

# June 2024 Employment Analysis

(Embargoed until 9:30 am Thursday, July 18, 2024)

## Over-the-Month Overview

- The unemployment rate ticked up to 2.9% in June 2024, one-tenth of a percentage point higher than last month. The labor force decreased by 3,174 people over the month to 3,096,798 people. The number of employed decreased by 7,582 workers, and the number of unemployed increased by 4,408 people. The labor force participation rate ticked down two-tenths of a percentage point to 67.8% from the prior month.
- Minnesota lost 3,200 jobs in the last month on a seasonally adjusted basis, translating to 0.1% decline. The private sector lost 3,300 jobs, down 0.1%. The U.S. total nonfarm employment increased by 206,000 jobs, or 0.1%. The U.S. private sector gained 136,000 jobs, also up 0.1%.
- Four supersectors in Minnesota gained jobs on a seasonally adjusted basis since the prior month:
  - Education and Health Services gained 4,500 jobs, up 0.8%
  - Construction gained 300 jobs, up 0.2%
  - Mining & Logging gained 100 jobs, up 1.5%
  - Government gained 100 jobs, no percentage change
- Six supersectors lost jobs over the month:
  - Professional & Business Services lost 3,000 jobs, down 0.8%
  - Leisure and Hospitality lost 2,100 jobs, down 0.8%
  - Manufacturing lost 1,600 jobs, down 0.5%
  - Other Services lost 800 jobs, down 0.7%
  - Trade, Transportation and Utilities lost 600 jobs, down 0.1%
  - Financial Activities lost 100 jobs, down 0.1%
- The number of jobs in the Information supersector did not change over the month.
- Minnesota lost 414,500 jobs from February through April 2020 and has since recovered 436,600 jobs as of June 2024, which brings Minnesota to 100.7% of the number of jobs prior to the Pandemic Recession on a seasonally adjusted basis. The private sector lost 384,100 jobs from February through April 2020 and has regained 395,500 jobs as of June, or 100.4% recovered.
- Calculating seasonally adjusted 2-month job change, Minnesota gained 13,600 jobs in February-April, up 0.5%; lost 1,600 jobs in March-May, down 0.05%; and lost 9,500 jobs in April-June, down 0.3%. Nationally, the U.S. grew 0.3% in February-April and March-May, and grew 0.2% in April-June.

## Over-the-Year Job Growth

- Minnesota gained 29,711 payroll jobs, up 1.0%, over the year. The private sector gained 10,295 jobs, up 0.4% over the year.

- Four supersectors posted positive annual growth in Minnesota:
  - Education and Health Services gained 39,265 jobs, up 7.1% for Minnesota, outpacing the national rate of 4.2%. Growth was strong in all subsectors.
  - Government gained 19,416 jobs, up 4.6%, again outpacing the U.S. growth rate of 2.6%. Growth was healthy across all subsectors, especially Local Government (5.0%).
  - Leisure and Hospitality gained 7,042 jobs, up 2.5%. All subsectors grew except Arts, Entertainment, and Recreation (-3.5%). Nationally, this supersector grew 1.7%.
  - Other Services gained 2,050 jobs, up 1.8%, a little higher than the national rate of 1.6%. All subsectors posted growth for Minnesota.
  
- Seven supersectors lost jobs over the year in Minnesota:
  - Professional & Business Services lost 19,240 jobs, down 4.9%, while the U.S. grew 0.3%. The declines were in Management of Companies and Enterprises (-5.7%), and Administrative and Support and Waste Management and Remediation Services (-11.3%).
  - Manufacturing lost 8,436 jobs, down 2.6%. Almost all subsectors experienced decline in Minnesota. The U.S. Manufacturing supersector did not change over the year.
  - Financial Activities lost 4,954 jobs over the year, down 2.6%, while the U.S. grew 0.3%. Losses happened in all subsectors for Minnesota.
  - Construction lost 2,366 jobs, down 1.6%. All subsectors experienced loss in Minnesota. The U.S. Construction supersector grew 2.8%.
  - Information lost 2,118 jobs, down 4.7%. All subsectors saw decline in Minnesota. The U.S. also experienced decline in this supersector, down 1.0%.
  - Trade, Transportation, and Utilities lost 922 jobs, down 0.2%. Retail Trade and Wholesale Trade each declined 0.3%, and Transportation, Warehousing, and Utilities grew 0.4%. Nationally, this supersector grew 0.7%.
  - Mining and Logging lost 26 jobs, down 0.4% in Minnesota. The U.S. also declined in this supersector, down 1.4%.
  
- Overall U.S. employment grew 1.6% over the year with the private sector up 1.5%. All supersectors grew except Information, Manufacturing, Mining and Logging.

<b>June Over the Year (OTY) Employment Growth by Industry Sector Not Seasonally Adjusted</b>			
<b>Industry Supersector</b>	<b>MN OTY Job Change</b>	<b>MN OTY Growth Rate (%)</b>	<b>US OTY Growth Rate (%)</b>
Total	29,711	1.0	1.6
Private	10,295	0.4	1.5
Mining & Logging	-26	-0.4	-1.4
Construction	-2,366	-1.6	2.8
Manufacturing	-8,436	-2.6	0.0
Trade, Transportation & Utilities	-922	-0.2	0.7
Information	-2,118	-4.7	-1.0
Financial Activities	-4,954	-2.6	0.3
Professional & Business Services	-19,240	-4.9	0.3
Education & Health Services	39,265	7.1	4.2

Leisure & Hospitality	7,042	2.5	1.7
Other Services	2,050	1.8	1.6
Government	19,416	4.6	2.6

## Wage and Hour Data

- Average hourly wages for all private sector workers increased 27 cents to \$37.37 in June 2024 over the month. Over the year average hourly earnings increased \$2.02, up 5.7%.
  - For the U.S., private sector wages increased 20 cents over the month and grew 4.7% over the year.
  - The CPI inflation index for all urban consumers rose 3.0% over the year in June.
- At 33.5 hours per week, Minnesota’s June average work week increased two-tenths of an hour over the month. Over-the-year it decreased by four-tenths of an hour.
  - Nationally, the average work week increased half an hour over the month to 34.7 hours. Over-the-year, it increased four-tenths of an hour.

## Unemployment Data

- Over the month, the unemployment rate ticked up one-tenth of a percentage point to 2.9% in June on a seasonally adjusted basis. The number of employed decreased by 7,582 workers, and the number of unemployed increased 4,408. The employment to population ratio ticked down two-tenths of a percentage point to 65.8% from the prior month.
- The labor force decreased 3,174 people over the month, totaling 3,096,798 people in June. The labor force participation rate ticked down two-tenth of a percentage point to 67.8%. Minnesota’s labor force was 34,770 people fewer than in February 2020 when the participation rate was at 70%.
- Nationally, over the month, the unemployment rate ticked up one-tenth of a percentage point to 4.1% and the employment to population ratio stayed constant at 60.1%. The labor force participation rate increased one-tenth of a percentage point to 62.6% over the month.

## Industry Details

**Mining and Logging:** Employment in Mining and Logging was up by 100 (1.5%) over the month (OTM) in June. It was the highest proportional monthly growth of any supersector in the state. It was the first month of seasonally adjusted growth for Mining and Logging in 2024. Over the year, the supersector lost 26 jobs (0.4%). It was the first dip into negative annual growth since March of 2023.

**Construction:** Employment in Construction was up by 300 (0.2%) OTM in June. It was the fourth consecutive month of growth for the supersector. On an annual basis, Construction employers lost 2,366 jobs (1.6%). The supersector has posted negative annual growth in five of six months of 2024. Every published component sector lost jobs over the year in June, with Specialty Trade Contractors down 1,852 (2%), Heavy and Civil Engineering Construction down 261 (1.1%) and Construction of Building down 253 (0.8%).

**Manufacturing:** Manufacturing employers lost 1,600 jobs (0.5%) OTM in June, on a seasonally adjusted basis. Durable Goods Manufacturing lost 1,700 jobs (0.8%) while Non-Durable Goods Manufacturing added 100 jobs (0.1%). Over the year, the supersector lost 8,436 jobs (2.6%). Durable Goods Manufacturing was down 6,550 (3.1%) with notable declines in Machinery Manufacturing (down 1,234, or 3.4%) and Fabricated Metal Product Manufacturing (down 1,189, or 2.6%). Non-Durable Goods Manufacturers lost 1,886 jobs (1.6%) despite the addition of 73 jobs (0.2%) in Food Manufacturing, the only published major component sector.

**Trade, Transportation, and Utilities:** Employment in Trade, Transportation and Utilities was off by 600 (0.1%) in June. Retail Trade lost 2,300 jobs (0.8%) and Wholesale Trade lost 100 (0.1%), while Transportation, Warehousing and Utilities added 1,800 jobs (1.6%). Over the year, employment in the supersector was off by 922 (0.2%). Wholesale Trade was down 391 (0.3%) and Retail Trade was down 968 (0.3%), with most of that loss coming from Building Material and Garden Equipment Dealers, which was off by 1,555 (5.2%). Transportation, Warehousing and Utilities added 437 jobs (0.4%), with Utilities adding 321 jobs, or 2.4%.

**Information:** Employment in Information was flat in June, holding at a seasonally adjusted 42,500 jobs after adding 200 jobs (0.5%) in May. Over the year, Information employers lost 2,118 jobs (4.7%). This is the best OTY growth rate the supersector has posted in 2024, having reached as low as -5.8% OTY in April.

**Financial Activities:** Financial Activities employers lost 100 jobs (0.1%) OTM in June, after adding a combined 2,000 jobs in April and May. Finance and Insurance added 100 jobs, or 0.1%, while Real Estate and Rental and Leasing lost 200 jobs (0.6%). On an annual basis, the supersector lost 4,954 jobs, or 2.6%. Both component sectors were off by 2.6%, with Finance and Insurance losing 4,005 jobs, and Real Estate and Rental and Leasing losing 949 jobs. Total OTY growth in Financial Activities has fallen between -2.2% and -2.9% in every month of 2024.

**Professional and Business Services:** Employment in Professional and Business Services was off by 3,000 (0.8%) OTM in June. The largest component sector, Professional, Scientific and Technical Services, added 2,400 jobs (1.5%). That growth was countered by losses in the other two components, with Administration and Support and Waste Management and Remediation Services in particular shedding 4,600 jobs, or 3.9%. Over the year, Professional and Business Services employers lost 19,240 jobs (4.9%). Administrative and Support and Waste Management lost 15,030 jobs (11.3%), due in large part to the loss of 8,402 jobs, or 15.2%, in Employment Services. Management of Companies lost 5,196 jobs (5.7%), and Professional, Scientific and Technical Services added 986 jobs (0.6%).

**Education and Health Services:** Education and Health Services employment was up 4,500, or 0.8%, OTM in June. This was the largest real job growth of any supersector in the state. Both components grew by 0.8%, with Educational Services up 600 jobs, and Health Care and Social Assistance up 3,900. Over the year, Education and Health Services employers added 39,265 jobs, or 7.1%. It was the largest real and component growth of any supersector in the state, and the highest OTY growth rate for the supersector since April of 2021. Educational Services added 6,795 jobs (10.6%) while Health Care and Social Assistance added 32,470 (6.6%), with Nursing Care Facilities up 8.4% (3,065 jobs) and Ambulatory Health Care Services up 7.5% (12,106 jobs).

**Leisure and Hospitality:** Leisure and Hospitality employers shed 2,100 jobs (0.6%) OTM in June. Arts, Entertainment and Recreation drove the declines, losing 2,000 jobs, or 4.1%. Employment in the much larger Accommodation and Food Services sector was mostly flat, off by 100 jobs, or 0.0%. Over the year, the supersector added 7,042 jobs, or 2.5%. Losses in Arts, Entertainment and Recreation (down 1,926, or 3.5%) were more than offset by gains in Accommodation and Food Services (up 8,968, or 3.9%). The largest growth came in Full Service Restaurants, which added 5,251 jobs, or 5.7%.

**Other Services:** Employment in Other Services was down 800 (0.7%) OTM in June. The supersector has posted flat or negative seasonally adjusted growth in each of the last four months, after adding 1,000 jobs in February. Over the year, Other Services employment was up 2,050 (1.8%). All three component sectors added jobs, with Personal and Laundry Services up 722 (2.6%), Religious, Grantmaking, Civic and Professional Organizations up 1,271 (2%) and Repair and Maintenance up 57 (0.2%).

**Government:** Government employers added 100 jobs (0.0%) OTM in June. The growth came entirely from State Government, which added 1,300 jobs (1.3%). Local Government employers lost 1,100 jobs (0.4%) and Federal Government lost 100 jobs (0.3%). Over the year, Government employers added 19,416 jobs, or 4.6%, which was the second-largest real and proportional growth of any supersector (trailing only Education and Health Services). All three levels of Government added jobs, with the Local Government level providing the most growth, up 14,813, or 5%. Local Non-Education employment was up 10,027 (6.6%) while Local Education employment was up 4,786 (3.3%).

## Over-the-Year Job Growth by MSAs

June data released by DEED, not seasonally adjusted

Metropolitan Statistical Area	OTY Employment Change (#, NSA)	OTY Employment Change (% , NSA)
Minneapolis-St. Paul MN-WI MSA	4,873	0.2
Duluth-Superior MN-WI MSA	-1,587	-1.2
Rochester MSA	4,605	3.6
St. Cloud MSA	1,772	1.6
Mankato MSA	1,319	2.3
Fargo-Moorhead ND-MN MSA (May)	2,900	1.9
Grand Forks-East Grand Forks ND-MN MSA (May)	1,000	1.9
La Crosse-Onalaska WI-MN (May)	1,300	1.6

**Labor Market Information Office**  
**MN Department of Employment and Economic Development**  
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