6
Nicollet	19,433	19,431	19,644	18,633	18,697	18,613	800	734	1,031	4.1	3.8	5.2
Sibley	10,219	9,949	10,423	9,754	9,514	9,940	465	435	483	4.6	4.4	4.6
Waseca	10,312	10,111	10,568	9,749	9,554	9,933	563	557	635	5.5	5.5	6.0
Watsonwan	5,631	5,533	5,688	5,311	5,237	5,336	320	296	352	5.7	5.3	6.2
Region Ten	275,610	272,451	278,060	262,101	259,887	262,822	13,509	12,564	15,238	4.9	4.6	5.5
Dodge	11,356	11,173	11,387	10,782	10,660	10,783	574	513	604	5.1	4.6	5.3
Fillmore	11,465	11,136	11,753	10,897	10,590	11,122	568	546	631	5.0	4.9	5.4
Freeborn	16,679	16,419	16,811	15,820	15,616	15,782	859	803	1,029	5.2	4.9	6.1
Goodhue	25,947	25,531	26,152	24,624	24,323	24,691	1,323	1,208	1,461	5.1	4.7	5.6
Houston	10,589	10,661	10,518	10,010	10,074	9,932	579	587	586	5.5	5.5	5.6
Mower	21,482	21,293	21,652	20,468	20,361	20,554	1,014	932	1,098	4.7	4.4	5.1
Olmsted	82,797	81,691	83,198	79,192	78,300	79,200	3,605	3,391	3,998	4.4	4.2	4.8
City of Rochester	60,399	59,624	60,683	57,728	57,078	57,734	2,671	2,546	2,949	4.4	4.3	4.9
Rice	33,139	32,681	33,360	31,245	30,979	31,071	1,894	1,702	2,289	5.7	5.2	6.9
Steele	21,102	20,902	21,544	20,081	19,942	20,315	1,021	960	1,229	4.8	4.6	5.7
Wabasha	12,031	11,859	12,059	11,422	11,293	11,423	609	566	636	5.1	4.8	5.3
Winona	29,023	29,105	29,626	27,560	27,749	27,949	1,463	1,356	1,677	5.0	4.7	5.7
Region Eleven	1,648,145	1,643,404	1,625,971	1,564,705	1,565,757	1,530,541	83,440	77,647	95,430	5.1	4.7	5.9
Anoka	193,116	192,664	190,662	183,052	183,175	179,055	10,064	9,489	11,607	5.2	4.9	6.1
Carver	51,908	51,784	51,188	49,477	49,510	48,397	2,431	2,274	2,791	4.7	4.4	5.5
Dakota	236,317	235,708	232,974	224,798	224,949	219,890	11,519	10,759	13,084	4.9	4.6	5.6
Hennepin	674,491	672,735	665,019	640,459	640,890	626,475	34,032	31,845	38,544	5.0	4.7	5.8
City of Bloomington	49,221	49,038	48,518	46,774	46,805	45,752	2,447	2,233	2,766	5.0	4.6	5.7
City of Minneapolis	220,535	219,845	217,597	208,799	208,939	204,240	11,736	10,906	13,357	5.3	5.0	6.1
Ramsey	279,741	278,702	276,580	264,692	264,870	258,913	15,049	13,832	17,667	5.4	5.0	6.4
City of St. Paul	149,932	149,276	148,294	141,208	141,303	138,125	8,724	7,973	10,169	5.8	5.3	6.9
Scott	76,477	76,094	75,115	72,719	72,768	71,131	3,758	3,326	3,984	4.9	4.4	5.3
Washington	136,095	135,717	134,433	129,508	129,595	126,680	6,587	6,122	7,753	4.8	4.5	5.8



Industrial Analysis

Overview

Employment increased by 400 in June 2013, an outcome of very mixed results across industries as five supersectors experienced employment growth and six posted monthly declines. There were three industries that accounted for nearly all of the monthly growth. Chief among the growing industries was Administrative and Support Services which added a very robust 4,700 jobs. The other large increases came in Accommodation and Food Services with a gain of 1,800 and in Wholesale Trade which increased 1,200. Retail Trade added 700 jobs as well. Losses were less concentrated, with the largest decline a loss of 2,800 in State Government. Real Estate and Rental and Leasing, Construction, Manufacturing, and Information all showed losses ranging from 1,100 to 900. The rate of over-the-year change improved to 2.0 percent compared to U.S. annual growth of 1.7 percent. Three supersectors showed annual growth of over 4 percent including Professional and Business Services, Logging and Mining, and Leisure and Hospitality. Two supersectors showed annual losses. Manufacturing has weakened in recent months to show a loss of 0.5 percent in June. The other loss was in Other Services, down 1.1 percent.

Mining and Logging

Mining and Logging employment grew by 200 in June, the largest monthly gain since October 2011. Compared to last year employment estimates showed an increase of 300 jobs. The improvements are certainly being impacted by some improvement in construction and thereby an increase in demand for construction aggregates.

Construction

Construction employment reversed track in June to post a loss of 1,000, erasing most of the gains made in May. Most of this loss was centered in Specialty Trade Construction. While such a loss is disappointing in the face of a myriad of indicators that show improvement in the housing market, it doesn't completely reverse the gradual growth of recent months. In the past nine months Construction employment increased six times against three losses. On an annual basis estimates showed an increase of 2,100 jobs (2.0 percent).

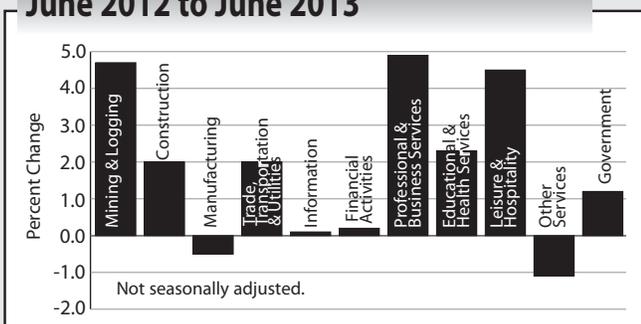
Manufacturing

Manufacturing has been experiencing a period of weak job results. The June estimate indicated a loss of 1,000 with both Durable and Nondurable Goods Manufacturing posting monthly losses. The supersector has posted losses in four of the last five months to produce a net loss of 3,200 during this time. Both Durable and Nondurable Goods have shown these weakened results. As a result of these recent losses, employment growth compared to one year ago turned negative for the first time since June 2010. Small annual losses were common across detailed manufacturing industries with the largest loss in food manufacturing, down 1,100.

Trade, Transportation, and Utilities

On a seasonally adjusted basis, employment in Trade, Transportation, and Utilities increased 1,900 for the month. This follows two months of declines in an otherwise positive year. Although growth in the industry hasn't been very rapid, seasonally adjusted employment levels for 2013 are on par with 2008. Within the sector Wholesale Trade fared best, increasing 0.9 percent over the month. This has been an ongoing trend as Retail Trade continues to grow in fits and starts (up only 0.2 percent this month, 700), and the much smaller category of Transportation, Warehousing, and Utilities was flat for the month and had inconsistent growth recently.

MN Employment Growth June 2012 to June 2013



Source: Department of Employment and Economic Development, Current Employment Statistics, 2013.

*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.

Industrial Analysis

Information

June marked a second consecutive large loss in Information employment with a monthly decline of 900 (1.6 percent) resulting in a net decline of 1,500 over the two months. These losses end a period of growth from October 2012 to April 2013 when 1,900 jobs were added.

Financial Activities

In the third loss of the past four months, employment in Financial Activities fell 1,200 (0.7%), producing an overall decline of 2,000 jobs over this period. There have not been any large announced layoffs in this supersector. The June loss was essentially caused by declines in Real Estate and Rental and Leasing, but job growth in the supersector has been hurt by a lack of growth in Insurance Carriers which had been providing substantial job growth until recent months.

Professional and Business Services

Professional and Business Services employment increased 3,600 (1.0%). The industry has been trending strongly upward since October 2012 with only one monthly loss since that time and a net gain of 15,300 for the period. All three of the major component industries have contributed to this growth but individually have been less consistent in their growth patterns. In the current month all of the supersector growth comes from Administrative and Support and Waste Management, which increased 4,700 (3.5 percent).

Educational and Health Services

Overall, employment in Educational and Health Services increased 100 (0.0%) for June. Health Care and Social Assistance fell slightly (down 100, 0.0 percent change), but was balanced out by a growth of 200 (0.3 percent) in Private Education.

Leisure and Hospitality

In June employment in Leisure and Hospitality grew 1,400 (0.6 percent). In 2012 Leisure and Hospitality surpassed pre-recession levels and has continued to grow, although with a few hesitations. Food Services has been responsible for more of the growth, with the other major sub-industry, Arts, Entertainment, and Recreation, falling moderately in each of the last four months.

Other Services

The employment decline of 600 (0.5 percent) in Other Services nearly cancels out last month's growth in an industry that has remained fairly stable for the last few years.

Government

Employment in Government fell 2,100 (0.5 percent) over the month. There have been seven monthly losses in the industry in the past year. This month the decline stemmed from State Government job losses of 2,800 (2.8 percent).

by Jerry Brown and Amanda Rohrer

Seasonally Adjusted Nonfarm Employment

	In 1,000's		
Industry	June 2013	May 2013	April 2013
Total Nonagricultural	2,772.5	2,772.1	2,761.8
Goods-Producing	409.7	411.5	410.3
Mining and Logging	7.4	7.2	7.3
Construction	97.6	98.6	97.4
Manufacturing	304.7	305.7	305.6
Service-Providing	2,362.8	2,360.6	2,351.5
Trade, Transportation, and Utilities	511.4	509.5	511.2
Information	53.8	54.7	55.3
Financial Activities	177.3	178.5	178.3
Professional and Business Services	351.6	348.0	346.0
Educational and Health Services	488.3	488.2	486.7
Leisure and Hospitality	250.6	249.2	247.7
Other Services	116.4	117.0	116.0
Government	413.4	415.5	410.3

Source: Department of Employment and Economic Development
Current Employment Statistics, 2013.

Regional Analysis

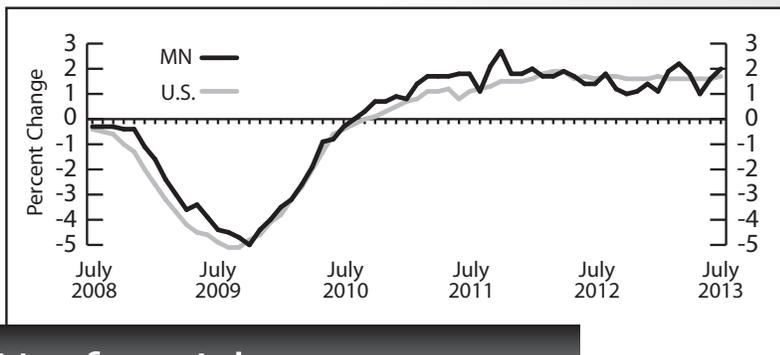
Minneapolis-St. Paul-Bloomington Metropolitan Statistical Area (MSA)

Employment in the Twin Cities increased 0.9 percent (16,000) over the month and 2.9 percent (51,289) over the year. Government employment fell 0.5 percent (1,168) over the month. The loss was largely State and Local Government Educational Services, which often decline in summer months. Over the year, Government employment was up 2.6 percent (6,046). In the Private Sector, Goods Producing industries fared better over the month, increasing 2.6 percent (6,373) overall. Mining, Logging, and Construction accounted for most of that (up 6.6 percent, 4,116), but Manufacturing was also up (1.2 percent, 2,257). On the whole, Service-Providing industries grew much more moderately, with the most significant monthly changes occurring in Professional and Business Services (up 2.1 percent, 5,843), in Leisure and Hospitality (up 4.0 percent, 7,089), and in Educational and Health Services (down 1.2 percent, 3,656).

Duluth-Superior MSA

Employment in the Duluth-Superior MSA decreased 0.2 percent (199) over the month, but increased 0.4 percent (577) over the year. Some Private industries fared well over the month: Trade, Transportation, and Utilities increased 1.2 percent (297), Professional and Business Services increased 2.8 percent (208), and Leisure and Hospitality increased 5.1 percent (734). However, they were outpaced by losses in Government (down 4.0 percent, 1081), in Educational and Health Services (down 1.0 percent, 299), and in Mining, Logging, and Construction (down 3.1 percent, 256).

Source: Department of Employment and Economic Development, Current Employment Statistics, 2013; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2013.



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

Rochester MSA

In the Rochester MSA employment increased 1.7 percent (1,862) over the month and 0.6 percent (673) over the year. The largest monthly gains were in Mining, Logging, and Construction (up 7.0 percent, 230) and in Manufacturing (up 4.8 percent, 472), but both industries were down over the year. Government employment increased 3.5 percent over the month (380), but also fell over the year. Most Private Service-Providing industries increased or decreased only slightly, resulting in an overall monthly increase in the category of 0.9 percent (780).

St. Cloud MSA

Employment in the St. Cloud MSA decreased 0.1 percent (125) over the month, but increased 2.2 percent (2,214) over the year. The monthly losses came from Public Sector employment (down 4.6 percent, 740). Of the Public sector industries State Government fared the worst over the month, falling 17.3 percent (814), but was still up 7.6 percent (277) over the year. In the Private Sector, Goods-Producing industries were responsible for most of the monthly gain with Mining, Logging and Construction up 9.8 percent (559) and Manufacturing up 2.4 percent (368). In the Service industries, employment was mostly flat or with very small changes. The exception was Educational and Health Services (down 3.8 percent, 752).

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA declined 0.1 percent (48) over the month and increased 0.8 percent (423) over the year. Goods-Producing industries increased 0.4 percent (36), Private Service-Providing industries decreased 0.6 percent (226), and Government increased 1.6 percent (142). Over the year, employment in all industry groups was up except for Government which declined 3.7 percent (346).

Fargo-Moorhead MSA

Employment in the Fargo-Moorhead MSA was flat over the month and increased 3.3 percent (4,300) over the year. Substantial growth in Mining, Logging, and Construction — up 7.9 percent, 700 — was balanced out by losses in Government employment — down 4.6 percent (800). Similarly, several Private Service Providing industries saw moderate change, but losses and gains balanced out. The largest growth was in Professional and Business Services (up 3.2 percent, 500), while the largest loss was in Leisure and Hospitality (down 3.0 percent, 400).

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA fell 0.9 percent (500) over the month and increased 1.5 percent (800) over the year. The most significant monthly Private Sector changes were in Mining, Logging, and Construction (up 9.4 percent, 300) and in Leisure and Hospitality (down 1.6 percent, 100). Many other industries' employment was flat or nearly so for the month. Over-the-year growth was strongest in the Transportation, Warehousing, and Utilities industry (up 10.5 percent, 200). Government employment fell 4.3 percent (600) over the month and 1.5 percent (200) over the year.

by Amanda Rohrer

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* (Thousands)			Percent Change: From**		Production Workers Hours and Earnings					
	June 2013	May 2013	June 2012	May 2013	June 2012	Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
						June 2013	June 2012	June 2013	June 2012	June 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	2,823.1	2,792.6	2,769.0	1.1%	2.0%	—	—	—	—	—	—
GOODS-PRODUCING	422.9	411.5	421.9	2.8	0.2	—	—	—	—	—	—
Mining and Logging	7.7	7.4	7.3	3.9	4.7	—	—	—	—	—	—
Construction	106.6	99.5	104.6	7.2	2.0	—	—	—	—	—	—
Specialty Trade Contractors	66.5	63.1	65.3	5.4	1.8	\$1,263.78	\$1,222.54	42.0	41.4	\$30.09	\$29.53
Manufacturing	308.6	304.7	310.0	1.3	-0.5	823.03	778.06	41.4	40.8	19.88	19.07
Durable Goods	197.7	195.3	197.3	1.2	0.2	828.34	795.51	41.5	40.9	19.96	19.45
Wood Product Manufacturing	11.0	10.7	10.9	3.1	1.7	—	—	—	—	—	—
Fabricated Metal Production	42.4	42.4	41.5	0.1	2.2	—	—	—	—	—	—
Machinery Manufacturing	32.1	31.8	32.3	0.8	-0.8	—	—	—	—	—	—
Computer and Electronic Product	45.8	45.2	46.2	1.3	-0.8	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.4	25.1	25.3	1.4	0.5	—	—	—	—	—	—
Transportation Equipment	10.4	10.1	10.5	2.9	-1.1	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.8	15.7	15.8	0.7	0.2	—	—	—	—	—	—
Nondurable Goods	110.9	109.4	112.7	1.4	-1.6	814.11	752.54	41.2	40.7	19.76	18.49
Food Manufacturing	45.1	44.4	45.0	1.5	0.3	—	—	—	—	—	—
Paper Manufacturing	33.0	32.6	34.2	1.3	-3.4	—	—	—	—	—	—
Printing and Related	23.1	22.8	23.5	1.4	-1.7	—	—	—	—	—	—
SERVICE-PROVIDING	2,400.2	2,381.1	2,347.1	0.8	2.3	—	—	—	—	—	—
Trade, Transportation, and Utilities	516.2	510.6	506.3	1.1	2.0	—	—	—	—	—	—
Wholesale Trade	133.6	131.7	130.8	1.4	2.1	965.45	894.24	39.6	36.8	24.38	24.30
Retail Trade	289.1	284.6	284.7	1.6	1.6	394.44	375.11	28.5	28.7	13.84	13.07
Motor Vehicle and Parts	31.7	31.4	31.3	0.7	1.2	—	—	—	—	—	—
Building Material and Garden Equipment	26.9	26.6	26.9	1.5	0.1	—	—	—	—	—	—
Food and Beverage Stores	51.0	50.4	50.6	1.3	0.9	—	—	—	—	—	—
Gasoline Stations	24.3	23.9	23.7	1.8	2.7	—	—	—	—	—	—
General Merchandise Stores	60.7	60.0	61.1	1.2	-0.6	318.49	334.20	29.3	30.0	10.87	11.14
Transportation, Warehouse, Utilities	93.5	94.2	90.8	-0.7	3.0	—	—	—	—	—	—
Transportation and Warehousing	80.8	81.4	78.0	-0.8	3.5	629.80	654.91	37.6	37.9	16.75	17.28
Information	53.9	54.7	53.8	-1.4	0.1	802.55	740.61	35.0	35.1	22.93	21.10
Publishing Industries	20.8	20.7	21.5	0.3	-3.6	—	—	—	—	—	—
Telecommunications	13.8	13.8	13.7	0.6	1.4	—	—	—	—	—	—
Financial Activities	178.7	178.7	178.4	0.0	0.2	—	—	—	—	—	—
Finance and Insurance	139.6	139.2	139.0	0.3	0.5	1,006.88	950.70	37.5	36.3	26.85	26.19
Credit Intermediation	54.2	54.0	53.4	0.4	1.6	809.04	746.23	37.7	35.4	21.46	21.08
Securities, Commodity Contracts, and Other	18.0	17.9	18.1	0.0	-0.8	—	—	—	—	—	—
Insurance Carriers and Related	64.0	63.6	64.3	0.6	-0.5	—	—	—	—	—	—
Real Estate and Rental and Leasing	39.1	39.6	39.5	-1.1	-0.9	—	—	—	—	—	—
Professional and Business Services	355.5	346.9	339.0	2.5	4.9	—	—	—	—	—	—
Professional, Scientific, and Technical Services	133.6	133.0	129.5	0.5	3.2	—	—	—	—	—	—
Legal Services	19.1	18.8	19.1	1.2	-0.4	—	—	—	—	—	—
Accounting, Tax Preparation	13.7	13.8	13.3	-0.7	2.5	—	—	—	—	—	—
Computer Systems Design	30.9	30.9	30.6	0.1	1.1	—	—	—	—	—	—
Management of Companies and Enterprises	77.3	76.7	75.6	0.8	2.2	—	—	—	—	—	—
Administrative and Support Services	144.5	137.3	133.9	5.3	7.9	—	—	—	—	—	—
Educational and Health Services	484.5	490.3	473.5	-1.2	2.3	—	—	—	—	—	—
Educational Services	59.1	67.5	60.2	-12.5	-1.8	—	—	—	—	—	—
Health Care and Social Assistance	425.4	422.8	413.3	0.6	2.9	—	—	—	—	—	—
Ambulatory Health Care	138.9	137.1	131.5	1.3	5.7	1,178.82	1,060.42	34.6	33.6	34.07	31.56
Offices of Physicians	67.5	66.9	63.8	0.9	5.9	—	—	—	—	—	—
Hospitals	103.2	103.0	102.2	0.2	1.0	—	—	—	—	—	—
Nursing and Residential Care Facilities	106.3	106.0	103.5	0.3	2.7	419.43	403.24	29.6	28.1	14.17	14.35
Social Assistance	76.9	76.7	76.2	0.3	1.0	—	—	—	—	—	—
Leisure and Hospitality	270.9	258.9	259.3	4.7	4.5	—	—	—	—	—	—
Arts, Entertainment, and Recreation	46.7	42.8	44.2	9.1	5.8	—	—	—	—	—	—
Accommodation and Food Services	224.2	216.1	215.2	3.8	4.2	—	—	—	—	—	—
Food Services and Drinking Places	193.4	188.6	185.3	2.5	4.3	242.21	226.50	21.9	21.8	11.06	10.39
Other Services	116.5	116.8	117.8	-0.2	-1.1	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	67.5	68.4	69.6	-1.4	-3.0	—	—	—	—	—	—
Government	424.0	424.2	418.9	-0.1	1.2	—	—	—	—	—	—
Federal Government	30.9	30.6	31.7	0.8	-2.7	—	—	—	—	—	—
State Government	94.7	101.2	96.0	-6.4	-1.3	—	—	—	—	—	—
State Government Education	56.4	63.2	58.7	-10.7	-3.9	—	—	—	—	—	—
Local Government	298.3	292.4	291.2	2.0	2.5	—	—	—	—	—	—
Local Government Education	141.4	144.8	139.1	-2.4	1.7	—	—	—	—	—	—

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, 2013.

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*			Percent Change		Production Workers Hours and Earnings					
	(Thousands)			From**		Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	June 2013	May 2013	June 2012	May 2013	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	1,837.8	1,821.8	1,786.5	0.9%	2.9%	—	—	—	—	—	—
GOODS-PRODUCING	251.5	245.1	245.1	2.6	2.6	—	—	—	—	—	—
Mining, Logging, and Construction	66.7	62.6	62.2	6.6	7.2	—	—	—	—	—	—
Construction of Buildings	13.4	12.6	13.0	6.0	3.1	—	—	—	—	—	—
Specialty Trade Contractors	46.2	43.6	41.4	5.9	11.5	\$1,323.14	\$1,310.09	42.3	40.8	\$31.28	\$32.11
Manufacturing	184.8	182.5	182.9	1.2	1.0	828.63	825.93	40.5	41.4	20.46	19.95
Durable Goods	128.5	127.0	126.4	1.2	1.7	848.54	855.30	40.6	41.6	20.9	20.56
Fabricated Metal Production	28.7	28.6	28.0	0.4	2.4	—	—	—	—	—	—
Machinery Manufacturing	19.5	19.3	19.8	0.9	-1.3	—	—	—	—	—	—
Computer and Electronic Product	36.1	35.7	36.0	1.2	0.2	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.9	23.6	23.7	1.5	0.9	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.1	14.1	14.4	0.1	-1.8	—	—	—	—	—	—
Nondurable Goods	56.3	55.5	56.6	1.4	-0.5	791.84	769.39	40.4	41.1	19.6	18.72
Food Manufacturing	12.3	12.1	12.2	1.7	1.1	—	—	—	—	—	—
Printing and Related	14.7	14.5	14.8	1.3	-0.7	—	—	—	—	—	—
SERVICE-PROVIDING	1,586.3	1,576.7	1,541.4	0.6	2.9	—	—	—	—	—	—
Trade, Transportation, and Utilities	320.0	318.4	317.6	0.5	0.8	—	—	—	—	—	—
Wholesale Trade	81.7	81.3	82.2	0.6	-0.5	995.11	941.23	39.9	37.1	24.94	25.37
Merchant Wholesalers - Durable Goods	42.9	42.9	43.4	-0.2	-1.2	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	24.7	24.5	25.0	0.5	-1.2	—	—	—	—	—	—
Retail Trade	175.4	173.9	173.9	0.8	0.8	383.81	353.66	28.6	28.8	13.42	12.28
Food and Beverage Stores	28.9	28.5	28.6	1.3	0.9	—	—	—	—	—	—
General Merchandise Stores	37.0	36.2	37.1	2.2	-0.4	327.70	335.68	29.9	30.6	10.96	10.97
Transportation, Warehouse, Utilities	62.9	63.2	61.5	-0.6	2.2	—	—	—	—	—	—
Utilities	7.4	7.4	7.4	-0.1	-0.1	—	—	—	—	—	—
Transportation and Warehousing	55.4	55.8	54.1	-0.7	2.5	729.16	688.35	41.5	39	17.57	17.65
Information	38.9	39.0	39.1	-0.2	-0.4	789.93	801.91	33.7	36.5	23.44	21.97
Publishing Industries	16.5	16.4	16.8	0.3	-2.0	—	—	—	—	—	—
Telecommunications	9.6	9.6	9.6	-0.1	0.0	—	—	—	—	—	—
Financial Activities	141.1	141.0	141.2	0.1	-0.1	—	—	—	—	—	—
Finance and Insurance	109.4	109.2	109.6	0.2	-0.2	1,155.55	1,095.54	38.2	37.2	30.25	29.45
Credit Intermediation	37.6	37.6	36.7	0.0	2.3	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	15.9	16.0	16.3	-0.3	-2.5	—	—	—	—	—	—
Insurance Carriers and Related	53.1	53.0	53.5	0.0	-0.9	—	—	—	—	—	—
Real Estate and Rental and Leasing	31.8	31.8	31.6	-0.1	0.6	—	—	—	—	—	—
Professional and Business Services	287.5	281.7	275.3	2.1	4.4	—	—	—	—	—	—
Professional, Scientific, and Technical Services	107.1	106.6	104.1	0.5	2.8	—	—	—	—	—	—
Legal Services	16.1	15.9	16.1	1.5	0.2	—	—	—	—	—	—
Architectural, Engineering, and Related	15.7	15.1	15.4	3.5	2.0	—	—	—	—	—	—
Computer Systems Design	26.5	26.4	25.6	0.3	3.4	—	—	—	—	—	—
Management of Companies and Enterprises	68.5	68.0	69.2	0.7	-0.9	—	—	—	—	—	—
Administrative and Support Services	111.9	107.1	102.1	4.5	9.7	—	—	—	—	—	—
Employment Services	56.0	53.9	48.3	3.9	16.0	—	—	—	—	—	—
Educational and Health Services	294.4	298.1	282.9	-1.2	4.1	—	—	—	—	—	—
Educational Services	43.4	48.6	41.5	-10.7	4.5	—	—	—	—	—	—
Health Care and Social Assistance	251.0	249.5	241.4	0.6	4.0	—	—	—	—	—	—
Ambulatory Health Care	81.7	80.3	77.1	1.7	6.0	—	—	—	—	—	—
Hospitals	60.2	60.0	58.7	0.3	2.5	—	—	—	—	—	—
Nursing and Residential Care Facilities	56.4	56.2	54.0	0.4	4.4	—	—	—	—	—	—
Social Assistance	52.6	52.9	51.6	-0.5	2.1	—	—	—	—	—	—
Leisure and Hospitality	185.2	178.1	170.3	4.0	8.7	—	—	—	—	—	—
Arts, Entertainment, and Recreation	35.8	32.8	33.0	9.1	8.5	—	—	—	—	—	—
Accommodation and Food Services	149.4	145.3	137.3	2.8	8.8	263.32	263.67	23.2	23.5	11.35	11.22
Food Services and Drinking Places	136.1	132.6	123.9	2.6	9.8	255.60	253.73	22.7	22.9	11.26	11.08
Other Services	76.6	76.7	78.4	-0.1	-2.3	—	—	—	—	—	—
Repair and Maintenance	13.0	13.1	13.1	-0.8	-0.9	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.9	42.7	44.1	0.4	-2.8	—	—	—	—	—	—
Government	242.6	243.8	236.6	-0.5	2.6	—	—	—	—	—	—
Federal Government	19.7	19.6	20.3	0.5	-2.6	—	—	—	—	—	—
State Government	63.5	68.6	64.0	-7.4	-0.8	—	—	—	—	—	—
State Government Education	37.7	42.9	39.1	-12.1	-3.6	—	—	—	—	—	—
Local Government	159.4	155.6	152.3	2.5	4.7	—	—	—	—	—	—
Local Government Education	86.7	89.3	84.1	-2.9	3.1	—	—	—	—	—	—

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.

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

	June 2013	May 2013	June 2012	May 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	132,370	132,569	131,793	-0.2%	0.4%
GOODS-PRODUCING	15,353	15,448	16,114	-0.6	-4.7
Mining, Logging, and Construction	7,904	8,160	8,581	-3.1	-7.9
Manufacturing	7,449	7,288	7,533	2.2	-1.1
SERVICE-PROVIDING	117,017	117,121	115,679	-0.1	1.2
Trade, Transportation, and Utilities	24,893	24,596	24,182	1.2	2.9
Wholesale Trade	3,358	3,218	3,120	4.4	7.6
Retail Trade	15,153	15,077	14,979	0.5	1.2
Transportation, Warehouse, Utilities	6,382	6,301	6,083	1.3	4.9
Information	1,302	1,307	1,338	-0.4	-2.7
Financial Activities	5,464	5,397	5,433	1.2	0.6
Professional and Business Services	7,771	7,563	7,967	2.8	-2.5
Educational and Health Services	30,518	30,817	29,742	-1.0	2.6
Leisure and Hospitality	15,180	14,446	14,665	5.1	3.5
Other Services	5,947	5,972	6,165	-0.4	-3.5
Government	25,942	27,023	26,187	-4.0	-0.9

Rochester MSA

Jobs % Chg. From

	June 2013	May 2013	June 2012	May 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	108,715	106,853	108,042	1.7%	0.6%
GOODS-PRODUCING	13,923	13,221	14,614	5.3	-4.7
Mining, Logging, and Construction	3,539	3,309	3,591	7.0	-1.4
Manufacturing	10,384	9,912	11,023	4.8	-5.8
SERVICE-PROVIDING	94,792	93,632	93,428	1.2	1.5
Trade, Transportation, and Utilities	16,329	16,194	15,919	0.8	2.6
Wholesale Trade	2,358	2,352	2,310	0.3	2.1
Retail Trade	11,601	11,455	11,323	1.3	2.5
Transportation, Warehouse, Utilities	2,370	2,387	2,286	-0.7	3.7
Information	1,730	1,705	1,627	1.5	6.3
Financial Activities	2,382	2,386	2,420	-0.2	-1.6
Professional and Business Services	5,325	5,199	5,249	2.4	1.4
Educational and Health Services	44,454	44,270	43,829	0.4	1.4
Leisure and Hospitality	9,718	9,464	9,622	2.7	1.0
Other Services	3,734	3,674	3,568	1.6	4.7
Government	11,120	10,740	11,194	3.5	-0.7

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

	June 2013	May 2013	June 2012	May 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	103,548	103,673	101,334	-0.1%	2.2%
GOODS-PRODUCING	21,783	20,856	21,000	4.4	3.7
Mining, Logging, and Construction	6,283	5,724	5,411	9.8	16.1
Manufacturing	15,500	15,132	15,589	2.4	-0.6
SERVICE-PROVIDING	81,765	82,817	80,334	-1.3	1.8
Trade, Transportation, and Utilities	20,627	20,580	20,070	0.2	2.8
Wholesale Trade	4,236	4,200	4,043	0.9	4.8
Retail Trade	13,027	12,979	12,739	0.4	2.3
Transportation, Warehouse, Utilities	3,364	3,401	3,288	-1.1	2.3
Information	1,649	1,650	1,667	-0.1	-1.1
Financial Activities	4,453	4,397	4,365	1.3	2.0
Professional and Business Services	8,298	8,204	8,260	1.1	0.5
Educational and Health Services	18,977	19,729	18,287	-3.8	3.8
Leisure and Hospitality	9,000	8,840	8,923	1.8	0.9
Other Services	3,519	3,435	3,560	2.4	-1.2
Government	15,242	15,982	15,202	-4.6	0.3

Mankato MSA

Jobs % Chg. From

	June 2013	May 2013	June 2012	May 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	53,805	53,853	53,382	-0.1%	0.8%
GOODS-PRODUCING	9,890	9,854	9,654	0.4	2.4
Mining, Logging, and Construction	--	--	--	--	--
Manufacturing	--	--	--	--	--
SERVICE-PROVIDING	43,915	43,999	43,728	-0.2	0.4
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	9,040	8,898	9,386	1.6	-3.7

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

	June 2013	May 2013	June 2012	May 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	133,200	133,200	128,900	0.0%	3.3%
GOODS-PRODUCING	19,900	19,100	18,300	4.2	8.7
Mining, Logging, and Construction	9,600	8,900	8,000	7.9	20.0
Manufacturing	10,300	10,200	10,300	1.0	0.0
SERVICE-PROVIDING	113,300	114,100	110,600	-0.7	2.4
Trade, Transportation, and Utilities	28,800	29,000	28,000	-0.7	2.9
Wholesale Trade	8,700	8,700	8,500	0.0	2.4
Retail Trade	15,300	15,500	14,900	-1.3	2.7
Transportation, Warehouse, Utilities	4,800	4,800	4,600	0.0	4.4
Information	3,300	3,200	3,300	3.1	0.0
Financial Activities	9,400	9,300	9,100	1.1	3.3
Professional and Business Services	16,100	15,600	15,100	3.2	6.6
Educational and Health Services	21,000	21,100	20,100	-0.5	4.5
Leisure and Hospitality	12,900	13,300	13,200	-3.0	-2.3
Other Services	5,100	5,100	5,100	0.0	0.0
Government	16,700	17,500	16,700	-4.6	0.0

Grand Forks-East Grand Forks MSA

Jobs % Chg. From

	June 2013	May 2013	June 2012	May 2013	June 2012
TOTAL NONFARM WAGE AND SALARY	55,700	56,200	54,900	-0.9%	1.5%
GOODS-PRODUCING	7,000	6,800	6,700	2.9	4.5
Mining, Logging, and Construction	3,500	3,200	3,300	9.4	6.1
Manufacturing	3,500	3,600	3,400	-2.8	2.9
SERVICE-PROVIDING	48,700	49,400	48,200	-1.4	1.0
Trade, Transportation, and Utilities	12,400	12,500	11,900	-0.8	4.2
Wholesale Trade	2,100	2,100	2,100	0.0	0.0
Retail Trade	8,200	8,200	7,900	0.0	3.8
Transportation, Warehouse, Utilities	2,100	2,200	1,900	-4.6	10.5
Information	600	600	600	0.0	0.0
Financial Activities	1,700	1,700	1,600	0.0	6.3
Professional and Business Services	2,800	2,800	3,000	0.0	-6.7
Educational and Health Services	9,700	9,600	9,400	1.0	3.2
Leisure and Hospitality	6,000	6,100	6,000	-1.6	0.0
Other Services	2,000	2,000	2,000	0.0	0.0
Government	13,500	14,100	13,700	-4.3	-1.5

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2013.

Minnesota Economic Indicators

Highlights

The **Minnesota Index** advanced for the 48th straight month in June, increasing 0.2 percent. The index was recalibrated this month using revised Gross State Product (GSP) data that included the first estimate of Minnesota's 2012 GDP. Job growth was flat along with factory hours, but unemployment inched down and wage and salary payments were up modestly. The index has been growing 0.2 percent for most of the first half of 2013, slightly slower than the 0.3 percent monthly rate at the end of last year. The index is a proxy measure of the state's GDP providing a real-time monthly measure of the state's economic production.

The recalibrated indices show that Minnesota's economy has pretty much matched the national path. Minnesota's index dropped 5.3 percent from pre-recession peak to the recession trough. The U.S. drop was 5.1 percent. Since reaching bottom in the fall of 2009, the Minnesota index has advanced 9.6 percent while the U.S. index is up by 9.8 percent.

Minnesota's **Wage and Salary Employment** barely changed in June with only 400 jobs added. Job growth was strong in Professional and Business Services, in Trade, Transportation, and Utilities, and in Leisure and Hospitality. Government, Financial Activities, Construction, and Manufacturing cut the most jobs.

Over-the-year job growth, using unadjusted employment numbers for Minnesota, jumped to 2.0 percent,

the highest pace since February. The comparable national rate was 1.7 percent. Private sector job growth over the year was 2.1 percent in Minnesota and 2.0 percent nationally. Public sector employment cuts dragged down total job growth both in Minnesota and nationally.

Minnesota's adjusted online **Help-Wanted Ads** rose for the first time in five months, climbing 2.0 percent in June. National online advertising increased 1.1 percent. Help-wanted ads in the state are down 6.0 percent from the start of the year while nationally ads are up 0.1 percent for the year. Minnesota's share of help-wanted ads however remains higher than its share of jobs implying that labor demand in Minnesota continues to be stronger than nationally. The stronger-than-national labor market, as measured by the larger share of online help-wanted advertising, is consistent with Minnesota's unemployment rate being significantly below the national rate.

Minnesota's **Purchasing Managers' Index (PMI)** inched up in June to its highest reading of the year. June's 56.2 level suggests that Minnesota's economy should continue to expand at a moderate rate through the rest of 2013. The index has been running significantly higher since the beginning of the year compared to the last half of 2012. This suggests that Minnesota's job growth in 2013 will easily surpass the 1.4 percent achieved in 2012.

Adjusted **Manufacturing Hours** slipped slightly in June, dropping to 41.0. However, the factory workweek has been 41 hours or more for three straight months which hasn't occurred since late 2010, early 2011. Manufacturers have cut 2,600 jobs since the beginning of the year even though the workweek has been high. Ramped up factory hours are usually associated with

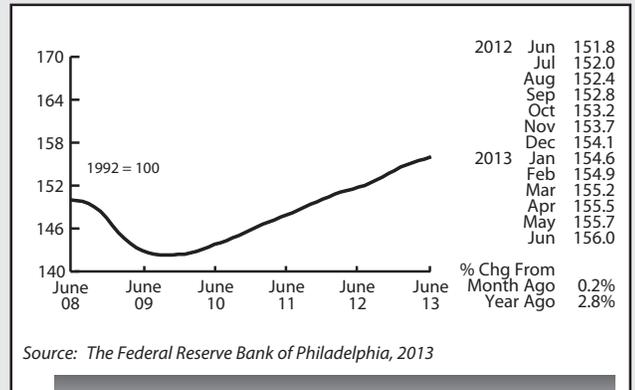
increased hiring. Manufacturers may be using workers from temporary help agencies at a higher rate than in the past. Adjusted **Manufacturing Earnings** spiked to their highest level in two and a half years, increasing to \$826.16. Average manufacturing earnings, after adjusting for inflation, were 4.7 percent higher than a year ago. That is the highest real pay bump in three years.

The **Minnesota Leading Index**, designed to predict the pace of economic growth in Minnesota six months down the road, was also recalibrated this month. The revised index forecasts that Minnesota's economic activity will increase 1.3 percent over the next six months. That's roughly 2.6 percent on an annual basis.

Adjusted **Residential Building Permits** hit a pothole in June with permit numbers falling to 1,150, the lowest monthly level since last August. Other housing market indicators, however, continue to suggest that Minnesota's residential construction activity will continue its two-year comeback.

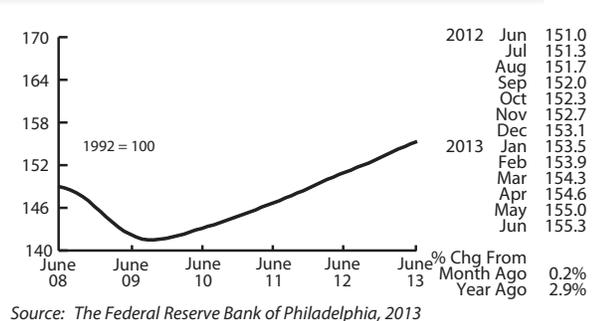
Adjusted **Initial Claims for Unemployment Benefits (UB)** fell for the second month in a row, dipping to the lowest total since March 2008. Monthly initial claims as a percent of monthly wage and salary employment is on track to fall to 0.8. That would be the lowest rate since the glory job growth years of 1992 - 2000. Job growth averaged 2.5 percent during that time period while initial claims averaged 0.7 percent of the employment total.

by Dave Senf



Minnesota Index

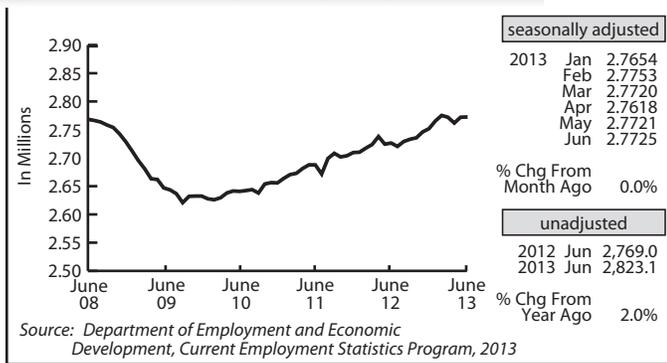
United States Index



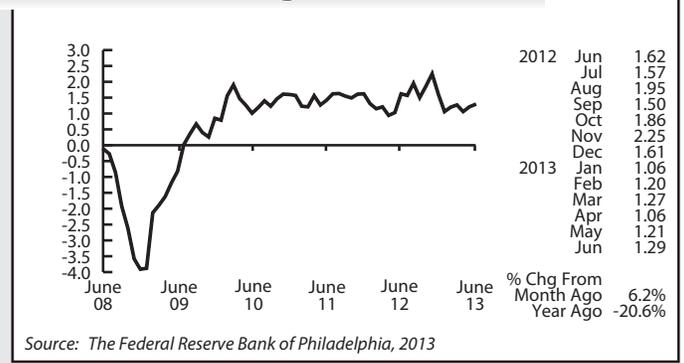
Note: All data except for Minnesota's PMI have been seasonally adjusted. See the feature article in the Minnesota Employment Review, May 2010, for more information on the Minnesota Index.

Minnesota Economic Indicators

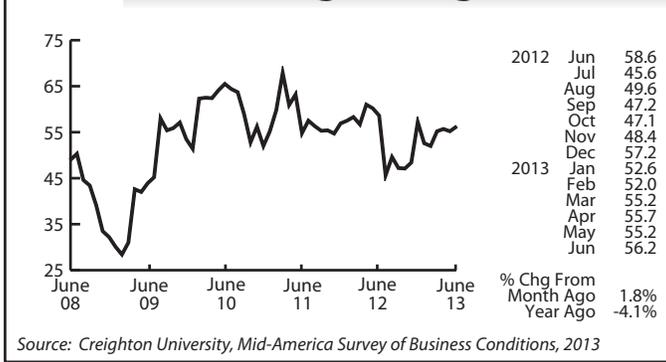
Wage and Salary Employment



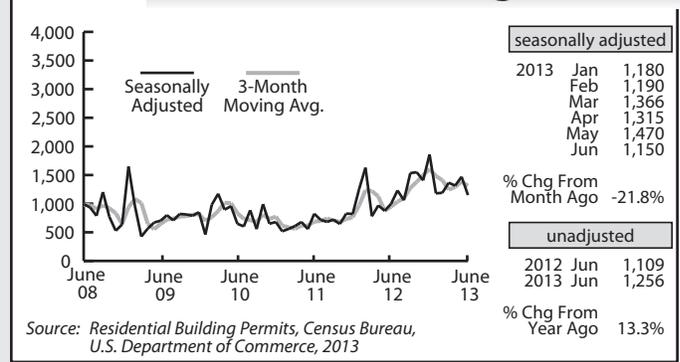
Minnesota Leading Index



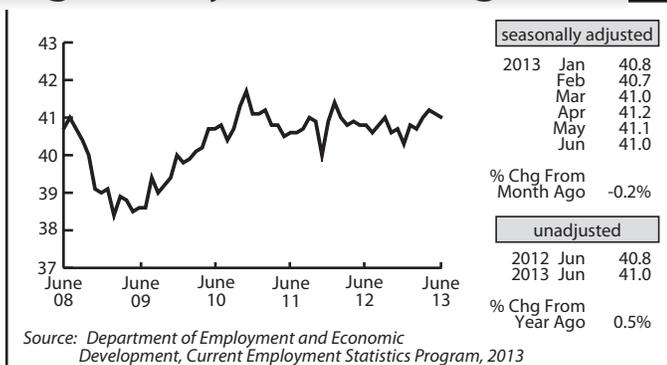
Purchasing Managers' Index



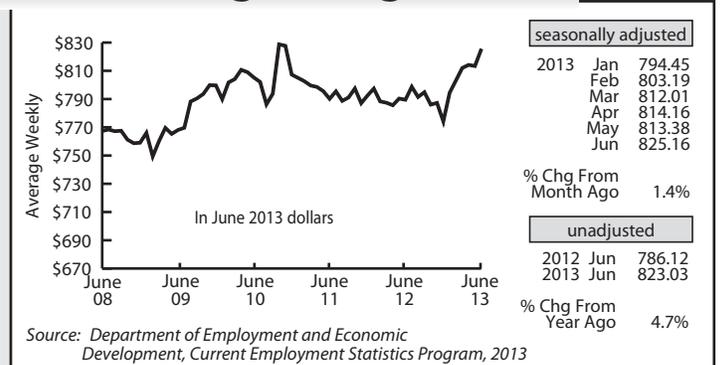
Residential Building Permits



Average Weekly Manufacturing Hours



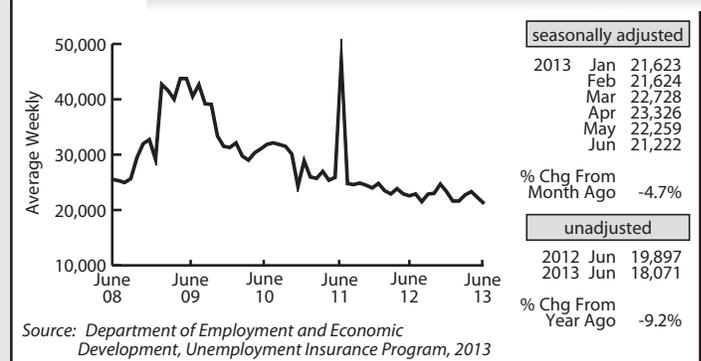
Manufacturing Earnings



Online Help-Wanted Advertising



Initial UB Claimants



Review

Minnesota Employment



DEED

Labor Market Information Office

1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, MN 55101-1351
651.259.7400 (voice)
1.888.234.1114 (toll free)
651.296.3900 (TTY)
1.800.657.3973 (TTY toll free)
e-mail :
DEED.lmi@state.mn.us
Internet :
www.PositivelyMinnesota.com/lmi/

Labor Market Information

Help Line:

651.259.7384

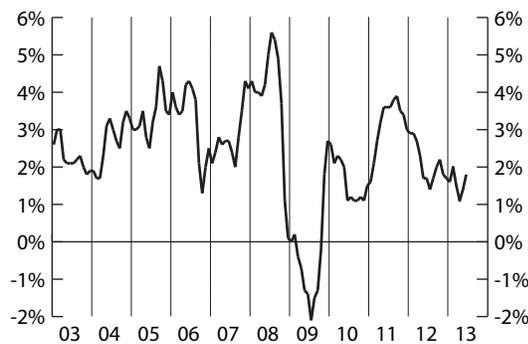
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U.S. Consumer Price Index for All Urban Consumers (CPI-U)

On a seasonally adjusted basis the June CPI-U for all items increased 0.5 percent over the month. The index increased 1.8 percent from June 2012, not seasonally adjusted. The monthly increase was dominated by an increase in energy prices of 3.4 percent over the month. While energy prices can be volatile, much of the year we've seen decreases of a similar magnitude in the category resulting in an over-the-year increase of 3.2 percent. Food prices were nearly flat over the month, increasing 0.2 percent. In the index for all items less food and energy, results for various categories were mostly less than 0.5 percent up or down. Apparel, which increased 0.9 percent, was the exception.

Percent Change From One Year Ago



For more information
on the U.S. CPI
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What's Going On?

Helping Older Adults Find Employment

START MN, a new service to help older Minnesotans struggling to find work, is planning a September roll out.

The new initiative, from the Minnesota Board on Aging and the Senior LinkAge Line® One Stop Shop for Minnesota Seniors, will provide helpful information and access to local employment resources. DEED is among 17 state agencies, non-profits, volunteer organizations and other professionals involved.

Minnesotans can visit MinnesotaHelp.info or call 1-800-333-2433 for more information.

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Editor:

Carol Walsh

Technical Editors:

M. B. Hummel
Nick Dobbins

Statistics:

Amanda Rohrer

Writers:

Jerry Brown
Cameron Macht
Mohamed Mourssi
Brent Pearson
Amanda Rohrer
Dave Senf

Graphics/Layout:

Mary Moe

Webpage Preparation:

Mary Moe

Commissioner:

Katie Clark Sieben

LMI Office

Director:
Steve Hine

Assistant
Director and
Technical
Supervisor:
Oriane Casale

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Department of Employment and Economic Development

Chemical Reaction

Minnesota's Chemical Manufacturing Sector

According to its industry classification, “the Chemical Manufacturing subsector is based on the transformation of organic and inorganic raw materials by a chemical process and the formulation of products.”¹ According to industry employment statistics from DEED’s Quarterly Census of Employment and Wages (QCEW) program, the Chemical Manufacturing sector has transformed into a stable component of the state’s economy, formulating significant earnings for its workers.

Through 2012 the Chemical Manufacturing sector provided 10,095 high-paying jobs at 279 business establishments in the state of Minnesota with a total payroll topping \$762 million. The largest subsector is Pharmaceutical and Medicine Manufacturing, with 3,431 jobs at 52 manufacturers, followed by Soap, Cleaning Compound, and Toilet Preparations, Other Chemical Product and Preparations, Paint, Coating, and Adhesives, and Basic Chemical Manufacturing, each of which reported between 1,264 and 1,857 jobs in the last year (Table 1).

Chemical Formula

Weighing in at just over \$75,000 in 2012, average annual wages were about \$25,000 higher in the Chemical Manufacturing Sector than in the total of all industries and about \$17,000 higher than the Manufacturing industry. The highest paying subsector is the Paint, Coating, and Adhesive Manufacturing sector where average annual wages topped \$125,000 in 2012, while the lowest paying subsector was Soap and Cleaning Compound Manufacturing which at \$56,524 was still \$7,000 higher than the total of all industries.

In addition to direct employment, there are another 638 firms and 5,752 jobs involved in the Wholesale Trade of Chemical Products, including Drugs and Druggists’ Sundries Merchant Wholesalers, which has 192 firms and 2,274 jobs, 273 firms and 1,795 jobs at Chemical and Allied Products Merchant Wholesalers, and 173 firms and 1,683 jobs at Petroleum and Petroleum Products Merchant Wholesalers. Average annual wages for these wholesale trade specialties was even higher, at \$83,372 in 2012, including \$112,944 at Drugs and Druggists’ Sundries Merchant Wholesalers.

Chemical Imbalance

Sixty percent of the state’s Chemical Manufacturing firms and 72.9 percent of the state’s jobs are located in the seven-county Twin Cities metropolitan area, with the remainder spread across Greater Minnesota. Both Southeast and Southwest Minnesota had just under 10 percent of the Chemical Manufacturing employment, while Central had about 5 percent and Northeast and Northwest both had just over 2 percent (Figure 1).

The Twin Cities had 98 percent of the state’s Paint, Coating, and Adhesive Manufacturing jobs, 88 percent of the jobs in the Soap and Cleaning Compound Manufacturing subsector, and 85 percent of the state’s Pharmaceutical and Medicine Manufacturing jobs, with the latter supplemented by small concentrations in Central, Southwest, and Northwest Minnesota. Only about one-fourth of the state’s Basic Chemical Manufacturing jobs and around half of the jobs in the other three subsectors were in the Twin Cities. Instead, Southwest Minnesota, which is home to most of the state’s ethanol and biodiesel plants, accounted

Table 1

Minnesota Chemical Manufacturing Employment, 2012

NAICS Industry Title	NAICS Code	2012 Annual Average Data			
		Number of Business Establishments	Number of Covered Jobs	Total Industry Payroll	Average Annual Wages
Total, All Industries	0	168,334	2,644,895	\$130,505,921,144	\$49,348
Manufacturing Industry	31	8,195	305,555	\$17,949,798,391	\$58,760
Chemical Manufacturing Sector	325	279	10,095	\$762,080,227	\$75,452
Basic Chemical Manufacturing	3251	47	1,264	\$82,622,655	\$65,364
Resin, Synthetic Rubber, Artificial Fibers and Filaments Mfg.	3252	9	378	\$27,532,155	\$72,748
Pesticide, Fertilizer, and Other Agricultural Chemical Mfg.	3253	21	114	\$6,852,362	\$60,528
Pharmaceutical and Medicine Manufacturing	3254	52	3,431	\$253,747,313	\$73,892
Paint, Coating, and Adhesive Manufacturing	3255	30	1,382	\$173,613,358	\$125,736
Soap, Cleaning Compound, and Toilet Preparation Mfg.	3256	52	1,857	\$104,953,332	\$56,524
Other Chemical Product and Preparation Manufacturing	3259	69	1,668	\$112,759,052	\$67,600

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

¹325 Chemical Manufacturing. www.census.gov/cgi-bin/sssd/naics/naicsrch?code=325&search=2012 NAICS Search

for 43.6 percent of the state's Basic Chemical Manufacturing jobs. Southeast Minnesota provided more than 30 percent of the state's employment in the Other Chemical Product and Preparation Manufacturing subsector.

Chemical Stability

Over the last decade the Chemical Manufacturing sector has been relatively stable, actually gaining 166 jobs from 2002 to 2012, while the Manufacturing industry as a whole lost more than 50,000 jobs. After seeing small but steady employment declines from 2002 to 2006, Chemical Manufacturing ramped up quickly in 2007 and peaked in employment in 2008 with 10,715 jobs.

But the Manufacturing industry was hit especially hard during the recession, falling from 341,588 jobs in 2007 to 292,203 jobs in 2010, a loss of 49,385 jobs for a 14.5 percent decline. In contrast, the Chemical Manufacturing sector lost just 200 jobs from 2007 to 2010, a 2.0 percent decline. Then in the last two years, Manufacturing has regained more than 13,350 jobs, a 4.6 percent increase. The increase was helped by 177 net new jobs in Chemical Manufacturing, a 1.8 percent expansion (Figure 2).

Job changes were much more volatile in the various regions, ranging from a 27.7 percent employment decline in Northwest Minnesota over the last decade to a 151.8 percent expansion in Central Minnesota. Southwest Minnesota also saw a big gain in Chemical Manufacturing jobs from 2002 to 2012, although it suffered a small drop in the last two years. Southeast Minnesota lost jobs through 2010, then enjoyed a post-recession resurgence that gave it a net gain for the entire 10-year period. Employment in the Twin Cities declined slowly but steadily from 2002 to 2012 (Table 2).

Chemical Composition

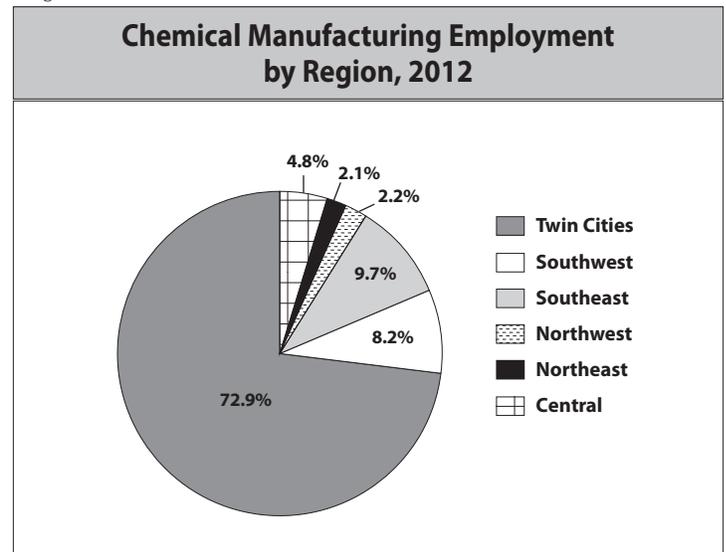
According to data from DEED's Quarterly Workforce Indicators, the mix of workers in the Chemical Manufacturing sector are more likely to be male, between 25 and 54 years of age, and college educated than workers in other industries. About two-thirds (63.6%) of the Chemical Manufacturing workforce was male, though that was 7 percent less than the Manufacturing industry as a whole (70.7%). The total of all industries are split more evenly between males (49.0%) and females (51.0%).

Almost three-fourths (74.2%) of the Chemical Manufacturing workforce was in their prime working years, from 25 to 54, compared to just two-thirds (66.2%) of the total workforce. Likewise, the largest component — 28.7 percent — was 45 to 54 years of age, which was 5 percent higher than the total of all industries.

About 20 percent of the workforce in both Chemical Manufacturing and the total of all industries were 55 years and over, although less than 3 percent were over 65 years. In contrast, only 5.5 percent of the Chemical Manufacturing workforce was under 25 years of age, compared to 14 percent of the total of all industries (Figure 3).

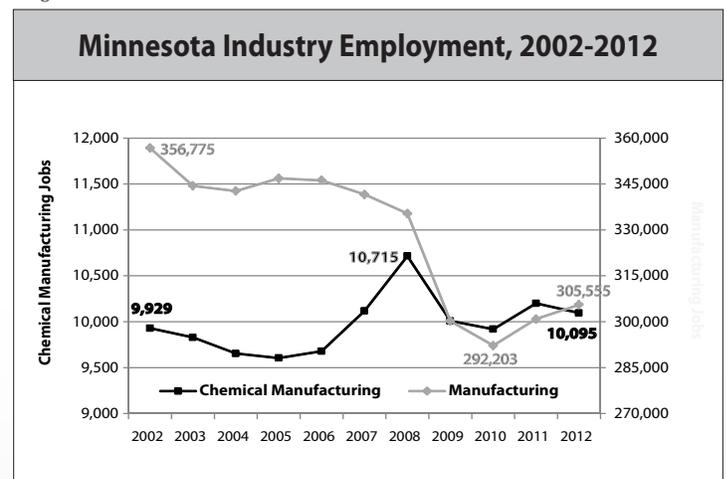
As noted, workers in the Chemical Manufacturing sector were more likely to be college educated than workers in other industries. Thirty percent of workers had bachelor's or advanced

Figure 1



Source: DEED QCEW program

Figure 2



Source: DEED Quarterly Workforce Indicators

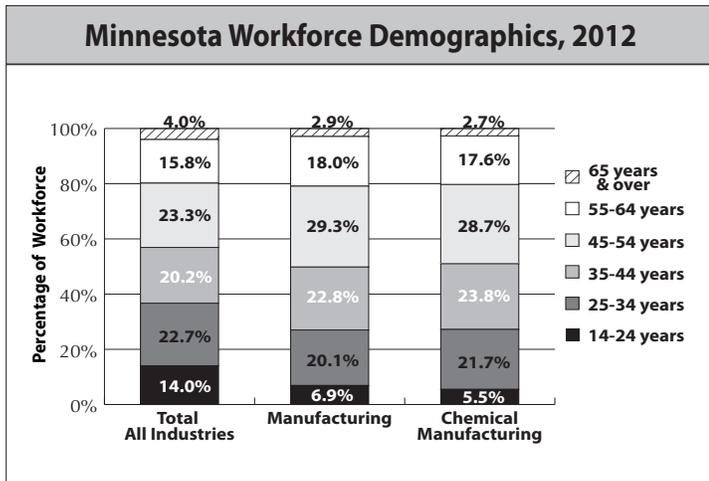
Chemical Manufacturing Employment by Region, 2002-2012

Table 2

Region	2002 Jobs	2010 Jobs	2012 Jobs	Change in Jobs	
				2002-2012	2010-2012
Central	193	268	486	+151.8%	+81.3%
Northeast	232	224	209	-9.9%	-6.7%
Northwest	300	189	217	-27.7%	+14.8%
Southeast	897	833	977	+8.9%	+17.3%
Southwest	538	849	827	+53.7%	-2.6%
Twin Cities	7,756	7,465	7,318	-5.6%	-2.0%

Source: DEED QCEW program

Figure 3



Source: DEED Quarterly Workforce Indicators

degrees, which was 4 percent higher than the total of all industries and 8 percent higher than the Manufacturing industry as a whole. Likewise, almost one-third (31.7%) of Chemical Manufacturing jobs were held by workers who had some college or an associate degree, which was about 2.5 percent higher than the total of all industries. The remaining one-third of workers had a high school diploma or less, which was 6.5 percent lower than Manufacturing but in line with the total of all industries (Figure 4).

Chemical Experiments

Data show that job seekers looking to get into the high-paying Chemical Manufacturing sector will likely need some education or training beyond high school. Of the top 20 jobs in the sector, only one — packers and packagers — does not require at least a high school diploma, and it was easily the lowest paying job. In contrast, several of the larger and faster growing occupations require an associate degree, bachelor's degree, or advanced degree, and pay significantly higher wages in return (Table 3).

According to DEED's 2010 to 2020 Employment Projections, some occupations are expected to see fast growth — including biochemists and biophysicists, medical

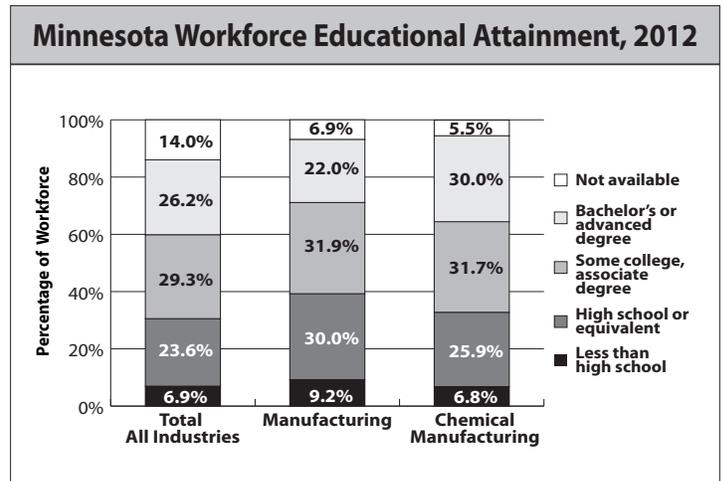
scientists, industrial production managers, industrial machinery mechanics, chemical plant and system operators, and biological technicians — while others may see declines or slower, more stable change — such as chemical equipment operators, natural science managers, chemists, and chemical technicians.

In fact, most of the occupations in demand in Chemical Manufacturing will have more replacement openings — an estimate of the need for new workforce entrants to replace workers who will retire or otherwise leave the occupation permanently — than new jobs created. For example, the largest occupation in the sector, mixing and blending machine operators, is expected to see a decline in the number of jobs, but will still need 610 new workers to fill jobs that become open through retirements or resignations.

Chemical Reactions

Much like the last decade, the Chemical Manufacturing sector is projected to remain stable in the future, though some of the subsectors and regions may again be more volatile. In fact, only two of the seven subsectors are expected to see employment growth over the next decade, with huge job jumps forecasted in Pharmaceutical and Medicine Manufacturing and Basic Chemical

Figure 4



Source: DEED Quarterly Workforce Indicators

Manufacturing. The other five subsectors are projected to decline, with Other Chemical Preparation Manufacturing potentially suffering the biggest job loss (Table 4).

The Twin Cities, Central, and Southwest Minnesota are expected to see job gains, while Northwest and Southeast Minnesota will likely hold steady. Northeast Minnesota is projected to lose almost 10 percent of its Chemical Manufacturing jobs. Different regions are expected to see different opportunities for job growth, though, such as a 53.9 percent increase in Basic Chemical Manufacturing in Southeast, nearly 40 percent gains in Basic Chemical and Pharmaceutical and Medicine Manufacturing in Southwest, 25 percent increases in Soap and Cleaning Compound Manufacturing and Pharmaceutical and Medicine Manufacturing in Central, and an identical 26.5 percent jump in Pharmaceutical and Medicine Manufacturing in the Twin Cities.

As opportunities in the Chemical Manufacturing sector continue to transform, job seekers can react by formulating a plan for a high-paying career.

Table 3

Chemical Manufacturing Occupations in Demand

Title	Median Hourly Wage	Estimated Employment 2010	Projected Employment 2020	Percent Change 2010 - 2020	New Jobs Created 2010 - 2020	Replacement Openings 2010 - 2020	Education & Training Requirements
Industrial Production Managers	\$43.95	4,619	5,275	+14.2%	656	1,090	Bachelor's degree
Natural Sciences Managers	\$51.66	1,332	1,446	+8.6%	114	800	Bachelor's degree
General and Operations Managers	\$42.16	30,604	31,524	+3.0%	920	5,690	Associate degree
Business Operations Specialists	\$28.47	44,157	48,715	+10.3%	4,558	8,470	Long-term on-the-job training
Biochemists and Biophysicists	\$31.32	321	441	+37.4%	120	70	Advanced degree
Medical Scientists, ex. Epidemiologists	\$27.14	1,739	2,292	+31.8%	553	110	Advanced degree
Chemists	\$45.19	1,446	1,556	+7.6%	110	470	Bachelor's degree
Biological Technicians	\$22.24	1,255	1,428	+13.8%	173	420	Bachelor's degree
Chemical Technicians	\$22.64	469	508	+8.3%	39	70	Associate degree
Industrial Machinery Mechanics	\$23.53	6,478	8,012	+23.7%	1,534	1,240	Long-term on-the-job training
General Maintenance and Repair Workers	\$19.13	17,999	19,815	+10.1%	1,816	3,310	Moderate on-the-job training
First-Line Spvrs. of Production Workers	\$26.30	13,283	14,088	+6.1%	805	1,740	Post-secondary non-degree award
Team Assemblers	\$15.13	18,357	20,299	+10.6%	1,942	3,640	Moderate on-the-job training
Chemical Plant and System Operators	\$18.49	93	106	+14.0%	13	30	Long-term on-the-job training
Chemical Equipment Operators	\$21.11	415	412	-0.7%	-3	70	Moderate on-the-job training
Mixing and Blending Machine Operators	\$19.10	2,031	2,019	-0.6%	-12	610	Moderate on-the-job training
Inspectors, Testers, Sorters and Samplers	\$17.57	6,978	7,693	+10.2%	715	1,520	Moderate on-the-job training
Packaging and Filling Machine Operators	\$14.02	9,078	9,439	+4.0%	361	1,500	Moderate on-the-job training
Heavy and Tractor-Trailer Truck Drivers	\$19.45	34,281	42,055	+22.7%	7,774	6,820	Short-term on-the-job training
Packers and Packers, Hand	\$9.67	12,851	13,783	+7.3%	932	3,680	Short-term on-the-job training

Source: DEED Occupational Employment and Wage Statistics, 2010-2020 Employment Outlook tool

Table 4

Minnesota Chemical Manufacturing Employment Projections, 2010 to 2020

NAICS Industry Title	State of Minnesota				Minnesota Planning Regions					
	2010 Estimated Jobs	2020 Projected Jobs	2010-2020 Percent Growth	2010-2020 Numeric Growth	Central	Northeast	Northwest	Southeast	Southwest	Twin Cities
Total, All Industries	2,830,000	3,198,000	+13.0%	+368,000	+18.3%	+13.1%	+14.4%	+14.3%	+10.4%	+12.0%
Manufacturing	292,082	306,280	+4.9%	+14,198	+11.6%	+8.5%	+16.6%	+3.8%	+7.1%	+1.0%
Chemical Manufacturing	9,920	10,310	+3.9%	+390	+11.9%	-9.6%	-0.5%	-0.6%	+24.9%	+2.3%
Basic Chemical Manufacturing	1,210	1,400	+15.7%	+190	ND	ND	0.0%	+53.9%	+37.1%	-24.6%
Resin, Rubber, and Artificial Fibers Mfg.	345	340	-1.4%	-5	ND	ND	ND	ND	ND	+8.2%
Pesticide and Other Agri. Chemical Mfg.	122	80	-34.4%	-42	ND	ND	ND	ND	ND	-32.8%
Pharmaceutical and Medicine Mfg.	3,478	4,400	+26.5%	+922	+26.5%	ND	+4.7%	ND	+39.6%	+26.5%
Paint, Coating, and Adhesive Mfg.	1,265	1,100	-13.0%	-165	ND	+6.7%	ND	ND	ND	-13.5%
Soap and Cleaning Compound Mfg.	1,604	1,500	-6.5%	-104	+25.0%	ND	ND	-8.5%	ND	-7.1%
Other Chemical Product and Prep. Mfg.	1,896	1,490	-21.4%	-406	-40.5%	-12.4%	ND	-17.2%	-19.4%	-23.7%

Source: DEED 2010-2020 Employment Outlook tool

Minnesota Job Outlook

FIRST QUARTER 2013 TO FIRST QUARTER 2014

by Dave Senf
Labor Market Information Office
Minnesota Department of Employment and Economic Development

The U.S. economic recovery, which is now four years old, looks to be headed for another year of modest real GDP growth, with growth hovering around the 2 percent range. The nation's economy has averaged 2.1 percent growth over the last three years which by historical standards is subpar given the depth and length of the Great Recession. Growth will be curbed during the first half of the year as the federal sequester cuts take effect. But the long-awaited housing recovery will gain strength through the year offsetting the drag of federal austerity and helping to accelerate growth by the end of the year.

As of May the nation had regained 6.9 million of the 8.8 million private sector wage and salary jobs lost between 2008 and 2010. On the public side employment climbed from 2008 to 2010, partly from Census hiring, but is now down around half a million from early 2008 when total employment peaked. The net effect is that national wage and salary employment is 2.4 million below the peak reached in January 2008. About 72 percent of the Great Recession job loss had been recaptured as of May 2010.

Unemployment has been slow to improve as a result of the modest pace of the job rebound. May's 7.6 percent unemployment rate, while down from the 10.0 percent peak in October 2010, is still a long way from the 4.6 annual rates in 2006 and 2007. The slow downward drift in the unemployment rate is actually worse than it looks as a good share of the decline can be attributed to workers dropping out of the workforce. Labor force participation has dropped nearly 4 percentage points since 2007 as discouraged job seekers stopped looking for work or headed to school to upgrade their skills. The number of workers unemployed in May, 11.2 million, is more than 40 percent higher than in May 2007.

Fiscal austerity and weak global growth, especially in Europe, are expected to produce a third consecutive year of modest job growth for U.S. workers. Manufacturing, which had been a bright spot during the early stage of the recovery, is slowing as export growth tails off. Monthly job gains will average around 160,000, down slightly from the 170,000 average in 2012. Layoff rates have dropped to prerecession levels but hiring remains tepid. Hiring is expected to pick up in the second half of 2013 as consumer spending and the rebounding housing market emerge as sources of growth.

Household finances have gradually improved over the last four years as debt has been whittled down. Rising home values and the stock-market rally have also bolstered households' balance sheets. Consumer confidence recently climbed to a five-year high which suggests that households may begin to ramp up their spending even though income growth has been lackluster. Consumer spending will also benefit from housing-related purchases as the housing market gains momentum. The housing market revival will drive home-building activity up toward more normal levels. Residential construction usually leads the economy out of downturns but until last year had been a drag on growth.

Minnesota Job Outlook

Minnesota's job recovery is further along than the national recovery as of May. The state has reclaimed 93 percent of the 160,000 jobs lost in 2008-09 compared to the 72 percent recaptured nationally. Minnesota's job loss was less steep than nationwide, 5.8 percent compared to 6.3 percent, and job growth in the state was sustainably stronger in 2011 before cooling to just slightly behind the national pace last year (Figure 1).



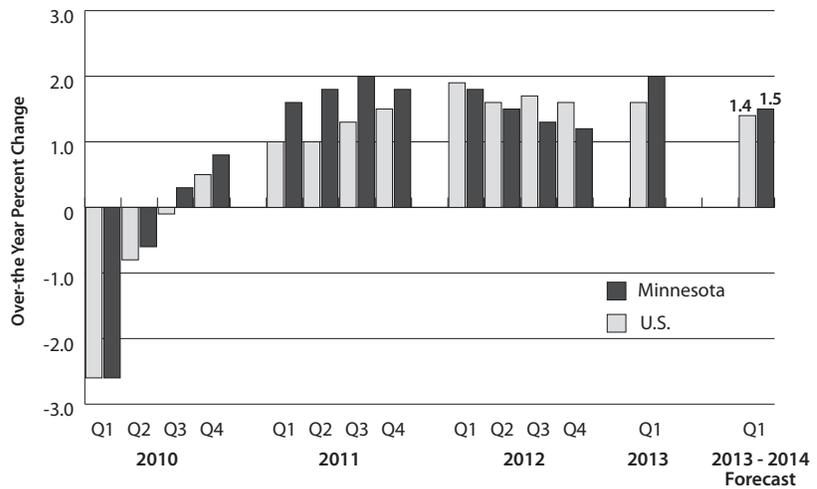
A number of other indicators point toward Minnesota's economy and labor market having made more progress since the recession than the nation has (Table 1). Minnesota's unemployment rate had historically averaged 1.4 percentage points below the national rate but spiked to the national rate for most of 2007 and 2008. After reaching a 26-year high of 8.3 percent in 2009, the state's unemployment rate started to fall gradually while the U.S. rate continued to head upward before finally peaking at 10.0 percent. The national rate remained stuck above 9.0 percent for 16 months while Minnesota's rate slowly but gradually improved. Minnesota's unemployment rate has been running 2 percentage points or more below the U.S. rate for nearly four years now.

Minnesota's unemployment rate has been 2 plus percentage points lower than the U.S. rate for an extended time period only one other time. That time period was right after the 1990-91 recession. Minnesota, unlike many other parts of the country, didn't experience a jobless recovery in 1992-94. Instead job growth rebounded much faster in Minnesota than nationwide helping to improve the state's rating across many economic statistics including per capita income and median household income.

Minnesota's first jobless recovery came after the 2001 recession when state's recovery lagged slightly behind the national rebound. This time the state is bouncing back faster than many parts of the country much like the 1991-94 period. Household employment, which includes the self-employed and

Figure 1

Minnesota and U.S. Quarterly Nonfarm Payroll Employment Growth



Source: CES data, Global Insight, Inc., U.S. Bureau of Labor Statistics, and Minnesota Department of Employment and Economic Development

agricultural employment, is 2.3 percent higher than six years ago in Minnesota but still down 1.3 percent nationwide. The number of unemployed workers in the U.S. is still a staggering 78 percent higher than six years ago while in Minnesota the jobless total is only 18 percent higher. GDP (Gross Domestic Product) and per capita income, two more comprehensive measures of economic well-being, have both improved in Minnesota relative to the U.S. over the last few years. Minnesota's per capita income was 8.3 percent

above the U.S. level. That is the highest the state's per capita income has been compared to the U.S. since the record high 9.2 percent advantage in 2004.

Most leading indicators suggest that Minnesota's painfully slow job recovery will continue for the rest of the year with job spurts followed by periods of small declines or no growth. Initial claims for unemployment are near pre-recession levels. Online help-wanted ads for Minnesota jobs have slipped slightly over the last few months but still account for

Minnesota's Recovery vs. U.S. Recovery

Table 1

	Minnesota	U.S.	Source
Wage and Salary Employment Rebound (as of May 2013)	93 percent of jobs lost recaptured	72 percent of jobs lost recaptured	Current Employment Statistics
Household Employment (May 2007 - May 2013)	2.3 percent higher than six years ago	1.3 percent lower than six years ago	Local Area Unemployment Statistics
Unemployment Rate	Down 3.0 percentage points from 8.3 peak	Down 2.4 percentage points from 10.0 peak	Local Area Unemployment Statistics
Unemployed Workers (May 2007 to May 2103)	18 percent higher than six years ago	78 percent higher than six years ago	Local Area Unemployment Statistics
Labor Force Growth (May 2007 to May 2103)	3 percent larger than six years ago	2 percent larger than six years ago	Local Area Unemployment Statistics
Per Capita Income (Pre-recession peak vs. 2012 level)	0.3 percent less than pre-recession peak	2.4 percent less than pre-recession peak	Bureau of Economic Analysis
Real GDP (2007 level vs. 2012 level)	6.1 percent larger than five years ago	2.5 percent larger five years ago	Bureau of Economic Analysis

a higher percent of national help-wanted ads than is warranted by Minnesota's share of national employment. Minnesota's Purchasing Manager Index (PMI), a leading index similar to the national PMI, has been above the growth neutral reading of 50 for six straight months and has been outpacing the national level for most of that time.

Perhaps most important is the pickup in Minnesota's home-building industry. After several false starts over the last three or four years home construction finally looks to be on a sustainable recovery path. Job growth from a rebounding housing industry will spur more than just stepped-up construction hiring. Higher hiring in other construction-related industries will be generated by an acceleration in home-building activity.

Industry Outlook

Minnesota's expected job gains over the next year will again be led by the Health Care and Social Assistance and Retail Trade sectors. These two sectors accounted for 37 percent of payroll expansion last year and will generate 35 percent of the new jobs in 2013. Every other sector except for Federal Government will add jobs in 2013. Last year all sectors except Federal Government, Educational Services, and Accommodations increased their workforce numbers. The expanding sectors will add around 41,200 jobs, but the federal employment cuts will bring net job growth down to 39,700.

Job growth across most sectors is expected to be down slightly from last year, but five sectors will be adding more jobs this year than in 2012. Educational Services, Accommodation, and State Government will experience the largest pickup in hiring over the next 12 months. Forecasts for job growth across 23 Minnesota sectors between the first quarter of 2013 and first quarter of 2014 are displayed in Figure 2.

Natural Resources and Mining (excluding Agriculture)

Employment in Natural Resources and Mining cooled last year increasing less than half as fast as in 2011. Worldwide steel demand plunged during the Great Recession, forcing large layoffs on the Iron Range four years ago. Taconite employment rebounded with the 2011 recovery in the world steel market, but less growth is expected this year as the global economic growth slows. New mining developments are planned for the Iron Range, but the anticipated job boost is still a couple

of years away. Frac sand mining will add some jobs in Minnesota this year, but the pace will continue to trail Wisconsin's booming frac sand mining operations. A small gain in logging-related jobs is expected in 2013 as the industry benefits from a moderate rebound in home-building.

Construction

Construction employment will record its third straight year of growth in 2013 following six years of decline from 2006 to 2010. Home-building activity will continue to improve during 2013 helping to boost demand for construction workers. Commercial and Industrial Construction is showing signs off taking off, but a sustained recovery is still probably a year or two away. The 2,700 new construction jobs predicted by 2014 will push construction employment up to roughly 75 percent of its peak workforce during the housing boom years of 2005-06.

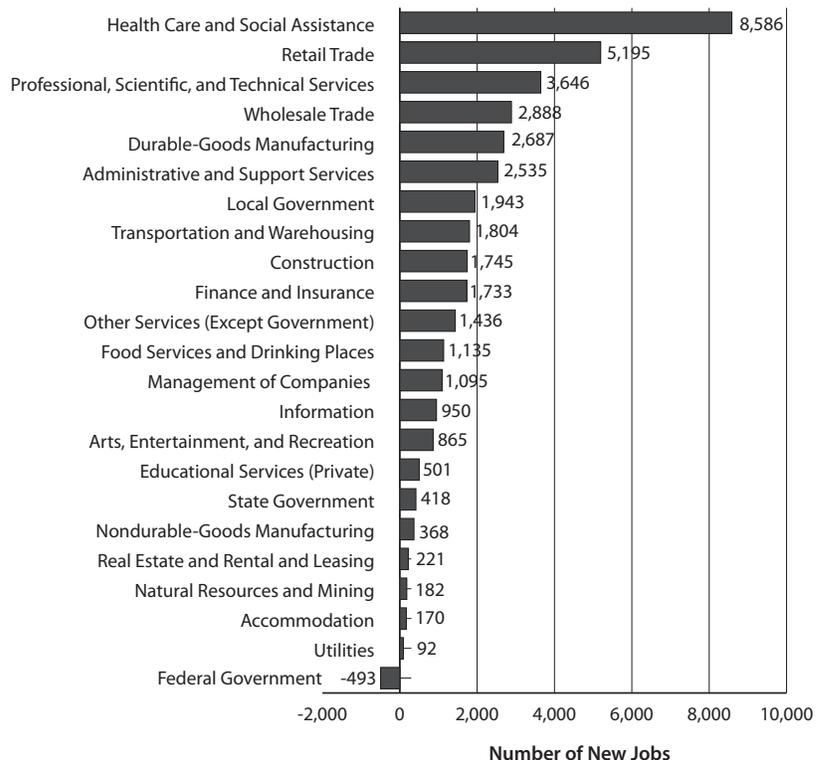
Durable Goods Manufacturing

Payroll numbers at Minnesota's Durable Goods Manufacturers will increase again in 2013, extending job growth for the third year in a row. A slowdown in U.S. exports will limit any significant pickup in hiring. Employment growth will end up being similar to last year's growth with around 2,700 jobs added. Fabricated metal products and machinery manufacturing hiring will offset layoffs in computer and electronic products.

Nondurable Goods Manufacturing

Nondurable Goods Manufacturing employment will also see its third straight year of expansion. This sector hasn't seen three consecutive years of job growth since the mid-1990s. Job growth this year will be 0.3 percent, a slight improvement over last year's 0.1 percent gain. Small workforce expansion in Food, Chemical, and Plastic and in Rubber Products Manufacturing will offset more losses in Printing.

Figure 2 Minnesota's Industry Employment Forecast (1st Quarter 2013 to 1st Quarter 2014)



Source: Minnesota Department of Employment and Economic Development.

NOTES

The Minnesota Department of Employment and Economic Development (DEED) produces two sets of employment projections or forecasts. One set, long-term employment projections, looks 10 years into the future and is aimed at young adults planning a career or older workers considering a career change.

Others job seekers, such as dislocated workers or labor force re-entrants, need information on what the job market will look like next month or nine months down the road. Short-term forecasts strive to fill that need. This report provides a forecast for the state's job market from the first quarter of 2013 to the first quarter of 2014. Short-term forecasts are updated each quarter to account for recent economic developments. These short-term job forecasts, combined with DEED's Job Vacancy Survey and Occupations in Demand (OID), help job seekers identify occupations that are currently in demand as well as occupations that will be in demand over the next year.

Short-term forecasts of industry-based employment are based on monthly Current Employment Statistics (CES) employment data from January 1990 through March 2013. CES employment data cover only wage and salary employment or about 92 percent of total jobs in Minnesota. Estimates and forecasts of agricultural jobs, self-employed farmers, self-employed nonagricultural workers, and domestic workers employed by households are not included in CES data.

Employment forecasts are carried out for 70 industries, mostly at the 2-digit North American Industry Classification System (NAICS) level, using five alternative statistical methodologies. National and Minnesota leading indicators are incorporated in the models. Projected industrial employment is converted to occupational employment forecasts using occupational staffing data from the Occupational Employment Statistics (OES) survey.

Net replacement and total replacement opening estimates are based on national rates of job separation and net movement of new and experienced workers into and out of occupations. The replacement rates are developed by the Bureau of Labor Statistics using Current Population Survey data.



Wholesale Trade

Wholesale trade payrolls spiked last year with more than 5,000 workers added. Hiring will slow this year but the sector will still add nearly 3,000 jobs. The job growth will be split almost evenly between durable and nondurable wholesalers. This sector's workforce is on track to top its pre-recession total in late 2014 or early 2015.

Retail Trade

Retail Trade employment dropped three straight years between 2008 and 2010 before beginning to rebound in 2011. Consumer spending will continue to increase gradually in Minnesota this year as the improving labor market leads to modest wage growth. The advance in consumer spending will generate roughly 5,200 retail jobs over the next 12 months. That's down slightly from last year but about the same as in 2011. About half of the Retail Trade jobs lost during the Great Recession will have been recaptured by 2014.

Utilities

Minnesota's utilities added 130 jobs last year and will add another 100 this year. Utilities have added on average 50 new positions per year during the last decade so the predicted hiring this year will be a notch above average.

Transportation and Warehousing

The deep economic downturn drove Transportation and Warehousing payroll numbers down nearly 7,000 jobs between the first quarter of 2008 and the first quarter of 2010. Since then the sector has regained roughly 5,000 of the lost jobs. Another 1,800 jobs are expected to be added in 2013 bringing the sector's employment base close to its 2008 total of 95,000. That is still way below the sector's peak payroll total of 103,000 workers achieved in 2000. Minnesota lost a ton of Air Transportation jobs ten years ago that will take at least another decade to top through employment growth in other transportation industries like Trucking.

Information

The Information sector broke an 11-year string of job decline last year adding 2,000 jobs. Employment growth is expected to be about half as large this year. Job loss in Publishing and Telecommunications is expected again this year, but cutbacks are expected to be lower than in previous years. Job growth has been accelerating in Other Information Services.

Finance and Insurance

Minnesota's Finance and Insurance workforce came out of the financial crisis four years ago in much better shape than the sector did nationally. Minnesota's finance and insurance companies reduced payrolls by roughly 5.5 percent between 2007 and 2010 while nationally the sector lost 7.5 percent of its workforce. Minnesota finance and insurance employment has grown by 3 percent compared to 2 percent nationwide. The state will add jobs in this sector for the third consecutive year with about 1,700 new jobs anticipated in 2013.

Real Estate and Rental and Leasing

Real Estate and Rental and Leasing employment has been on the upswing since 2010 after having declined by more than 7 percent between 2008 and 2010. The trend is expected to continue this year, but job growth will be down from last year, declining to about 200 new jobs this year from 600 new jobs last year.

Professional, Scientific, and Technical Services

Job expansion in Professional, Scientific, and Technical Service companies was one of the most promising developments in Minnesota's job picture last year. The sector added 4,700 positions in 2012 after having expanded by 3,100 jobs in 2011. Another 3,600 jobs in this high-paying sector are anticipated this year. Last year was the first year in a long time that Minnesota's job growth in this sector exceeded the national pace.

Management of Companies

This sector is composed of employment at corporate, subsidiary, and regional headquarters offices and holding companies. Since 2006 employment in this sector has declined only in 2010. More growth is

anticipated over the next 12 months with another 1,100 jobs added by 2014.

Administrative and Support and Waste Management and Remediation Services

Employment in the Administration and Support sector nosedived by 13 percent during the Great Recession but has coming roaring back since. Temporary employees are included in this sector and accounted for a large share of the decline and the rebound. An additional 2,500 new jobs are expected this year pushing this sector to its all-time employment high for the second year in a row.

Educational Services

Private Educational Services payrolls slipped for the first time in 14 years last year. Employment is expected to rebound partially this year, increasing by 500 jobs — about half of the 1,100 jobs lost last year. Most of the job reduction was in post-secondary institutions.

Health Care and Social Assistance

Employment growth in the huge Health Care and Social Assistance sector lost some steam around the recession but has accelerated sharply over the last two years. After adding nearly 9,000 jobs in 2011, the sector picked up hiring in 2012, adding another 12,000 workers. The sector's hiring pace is expected to slow this year but another 8,600 jobs will be added.

Arts, Entertainment, and Recreation

Employment in Arts, Entertainment, and Recreation dipped between 2008 and 2010 but has bounced back over the last two years. Total employment reached a record high last year, and the sector will add to its workforce again in 2013 with nearly 900 new jobs expected.

Accommodation

After declining by a combined 10 percent in 2008 and 2009, employment in Minnesota's lodging sector appeared ready to bounce back after climbing by 2 percent in 2010. Instead, employment in the sector has been nearly flat over the last two years. The picture is expected to improve only marginally in 2013 with job growth predicted to be by 0.7 percent or about 170 jobs.

Food Services and Drinking Places

After 17 years of adding employees, Food Services and Drinking Places firms reduced their payrolls between 2008 and 2010 as Minnesotans cut back on dining out when personal income dropped during the recession. As personal income started to rebound in 2011, the restaurant business started to rebound, and job growth returned to the sector. Job growth was 1,500 last year and is predicted to be 1,100 this year. This year's job growth may be enough to push Food Services and Drinking Places employment above the pre-recession peak.

All Other Services

Jobs in the All Other Services sector declined in five out of the seven years between 2004 and 2010 before recording growth over the last three years. This positive trend is expected to continue in 2013 with more than 1,400 new jobs anticipated. This year's job growth will bring Other Services employment up to 117,000 or about 2,000 jobs short of the record high of 119,000 reported in 2003.

Government

Minnesota's improving fiscal picture will translate into Local and State Government job growth but Federal Government jobs will continue to shrink in 2013. Federal Government employment in Minnesota will decline for the fourth straight year in 2013 with almost 500 jobs expected to be cut. Local Government payrolls dropped for four years between 2008 and 2011 before bouncing back strongly in 2012. Payroll numbers at the local level are expected to jump again in 2013 increasing by 1,900. The additional jobs will leave Local Government employment two to three thousand jobs short of the all-time high of 292,000 employed in 2002. State Government employment is expected to add around 400 positions in 2013 after changing little last year and dropping by 1,300 positions in 2011. State Government job growth is expected to be split evenly between higher education institutions and all other state government agencies.

Occupational Outlook

The 39,700 new jobs expected between the first quarters of 2103 and 2104 will be spread across all major occupational groups as job growth spills across most industries during the fourth year of Minnesota's economic recovery. During the Great Recession years only a handful of the 22 major occupational groups experienced employment growth since most industries reduced their workforce. Only occupations concentrated in industries that for the most part avoided the worse of the Great Recession managed to grow between 2008 and 2010. Health care practitioners and technical occupations are prime examples of occupations that continued to add positions through the recession years.

Employment climbed in 18 occupational groups over the last two years as the job market gradually strengthened. Payroll numbers will even start to expand this year in three major occupational groups – in business and financial, in education, training, and library, and in farming, fishing, and forestry – that have shrunk during the previous three years.

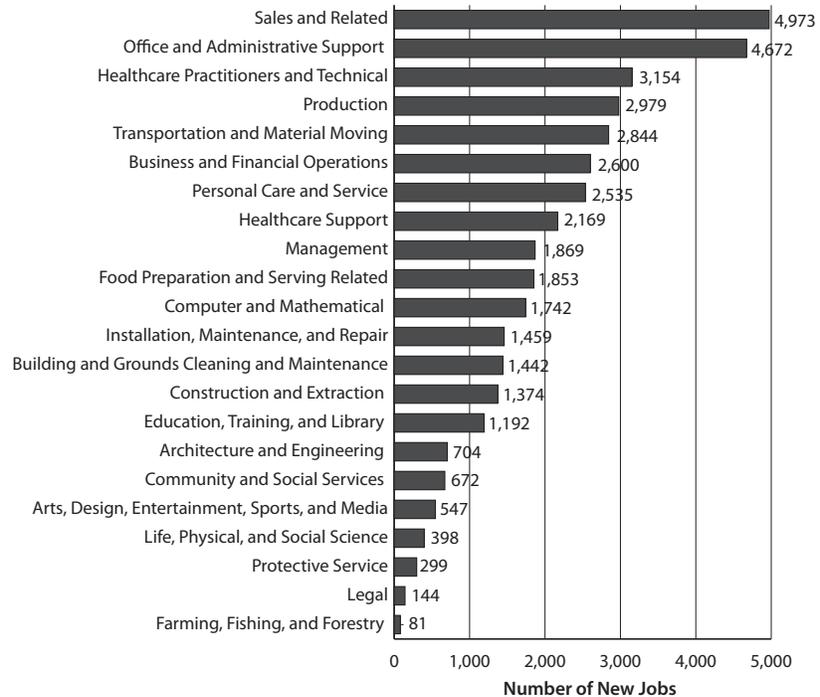
Eight occupational groups are expected to add more than 2,000 jobs each the next 12 months (Figure 3), and 12 of the groups are expected to grow faster than overall job growth. The fastest growing major groups are expected to be healthcare support and personal care and services. Employment in education, training, and library occupations and protective service occupations will be the slowest growing.

More than 85 percent of Minnesota's 786 occupations are expected to experience employment growth over the next 12 months. Most of the increasing occupations, 575 to be precise, will see employment gains of less than 100 jobs. These occupations combined accounted for roughly 34 percent of jobs in 2013 and are predicted to account for 29 percent of employment growth.

Approximately 8 percent of occupations are expected to see little change in employment totals over the next year. These occupations are concentrated in industries predicted to show little job growth in the short-term. Only 50 occupations will shrink over the next 12 months. Job losses in these occupations will add up to roughly 700 positions. Postal service mail sorter and postal service clerk jobs are expected to shrink the most as the Post Office continues to reduce its workforce.

Figure 3

Minnesota's Occupational Employment Forecast (First Quarter 2013 to First Quarter 2014)



Source: Minnesota Department of Employment and Economic Development.

The fastest growing occupations will add employees at a rate two or three times faster than the 1.5 percent total employment expansion. Biomedical engineers, chiropractors, and veterinary technologists are expected to be the frontrunners among occupations growing the fastest (Table 2). The 20 fastest growing occupations combined will account for just more than 4,000 new jobs or roughly 10 percent of forecasted job growth.

Many of the occupations that are expected to add the most jobs are familiar, having made the top 20 list in past years (Table 2). These occupations are either concentrated in industries that are expanding rapidly or are large-sized occupations that add workers even when the economy is only growing moderately. Personal and home care aides, home health aides, and registered nurses are examples of occupations adding significant levels of new workers as a result of strong Health Care and Social Assistance sector employment growth. General office clerks, cashiers, and truck drivers are large-size occupations that add significant number of jobs as the economy

expands. Almost 40 percent of all the new jobs that are expected to be created between the first quarter of 2013 and first quarter of 2014 will be in one of the 20 occupations listed in Table 3.

Job openings related to employment growth, while an important component of the job market, account for a small slice of all job openings available to job seekers. Most openings are created by employee turnover, which occurs for a variety of reasons. A nurse working at a hospital job hops over to a health clinic for better hours. An engineer switches careers, becoming a high school math teacher. A 25-year-old housekeeper earns her degree in accounting and leaves for a job in her field. Or a 60-year old machinist retires from his manufacturing firm after working there for 30 years.

While data limitations preclude reliable estimates of job openings arising from workers switching employers but still working in the same occupation, census data on occupational changes by workers can be used to estimate

Table 2

Top 20 Fastest Growing Occupations	Estimated 1st Quarter 2013 Employment	Forecast 1st Quarter 2014 Employment	Forecast Percent Change	Forecast Numerical Change
Biomedical Engineers	996	1,053	5.7	57
Chiropractors	987	1,034	4.8	47
Veterinary Technologists and Technicians	2,019	2,108	4.4	89
Veterinarians	1,363	1,423	4.4	60
Helpers--Carpenters	536	559	4.3	23
Tree Trimmers and Pruners	718	747	4.0	29
Massage Therapists	1,963	2,042	4.0	79
Veterinary Assistants and Laboratory Animal Caretakers	998	1,036	3.8	38
Meeting and Convention Planners	1,572	1,631	3.8	59
Nonfarm Animal Caretakers	2,245	2,329	3.7	84
Dispensing Opticians	1,528	1,585	3.7	57
Cabinetmakers and Bench Carpenters	2,355	2,439	3.6	84
Personal and Home Care Aides	46,464	48,105	3.5	1,641
Multi-Media Artists and Animators	776	803	3.5	27
Home Health Aides	37,888	39,179	3.4	1,291
Brickmasons and Blockmasons	940	972	3.4	32
Demonstrators and Product Promoters	1,066	1,102	3.4	36
Market Research Analysts and Marketing Specialists	9,711	10,033	3.3	322
Actuaries	695	718	3.3	23
Marriage and Family Therapists	1,004	1,037	3.3	33

Source: Minnesota Department of Employment and Economic Development

Table 3

	Top 20 Occupations Adding the Most Jobs	Estimated 1st Quarter 2013 Employment	Forecast 1st Quarter 2014 Employment	Forecast Percent Change	Forecast Numerical Change
1	Retail Salespersons	81,796	83,868	2.5	2,072
2	Personal and Home Care Aides	46,464	48,105	3.5	1,641
3	Home Health Aides	37,888	39,179	3.4	1,291
4	Combined Food Preparation and Serving Workers	53,544	54,776	2.3	1,232
5	Registered Nurses	56,449	57,632	2.1	1,183
6	General Office Clerks	60,530	61,379	1.4	849
7	Cashiers	58,701	59,477	1.3	776
8	Truck Drivers, Heavy and Tractor-Trailer	30,689	31,420	2.4	731
9	Janitors and Cleaners	42,475	43,159	1.6	684
10	Customer Service Representatives	43,643	44,268	1.4	625
11	Sales Representatives, Wholesale and Manufacturing	27,378	27,917	2.0	539
12	Laborers and Freight, Stock, and Material Movers, Hand	30,705	31,229	1.7	524
13	Bookkeeping, Accounting, and Auditing Clerks	35,940	36,452	1.4	512
14	Business Operations Specialists, All Other	39,150	39,645	1.3	495
15	Supervisors/Managers of Retail Sales Workers	22,729	23,198	2.1	469
16	Landscaping and Groundskeeping Workers	12,694	13,067	2.9	373
17	Nursing Aides, Orderlies, and Attendants	31,511	31,870	1.1	359
18	Software Developers, Applications	15,373	15,726	2.3	353
19	Receptionists and Information Clerks	20,749	21,094	1.7	345
20	Supervisors/Managers of Office/Administrative Support Workers	24,510	24,844	1.4	334

Source: Minnesota Department of Employment and Economic Development

'replacement' openings. Replacement openings arise as workers leave occupations, not just change employers. Some workers switch occupations, other workers retire, return to school, or quit a job for health reasons or to assume household responsibilities.

While individuals already in the workforce will fill many of the replacement openings, some job openings will remain vacant since some workers have left the workforce. The openings not filled by workers already in the workforce are 'net replacement openings.' New

workforce entrants and individuals reentering the workforce are more likely to land jobs in occupations where employment is growing or has high net replacement needs.

An estimated 62,000 job openings will be generated by replacement needs over the next 12 months. Total job openings will top 104,000 when job openings from replacement needs are combined with job openings arising from employment growth. Almost all occupations will have some job openings from the need for replacements including occupations expected to decline

over the year. For example, the number of workers employed as waiters and waitresses are expected to be down slightly in 2014, but 2,400 net replacement openings are anticipated next year in this occupation. Table 4 lists the Top 20 occupations when ranked by 'total job openings'. The occupations expected to have the most total job openings over the next year tend to be occupations that already employ a large number of workers and have high turnover rates.

Table 4

	Top Occupations with Most Total Job Openings	Estimated 1st Quarter 2013 Employment	Forecast 1st Quarter 2014 Employment	Forecast Percent Change	Forecast Numerical Change	Forecast Total Job Openings
1	Retail Salespersons	81,796	83,868	2.5	2,072	4,589
2	Cashiers	58,701	59,477	1.3	776	4,202
3	Combined Food Preparation and Serving Workers	53,544	54,776	2.3	1,232	2,985
4	Waiters and Waitresses	45,968	45,962	0.0	-6	2,439
5	Registered Nurses	56,449	57,632	2.1	1,183	2,041
6	Personal and Home Care Aides	46,464	48,105	3.5	1,641	1,932
7	Office Clerks, General	60,530	61,379	1.4	849	1,871
8	Customer Service Representatives	43,643	44,268	1.4	625	1,822
9	Home Health Aides	37,888	39,179	3.4	1,291	1,718
10	Laborers and Freight, Stock, and Material Movers, Hand	30,705	31,229	1.7	524	1,523
11	Janitors and Cleaners	42,475	43,159	1.6	684	1,417
12	Counter Attendants, Cafeteria and Food Concession	10,306	10,430	1.2	124	1,312
13	Truck Drivers, Heavy and Tractor-Trailer	30,689	31,420	2.4	731	1,298
14	Business Operations Specialists, All Other,	39,150	39,645	1.3	495	1,168
15	Sales Reps, Except Technical and Scientific Products	27,378	27,917	2.0	539	1,162
16	Stock Clerks and Order Fillers	35,185	35,356	0.5	171	1,066
17	Receptionists and Information Clerks	20,749	21,094	1.7	345	1,006
18	Supervisors/Managers of Retail Sales Workers	22,729	23,198	2.1	469	975
19	Supervisors/Managers of Office/Administrative Support Workers	24,510	24,844	1.4	334	958
20	Bookkeeping, Accounting, and Auditing Clerks	35,940	36,452	1.4	512	904

Source: Minnesota Department of Employment and Economic Development