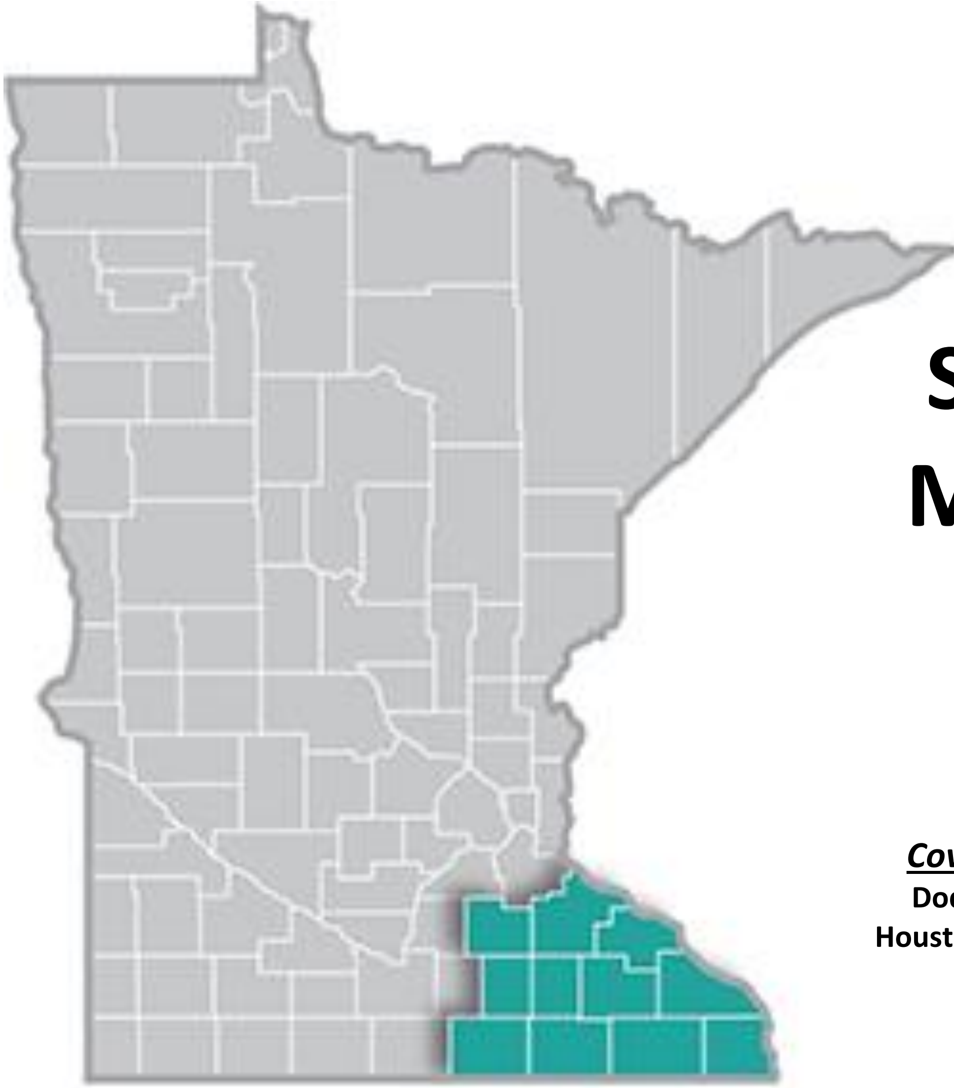

# SOUTHEAST MINNESOTA PLANNING REGION

***Covering the following counties:***
**Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha and Winona Counties**

# 2024 REGIONAL PROFILE

***Updated September 2024***

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# DEMOGRAPHICS

## POPULATION CHANGE

Southeast Minnesota, also known as Economic Development Region 10, is an 11-county region located in the southeastern corner of the state, bordering Iowa and Wisconsin. Accounting for 9.1% of the state's total population, Southeast was the second largest of the 13 economic development regions (EDRs) but fourth largest of the 6 planning regions in the state. The regional population increased by 3,505 residents from 2020 to 2023, a 0.7% increase, slightly faster than the 0.6% statewide rise (Table 1). Nine of the 11 counties in Southeast added population so far this decade, with Freeborn and Houston being the exceptions. Olmsted was the largest county in the region, accounting for 31.4% of the regional population in 2023, and saw the largest increase since 2020, making it the 30th fastest growing county (of 87) in the state. Rice and Wabasha saw population increases over 1%, making them the 35th and 45th fastest growing counties. In contrast, Freeborn County saw the largest loss, dropping -380 residents.

**Table 1. Population Change 2020-2023**

| | 2020 Population | 2023 Estimates | *2020-2023 Change* | |
|---|---|---|---|---|
| | | | *Number* | *Percent* |
| Dodge Co. | 20,867 | 21,088 | *+221* | *+1.1%* |
| Fillmore Co. | 21,228 | 21,522 | *+294* | *+1.4%* |
| Freeborn Co. | 30,895 | 30,515 | *-380* | *-1.2%* |
| Goodhue Co. | 47,582 | 48,035 | *+453* | *+1.0%* |
| Houston Co. | 18,843 | 18,582 | *-261* | *-1.4%* |
| Mower Co. | 40,029 | 40,058 | *+29* | *+0.1%* |
| Olmsted Co. | 162,847 | 164,784 | *+1,937* | *+1.2%* |
| Rice Co. | 67,097 | 67,948 | *+851* | *+1.3%* |
| Steele Co. | 37,406 | 37,421 | *+15* | *+0.04%* |
| Wabasha Co. | 21,387 | 21,683 | *+296* | *+1.4%* |
| Winona Co. | 49,671 | 49,721 | *+50* | *+0.1%* |
| **Southeast Minnesota** | **517,852** | **521,357** | ***+3,505*** | ***+0.7%*** |
| **State of Minnesota** | **5,706,494** | **5,737,915** | ***+31,421*** | ***+0.6%*** |

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

## COMPONENTS OF POPULATION CHANGE

The recent population growth in Southeast was fueled primarily by a natural increase – more births than deaths – but also due to positive international in-migration (Table 2). However, the growth in foreign-born residents slowed in 2020 due to the pandemic and other factors, after being a much larger component of population growth in the previous decade.

**Table 2. Estimates of the Components of Population Change, 2020-2023**

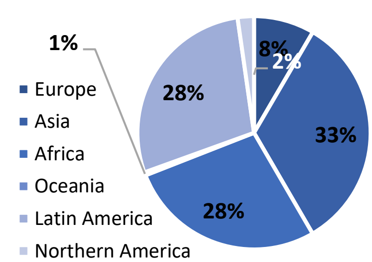
| | Total Change | Natural Increase | Vital Events | | Net Migration | | |
|---|---|---|---|---|---|---|---|
| | | | Births | Deaths | Total | Inter-national | Domestic |
| Southeast | +3,495 | +2,158 | 18,290 | 16,132 | +1,049 | +3,171 | -2,122 |
| Minnesota | +31,111 | +40,368 | 207,857 | 167,489 | -11,352 | +34,624 | -45,976 |

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

With the international in-migration, Southeast Minnesota was now home to almost 35,750 foreign born residents, or 6.9% of the total population. That was lower than the statewide average, where 8.5% of residents are foreign born. However, the number of immigrants in the region increased by 37.4% from 2010 to 2022, which was higher than the statewide growth rate of 31.3%. The largest number of immigrants in the region came from Asia, Latin America, and Africa, with a smaller number from Europe (Figure 1). The fastest increase in immigrants over the past decade came from Africa, which saw a 154.9% increase since 2010.

Based on year of entry, Southeast's foreign born population was "newer" than the rest of the state, as 38.2% of the region's immigrants entered the U.S. since 2010 and another 26.7% entered between 2000 and 2009, compared to 32.9% and 28.6% statewide. Foreign born residents have a younger age profile than the native-born population, with 61% being between 25 and 54 years of age, compared to 36% overall. Educational attainment is varied among immigrants. While a higher percentage of foreign-born residents had an advanced degree than native born residents, immigrants were also much more likely to have less than a high school diploma.

**Figure 1. Place of Birth for the Foreign Born Population, 2022**

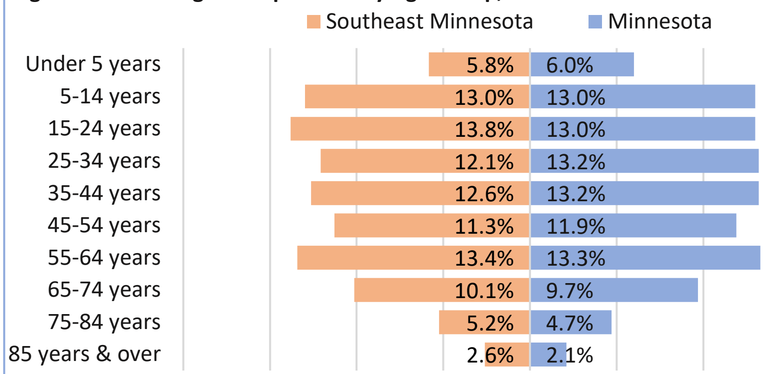



*Source: 2018-2022 American Community Survey*

## POPULATION BY AGE GROUP

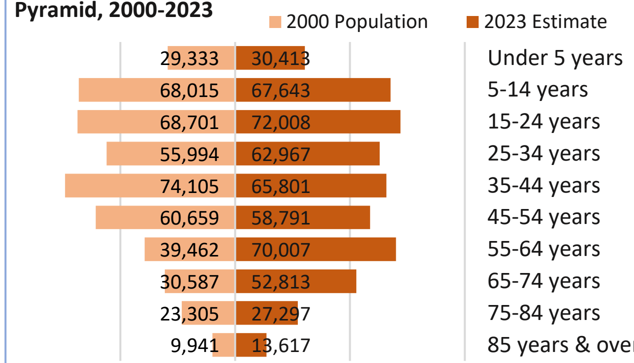
Southeast Minnesota has both a younger *and* older population than the state – nearly one-third (31.3%) of the region's population was 55 or older, compared to 29.8% statewide, and another one-third (32.6%) of the population was also under 25 years, compared to 32% in the state. This leaves Southeast with 36% of people in the 25 to 54 year age group - typically considered the "prime working years." A large portion of the area's population is a part of the Baby Boom generation, which is creating a significant shift in regional demographics over time. Between 2000 and 2023, over 60,400 more residents were in the 55 years or older groups (Figures 2 and 3).

**Figure 2. Percentage of Population by Age Group, 2023**




*Source: 2018-2022 American Community Survey, 2023 Population Estimates*

**Figure 3. Southeast Minnesota Population Pyramid, 2000-2023**

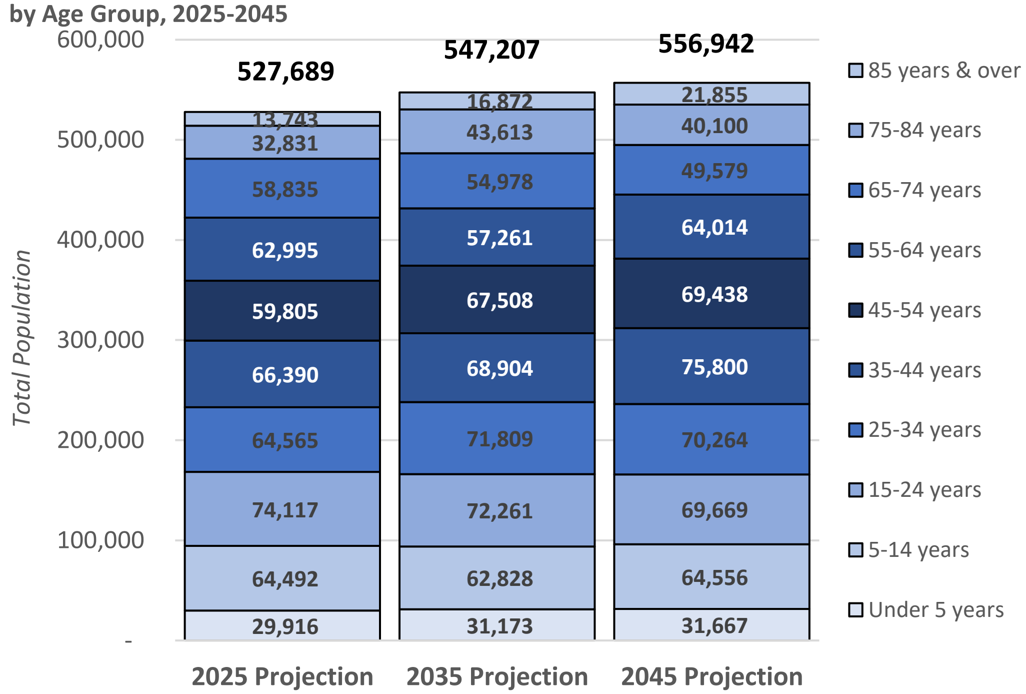



*Source: 2023 Population Estimates*

## POPULATION PROJECTIONS BY AGE GROUP

Southeast is projected to continue its population increase over the next two decades. Population projections from the [Minnesota State Demographic Center](#) show that the area is expected to see a gain of 29,250 people from 2025 to 2045, a 5.5% increase (Figure 4). In comparison, the state of Minnesota is projected to grow 5.5% from 2025 to 2045, closing in on 6.1 million residents.

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




*Source: Minnesota State Demographic Center*

Like the recent shift, projections for growth vary widely by age. The region is expected to add residents in every age group, with the exception of the 15-to-24 year olds and the 65 to 74-year-old group, in the next 20 years. The 65-to-74 year age group is expected to lose 9,250 people, as the Baby Boom generation ages out of those cohorts and into the oldest age groups. However, this will also lead to over 15,000 more residents aged 75 years and over. The region is also expected to see steady growth in the youngest age groups.

## POPULATION BY RACE

The population in Southeast Minnesota has had some significant changes since the turn of the century, however it remains less racially diverse than the state as a whole. In 2022, 86% of the region's residents reported White alone as their race, compared to 79.7% of residents statewide. Every other race increased faster than the white population, which actually declined from 2011 to 2022. The number of residents who were Black or African American increased by 72.9%, and the number of people of Some Other Race or Two or More Races increased by over 121.3% and 212%. American Indian, Asian, and Hispanic or Latino populations also saw notable increases over the past decade (Table 3).

| Table 3. Race and Hispanic Origin, 2022 | Southeast Minnesota | | | | Minnesota | |
|---|---|---|---|---|---|---|
| | Number | Percent | *Change from 2011- 2022 Numeric* | *Percent* | Percent | *Change From 2011-2022* |
| **Total** | **517,713** | **100.0%** | ***+25,209*** | ***+5.1%*** | **100.0%** | ***+7.9%*** |
| White | 444,981 | 86.0% | *-10,411* | *-2.3%* | 79.7% | *-0.4%* |
| Black or African American | 20,550 | 4.0% | *+8,664* | *+72.9%* | 6.7% | *+44.3%* |
| American Indian & Alaska Native | 1,800 | 0.3% | *+188* | *+11.7%* | 0.9% | *-10.2%* |
| Asian & Other Pac. Islander | 17,356 | 3.4% | *+5,723* | *+49.2%* | 5.1% | *+37.1%* |
| Some Other Race | 10,626 | 2.1% | *+5,824* | *+121.3%* | 2.3% | *+84.7%* |
| Two or More Races | 22,400 | 4.3% | *+15,221* | *+212.0%* | 5.3% | *+159.6%* |
| Hispanic or Latino origin | 31,678 | 6.1% | *+7,896* | *+33.2%* | 5.7% | *+34.6%* |

*Source: U.S. Census Bureau, 2018-2022 American Community Survey*

## EDUCATIONAL ATTAINMENT

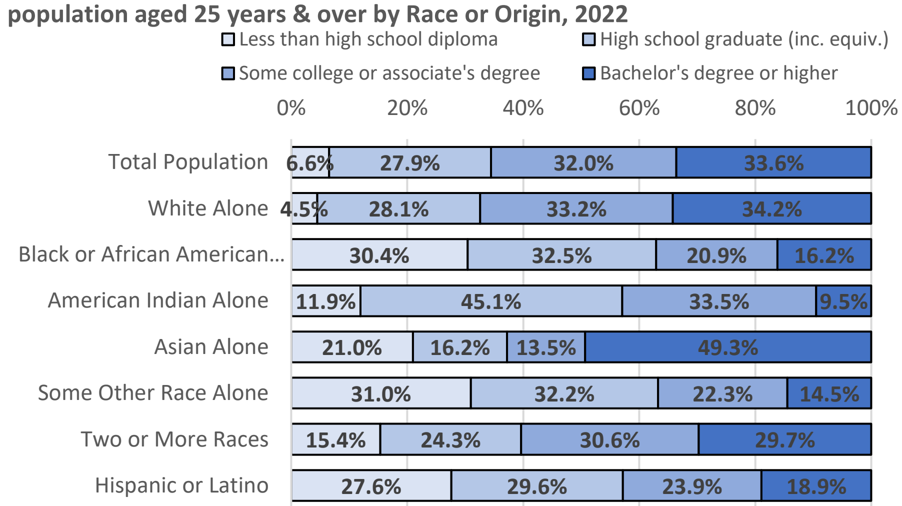
With 42.8% of adults aged 18 years and over holding a college degree, Southeast had lower educational attainment than the state in 2022, where 46.6% of adults have an associate, bachelor's, or advanced degree. In contrast, Southeast had a similar percentage of people with some college but no degree and a higher percentage with a high school diploma or less. Regional educational attainment for post-secondary degree holders only exceeded the state in associate degrees (Table 4).

| Table 4. Educational Attainment for the Population Aged 18 years & Over | Southeast Minnesota | | Minnesota |
|---|---|---|---|
| | Number | Percent | Percent |
| **Total, 18 years & over** | **399,457** | **100.0%** | **100.0%** |
| Less than high school | 28,721 | 7.2% | 7.0% |
| High school graduate (incl. equiv.) | 113,536 | 28.4% | 24.5% |
| Some college, no degree | 85,835 | 21.5% | 22.0% |
| Associate's degree | 48,134 | 12.0% | 11.1% |
| Bachelor's degree | 78,322 | 19.6% | 23.7% |
| Advanced degree | 44,909 | 11.2% | 11.8% |

*Source: 2018-2022 American Community Survey, 5-Year Estimates*

Like the rest of the state, educational attainment varies significantly by race and ethnicity in Southeast. Almost 63% of Black or African American residents and people of Some Other Race have a high school diploma or less, as does nearly 58% of Hispanic or Latinos, compared to 32.6% of whites. At just 9.5%, American Indians had the lowest percent of adults with a bachelor's degree or higher, followed by 14.5% of those of Some Other Race, 16.2% of Blacks or African Americans, and 18.9% of Hispanics or Latinos. In comparison, 34.2% of Whites and 49.3% of Asians had this level of education (Figure 5).

**Figure 5. Southeast Minnesota Educational Attainment for the population aged 25 years & over by Race or Origin, 2022**



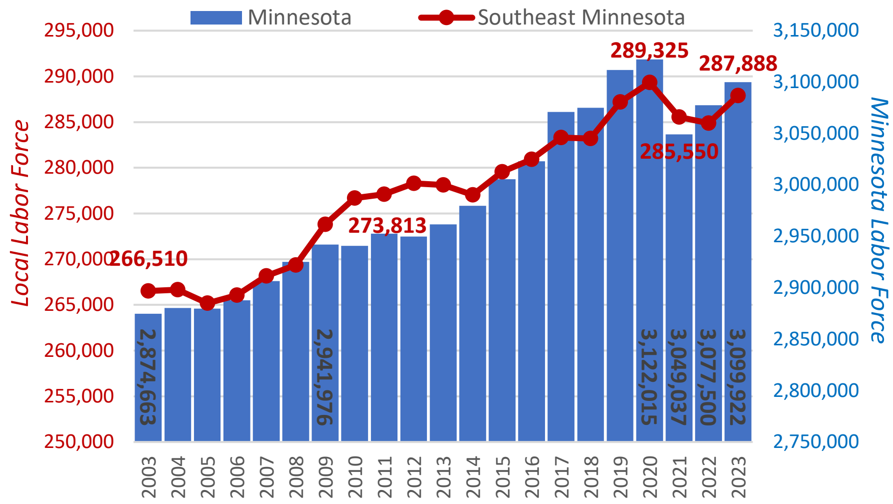

*Source: 2018-2022 American Community Survey*

# LABOR FORCE

## LABOR FORCE CHANGE

According to data from DEED's [Local Area Unemployment Statistics](#) program, Southeast had an annual average labor force count of just under 287,900 workers in 2023, an increase of 2,480 since 2022. The region's labor force had been growing up until the COVID-19 pandemic, which caused significant changes in the labor force and economy (Figure 6).

Figure 6. Annual Labor Force Estimates, 2003-2023

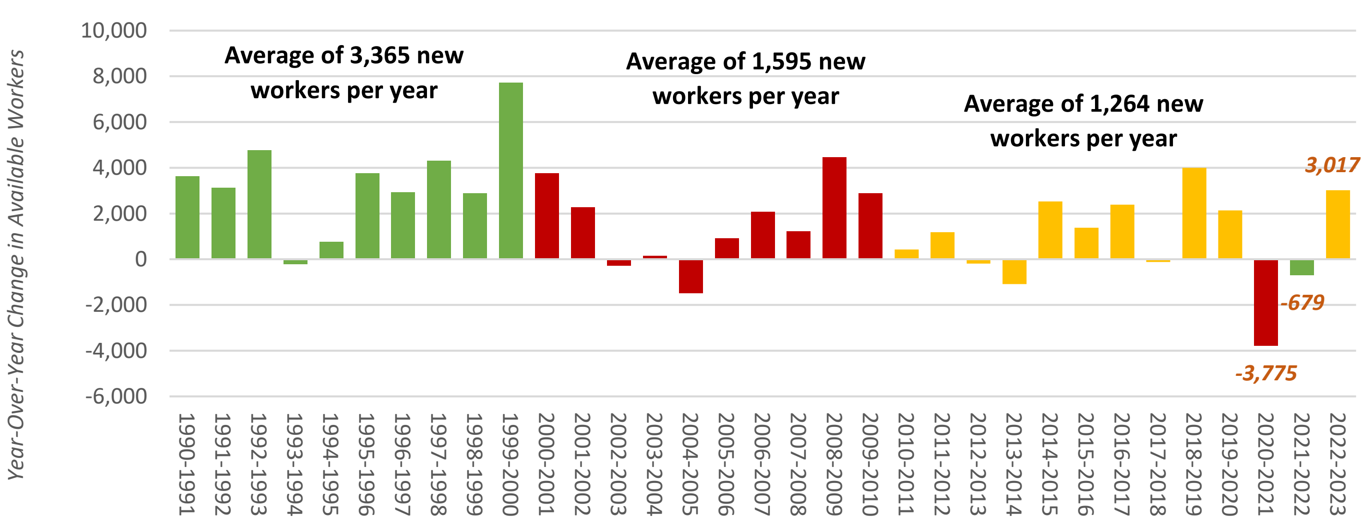



Source: DEED Local Area Unemployment Statistics (LAUS) program

Over time, the size of the region's labor force has steadily grown, rising from 266,510 workers in 2003 to a peak of 289,325 workers in 2020, then dropping by almost 4,500 workers from 2020 to 2022. With recovering but still lower numbers compared to the peak, the labor market in Southeast continues to tighten, with fewer unemployed workers available.

Averaging a net gain of 3,365 additional labor force participants per year between 1990 and 2000, employers in Southeast were able to tap into a large and growing pool of talented workers. Although the regional labor force and economy continue to grow, the rate of labor force growth is slowing down considerably, demonstrated by Southeast adding an average of only 1,264 workers per year from 2010 to 2020 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in Southeast Minnesota. In the face of these constraints, it has become evident that a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and immigration has been and will continue to be a vital source of the workers that employers need to succeed. As the white, native-born workforce continues to age, younger workers of different races or from different countries will comprise the fastest growing segment of the labor force.

Figure 7. Southeast Minnesota Annual Change in Labor Force, 1990-2023




Source: DEED Local Area Unemployment Statistics (LAUS)

## LABOR FORCE PROJECTIONS

Similar to the projected population increase in Southeast Minnesota from 2025 to 2045 (shown in Figure 4), the regional labor force is expected to grow during this time frame. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show an increase of 3.6% in workforce numbers, a gain of 10,156 workers. As the Baby Boom generation ages and drops out of the labor force, a loss in the number of workers aged 55 to 74 supplemented by losses in those between the ages 16 to 19 by 2035. The number of workers aged 20 to 54 years is expected to swell by 15,550 workers, as well as 843 workers aged 75 years and over (Table 5).

**Table 5. Labor Force Projections, 2025-2035**

| Southeast Minnesota | 2025 Labor Force Projection | 2035 Labor Force Projection | 2025-2035 Change | |
|---|---|---|---|---|
| | | | *Numeric* | *Percent* |
| 16 to 19 years | 16,046 | 15,139 | *-907* | *-5.7%* |
| 20 to 24 years | 31,084 | 31,227 | *+142* | *+0.5%* |
| 25 to 44 years | 116,157 | 124,812 | *+8,655* | *+7.5%* |
| 45 to 54 years | 52,530 | 59,296 | *+6,766* | *+12.9%* |
| 55 to 64 years | 46,813 | 42,552 | *-4,261* | *-9.1%* |
| 65 to 74 years | 16,510 | 15,428 | *-1,082* | *-6.6%* |
| 75 years & over | 2,821 | 3,664 | *+843* | *+29.9%* |
| **Total Labor Force** | **281,962** | **292,118** | ***+10,156*** | ***+3.6%*** |

*Source: calculated from Minnesota State Demographic Center population projections and 2018-2022 American Community Survey 5-Year Estimates*

## EMPLOYMENT CHARACTERISTICS

With 67.4% of the population over 16 years of age in the labor force, Southeast had a slightly lower overall labor force participation rate than the state. However, four age groups had higher labor force participation rates than those statewide, but because the region's population is slightly older, that skews the overall rate downward (Table 6).

**Table 6. Employment Characteristics, 2022**

| | Southeast Minnesota | | | Minnesota | |
|---|---|---|---|---|---|
| | In Labor Force | Labor Force Partic. Rate | Unemp. Rate | Labor Force Partic. Rate | Unemp. Rate |
| **Total Labor Force** | **278,350** | **67.4%** | **3.5%** | **68.7%** | **4.0%** |
| 16 to 19 years | 15,897 | 55.8% | 9.0% | 53.0% | 9.8% |
| 20 to 24 years | 28,876 | 81.4% | 5.2% | 83.1% | 6.7% |
| 25 to 44 years | 113,419 | 88.7% | 3.3% | 88.8% | 3.5% |
| 45 to 54 years | 51,279 | 87.8% | 2.9% | 87.8% | 2.9% |
| 55 to 64 years | 51,660 | 74.3% | 2.6% | 72.8% | 3.1% |
| 65 to 74 years | 14,717 | 28.1% | 2.2% | 27.6% | 3.3% |
| 75 years & over | 2,461 | 6.1% | 1.7% | 6.6% | 3.2% |
| **Employment Characteristics by Race & Hispanic Origin** | | | | | |
| White alone | 241,954 | 66.7% | 3.1% | 67.8% | 3.4% |
| Black or African American | 9,017 | 67.7% | 10.9% | 71.5% | 8.7% |
| American Indian & Alaska Native | 762 | 53.2% | 4.3% | 57.6% | 11.9% |
| Asian or Other Pac. Islanders | 9,997 | 74.9% | 3.1% | 73.9% | 3.6% |
| Some Other Race | 6,274 | 76.8% | 6.4% | 76.1% | 6.1% |
| Two or More Races | 10,329 | 74.9% | 5.5% | 74.3% | 6.6% |
| Hispanic or Latino | 15,859 | 76.2% | 6.1% | 77.0% | 6.3% |
| **Employment Characteristics by Veteran Status, 18 to 64 years** | | | | | |
| Veterans, 18 to 64 years | 9,839 | 82.3% | 2.8% | 81.1% | 4.0% |
| **Employment Characteristics by Disability, 20 to 64 years** | | | | | |
| With Any Disability, 20 to 64 years | 13,009 | 56.0% | 9.0% | 54.4% | 10.2% |
| **Employment Characteristics by Educational Attainment, 25 to 64 years** | | | | | |
| Population, 25 to 64 years | 216,397 | 84.6% | 3.0% | 84.4% | 3.3% |
| Less than H.S. Diploma | 11,157 | 71.0% | 4.7% | 67.2% | 4.6% |
| H.S. Diploma or Equivalent | 49,791 | 78.1% | 2.0% | 76.8% | 2.5% |
| Some College or Assoc. Degree | 74,325 | 86.5% | 2.6% | 85.1% | 3.6% |
| Bachelor's Degree or Higher | 81,109 | 89.7% | 1.7% | 90.3% | 2.0% |

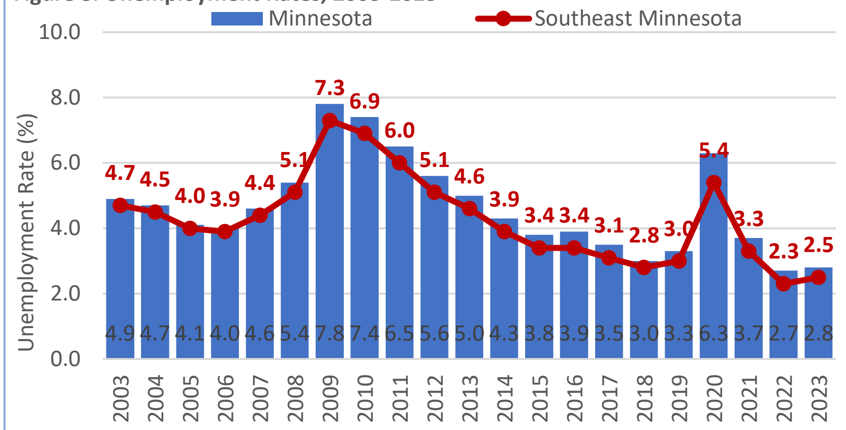
*Source: 2018-2022 American Community Survey, 5-Year Estimates*

Labor force participation rates varied by race and ethnicity in Southeast, but also lagged behind state averages for most groups. The lowest labor force participation rates by race were seen by American Indian and Alaska Natives and white alone workers. In addition, people between the ages of 16 and 19, those with a disability, and those with less than a high school diploma also had lower labor force participation rates. Black or African Americans saw the largest discrepancy in unemployment rate, with a regional rate of 10.9% compared to 3.1% for whites and compared to 8.7% for Blacks statewide. In addition, workers between the ages of 16 to 19 and those with a disability also had much higher unemployment rates than the overall average.

## UNEMPLOYMENT RATES

Regardless of the state of the economy, Southeast has consistently reported lower unemployment rates than Minnesota overall since 2003. According to the [Local Area Unemployment Statistics](#) program, the unemployment rate in Southeast typically drifted about 0.1 to 0.5 points below the statewide rate, shifting in sync to economic fluctuation. During the Great Recession, it rose as high as 7.3% in 2009, but fell back to pre-recession rates by 2014. The regional rate held steady in 2016 before dropping to 2.8% in 2018. Needless to say, the pandemic of 2020 caused a significant jump in the unemployment rate, up to 5.4%, before it dropped back to an annual average of 3.3% in 2021, then down to 2.3% in 2022 and 2.5% in 2023 as labor market conditions tightened (Figure 8).

Figure 8. Unemployment Rates, 2003-2023

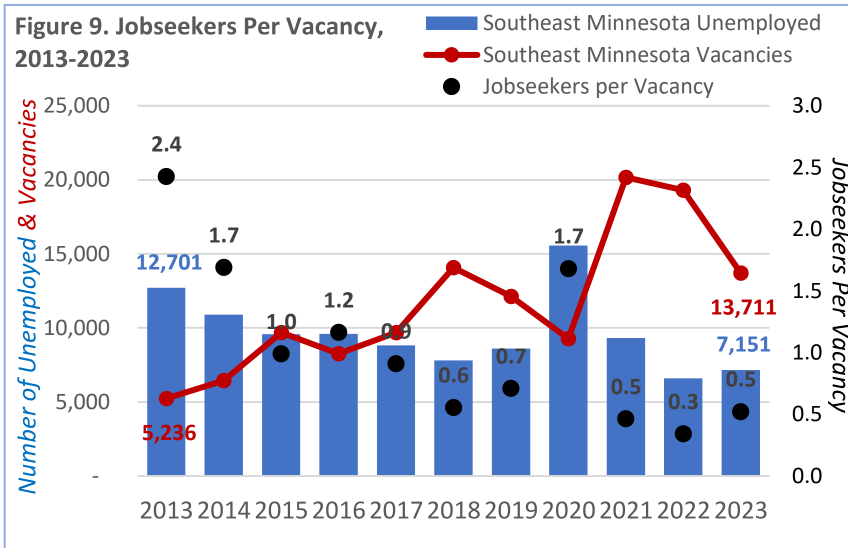



Source: DEED Local Area Unemployment Statistics (LAUS) program

## JOBSEEKERS PER VACANCY

As the economy continues to recover and the number of available workers remains low, the regional labor market remains tight. A clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which was the lowest in the state at 0.5-to-1 in 2023. According to recent Job Vacancy Survey results, there were 13,711 openings reported by employers compared to 7,151 unemployed jobseekers in the region. Due to the pandemic recession, the ratio climbed as high as 1.7 jobseekers per vacancy in 2020, but was below 1 jobseeker for every vacancy from 2017 to 2019, before the pandemic (Figure 9).

Figure 9. Jobseekers Per Vacancy, 2013-2023




*Source: DEED Job Vacancy Survey, LAUS program*

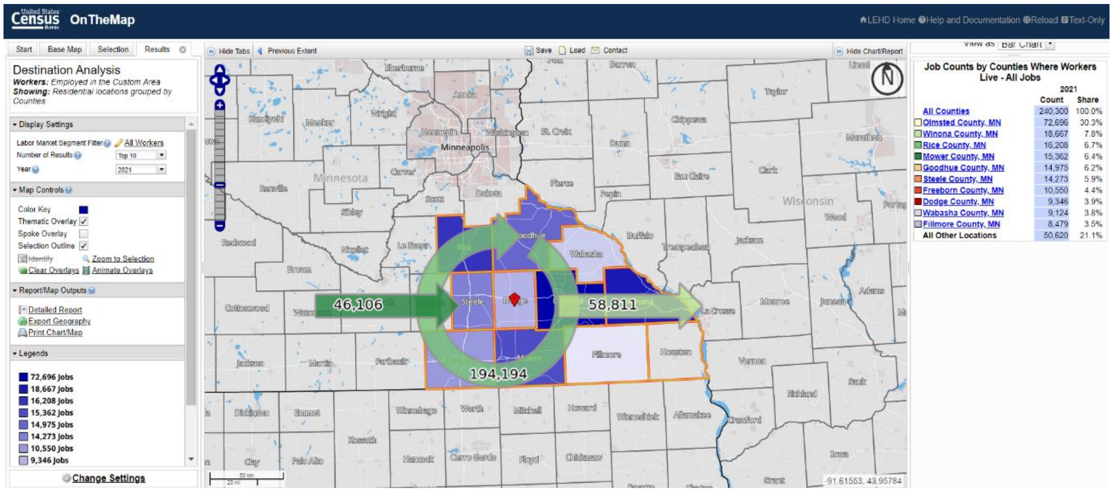
## COMMUTE SHED AND LABOR SHED

While commuting patterns differ across the region, over three quarters of residents that live in Southeast also work in the region. In 2021, 194,194 workers both lived and worked in Southeast, while another 46,106 workers drove into the region for work. This is compared to 58,811 workers who lived in the region but drove to outside areas for work (Table 7 and Figure 10).

| Table 7. Southeast Inflow/ Outflow Job Counts (All Jobs), 2021 | 2021 | |
|---|---|---|
| | Count | Share |
| Employed in the Selection Area | 240,300 | 100.0% |
| Employed in the Selection Area but Living Outside | 46,106 | 19.2% |
| Employed and Living in the Selection Area | 194,194 | 80.8% |
| | | |
| Living in the Selection Area | 253,005 | 100.0% |
| Living in the Selection Area but Employed Outside | 58,811 | 23.2% |
| Living and Employed in the Selection Area | 194,194 | 76.8% |

*Source: [U.S. Census Bureau, OnTheMap](#)*

**Figure 10. Southeast Minnesota Labor and Commute Shed, 2021**



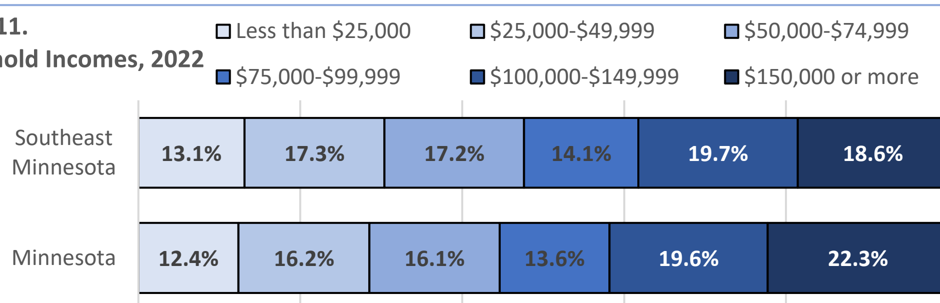

Home to Rochester, Olmsted County is the largest employment center in the region and the biggest draw for workers, followed by Winona and Rice counties. Employers in the region draw workers from surrounding counties like Dakota, Hennepin and Ramsey Counties. Workers also travel to these same counties for work (Figure 10). The average commute time for workers in Southeast was 22 minutes, compared to 23.5 minutes for workers statewide. Just under 60% of workers commuted less than 20 minutes each way, compared to 47.1% statewide. About 9.8% percent of workers worked at home, which jumped about 3% compared to pre-pandemic levels.

# INCOMES, WAGES AND OCCUPATIONS

## HOUSEHOLD INCOMES

Household incomes were lower in Southeast than in the state overall. At $79,376 Southeast had the third highest median household income of the 6 planning regions in the state. About 30.4% of the households in the region had incomes below $50,000 in 2022, compared to just 28.6% statewide. Likewise, almost one-third of households earned between $50,000 and $100,000 in Southeast, while 38.3% of households earned over $100,000 per year, compared to 41.9% of households statewide (Figure 11).

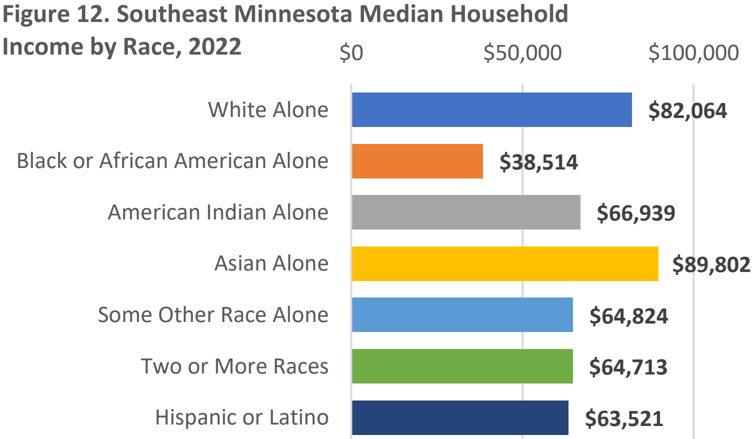
**Figure 11. Household Incomes, 2022**




*Source: 2018-2022 American Community Survey 5-Year Estimates*

Incomes varied widely by race in Southeast, with the highest incomes reported by Asian households, followed by those of whites. The lowest household incomes reported were among Black or African American households, followed by Hispanic or Latino and households of Two or More Races. The household income for whites was more than double that of Black or African American households, and is also about $18,500 higher than the median income for Hispanic or Latino households (Figure 12).

**Figure 12. Southeast Minnesota Median Household Income by Race, 2022**




*Source: 2018-2022 American Community Survey*

## COST OF LIVING

According to DEED's Cost of Living tool, the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was $67,320 in 2023. The cost of living for a similar family in Southeast was $62,194 – which was the third highest of the 6 planning regions and fourth highest of the 13 economic development regions in the state. The highest monthly costs were for housing, food, and transportation; though the region's housing, childcare, and taxes were significantly lower than the state as a whole. In order to meet the basic needs cost of living for the region, the two workers in the family scenario described would need to earn $19.93 per hour working a combined 60 hours per week (Table 8).

DEED's Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Southeast would be $31,596 which would require an hourly wage of $15.19 to meet the basic needs cost of living. However, if that same single person who is working full-time were to have one child the yearly cost of living would jump to $54,060 or an hourly wage requirement of $25.99.

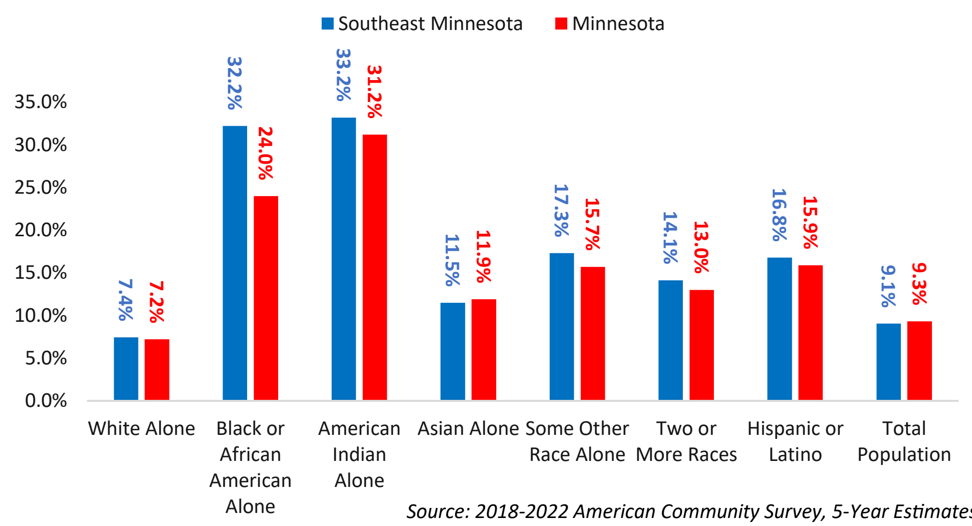
**Table 8. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2023**

| Family Composition | Number of Workers | Yearly Cost of Living | Hourly Wage Required | Monthly Costs | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Child Care | Food | Health Care | Housing | Trans-portation | Other | Taxes |
| **Southeast – Region 10** | | | | | | | | | | |
| Single, 0 children | 1 FT | $31,596 | $15.19 | $0 | $412 | $162 | $848 | $575 | $302 | $334 |
| Single, 1 child | 1 FT | $54,060 | $25.99 | $943 | $607 | $417 | $1,083 | $579 | $405 | $471 |
| **2 parents, 1 child** | **1 FT, 1 PT** | **$62,184** | **$19.93** | **$472** | **$940** | **$579** | **$1,083** | **$987** | **$484** | **$637** |
| 2 parents, 2 children | 2 FT | $88,200 | $21.20 | $1,381 | $1,223 | $588 | $1,503 | $1,025 | $653 | $977 |
| **Minnesota** | | | | | | | | | | |
| Single, 0 children | 1 FT | $34,704 | $16.68 | $0 | $419 | $160 | $1,021 | $572 | $345 | $375 |
| **2 parents, 1 child** | **1 FT, 1 PT** | **$67,320** | **$21.58** | **$544** | **$955** | **$574** | **$1,285** | **$977** | **$536** | **$739** |

*Source: DEED Cost of Living tool*

Overall, Southeast Minnesota's poverty rate was 9.1%, which was slightly lower than the statewide rate of 9.3%. Like incomes, poverty levels varied widely by race and origin. It was estimated that 33.2% of the region's American Indian population and 32.2% of the Black or African American population was below the poverty level in 2022, compared to just 7.4% of the white population. Likewise, poverty levels were also higher among every other race or ethnic group when compared to that of whites. Several of the remaining groups also had higher percentages below the poverty level than the state as a whole (Figure 13).

**Figure 13. Percent Below the Poverty Level by Race or Origin, 2022**




*Source: 2018-2022 American Community Survey, 5-Year Estimates*

## WAGES AND OCCUPATIONS

The median hourly wage for all occupations in Southeast was $24.26 in the first quarter of 2024 (Table 9). As such, the region has the second highest median wage level of both the 6 planning regions and 13 economic development regions in the state. However, the median wage in Southeast was about $0.95 less than the statewide median, and $3.50 less than the median wage in the Twin Cities metro area. Compared to the other two economic development regions in Southern Minnesota, the Southeast region's median wage was $1.02 more than the South Central region and $1.28 higher than that in the Southwest region (Table 9).

| Table 9. Occupational Employment & Wage Statistics by Economic Development Region, 2024 | Median Hourly Wage | Estimated Regional Employ-ment |
|---|---|---|
| Region 1 - Northwest | $23.51 | 35,370 |
| Region 2 - Headwaters | $22.68 | 32,230 |
| Region 3 - Arrowhead | $23.41 | 138,010 |
| Region 4 - West Central | $23.04 | 89,340 |
| Region 5 - North Central | $21.89 | 62,970 |
| Region 6E - Southwest Central | $22.72 | 50,190 |
| Region 6W - Upper MN Valley | $22.61 | 16,230 |
| Region 7E - East Central | $23.18 | 48,440 |
| Region 7W - Central | $23.85 | 175,560 |
| Region 8 - Southwest | $22.81 | 52,080 |
| Region 9 - South Central | $23.24 | 100,990 |
| Region 10 - Southeast | $24.26 | 240,340 |
| Region 11 - 7-County Twin Cities | $27.78 | 1,743,500 |
| **State of Minnesota** | **$25.22** | **2,881,100** |

*Source: DEED Occupational Employment & Wage Statistics, Qtr. 1 2024*

Not surprisingly, the lowest-paying jobs are in Food Prep & Serving, Personal Care, and Sales, which also tend to have lower educational and training requirements. For the most part, the pay gap between Southeast and the state is much lower in these lower-paying jobs. Regional wages are competitive with the state in Computer & Mathematical, Community & Social Service, Education, Healthcare, and Protective Service. Compared to the state as a whole, Southeast has stronger concentrations of employment in Healthcare Practitioners, Education, Food Prep & Serving, Production, and Transportation & Material Moving (Table 10).

**Table 10. Occupational Employment & Wage Statistics, 2024**

| Occupational Group | Southeast Minnesota | | | | State of Minnesota | | |
|---|---|---|---|---|---|---|---|
| | Median Hourly Wage | Estimated Regional Employ-ment | *Share of Total Employment* | *Location Quotient* | Median Hourly Wage | Estimated Statewide Employ-ment | *Share of Total Employ-ment* |
| **Total, All Occupations** | **$24.26** | **240,340** | ***100.0%*** | ***1.0*** | **$25.22** | **2,881,100** | ***100.0%*** |
| Management | $51.51 | 13,250 | *5.5%* | *0.8* | $57.75 | 201,710 | *7.0%* |
| Business & Financial Operations | $37.97 | 9,740 | *4.1%* | *0.6* | $39.26 | 202,700 | *7.0%* |
| Computer & Mathematical | $50.87 | 5,270 | *2.2%* | *0.6* | $50.83 | 98,240 | *3.4%* |
| Architecture & Engineering | $40.43 | 3,540 | *1.5%* | *0.7* | $42.97 | 58,320 | *2.0%* |
| Life, Physical & Social Science | $38.64 | 2,120 | *0.9%* | *0.9* | $39.93 | 29,220 | *1.0%* |
| Community & Social Service | $30.48 | 4,670 | *1.9%* | *1.0* | $27.92 | 57,930 | *2.0%* |
| Legal | $43.12 | 690 | *0.3%* | *0.4* | $51.15 | 19,040 | *0.7%* |
| Education, Training & Library | $28.42 | 14,670 | *6.1%* | *1.1* | $28.22 | 163,340 | *5.7%* |
| Arts, Design, Entertainment & Media | $26.08 | 1,990 | *0.8%* | *0.7* | $29.01 | 36,160 | *1.3%* |
| Healthcare Practitioners & Technical | $48.05 | 29,150 | *12.1%* | *1.9* | $43.01 | 184,410 | *6.4%* |
| Healthcare Support | $18.85 | 14,270 | *5.9%* | *1.0* | $18.07 | 169,580 | *5.9%* |
| Protective Service | $28.97 | 3,950 | *1.6%* | *1.0* | $28.87 | 45,860 | *1.6%* |
| Food Preparation & Serving Related | $14.57 | 20,590 | *8.6%* | *1.1* | $15.07 | 232,190 | *8.1%* |
| Building, Grounds Cleaning & Maint. | $18.08 | 6,760 | *2.8%* | *1.0* | $18.83 | 79,660 | *2.8%* |
| Personal Care & Service | $17.17 | 4,830 | *2.0%* | *1.0* | $17.60 | 59,420 | *2.1%* |
| Sales & Related | $17.36 | 18,280 | *7.6%* | *0.9* | $18.82 | 242,440 | *8.4%* |
| Office & Administrative Support | $23.45 | 27,760 | *11.6%* | *0.9* | $23.86 | 352,250 | *12.2%* |
| Farming, Fishing & Forestry | $20.01 | 320 | *0.1%* | *1.1* | $22.13 | 3,520 | *0.1%* |
| Construction & Extraction | $30.88 | 8,370 | *3.5%* | *0.9* | $32.44 | 110,960 | *3.9%* |
| Installation, Maintenance & Repair | $28.53 | 8,550 | *3.6%* | *1.0* | $29.54 | 104,530 | *3.6%* |
| Production | $22.72 | 22,500 | *9.4%* | *1.3* | $23.05 | 203,810 | *7.1%* |
| Transportation & Material Moving | $22.01 | 19,080 | *7.9%* | *1.0* | $22.86 | 225,820 | *7.8%* |

*Source: DEED Occupational Employment & Wage Statistics, Qtr. 1 2024*

The highest paying jobs in the region are found in Management, Computer & Mathematical, Healthcare Practitioners & Technical, Legal, Architecture & Engineering, Life Physical & Social Science, and Business & Financial Operations, all of which have median wages over $37 per hour. These occupations generally require higher levels of education and experience, including many that require bachelor's degrees or higher. However, some have significant gaps in pay between the region and the Twin Cities.

## JOB VACANCY SURVEY

Employers in Southeast reported 13,711 job vacancies in 2023, a decrease of 5,593 job vacancies from the last survey, but is still near historic highs prior to the pandemic. Demand for workers was high across many occupational groups, with the largest number of openings in Sales & Related (2,426 vacancies), Food Preparation & Serving Related (1,856 vacancies), Healthcare Support (1,534 job vacancies), Transportation & Material Moving (1,108 vacancies), and Healthcare Practitioners & Technical (964 vacancies). Together, these top five groups accounted for 57.5% of the total vacancies in the region (Table 11).

The median hourly wage offer from the current survey was $18.22 per hour, which was $2.14 higher than the median wage offers in the second quarter of 2022. Median hourly wage offers ranged from around $15 in Sales & Related, Food Preparation & Related, and Personal Care, to over $33 per hour in Healthcare Practitioners, Computer & Mathematical, Management, and Legal occupations.

**Table 11. Southeast Minnesota Job Vacancy Survey Results, 2023**

| | Number of Total Vacancies | Median Hourly Wage Offer | Percent Part-Time | Percent Temporary or Seasonal | Requiring Postsecondary Education | Requiring 1 or More Years of Work Exp. | Requiring Certificate or License | *Job Vacancy Rate* |
|---|---|---|---|---|---|---|---|---|
| **Total, All Occupations** | **13,711** | **$18.22** | **27%** | **6%** | **32%** | **36%** | **49%** | ***5.7%*** |
| Management | 212 | $37.73 | 15% | 1% | 89% | 98% | 35% | *1.7%* |
| Business & Financial Operations | 467 | $25.49 | 2% | 0% | 85% | 90% | 75% | *5.0%* |
| Computer & Mathematical | 97 | $37.67 | 4% | 3% | 77% | 96% | 63% | *2.3%* |
| Architecture & Engineering | 297 | $27.42 | 1% | 1% | 58% | 94% | 51% | *8.8%* |
| Life, Physical & Social Sciences | 171 | $30.13 | 1% | 27% | 94% | 86% | 87% | *6.8%* |
| Community & Social Service | 608 | $21.43 | 8% | 2% | 96% | 63% | 92% | *13.6%* |
| Legal | 19 | $58.31 | 0% | 0% | 100% | 94% | 100% | *2.5%* |
| Education, Training & Library | 418 | $19.67 | 27% | 15% | 71% | 29% | 79% | *2.9%* |
| Arts, Design, Entertainment & Media | 138 | $19.74 | 58% | 48% | 29% | 52% | 61% | *6.5%* |
| Healthcare Practitioners & Technical | 964 | $33.92 | 18% | 1% | 93% | 66% | 97% | *3.1%* |
| Healthcare Support | 1,534 | $16.49 | 30% | 0% | 17% | 7% | 94% | *10.9%* |
| Protective Service | 192 | $16.29 | 45% | 20% | 21% | 17% | 76% | *5.5%* |
| Food Preparation & Serving Related | 1,856 | $14.91 | 40% | 2% | 1% | 21% | 5% | *9.7%* |
| Building, Grounds Cleaning & Maint. | 314 | $19.06 | 12% | 18% | 0% | 7% | 17% | *5.0%* |
| Personal Care & Service | 455 | $14.98 | 24% | 9% | 54% | 19% | 70% | *10.2%* |
| Sales & Related | 2,426 | $13.96 | 55% | 4% | 12% | 24% | 17% | *13.4%* |
| Office & Administrative Support | 548 | $18.66 | 18% | 4% | 17% | 46% | 31% | *2.0%* |
| Construction & Extraction | 160 | $23.33 | 0% | 3% | 17% | 55% | 79% | *1.9%* |
| Installation, Maintenance & Repair | 732 | $21.35 | 5% | 21% | 32% | 45% | 28% | *8.8%* |
| Production | 690 | $19.95 | 10% | 1% | 10% | 37% | 21% | *3.1%* |
| Transportation & Material Moving | 1,108 | $20.14 | 15% | 7% | 5% | 40% | 75% | *5.9%* |

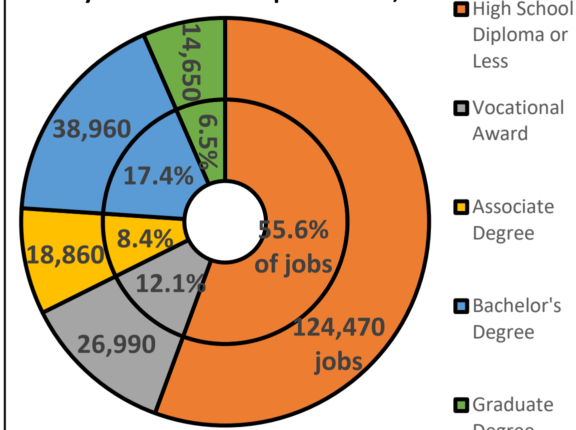
*Source: DEED Job Vacancy Survey, 2023*

Overall, 27% of the openings were part-time, which has decreased by 14% since the second quarter of 2022. Because of the high concentration of jobs in Food Prep & Serving Related, Healthcare Support, and Sales & Related only about 32% of postings required postsecondary education. However, in many cases one or more years of experience was just as, if not more, important.

## EDUCATIONAL REQUIREMENTS

Similar to the recent job vacancy data, DEED's Occupational Employment & Wage Statistics program shows that only about 44.4% of current jobs held in the region require post-secondary education to enter. The other 55.6% require no more than a high school diploma, and sometimes less. However, some on-the-job training is often needed (Figure 14). Certain careers – such as dentists, lawyers, and teachers – require a college education, while other jobs – including cost estimators, sales representatives, and correctional officers – do not. College is an excellent way to move up career ladders and open opportunities to fields that would otherwise be closed, such as nursing or engineering. Many of these occupations offer high wages and are in high demand in the marketplace. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between $14,500 and almost $50,000 per year in Minnesota. For those who go to college, choice of major matters – different programs lead to different jobs and different earnings. However, not all great paying jobs require college education, and not all college graduates end up in great paying jobs.

**Figure 14. Southeast Minnesota Share of Jobs by Educational Requirements, 2023**




## EMPLOYMENT PROJECTIONS

Overall, the Southeast region is projected to grow 4.5% percent from 2022 to 2032, a gain of 12,280 new jobs. In addition, the region is also expected to see 134,631 replacement openings due to jobs left vacant by retirements and other career changers. This includes some recovery from the pandemic recession, before additional growth is projected to resume.

Healthcare Practitioners and Technical occupations are projected to see the most new job growth, followed by Healthcare Support, Transportation & Warehousing, and Management. In contrast, the largest declines are expected for Sales & Related and Office & Administrative Support, but even those occupations will still have thousands of openings due to transfers and exit openings created by retirements, school, and other reasons (Figure 15).

**Figure 15. Regional Employment Projections, 2022-2032**


*Source: DEED 2022-2032 Employment Outlook*

## OCCUPATIONS IN DEMAND

DEED's Occupations in Demand tool, shows that there are over 450 occupations in demand (OID) in Southeast Minnesota, and almost 275 of those show moderate to high demand. Training and education requirements of these occupations range from short-term on-the-job training to postsecondary education and advanced degrees. About 50% of the OID require a high school diploma or less to get started, while 31.1% require a bachelor's degree or higher. While OID exist in every sector, the region's major industries are well represented. For example, many of the top occupations in demand are in healthcare, customer service, or information technology (Table 12).

**Table 12. Southeast Minnesota Occupations in Demand, 2023**

| High School or Less | Vocational Training | Associate Degree | Bachelor's Degree or Higher |
|---|---|---|---|
| Home Health and Personal Care Aides $35,784/yr | Heavy and Tractor-Trailer Truck Drivers $60,838/yr | Registered Nurses $100,239/yr | General and Operations Managers $83,723/yr |
| Retail Salespersons $34,625/yr | Nursing Assistants $39,647/yr | Police and Sheriff's Patrol Officers $79,616/yr | Elementary School Teachers, Except Special Education $64,771/yr |
| First-Line Supervisors of Retail Sales Workers $46,144/yr | Licensed Practical and Licensed Vocational Nurses $61,677/yr | Radiologic Technologists and Technicians $80,540/yr | Secondary School Teachers, Except Special and Career/Technical Education $67,707/yr |
| First-Line Supervisors of Food Preparation and Serving Workers $40,675/yr | Automotive Service Technicians and Mechanics $50,472/yr | Diagnostic Medical Sonographers $102,982/yr | Software Developers $130,807/yr |
| Stockers and Order Fillers $37,875/yr | Bookkeeping, Accounting, and Auditing Clerks $49,912/yr | Computer Network Support Specialists $78,124/yr | Training and Development Specialists $78,978/yr |
| Fast Food and Counter Workers $30,170/yr | Medical Assistants $48,598/yr | Human Resources Assistants, Except Payroll and Timekeeping $61,057/yr | Accountants and Auditors $77,799/yr |
| Laborers and Freight, Stock, and Material Movers, Hand $44,636/yr | Substance abuse, behavioral disorder, and mental health counselors $52,564/yr | Surgical Technologists $78,775/yr | Medical and Health Services Managers $125,558/yr |
| Light Truck Drivers $45,790/yr | Hairdressers, Hairstylists, and Cosmetologists $37,408/yr | Civil Engineering Technologists and Technicians $73,049/yr | Industrial Engineers $86,149/yr |
| Cashiers $31,365/yr | Electricians $74,834/yr | Dental Hygienists $85,161/yr | Physician Assistants $134,877/yr |
| Miscellaneous Assemblers and Fabricators $43,860/yr | Machinists $59,112/yr | Mechanical Engineering Technologists and Technicians $58,074/yr | Medical Scientists, Except Epidemiologists $85,432/yr |

*Source: DEED Occupations in Demand*

# ECONOMY

## INDUSTRY EMPLOYMENT

According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Southeast Minnesota was home to 13,569 business establishments providing 243,667 covered jobs through 2023, with a total payroll of $15.4 billion. That was about 8.4% of total employment in the state of Minnesota. Average annual wages were $63,431 in the region, which was the 2nd highest in the state, but was over $8,000 lower than the average annual wage statewide. After significant declines suffered in 2020 due to the pandemic recession, the region saw strong job growth in 2021. From 2022 to 2023, the region gained 3,499 jobs, a 1.5% increase. All but two counties, Fillmore and Steele, added jobs in the past year. However, the region is still down 3,141 jobs compared to 2019, with just three counties, Fillmore, Mower and Olmsted, ahead of pre-pandemic employment levels.

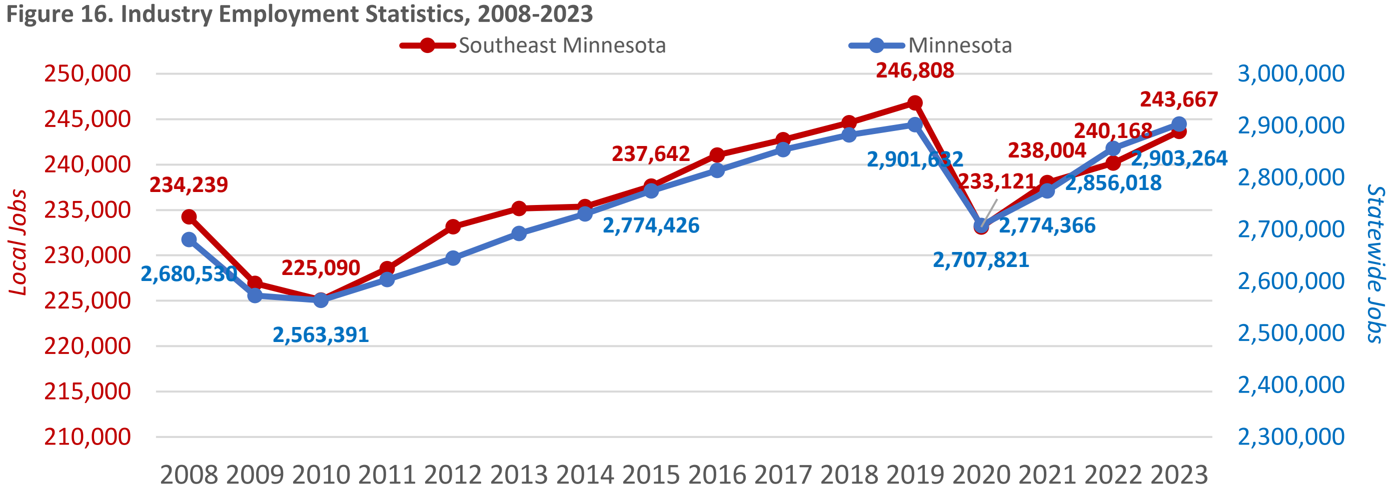
| Table 13. Southeast Minnesota Industry Employment, 2023 | | | | Average Annual Wage | 2022-2023 | | 2019-2023 | |
|---|---|---|---|---|---|---|---|---|
| Geography | Number of Firms | Number of Jobs | Total Payroll ($1,000s) | | Change in Jobs | Percent Change | Change in Jobs | Percent Change |
| **Southeast – Region 10** | **13,569** | **243,667** | **$15,455,923** | **$63,431** | ***+3,499*** | ***+1.5%*** | ***-3,141*** | ***-1.3%*** |
| Dodge Co. | 495 | 5,827 | $349,523 | $59,983 | *+72* | *+1.3%* | *-219* | *-3.6%* |
| Fillmore Co. | 783 | 6,260 | $267,284 | $42,697 | *-21* | *-0.3%* | *+150* | *+2.5%* |
| Freeborn Co. | 828 | 11,780 | $598,003 | $50,764 | *+78* | *+0.7%* | *-308* | *-2.5%* |
| Goodhue Co. | 1,360 | 21,126 | $1,243,810 | $58,876 | *+438* | *+2.1%* | *-532* | *-2.5%* |
| Houston Co. | 458 | 5,084 | $225,925 | $44,438 | *+103* | *+2.1%* | *-110* | *-2.1%* |
| Mower Co. | 887 | 16,731 | $970,533 | $58,008 | *+574* | *+3.6%* | *+410* | *+2.5%* |
| Olmsted Co. | 4,034 | 102,037 | $7,732,824 | $75,785 | *+1,493* | *+1.5%* | *+1,312* | *+1.3%* |
| Rice Co. | 1,762 | 25,531 | $1,440,716 | $56,430 | *+451* | *+1.8%* | *-50* | *-0.2%* |
| Steele Co. | 1,135 | 18,879 | $1,108,587 | $58,721 | *-81* | *-0.4%* | *-2,900* | *-13.3%* |
| Wabasha Co. | 595 | 6,510 | $296,727 | $45,580 | *+96* | *+1.5%* | *-277* | *-4.1%* |
| Winona Co. | 1,234 | 23,900 | $1,221,992 | $51,129 | *+295* | *+1.2%* | *-617* | *-2.5%* |
| **State of Minnesota** | **207,647** | **2,903,264** | **$207,665,583** | **$71,528** | ***+47,246*** | ***+1.7%*** | ***+1,632*** | ***+0.1%*** |

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

In terms of employment, Olmsted County is the largest economic center in Southeast with 102,037 jobs at 4,034 firms, and has recovered all the jobs lost since 2019. Rice, Winona, Goodhue, and Steele all have over 18,500 jobs, and saw steady growth in the past year but are still down compared to 2019. Mower County has over 16,700 jobs at 887 firms and has added 410 jobs since 2019, while Fillmore County gained 150 jobs despite a drop last year. Dodge and Wabasha County are also relatively small economies that have not fully recovered from the pandemic.

Southeast Minnesota gained employment over the past 15 years overall but experienced some ups and downs in employment during the Great Recession and an unprecedented loss from 2019 to 2020 due to the pandemic. Overall, the region's job trends mirrored that of the state, however the losses during the recession were less severe and the recovery after was slower than the state. As a result of the COVID-19 pandemic, the region lost almost 13,700 jobs from 2019 to 2020, a drop of 5.5% (Figure 16).

**Figure 16. Industry Employment Statistics, 2008-2023**




*Source: DEED QCEW program*

Southeast Minnesota is well known for its strong concentration of health care employment, with 66,409 jobs at 1,982 establishments, accounting for 27.3% of total employment. That is the highest reliance on health care of any region in the state. This industry added jobs rapidly over the last 15 years, however due to the pandemic it lost jobs in the short term, but now has fully recovered. Ambulatory Health Care Services is the largest subsector, with 33,774 jobs at 501 establishments; followed by Hospitals (15,509 jobs at 23 establishments), Nursing & Residential Care Facilities (10,628 jobs at 288 institutions), and Social Assistance (6,530 jobs at 1,176 firms).

The next largest industry in Southeast is Manufacturing, with 36,380 jobs at 662 establishments. This industry sector is down 2,350 jobs from 2019, though there were gains in employment within the past year. Food Manufacturing is the most dominant sub-sector with 10,362 jobs in 105 firms, followed by Machinery Manufacturing (4,403 jobs in 69 firms), Computer & Electronic Product Manufacturing (4,306 jobs in 28 establishments), and Fabricated Metal Product Manufacturing (4,034 jobs in 116 establishments).

Other important industries in Southeast include Retail Trade, Accommodation & Food Services, and Educational Services, which all had well over 19,000 jobs each. While these industries saw a strong recovery in the past year, Retail Trade is the only sector back to breakeven; while Accommodation & Food Services is still down 159 jobs and Educational Services is only down 13 jobs from 2019. Fifteen of the 20 sectors gained jobs from 2022 to 2023, but only 12 of the 20 sectors are up compared to 2019. The significant change from Finance & Insurance to Management of Companies appears to be a classification change rather than actual industry-specific job loss or gain (Table 14).

**Table 14. Southeast Minnesota Industry Employment Statistics, 2023**

| | 2023 Annual Data | | | | 2022-2023 | | 2019-2023 | |
|---|---|---|---|---|---|---|---|---|
| NAICS Industry Title | Number of Firms | Number of Jobs | Total Payroll ($1,000s) | Avg. Annual Wage | Change in Jobs | Percent Change | Change in Jobs | Percent Change |
| **Total, All Industries** | **13,569** | **243,667** | **$15,455,923** | **$63,431** | ***+3,499*** | ***+1.5%*** | ***-3,141*** | ***-1.3%*** |
| Agriculture, Forestry, Fish & Hunting | 427 | 3,200 | $142,545 | $44,545 | *-38* | *-1.2%* | *+17* | *+0.5%* |
| Mining | 22 | 200 | $15,590 | $77,952 | *+15* | *+8.1%* | *+39* | *+24.2%* |
| Construction | 1,495 | 10,150 | $723,169 | $71,248 | *+198* | *+2.0%* | *+165* | *+1.7%* |
| Manufacturing | 662 | 36,380 | $2,627,236 | $72,216 | *+321* | *+0.9%* | *-2,354* | *-6.1%* |
| Utilities | 50 | 1,390 | $192,659 | $138,604 | *+43* | *+3.2%* | *+65* | *+4.9%* |
| Wholesale Trade | 505 | 6,670 | $543,557 | $81,493 | *+81* | *+1.2%* | *-22* | *-0.3%* |
| Retail Trade | 1,594 | 26,347 | $909,691 | $34,527 | *+107* | *+0.4%* | *+210* | *+0.8%* |
| Transportation & Warehousing | 608 | 7,828 | $449,596 | $57,434 | *-82* | *-1.0%* | *+70* | *+0.9%* |
| Information | 215 | 2,434 | $142,177 | $58,413 | *-51* | *-2.1%* | *-700* | *-22.3%* |
| Finance & Insurance | 691 | 4,078 | $326,216 | $79,994 | *-87* | *-2.1%* | *-1,725* | *-29.7%* |
| Real Estate & Rental & Leasing | 388 | 1,405 | $63,906 | $45,485 | *+14* | *+1.0%* | *-52* | *-3.6%* |
| Professional & Technical Services | 835 | 3,701 | $269,367 | $72,782 | *+5* | *+0.1%* | *+325* | *+9.6%* |
| Management of Companies | 59 | 4,497 | $486,445 | $108,171 | *+201* | *+4.7%* | *+1,581* | *+54.2%* |
| Admin. Support & Waste Mgmt. Svcs. | 537 | 7,294 | $416,261 | $57,069 | *-86* | *-1.2%* | *-971* | *-11.7%* |
| Educational Services | 280 | 19,683 | $1,050,938 | $53,393 | *+248* | *+1.3%* | *-13* | *-0.1%* |
| Health Care & Social Assistance | 1,982 | 66,409 | $5,542,752 | $83,464 | *+916* | *+1.4%* | *+151* | *+0.2%* |
| Arts, Entertainment, & Recreation | 283 | 4,226 | $119,174 | $28,200 | *+320* | *+8.2%* | *+127* | *+3.1%* |
| Accommodation & Food Services | 1,174 | 19,911 | $465,510 | $23,380 | *+866* | *+4.5%* | *-159* | *-0.8%* |
| Other Services | 1,401 | 6,635 | $239,164 | $36,046 | *+242* | *+3.8%* | *+73* | *+1.1%* |
| Public Administration | 363 | 11,225 | $729,969 | $65,031 | *+270* | *+2.5%* | *+33* | *+0.3%* |

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

## WORKFORCE DEMOGRAPHICS

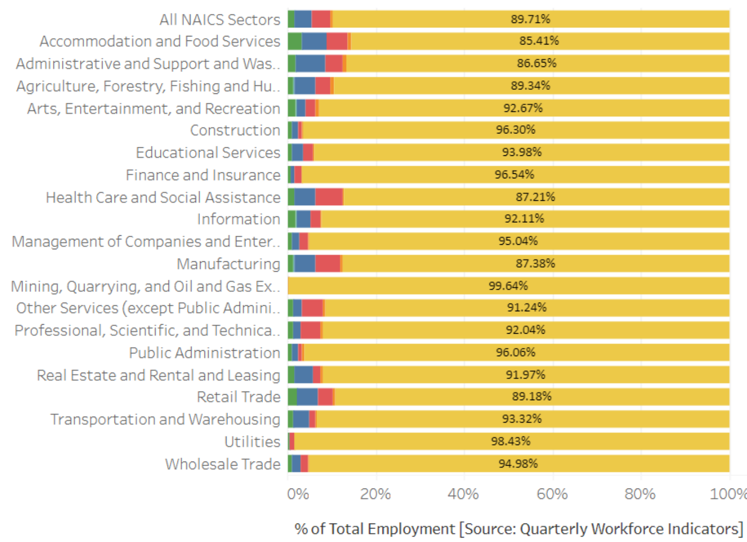
According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Nearly one-quarter (23.5%) of workers in the region were 55 years or older, compared to 22.1% percent statewide and just 19.8% in the region one decade earlier. In contrast, the percentage of teenaged workers was falling. However, both wages and the number of hours worked were going up for younger workers. Wages and hours worked increased across almost every age group over the past 10 years (Table 15).

Wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-full-time jobs in industries like retail trade and accommodation and food services, these age groups enjoyed the fastest percentage increase in wages from 2012 to 2022. Wages were highest for workers between 45 and 54 years of age, and males worked more hours and earned more than females, though the gap was narrowing.

| Table 15. Southeast Minnesota Workforce Demographics by Age Group and Gender, Total of All Industries, 2012-2022 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Percentage of Workers | | Minnesota | | Median Hourly Wage | | Median Hours Worked (Per Qtr.) | |
| | 2022 | 2012 | 2022 | 2012 | 2022 | 2012 | 2022 | 2012 |
| Total, all ages | 100.0% | 100.0% | 100.0% | 100.0% | $23.14 | $16.24 | 431 | 437 |
| 19 years & under | 7.9% | 7.4% | 6.6% | 6.3% | $13.92 | $7.96 | 117 | 114 |
| 20 to 24 years | 9.0% | 10.9% | 9.2% | 11.3% | $18.38 | $10.39 | 291 | 255 |
| 25 to 44 years | 41.3% | 39.8% | 43.6% | 42.3% | $25.97 | $18.05 | 470 | 473 |
| 45 to 54 years | 18.2% | 22.0% | 18.4% | 21.9% | $29.28 | $20.41 | 483 | 485 |
| 55 to 64 years | 17.5% | 15.6% | 16.7% | 14.7% | $27.00 | $19.77 | 480 | 480 |
| 65 years & over | 6.0% | 4.2% | 5.4% | 3.5% | $19.45 | $12.88 | 242 | 217 |
| Male | 47.2% | 47.4% | 49.1% | 49.1% | $25.21 | $17.51 | 477 | 480 |
| Female | 52.8% | 52.6% | 50.9% | 50.9% | $22.81 | $15.51 | 398 | 389 |
| Source: DEED Quarterly Employment Demographics | | | | | | | | |

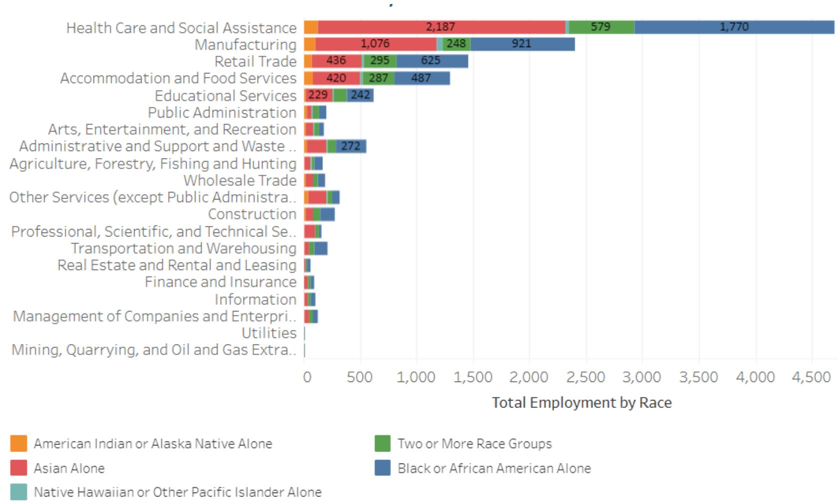
While people of races other than white make up 14% of the overall population in 2022, they held only 10% of the total jobs in Southeast Minnesota. Based on annual averages for 2023, that equaled 26,032 jobs held by people of other races, compared to 227,029 jobs held by whites. Workers of other races held just 4.8% of the total jobs in 2003, meaning their employment presence more than doubled from 2003 to 2023. In sum, workers of other races have filled an additional 15,448 jobs in the region since 2003, accounting for 45.4% of the 33,992 new jobs added. With 10,414 jobs, Asians were the largest race group in the regional economy after adding 5,757 jobs since 2003, a 123.6% increase. The next largest group was Black, who held 10,020 jobs in 2023 after rising 161.6% from 2003. Workers of Hispanic or Latino origin filled 15,744 jobs in the region, up by 8,845 (+128.2%) jobs since 2003.

**Figure 17. Southeast Minnesota Employment by Race - All Industries, 2023**




Most industry sectors in Southeast Minnesota are relatively non-diverse, but there are a couple that rely more heavily on workers of other races. The largest number of BIPOC workers were employed in Health Care & Social Assistance, though 87.2% of the jobs in the industry were held by white workers. Workers of other races were also employed in larger numbers in Manufacturing, Retail Trade, Accommodation & Food Services, and Administrative Support Services, which includes temp help. The most diverse industry was Accommodation & Food Services, where 14.6% were non-white (Figure 17 and 18).

**Figure 18. Southeast Minnesota Employment by Other Races by Industry, 2023**



## INDUSTRY PROJECTIONS

Southeast is projected to grow 5.1% percent from 2020 to 2030, a gain of 13,235 new jobs. As in past decades, the largest growing industry is expected to be Health Care & Social Assistance, which may account for almost half (44%) of the total projected growth in the region by 2030. The region is also expected to see significant job recovery in Accommodation & Food Services, which is still below pre-pandemic employment levels. Other industries projected to experience job recovery and growth include Educational Services, Other Services, and Arts, Entertainment & Recreation, all of which were also hit hard in the pandemic recession. In contrast, Retail Trade is expected to cut more than 1,200 jobs as consumer demand and behaviors continue to shift (Table 16).

| Table 16. Southeast Minnesota Industry Employment Projections, 2022-2032 | | | | |
|---|---|---|---|---|
| *Source: DEED Employment Projections* | Estimated Employ-ment 2022 | Projected Employ-ment 2032 | *Percent Change 2022-2032* | *Numeric Change 2022-2032* |
| **Total, All Industries** | **270,975** | **283,255** | ***+4.5%*** | ***+12,280*** |
| Agriculture, Forestry, Fish & Hunt | 3,274 | 3,435 | *+4.9%* | *+161* |
| Mining | 200 | 222 | *+11.0%* | *+22* |
| Utilities | 1,211 | 1,212 | *+0.1%* | *+1* |
| Construction | 9,574 | 10,360 | *+8.2%* | *+786* |
| Manufacturing | 36,161 | 37,414 | *+3.5%* | *+1,253* |
| Wholesale Trade | 7,317 | 7,736 | *+5.7%* | *+419* |
| Retail Trade | 26,514 | 26,404 | *-0.4%* | *-110* |
| Transportation & Warehousing | 7,187 | 7,827 | *+8.9%* | *+640* |
| Information | 2,802 | 2,782 | *-0.7%* | *-20* |
| Finance & Insurance | 4,824 | 4,947 | *+2.5%* | *+123* |
| Real Estate & Rental & Leasing | 1,419 | 1,510 | *+6.4%* | *+91* |
| Professional & Technical Services | 4,047 | 4,415 | *+9.1%* | *+368* |
| Management of Companies | 4,410 | 4,863 | *+10.3%* | *+453* |
| Admin. Support & Waste Mgmt. | 7,883 | 8,597 | *+9.1%* | *+714* |
| Educational Services | 20,296 | 20,531 | *+1.2%* | *+235* |
| Health Care & Social Assistance | 65,729 | 71,175 | *+8.3%* | *+5,446* |
| Arts, Entertainment & Recreation | 3,952 | 4,253 | *+7.6%* | *+301* |
| Accommodation & Food Services | 19,031 | 20,113 | *+5.7%* | *+1,082* |
| Other Services | 8,780 | 9,078 | *+3.4%* | *+298* |
| Public Administration | 15,203 | 15,540 | *+2.2%* | *+337* |

## NONEMPLOYER ESTABLISHMENTS

Southeast Minnesota was home to 33,315 self-employed businesses or "nonemployers" in 2021, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Like covered employment, Southeast saw a general increase in nonemployers over the past decade, largely fueled by a gain of 1,215 nonemployers in Olmsted County. In sum, the region gained 1,456 nonemployers from 2012 to 2021, an increase of 4.6%, despite 4 of the 11 counties in the region seeing losses. These nonemployers generated sales receipts of over $1.7 billion in 2021 (Table 17).

| Table 17. Nonemployer Statistics, 2021 | 2021 | | *2012-2021* | |
|---|---|---|---|---|
| | Number of Firms | Receipts ($1,000s) | *Change in Firms* | *Percent Change* |
| **Region 10** | **33,315** | **$1,701,363** | ***+1,456*** | ***+4.6%*** |
| Dodge Co. | 1,418 | $83,109 | *+86* | *+6.5%* |
| Fillmore Co. | 1,693 | $90,743 | *-9* | *-0.5%* |
| Freeborn Co. | 1,802 | $83,743 | *-145* | *-7.4%* |
| Goodhue Co. | 3,133 | $171,387 | *+32* | *+1.0%* |
| Houston Co. | 1,359 | $68,886 | *-91* | *-6.3%* |
| Mower Co. | 1,806 | $93,593 | *-215* | *-10.6%* |
| Olmsted Co. | 10,585 | $544,920 | *+1,215* | *+13.0%* |
| Rice Co. | 4,454 | $216,288 | *+314* | *+7.6%* |
| Steele Co. | 2,417 | $120,723 | *+58* | *+2.5%* |
| Wabasha Co. | 1,624 | $86,262 | *+50* | *+3.2%* |
| Winona Co. | 3,024 | $141,709 | *+161* | *+5.6%* |
| **Minnesota** | **429,672** | **$22,727,564** | ***+41,117*** | ***+10.6%*** |
| *Source: U.S. Census, Nonemployer Statistics program* | | | | |

## CENSUS OF AGRICULTURE

There were 10,852 farms producing over $4.5 billion in the market value of products sold in 2022 according to the U.S. Dept. of Agriculture. Most counties rank in the top half of the state for market value, with the exception of Houston and Wabasha Counties, and with Goodhue (13th), Mower (18th), and Fillmore (19th) all ranked in the top 20 for market value of products sold. Fillmore, Goodhue, and Rice have the largest number of farms, though the number of farms was declining across the region and state over time (Table 18).

| Table 18. Census of Agriculture, 2022 | | | |
|---|---|---|---|
| *Source: USDA 2022 Census of Agriculture* | Number of Farms | Market Value of Products Sold | *State Rank* |
| **Southeast - Region 10** | **10,852** | **$4,568,620,000** | ***3*** |
| Dodge Co. | 614 | 413,313,000 | *31* |
| Fillmore Co. | 1,458 | 519,865,000 | *19* |
| Freeborn Co. | 908 | 475,632,000 | *24* |
| Goodhue Co. | 1,406 | 595,613,000 | *13* |
| Houston Co. | 797 | 213,008,000 | *55* |
| Mower Co. | 999 | 529,254,000 | *18* |
| Olmsted Co. | 1,102 | 337,134,000 | *42* |
| Rice Co. | 1,111 | 356,823,000 | *39* |
| Steele Co. | 721 | 396,997,000 | *35* |
| Wabasha Co. | 743 | 329,119,000 | *43* |
| Winona Co. | 993 | 401,862,000 | *33* |
| **Minnesota** | **65,531** | **$28,482,097,000** | |

***Upon request, this information can be made available in alternate formats for people with disabilities by contacting Amanda O'Connell at amanda.oconnell@state.mn.us***