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Working 'Behind the Scenes' a Good Fit for Boomer Employment

Recession-Hammered, Now on Recovery Road:

Northeast Minnesota's Construction Industry

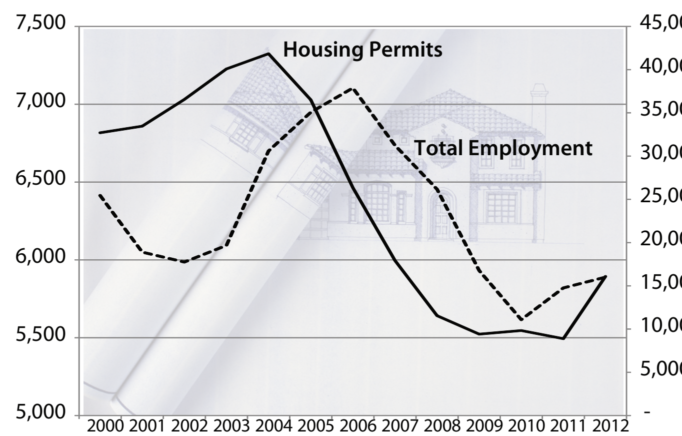
No industry was hit harder by the Great Recession than construction, with residential construction bearing the brunt of the losses. As the housing bubble burst, residential developments and condo buildings were left unfinished, many becoming ghost towns of steel and timber framing. The decline of the Residential Construction industry is effectively illustrated by U.S. Census data on building permit authorizations. In 2004 there were 41,843 residential building permits authorized in Minnesota. By the low point of the recession in 2009, statewide permit authorizations had fallen to 9,425 — a drop of approximately 77.4 percent. As the number of building projects plummeted, so did employment. From 2005 to 2010 the Minnesota construction industry shed 41,189 jobs — or 30.2 percent of its total employment, by far the largest drop of the 11 industry super-sectors.

Not surprisingly, the drop in construction activity in the state led to a drastic decrease in construction-related employment in Northeast Minnesota. According to Quarterly Census of Employment and Wages (QCEW) data, construction employment in Northeast Minnesota reached a peak of 7,104 jobs in 2006 and made up 5 percent of the employment share in the region. At the recession's low point in 2009, industry employment had dropped by 20 percent to 5,932 jobs. By 2010 the total share of employment fell to 4 percent and employment numbers bottomed out at 5,616 jobs, 26 percent below 2007 levels.

Not surprisingly, in Northeast Minnesota, of the three industry sub-sectors — Construction of Buildings, Heavy and Civil Engineering Construction, and Specialty

Figure 1

MN Residential Building Permits and Total NE Minnesota Construction Employment 2000-2012



Regional Spotlight NORTHEAST MINNESOTA

Trade Contractors — the biggest losses were sustained in Construction of Buildings, or more specifically, Residential Buildings and Single Family Homes Construction. Residential Building actually peaked in 2004 — three years before the industry as a whole peaked — at 1,060 jobs before beginning its precipitous decline, bottoming out in 2011 at 584 jobs. From 2009 to 2012, continued declines in new single-family home construction led to a further drop of 19 percent in Residential Building Construction employment. Viewed in the light of the U.S. census data on declining permit authorizations, these numbers are not surprising.

As bad as things got during the recession, the construction industry is poised for a strong recovery. In May 2013 residential building permits in Minnesota grew by 62.7 percent over the previous May to 1,719. This is still far below pre-recession numbers, but if Northeast Minnesota is any indicator it will actually be Non-Residential Building Construction and Heavy and Civil Engineering Construction that drive future growth.

The Northeast Minnesota construction industry has once again begun to add jobs, albeit slowly, climbing by 1 percent back to 5,889 in 2012 while construction's share of total employment ticked back up to 4.2 percent. With Residential Building Construction and the Specialty Trade Contractor employment still in decline over the same period throughout the region, it has been the other sectors, namely Non-Residential Building Construction and Heavy Civil Engineering Construction, that have been driving regional growth. Between 2009 and 2012 nonresidential building construction grew by 37 percent, adding 186 jobs, and heavy and civil engineering construction grew by 12 percent and added 130 jobs. So while Residential Construction is experiencing a slow recovery along with the housing market, the Construction industry as a whole has been buoyed by growth in the Non-Residential and Heavy and Civil Engineering Construction sub-sectors.

Building the Industry Back Up

Duluth has numerous large-scale commercial construction projects on the horizon totaling more than $200 million. These include a new downtown office tower that will be the corporate home for Maurice's, a multi-modal transportation hub, Pier B redevelopment, and the restoration of the NorShor Theatre among many others. Additionally, growth in the Manufacturing and Mining sectors throughout the region should create increased demand for Commercial and Industrial Building Construction. In fact, according to DEED's long term projections, between 2010 and 2020 construction employment is projected to grow by 33.4 percent throughout

High-Growth/High-Wage Construction Industries

Table 1

Title	NAICS	Estimated 2010 Employment	Projected 2020 Percent Change	Median Salary
Other Specialty Trade Contractors	2389	677	41.8%	$39,364
Building Foundation/Exterior Contractors	2381	841	36.7%	$52,520
Highway, Street, and Bridge Construction	2373	373	34%	$56,888
Building Equipment Contractors	2382	1,452	32.2%	$49,868
Nonresidential	2362	650	30.8%	$46,280

Source: DEED Employment Outlook (Projections)

High-Growth/High-Wage Construction Occupations

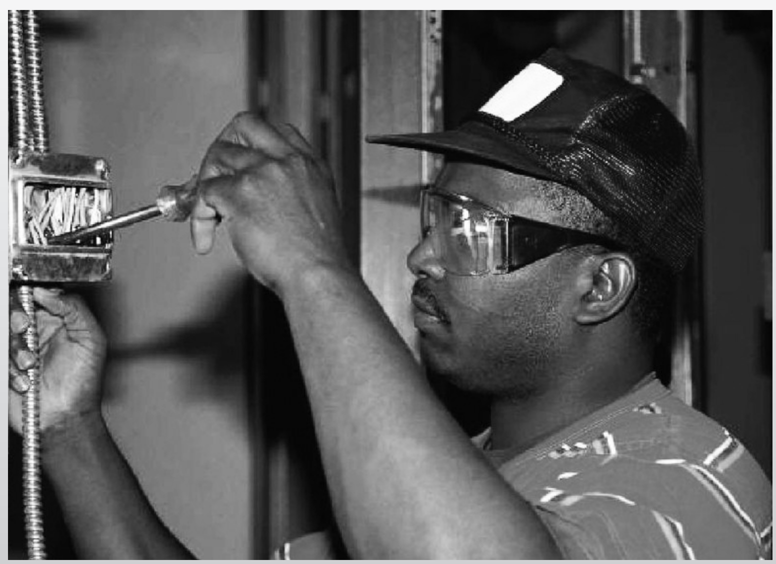
Table 2

Occupational Title	Estimated 2010 Employment	Projected 2020 Percent Change	New Hires	Replacement Openings	Total Openings	Projected Employment 2020	Median Salary
Carpenters	1,259	24.1%	304	270	574	1,563	$ 48,248.23
Cement Masons and Concrete Finishers	228	35.1%	80	40	120	308	$ 50,742.66
Construction Laborers	692	19.2%	133	60	193	825	$ 42,962.58
Operating Engineers and Other Construction Equipment	783	15.5%	121	180	301	904	$ 47,386.13
Electricians	1,020	17.2%	175	280	455	1,195	$ 67,073.06
Painters, Construction and Maintenance	310	24.5%	76	70	146	386	$ 38,265.45
Plumbers, Pipefitters, and Steamfitters	319	27.3%	87	90	177	406	$ 61,780.34
Roofers	261	18.8%	49	50	99	310	$ 58,445.01

Source: DEED Employment Outlook (Projections)

Northeast Minnesota. The projected growth is spread across all sectors but is concentrated in Utility System Construction with 40.7 percent growth, Specialty Trade Contractors at 36 percent, and Construction of Buildings at 27.9 percent. Five of the 16 industries classified as high-growth/high-wage are in the Construction sector (Table 1).

The future looks bright for construction sector occupations. Of the 22 major occupational categories, construction and extraction occupations is projected to be fourth behind health care support occupations, personal care and service occupations, and community and social service occupations in projected job growth from 2010 to 2020. Table 2 lists several occupations within the Construction and Extraction sector that have been classified as high growth/high wage.



A Developing Cluster

Compared to the rest of the industries in the state, the Construction Industry is developing into a strong cluster in Northeast Minnesota. One way to measure an industry's concentration in a region is by calculating location quotients. Location Quotients are the ratio of an industry's share of employment in a region compared to the industry share at the state or national level. Industries or sectors with location quotients above one indicate industry specialization and are generally considered to be drivers of regional economic growth. Because nationwide numbers are available only for the private sector, these location quotients have been calculated using private sector employment numbers for Northeast Minnesota. Table 3 provides construction industry location quotients greater than one compared to the nation and state.

When compared to the state the construction industry as a whole in Northeast Minnesota is relatively concentrated — with a location quotient of 1.19 (Table 3). The region also demonstrates a high level of specialization in several specialty trade contractor subsectors including Framing, Masonry, and Site Preparation Contractors, among others.

Conclusion

While the construction industry took a huge hit in the recession, signs are pointing toward a comeback. Private businesses are again investing in Commercial and Industrial Construction, and the industry is adding jobs, with projections for future growth looking strong. As Residential Construction takes up a smaller footprint, Non-Residential and Heavy and Civil Engineering Construction will drive future growth. With several sub-sectors becoming highly concentrated in the region, numerous in-demand occupations, and current job vacancy rates around 3.9 percent it is a great time for job seekers to think about breaking into the industry.

by Jan Saxhoug
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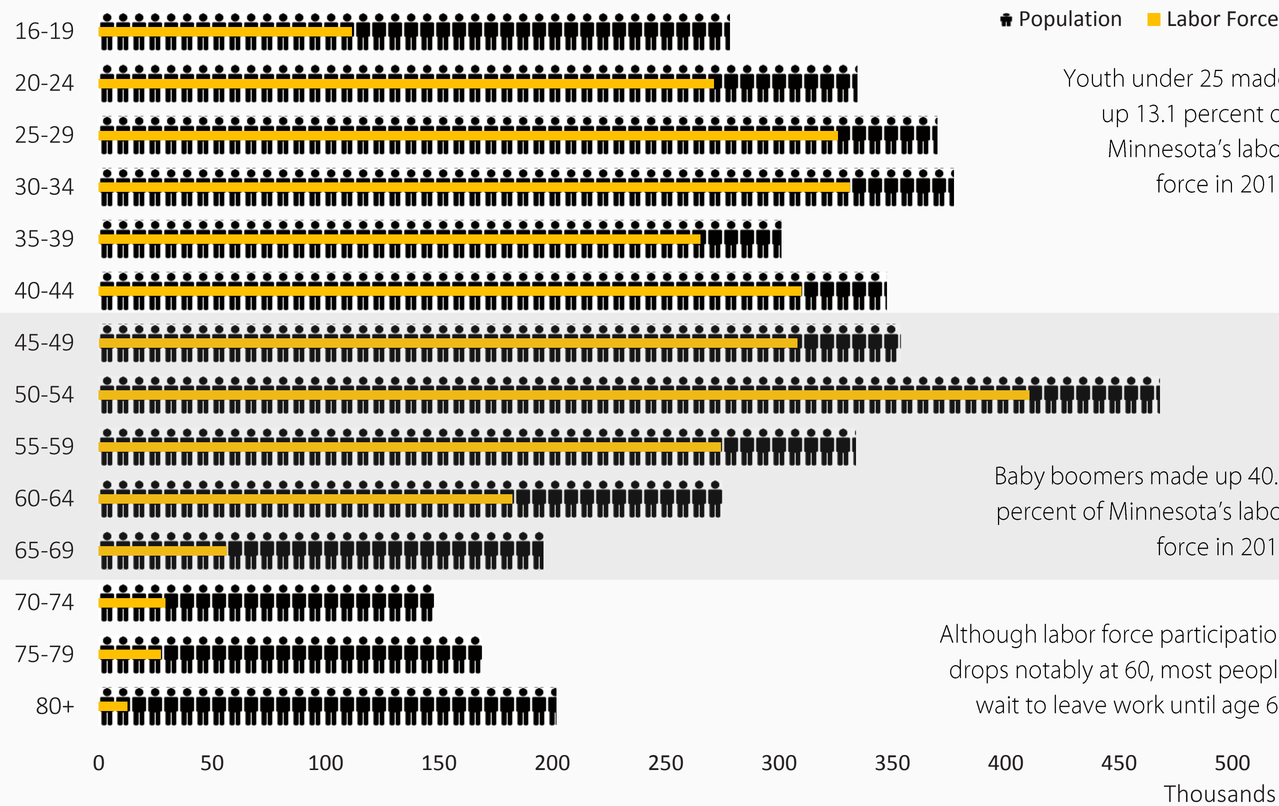
Private Sector Construction Employment and Location Quotients >1

Table 3

NAICS Title	2011 Jobs U.S.	2011 Jobs MN	2011 Jobs NE MN	U.S. LQ	MN LQ
Construction	5,470,906	91,785	5,399	0.96	1.19
Residential Building Construction	565,436	9,249	584	1.01	1.28
Heavy and Civil Engineering Construction	819,707	12,817	801	0.95	1.26
Highway, Street, and Bridge Construction	283,765	5,456	361	1.24	1.34
Foundation, Structure, and Building Exterior Contractors	661,567	11,336	914	1.35	1.63
Framing Contractors	50,432	927	72	1.40	1.57
Masonry Contractors	127,972	2,727	207	1.58	1.53
Other Building Equipment Contractors	118,651	2,417	265	2.18	2.22
Other Specialty Trade Contractors	518,184	9,651	706	1.33	1.48
Site Preparation Contractors	263,201	3,875	500	1.86	2.61
Total Jobs	**108,165,289**	**2,236,950**	**110,684**		

Source: Quarterly Census of Employment and Wages

Fun with Statistics



Youth under 25 made up 13.1 percent of Minnesota's labor force in 2012

Baby boomers made up 40.2 percent of Minnesota's labor force in 2012

Although labor force participation drops notably at 60, most people wait to leave work until age 65

Age and Labor Force Participation

If baby boomers retire at current rates

215,539

will leave the labor force by 2017

Because they make up a large share of the population, Minnesota's labor force participation rate will *decline*

1.6 percent

Minnesota's labor force will expand only

52,880

as younger people age out of school and enter the workforce

Source: MN Demographic Center's Population Projections (2012, 2017), IPUMS-CPS Labor Force Participation Rates (2012)

If half of baby boomers delay retirement 5 years

124,647

will leave the labor force by 2017, and the labor force participation rate will *increase* 0.9 percent

The effects of youth and in-migration are

eclipsed

by baby boomer behavior

by Amanda Rohrer

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	Labor Force			Employment			Unemployment			Rate of Unemployment		
	July 2013	June 2013	July 2012	July 2013	June 2013	July 2012	July 2013	June 2013	July 2012	July 2013	June 2013	July 2012
United States ('000s)												
(Seasonally adjusted)	155,798	155,835	155,013	144,285	144,058	142,220	11,514	11,777	12,794	7.4%	7.6%	8.3%
(Unadjusted)	157,196	157,089	156,526	145,113	144,841	143,126	12,083	12,248	13,400	7.7	7.8	8.6
Minnesota												
(Seasonally adjusted)	2,978,245	2,985,701	2,964,657	2,824,432	2,830,894	2,794,166	153,813	154,807	170,491	5.2	5.2	5.8
(Unadjusted)	3,012,495	3,007,461	3,001,675	2,859,720	2,851,126	2,827,073	152,775	156,335	174,602	5.1	5.2	5.8
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,898,669	1,893,016	1,872,008	1,804,882	1,797,018	1,763,444	93,787	95,998	108,564	4.9	5.1	5.8
Duluth-Superior MSA	144,477	144,675	145,938	135,146	135,133	135,898	9,331	9,542	10,040	6.5	6.6	6.9
Rochester MSA	106,500	105,899	108,068	101,869	101,094	102,910	4,631	4,805	5,158	4.3	4.5	4.8
St. Cloud MSA	108,194	107,839	108,025	102,618	101,944	101,674	5,576	5,895	6,351	5.2	5.5	5.9
Grand Forks MSA	53,420	52,905	52,055	51,030	50,707	49,998	2,390	2,198	2,057	4.5	4.2	4
Fargo-Moorhead MSA	120,381	120,959	120,782	116,212	116,627	116,850	4,169	4,332	3,932	3.5	3.6	3.3
Region One	**49,954**	**50,872**	**50,570**	**47,477**	**48,380**	**47,972**	**2,477**	**2,492**	**2,598**	**5.0**	**4.9**	**5.1**
Kittson	2,676	2,694	2,772	2,532	2,549	2,616	144	145	156	5.4	5.4	5.6
Marshall	5,529	5,632	5,592	5,192	5,282	5,219	337	350	373	6.1	6.2	6.7
Norman	3,722	3,777	3,786	3,537	3,589	3,573	185	188	213	5.0	5.0	5.6
Pennington	9,425	9,557	9,489	8,988	9,097	9,026	437	460	463	4.6	4.8	4.9
Polk	17,357	17,625	17,465	16,475	16,796	16,639	882	829	826	5.1	4.7	4.7
Red Lake	2,298	2,488	2,446	2,179	2,356	2,299	119	132	147	5.2	5.3	6.0
Roseau	8,947	9,099	9,020	8,574	8,711	8,600	373	388	420	4.2	4.3	4.7
Region Two	**40,975**	**40,714**	**40,967**	**38,182**	**37,845**	**37,830**	**2,793**	**2,869**	**3,137**	**6.8**	**7.0**	**7.7**
Beltrami	22,122	21,997	22,035	20,642	20,504	20,342	1,480	1,493	1,693	6.7	6.8	7.7
Clearwater	4,101	4,127	4,215	3,709	3,710	3,823	392	417	392	9.6	10.1	9.3
Hubbard	9,919	9,695	9,791	9,283	9,040	9,081	636	655	710	6.4	6.8	7.3
Lake of the Woods	2,385	2,422	2,414	2,234	2,268	2,266	151	154	148	6.3	6.4	6.1
Mahnomen	2,448	2,473	2,512	2,314	2,323	2,318	134	150	194	5.5	6.1	7.7
Region Three	**169,302**	**169,368**	**171,850**	**158,272**	**158,084**	**159,978**	**11,030**	**11,284**	**11,872**	**6.5**	**6.7**	**6.9**
Aitkin	7,206	7,414	7,488	6,730	6,903	6,972	476	511	516	6.6	6.9	6.9
Carlton	17,571	17,581	17,949	16,555	16,554	16,701	1,016	1,027	1,248	5.8	5.8	7.0
Cook	3,587	3,421	3,607	3,436	3,259	3,449	151	162	158	4.2	4.7	4.4
Itasca	23,553	23,610	24,099	21,862	21,861	22,313	1,691	1,749	1,786	7.2	7.4	7.4
Koochiching	6,818	6,837	6,899	6,297	6,278	6,368	521	559	531	7.6	8.2	7.7
Lake	6,868	6,751	6,813	6,520	6,368	6,448	348	383	365	5.1	5.7	5.4
St. Louis	103,699	103,754	104,995	96,872	96,861	97,727	6,827	6,893	7,268	6.6	6.6	6.9
City of Duluth	45,515	45,515	46,304	42,807	42,802	43,184	2,708	2,713	3,120	5.9	6.0	6.7
Balance of St. Louis County	58,184	58,239	58,691	54,065	54,059	54,543	4,119	4,180	4,148	7.1	7.2	7.1
Region Four	**128,099**	**128,047**	**128,547**	**122,815**	**122,531**	**122,627**	**5,284**	**5,516**	**5,920**	**4.1**	**4.3**	**4.6**
Becker	17,950	18,412	18,147	17,047	17,466	17,165	903	946	982	5.0	5.1	5.4
Clay	34,559	34,720	34,128	33,339	33,460	32,785	1,220	1,260	1,343	3.5	3.6	3.9
Douglas	21,874	21,519	21,843	21,031	20,630	20,843	843	889	1,000	3.9	4.1	4.6
Grant	3,280	3,289	3,401	3,118	3,121	3,210	162	168	191	4.9	5.1	5.6
Otter Tail	31,837	31,538	32,049	30,362	29,978	30,433	1,475	1,560	1,616	4.6	4.9	5.0
Pope	6,616	6,612	6,781	6,376	6,360	6,507	240	252	274	3.6	3.8	4.0
Stevens	6,467	6,373	6,636	6,250	6,152	6,376	217	221	260	3.4	3.5	3.9
Traverse	1,817	1,828	1,813	1,732	1,739	1,724	85	89	89	4.7	4.9	4.9
Wilkin	3,699	3,756	3,749	3,560	3,625	3,584	139	131	165	3.8	3.5	4.4
Region Five	**84,927**	**85,099**	**87,128**	**79,839**	**79,796**	**81,485**	**5,088**	**5,303**	**5,643**	**6.0**	**6.2**	**6.5**
Cass	14,357	14,409	14,672	13,324	13,324	13,504	1,033	1,085	1,168	7.2	7.5	8.0
Crow Wing	34,041	34,098	34,597	32,012	32,013	32,445	2,029	2,085	2,152	6.0	6.1	6.2
Morrison	17,581	17,531	18,578	16,588	16,469	17,462	993	1,062	1,116	5.6	6.1	6.0
Todd	12,642	12,697	12,766	12,009	12,037	12,035	633	660	731	5.0	5.2	5.7
Wadena	6,306	6,364	6,515	5,906	5,953	6,039	400	411	476	6.3	6.5	7.3
Region Six East	**67,187**	**66,838**	**66,113**	**63,792**	**63,311**	**62,163**	**3,395**	**3,527**	**3,950**	**5.1**	**5.3**	**6.0**
Kandiyohi	25,294	25,508	24,521	24,211	24,372	23,308	1,083	1,136	1,213	4.3	4.5	4.9
McLeod	20,088	19,792	20,393	18,992	18,637	19,021	1,096	1,155	1,372	5.5	5.8	6.7
Meeker	12,612	12,677	12,729	11,949	12,000	11,947	663	677	782	5.3	5.3	6.1
Renville	9,193	8,861	8,470	8,640	8,302	7,887	553	559	583	6.0	6.3	6.9

*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.

Labor Force Estimates

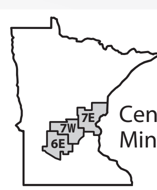
Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2013.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	July 2013	June 2013	July 2012	July 2013	June 2013	July 2012	July 2013	June 2013	July 2012	July 2013	June 2013	July 2012
Region Six West	**25,290**	**25,713**	**26,099**	**24,083**	**24,479**	**24,783**	**1,207**	**1,234**	**1,316**	**4.8%**	**4.8%**	**5.0%**
Big Stone	3,013	2,967	3,080	2,891	2,836	2,939	122	131	141	4.0	4.4	4.6
Chippewa	7,284	7,315	7,554	6,943	6,969	7,177	341	346	377	4.7	4.7	5.0
Lac Qui Parle	4,119	4,340	4,360	3,919	4,131	4,164	200	209	196	4.9	4.8	4.5
Swift	5,295	5,396	5,280	5,025	5,119	4,975	270	277	305	5.1	5.1	5.8
Yellow Medicine	5,579	5,695	5,825	5,305	5,424	5,528	274	271	297	4.9	4.8	5.1
Region Seven East	**84,885**	**84,904**	**84,938**	**79,806**	**79,586**	**79,215**	**5,079**	**5,318**	**5,723**	**6.0**	**6.3**	**6.7**
Chisago	29,116	29,096	28,678	27,565	27,444	26,953	1,551	1,652	1,725	5.3	5.7	6.0
Isanti	21,041	21,008	20,741	19,962	19,875	19,519	1,079	1,133	1,222	5.1	5.4	5.9
Kanabec	8,101	8,145	8,293	7,480	7,513	7,595	621	632	698	7.7	7.8	8.4
Mille Lacs	12,250	12,367	12,584	11,373	11,451	11,580	877	916	1,004	7.2	7.4	8.0
Pine	14,377	14,288	14,642	13,426	13,303	13,568	951	985	1,074	6.6	6.9	7.3
Region Seven West	**229,051**	**228,298**	**227,278**	**217,584**	**216,410**	**214,089**	**11,467**	**11,888**	**13,189**	**5.0**	**5.2**	**5.8**
Benton	22,315	22,191	22,230	21,123	20,984	20,929	1,192	1,207	1,301	5.3	5.4	5.9
Sherburne	50,218	50,031	49,613	47,687	47,480	46,629	2,531	2,551	2,984	5.0	5.1	6.0
Stearns	85,879	85,648	85,795	81,495	80,960	80,745	4,384	4,688	5,050	5.1	5.5	5.9
Wright	70,639	70,428	69,640	67,279	66,986	65,786	3,360	3,442	3,854	4.8	4.9	5.5
Region Eight	**69,480**	**69,973**	**71,667**	**66,219**	**67,050**	**68,102**	**3,261**	**2,923**	**3,565**	**4.7**	**4.2**	**5.0**
Cottonwood	6,744	6,669	6,894	6,133	6,354	6,285	611	315	609	9.1	4.7	8.8
Jackson	7,412	7,343	7,576	7,106	7,084	7,247	306	259	329	4.1	3.5	4.3
Lincoln	3,578	3,599	3,757	3,444	3,456	3,601	134	143	156	3.7	4.0	4.2
Lyon	14,537	14,903	15,274	13,894	14,240	14,542	643	663	732	4.4	4.4	4.8
Murray	6,049	6,197	6,167	5,811	5,985	5,915	238	212	252	3.9	3.4	4.1
Nobles	11,403	11,480	11,619	10,925	11,009	11,084	478	471	535	4.2	4.1	4.6
Pipestone	5,774	5,760	5,958	5,570	5,546	5,714	204	214	244	3.5	3.7	4.1
Redwood	8,506	8,513	8,803	8,051	8,066	8,315	455	447	488	5.3	5.3	5.5
Rock	5,477	5,509	5,619	5,285	5,310	5,399	192	199	220	3.5	3.6	3.9
Region Nine	**133,230**	**133,397**	**133,679**	**126,757**	**126,756**	**126,179**	**6,473**	**6,641**	**7,500**	**4.9**	**5.0**	**5.6**
Blue Earth	38,066	38,331	38,267	36,281	36,536	36,172	1,785	1,795	2,095	4.7	4.7	5.5
Brown	15,771	15,432	15,632	15,041	14,652	14,792	730	780	840	4.6	5.1	5.4
Faribault	7,778	7,797	7,750	7,377	7,381	7,281	401	416	469	5.2	5.3	6.1
Le Sueur	14,664	14,587	14,599	13,807	13,677	13,638	857	910	961	5.8	6.2	6.6
Martin	11,654	11,639	11,559	11,078	11,049	10,907	576	590	652	4.9	5.1	5.6
Nicollet	19,285	19,435	19,475	18,505	18,636	18,450	780	799	1,025	4.0	4.1	5.3
Sibley	10,132	10,221	10,386	9,695	9,758	9,912	437	463	474	4.3	4.5	4.6
Waseca	10,359	10,321	10,446	9,811	9,753	9,855	548	568	591	5.3	5.5	5.7
Watonwan	5,521	5,634	5,565	5,162	5,314	5,172	359	320	393	6.5	5.7	7.1
Region Ten	**276,151**	**275,400**	**280,800**	**262,989**	**261,845**	**265,629**	**13,162**	**13,555**	**15,171**	**4.8**	**4.9**	**5.4**
Dodge	11,394	11,321	11,546	10,832	10,750	10,943	562	571	603	4.9	5.0	5.2
Fillmore	11,481	11,465	11,928	10,932	10,894	11,287	549	571	641	4.8	5.0	5.4
Freeborn	16,195	16,689	16,594	15,375	15,828	15,622	820	861	972	5.1	5.2	5.9
Goodhue	25,879	25,955	26,703	24,584	24,626	25,249	1,295	1,329	1,454	5.0	5.1	5.4
Houston	10,600	10,594	10,553	10,025	10,017	9,951	575	577	602	5.4	5.4	5.7
Mower	21,491	21,490	21,923	20,508	20,470	20,842	983	1,020	1,081	4.6	4.7	4.9
Olmsted	83,064	82,577	84,315	79,562	78,956	80,375	3,502	3,621	3,940	4.2	4.4	4.7
City of Rochester	60,635	60,257	61,466	57,998	57,556	58,590	2,637	2,701	2,876	4.3	4.5	4.7
Rice	33,037	33,161	33,616	31,143	31,260	31,305	1,894	1,901	2,311	5.7	5.7	6.9
Steele	21,436	21,116	21,215	20,460	20,090	19,993	976	1,026	1,222	4.6	4.9	5.8
Wabasha	12,042	12,002	12,207	11,475	11,388	11,592	567	614	615	4.7	5.1	5.0
Winona	29,532	29,030	30,200	28,093	27,566	28,470	1,439	1,464	1,730	4.9	5.0	5.7
Region Eleven	**1,653,957**	**1,648,845**	**1,632,037**	**1,571,903**	**1,565,056**	**1,537,025**	**82,054**	**83,789**	**95,012**	**5.0**	**5.1**	**5.8**
Anoka	193,704	193,166	191,259	183,894	183,093	179,814	9,810	10,073	11,445	5.1	5.2	6.0
Carver	52,081	51,927	51,353	49,704	49,488	48,602	2,377	2,439	2,751	4.6	4.7	5.4
Dakota	237,113	236,434	233,843	225,832	224,848	220,821	11,281	11,586	13,022	4.8	4.9	5.6
Hennepin	677,135	674,824	667,695	643,406	640,603	629,129	33,729	34,221	38,566	5.0	5.1	5.8
City of Bloomington	49,412	49,253	48,661	46,989	46,784	45,946	2,423	2,469	2,715	4.9	5.0	5.6
City of Minneapolis	221,395	220,657	218,566	209,760	208,846	205,105	11,635	11,811	13,461	5.3	5.4	6.2
Ramsey	280,756	279,853	277,602	265,910	264,752	260,010	14,846	15,101	17,592	5.3	5.4	6.3
City of St. Paul	150,458	150,012	148,907	141,858	141,240	138,711	8,600	8,772	10,196	5.7	5.8	6.8
Scott	76,649	76,485	75,373	73,053	72,735	71,432	3,596	3,750	3,941	4.7	4.9	5.2
Washington	136,519	136,156	134,912	130,104	129,537	127,217	6,415	6,619	7,695	4.7	4.9	5.7

Minneapolis/ St. Paul

Northeast Minnesota

Northwest Minnesota



Central Minnesota

Southern Minnesota

Industrial Analysis

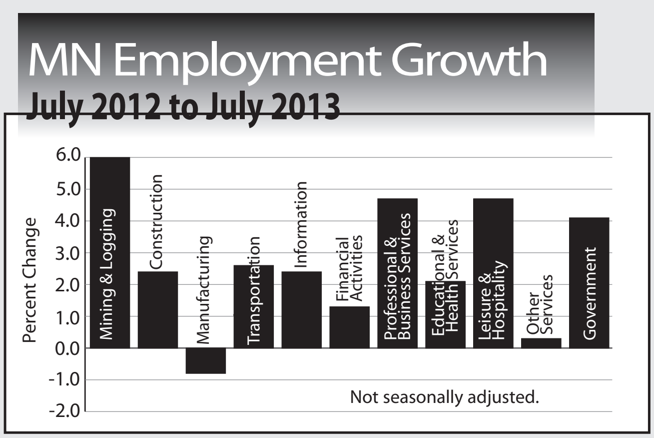
Monthly analysis is based on ***seasonally adjusted*** employment data; yearly analysis is based on ***unadjusted*** employment data.*

Overview

Employment increased by 4,300 in July 2013, and the June 2013 change was revised downward from an increase of 400 to a decrease of 1000. Private sector results were mixed with nearly all of the gains occurring in Government – specifically Local Government which added 3,800 jobs for a 1.3 percent increase. In the Private Sector most gains were in Service-Providing industries, while losses were in Goods-Producing. Construction fell 1.7 percent (1,700), and Manufacturing fell 0.5 percent (1,400). Information gained 2.0 percent (1,100), Financial Activities gained 1.3 percent (2,300), and Other Services gained 1.1 percent (1,300). The one significant decline in Services was in Educational and Health Services, which fell 0.5 percent (2,600) for the month. The industry weathered the recession well and has seen few seasonally adjusted declines overall, so this is unusual. Employment growth has alternated between positive and negative nearly every month of this year. Despite the inconsistency of growth, we're at a post-recession high and have only 5,500 jobs to go to regain February 2008's peak.

Mining and Logging

Employment was flat (0.0 percent and 0 numerically). Employment in Mining and Logging has been largely flat or seen only very small gains for the past year and a half, so this is on trend.



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

Construction

Construction losses of 1,700 (1.7 percent) seasonally adjusted were disappointing, considering reports of the industry's recovery. However, employment is up 10,300 since the recessionary trough in May 2010. Although subsectors are not seasonally adjusted, unadjusted data suggest that Residential Building Construction hiring is outperforming the typical July, while Heavy and Civil Engineering Construction and Specialty Trade Contractors are not.

Manufacturing

Manufacturing employment declined 1,400 (0.5 percent) over the month. This is the fifth decline in the last six months. Durable Goods Manufacturing was up 500 (0.3 percent); Non-Durable Goods Manufacturing was down 1,900 (1.7 percent). There has been no consistent pattern in recent months indicating that neither of those subsectors is solely responsible for the overall direction of the industry.

Trade, Transportation, and Utilities

With a decline of only 200 jobs Trade, Transportation, and Utilities saw 0.0 percentage change on a seasonally adjusted basis for July. Over the course of the year, most months have seen slight increases with only two exceptions this spring. The component industries have seen more disparate results in individual months, but their over-the-year increases of 1.9 percent (Wholesale Trade), 2.3 percent (Retail Trade) and 4.4 percent (Transportation, Warehousing, and Utilities) have been generally consistent with the overall annual increase of 2.6 percent.

Information

June marked a significant gain of 1,100 (2.0 percent) after two months of declines, and returns the seasonally adjusted total employment for the industry to its highest level since March 2009, tied with April 2013. This appears to be a return to growth after an anomalous couple of months; the over-the-year increase was 1,300 (2.4 percent).

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

Financial Activities

Employment in Financial Activities increased 2,300 (1.3 percent) over the month. The over-the-year increase of 2,400 (1.3 percent) has been brought about by as many monthly losses as increases as employment growth has been inconsistent. Component industry Finance and Insurance employment increased 1,600 (1.2 percent) marking a post-recession high for the industry, but in the past year there have been as many falling months as increasing. In Real Estate and Rental and Leasing, employment increased 700 (1.8 percent). The industry has been seeing balanced gains and losses over the last year, with a net increase of 100 in employment. Given reports of the strength of the housing market, this is a little unexpected.

Professional and Business Services

Professional and Business Services employment grew 100 over the month (0.0 percent). Over-the-month gains in Professional and Technical Services (up 1,300, 1.0 percent) and Management of Companies (up 100, 0.1 percent) were counterbalanced by a loss in Administrative and Support Services (down 1,300, 0.9 percent). Employment in the industry has been growing in fits and starts, but overall it is up 4.7 percent (16,200) over the year.

Educational and Health Services

Employment in Educational Services declined 4,200 (6.5 percent). The loss was entirely from Private Education, which was counterbalanced a little by gains in Health Care and Social Assistance of 1,600 or 0.4 percent. The industry achieved its post-recession peak in July 2011 and has seen losses and spotty gains since.

Leisure and Hospitality

In July, employment in Leisure and Hospitality increased 1,400 (0.6 percent). The industry has been performing well over the last year, with an increase of 4.7 percent (12,200). Accommodation and Food Services is responsible for most of the gains over the month, increasing 1.0 percent (2,200) while Arts, Entertainment, and Recreation fell 2.0 percent (800).

Other Services

The employment increase of 1,300 (1.1 percent) in Other Services more than cancels out last month's decline in an industry that has remained fairly stable for the last few years. Despite the inching growth, the seasonally adjusted employment level of 117,700 is the highest it's been post-recession.

Government

The gains in Local Government are much stronger than expected, increasing 3,800 (1.3 percent). It seems most likely that this can be credited to a substantial new state funding bill for early childhood education since, in the unadjusted data, this comes from an unusually small decline in Local Government Education, and it's seen in most individual units and is not driven by a single locality. Compared to Local Government's monthly change, the slight decline in Federal Government (down 300, 1.0 percent) and increase in State Government (up 500, 0.5 percent) were less significant.

by Amanda Rohrer

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	July 2013	June 2013	May 2013
Total Nonagricultural	**2,775.4**	**2,771.1**	**2,772.1**
Goods-Producing	**406.7**	**409.8**	**411.5**
Mining and Logging	7.4	7.4	7.2
Construction	96.2	97.9	98.6
Manufacturing	303.1	304.5	305.7
Service-Providing	**2,368.7**	**2,361.3**	**2,360.6**
Trade, Transportation, and Utilities	511.9	512.1	509.5
Information	55.3	54.2	54.7
Financial Activities	179.7	177.4	178.5
Professional and Business Services	352.0	351.9	348.0
Educational and Health Services	485.1	487.7	488.2
Leisure and Hospitality	250.8	249.4	249.2
Other Services	117.7	116.4	117.0
Government	416.2	412.2	415.5

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

Regional Analysis

Monthly analysis is based on ***unadjusted*** employment data.

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

Employment in the Minneapolis-St. Paul-Bloomington MSA fell 0.6 percent (11,297) over the month but increased 3.7 percent (64,443) over the year. On the whole, Private Sector industries saw moderate gains of less than 1.0 percent over the month. Manufacturing (down 0.2 percent, 420), Educational and Health Services (down 0.5 percent, 1,352), and Mining, Logging, and Construction (up 3.5 percent, 2,361) were the only exceptions. The driving force behind the decline was Government employment with an overall loss of 6.1 percent (14,839), largely coming from Local Government Educational Services (down 20.8 percent, 17,940). Despite the large monthly loss, which was seasonally appropriate for the industry, Local Government Education was still up 14.4 percent (8,609) over the year.

Duluth -Superior MSA

Employment in the Duluth-Superior MSA declined 1.4 percent (1,799) over the month and increased 0.5 percent (632) over the year. The declines were driven by Public Sector losses with Local Government in particular falling 11.9 percent (2,081) over the month. While substantial, this is a seasonal decrease stemming from layoffs during the summer when schools are not in session and is more moderate than the five-year average July decline of 12.1 percent. In contrast, the Private Sector saw growth both over the month (up 0.4 percent, 461) and over the year (up 0.6 percent, 678). Most Private industries saw small gains or l osses with the exceptions of Mining, Logging, and Construction (up 2.5 percent, 202) and Leisure and Hospitality (up 2.0 percent, 290).

Rochester MSA

In the Rochester MSA employment fell 0.4 percent (430) over the month but was up 0.5 percent (493) over the year. On the whole, Private Sector industries saw increases. There were significant over-the-month changes in Mining, Logging, and Construction (up 3.1 percent, 109), Manufacturing (up 2.0 percent, 202), and in Educational and Health Services (up 0.5 percent, 233). The losses came from Government: Local Government fell 8.0 percent (666), while State Government employment fell 4.0 percent (63). Particularly in Local Government the losses are seasonal losses related to schools. Over the year Private employment is up 1.0 percent (926) but Government employment is down 4.1 percent (433).

St. Cloud MSA

Employment in the St. Cloud MSA fell 0.8 percent (795) over the month but increased 3.0 percent (2,971) over the year. Again, the major losses came in Government (down 6.7 percent, 1,023), but in contrast to other metros the largest percentage losses were in State Government (down 10.2 percent, 400). The bulk of summer losses for State Government in St. Cloud usually come in June, but sometimes, as in 2013, they are spread across June and July. In the Private Sector most industries saw slight gains or losses with the exception of Mining, Logging, and Utilities (up 3.2 percent, 201). Over the year the industry has been growing as well, with a gain of 19.0 percent (1,029).

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA fell 2.1 percent (1,145) over the month and was up 1.7 percent (903) over the year. Government was down 12.1 percent (1,094) over the month and down 5.1 percent (428) over the year. Only Goods Producing industries saw a monthly gain (up 0.4 percent, 43), although all but Government were up over the year.

Fargo-Moorhead MSA

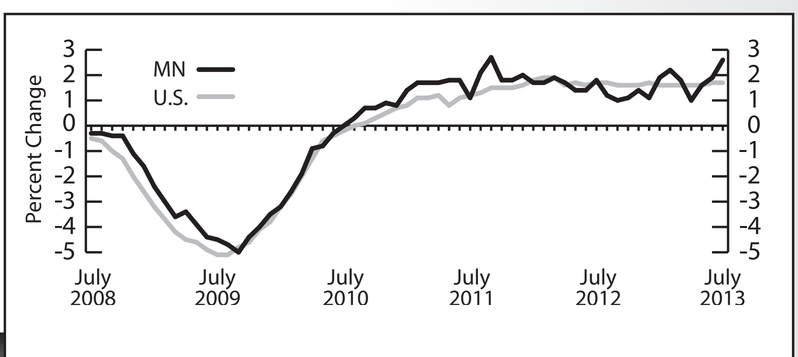
Fargo-Moorhead MSA employment fell 1.3 percent (1,786) over the month but increased 3.3 percent (4,177) over the year. Mining, Logging, and Construction employment increased 6.2 percent (592) over the month and 22.3 percent (1,840) over the year. All other Private industries saw moderate gains or losses of less than 1.0 percent over the month. Over the year Administrative and Support Services increased 16.7 percent (1,046), a significantly larger change than any other industry except Mining, Logging, and Construction. Local Government employment fell 22.3 percent (2,095) over the month, but was up 2.3 percent (165) over the year. Seasonal declines in school employment are likely responsible for the monthly decline.

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA fell 3.1 percent (1,746) over the month and increased 1.2 percent (616) over the year. Mining, Logging, and Construction was strongest over the month (up 4.7 percent, 161). Over the year the strongest industries were Trade, Transportation, and Utilities (up 4.7 percent, 550) and Mining, Logging, and Construction (up 4.7 percent, 161), although all the gains in that industry occurred over the month. The overall decline stemmed largely from Local Government (down 29.4 percent, 1,747), likely a seasonal decline from schools' letting out for summer.

by Amanda Rohrer

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

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	Jobs* (Thousands)			Percent Change From**		Production Workers Hours and Earnings: Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	July 2013	June 2013	July 2012	June 2013	July 2012	July 2013	July 2012	July 2013	July 2012	July 2013	July 2012
TOTAL NONFARM WAGE AND SALARY	**2,800.6**	**2,821.5**	**2,729.2**	**-0.7%**	**2.6%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**425.7**	**423.0**	**425.1**	**0.6**	**0.1**	—	—	—	—	—	—
Mining and Logging	**7.9**	**7.7**	**7.5**	**2.8**	**6**	—	—	—	—	—	—
Construction	**109.6**	**106.9**	**107.0**	**2.6**	**2.4**	—	—	—	—	—	—
Specialty Trade Contractors	67.3	66.6	66.7	1.1	1	$1,185.10	$1,232.28	40.2	41.9	$29.48	$29.41
Manufacturing	**308.1**	**308.4**	**310.7**	**-0.1**	**-0.8**	**817.13**	**781.15**	**41.0**	**40.1**	**19.93**	**19.48**
Durable Goods	197.5	197.5	197.3	0	0.1	826.83	789.93	41.3	40.2	20.02	19.65
Wood Product Manufacturing	11.2	11.0	10.9	1.7	2.8	—	—	—	—	—	—
Fabricated Metal Production	42.2	42.4	41.5	-0.5	1.6	—	—	—	—	—	—
Machinery Manufacturing	31.9	32.0	32.0	-0.4	-0.5	—	—	—	—	—	—
Computer and Electronic Product	46.0	45.8	46.0	0.5	0	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.4	25.4	25.2	0.2	0.9	—	—	—	—	—	—
Transportation Equipment	10.1	10.3	10.7	-2.1	-5.4	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.9	15.8	15.8	0.3	0.3	—	—	—	—	—	—
Nondurable Goods	110.6	110.9	113.4	-0.3	-2.5	803.07	766.88	40.6	39.9	19.78	19.22
Food Manufacturing	44.6	45.1	45.7	-1	-2.3	—	—	—	—	—	—
Paper Manufacturing	32.8	33.0	33.9	-0.5	-3.2	—	—	—	—	—	—
Printing and Related	23.0	23.1	23.4	-0.7	-2	—	—	—	—	—	—
SERVICE-PROVIDING	**2,375.0**	**2,398.4**	**2,304.0**	**-1**	**3.1**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**515.9**	**516.9**	**502.9**	**-0.2**	**2.6**	—	—	—	—	—	—
Wholesale Trade	133.6	133.5	131.0	0	1.9	939.90	921.54	39.0	37.4	24.1	24.64
Retail Trade	289.8	289.6	283.2	0.1	2.3	395.65	385.28	28.2	29.1	14.03	13.24
Motor Vehicle and Parts	31.6	31.7	31.2	-0.3	1.2	—	—	—	—	—	—
Building Material and Garden Equipment	26.4	27.0	26.2	-2	0.8	—	—	—	—	—	—
Food and Beverage Stores	51.2	51.1	51.1	0.2	0.2	—	—	—	—	—	—
Gasoline Stations	24.2	24.3	23.7	-0.6	2.1	—	—	—	—	—	—
General Merchandise Stores	60.1	60.7	60.5	-1	-0.7	323.54	344.43	29.2	30.4	11.08	11.33
Transportation,Warehouse, Utilities	92.6	93.8	88.7	-1.3	4.4	—	—	—	—	—	—
Transportation and Warehousing	79.8	81.0	75.9	-1.5	5.1	638.20	677.91	37.3	38.3	17.11	17.7
Information	**55.2**	**54.3**	**53.9**	**1.7**	**2.4**	**767.59**	**759.24**	**34.1**	**34.2**	**22.51**	**22.2**
Publishing Industries	20.7	20.8	21.4	-0.4	-3.3	—	—	—	—	—	—
Telecommunications	13.7	13.8	13.7	-0.9	-0.1	—	—	—	—	—	—
Financial Activities	**181.5**	**178.8**	**179.1**	**1.5**	**1.3**	—	—	—	—	—	—
Finance and Insurance	141.4	139.7	139.1	1.2	1.7	935.58	968.14	34.6	37.7	27.04	25.68
Credit Intermediation	55.3	54.3	53.4	1.9	3.6	763.27	730.30	33.2	35.4	22.99	20.63
Securities, Commodity Contracts, and Other	18.2	17.9	18.1	1.2	0.4	—	—	—	—	—	—
Insurance Carriers and Related	64.3	64.0	64.3	0.6	0	—	—	—	—	—	—
Real Estate and Rental and Leasing	40.0	39.1	40.0	2.3	0.2	—	—	—	—	—	—
Professional and Business Services	**357.4**	**355.7**	**341.2**	**0.5**	**4.7**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	134.3	133.5	131.0	0.6	2.5	—	—	—	—	—	—
Legal Services	19.1	19.1	19.1	0.5	0.5	—	—	—	—	—	—
Accounting, Tax Preparation	13.8	13.6	13.4	1.6	3.4	—	—	—	—	—	—
Computer Systems Design	31.3	30.9	31.2	1.2	0.2	—	—	—	—	—	—
Management of Companies and Enterprises	78.0	77.2	75.6	1	3.1	—	—	—	—	—	—
Administrative and Support Services	145.1	145.0	134.6	0.1	7.8	—	—	—	—	—	—
Educational and Health Services	**481.3**	**483.8**	**471.4**	**-0.5**	**2.1**	—	—	—	—	—	—
Educational Services	53.7	58.3	57.3	-7.9	-6.3	—	—	—	—	—	—
Health Care and Social Assistance	427.6	425.5	414.1	0.5	3.3	—	—	—	—	—	—
Ambulatory Health Care	140.0	138.9	133.0	0.8	5.3	1,168.58	1,079.07	34.0	33.7	34.37	32.02
Offices of Physicians	68.3	67.5	64.5	1.1	5.8	—	—	—	—	—	—
Hospitals	103.6	103.3	102.1	0.3	1.5	—	—	—	—	—	—
Nursing and Residential Care Facilities	106.9	106.3	104.0	0.6	2.8	419.31	412.13	29.2	28.7	14.36	14.36
Social Assistance	77.0	77.0	74.9	0.1	2.8	—	—	—	—	—	—
Leisure and Hospitality	**272.6**	**269.5**	**260.5**	**1.2**	**4.7**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	48.2	47.1	44.7	2.5	7.9	—	—	—	—	—	—
Accommodation and Food Services	224.4	222.5	215.8	0.9	4	—	—	—	—	—	—
Food Services and Drinking Places	192.5	191.8	185.0	0.4	4	235.01	228.80	21.6	22.0	10.88	10.4
Other Services	**117.5**	**116.6**	**117.1**	**0.7**	**0.3**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	68.2	67.6	69.0	0.9	-1.2	—	—	—	—	—	—
Government	**393.6**	**422.8**	**377.9**	**-6.9**	**4.1**	—	—	—	—	—	—
Federal Government	30.7	30.9	31.7	-0.5	-3.1	—	—	—	—	—	—
State Government	92.6	94.7	93.7	-2.2	-1.1	—	—	—	—	—	—
State Government Education	54.3	56.4	56.3	-3.7	-3.5	—	—	—	—	—	—
Local Government	270.3	297.2	252.6	-9.1	7	—	—	—	—	—	—
Local Government Education	109.5	140.4	99.4	-22	10.1	—	—	—	—	—	—

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.

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* (Thousands)			Percent Change From**		Production Workers Hours and Earnings					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	July 2013	June 2013	July 2012	June 2013	July 2012	July 2013	July 2012	July 2013	July 2012	July 2013	July 2012
TOTAL NONFARM WAGE AND SALARY	**1,825.9**	**1,837.2**	**1,761.5**	**-0.6%**	**3.7%**	—	—	—	—	—	—
GOODS-PRODUCING	**253.6**	**251.7**	**247.7**	**0.8**	**2.4**	—	—	—	—	—	—
Mining, Logging, and Construction	**69.4**	**67.1**	**64.1**	**3.5**	**8.4**	—	—	—	—	—	—
Construction of Buildings	13.9	13.4	13.5	4.1	3.3	—	—	—	—	—	—
Specialty Trade Contractors	47.2	46.2	42.5	2.1	11.2	$1,289.28	$1,300.93	40.8	41.0	$31.60	$31.73
Manufacturing	**184.2**	**184.6**	**183.6**	**-0.2**	**0.3**	**838.44**	**813.23**	**40.8**	**40.1**	**20.55**	**20.28**
Durable Goods	127.8	128.3	126.8	-0.4	0.8	861.49	846.92	41.2	40.6	20.91	20.86
Fabricated Metal Production	28.6	28.7	28.0	-0.4	1.9	—	—	—	—	—	—
Machinery Manufacturing	19.4	19.5	19.8	-0.5	-2.2	—	—	—	—	—	—
Computer and Electronic Product	36.2	36.1	36.0	0.4	0.7	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	24.0	23.9	23.7	0.3	1.3	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.2	14.1	14.4	0.1	-1.8	—	—	—	—	—	—
Nondurable Goods	56.4	56.3	56.9	0.2	-0.8	793.60	747.20	40.0	39.1	19.84	19.11
Food Manufacturing	12.4	12.3	12.4	0.5	0	—	—	—	—	—	—
Printing and Related	14.6	14.7	14.9	-0.4	-1.5	—	—	—	—	—	—
SERVICE-PROVIDING	**1,572.3**	**1,585.6**	**1,513.8**	**-0.8**	**3.9**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**321.1**	**320.8**	**316.0**	**0.1**	**1.6**	—	—	—	—	—	—
Wholesale Trade	81.5	81.8	82.6	-0.4	-1.4	965.77	966.46	39.1	37.1	24.70	26.05
Merchant Wholesalers - Durable Goods	42.9	42.9	43.8	0	-2.1	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	24.5	24.7	24.8	-0.6	-1.3	—	—	—	—	—	—
Retail Trade	176.5	175.9	173.1	0.3	2	380.35	359.39	28.3	29.1	13.44	12.35
Food and Beverage Stores	29.0	28.9	28.8	0.3	0.5	—	—	—	—	—	—
General Merchandise Stores	36.5	36.9	36.9	-1.2	-1.1	338.54	346.89	30.2	31.0	11.21	11.19
Transportation, Warehouse, Utilities	63.1	63.1	60.2	0.1	4.8	—	—	—	—	—	—
Utilities	7.4	7.4	7.4	-0.4	0.1	—	—	—	—	—	—
Transportation and Warehousing	55.7	55.6	52.8	0.2	5.5	758.76	725.38	42.2	39.9	17.98	18.18
Information	**39.1**	**38.9**	**39.1**	**0.4**	**-0.1**						
Publishing Industries	16.5	16.5	16.6	0.2	-0.7	—	—	—	—	—	—
Telecommunications	9.5	9.6	9.6	-0.7	-1.1	—	—	—	—	—	—
Financial Activities	**141.8**	**141.2**	**141.8**	**0.4**	**0**	—	—	—	—	—	—
Finance and Insurance	109.7	109.4	109.9	0.2	-0.2	1,124.91	1,096.68	35.7	38.0	31.51	28.86
Credit Intermediation	38.0	37.6	36.9	0.9	3	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.1	15.9	16.4	1.1	-1.7	—	—	—	—	—	—
Insurance Carriers and Related	53.0	53.1	53.6	-0.1	-1.1	—	—	—	—	—	—
Real Estate and Rental and Leasing	32.1	31.8	31.9	1	0.5	—	—	—	—	—	—
Professional and Business Services	**289.2**	**287.9**	**274.9**	**0.5**	**5.2**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	107.6	107.1	104.8	0.5	2.7	—	—	—	—	—	—
Legal Services	16.2	16.1	16.1	0.4	0.7	—	—	—	—	—	—
Architectural, Engineering, and Related	15.6	15.6	15.4	-0.1	1.4	—	—	—	—	—	—
Computer Systems Design	26.7	26.5	25.8	1	3.6	—	—	—	—	—	—
Management of Companies and Enterprises	69.0	68.4	67.7	0.9	2	—	—	—	—	—	—
Administrative and Support Services	112.5	112.4	102.3	0.1	10	—	—	—	—	—	—
Employment Services	56.2	56.0	48.5	0.3	15.9	—	—	—	—	—	—
Educational and Health Services	**292.9**	**294.2**	**280.6**	**-0.5**	**4.4**	—	—	—	—	—	—
Educational Services	40.0	43.2	38.1	-7.5	4.9	—	—	—	—	—	—
Health Care and Social Assistance	252.9	251.0	242.5	0.7	4.3	—	—	—	—	—	—
Ambulatory Health Care	82.4	81.6	77.9	1	5.8	—	—	—	—	—	—
Hospitals	60.4	60.1	59.0	0.5	2.3	—	—	—	—	—	—
Nursing and Residential Care Facilities	56.7	56.3	54.8	0.7	3.5	—	—	—	—	—	—
Social Assistance	53.4	53.0	50.7	0.7	5.2	—	—	—	—	—	—
Leisure and Hospitality	**184.5**	**184.2**	**171.3**	**0.2**	**7.7**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	36.0	35.8	33.0	0.8	9.4	—	—	—	—	—	—
Accommodation and Food Services	148.4	148.4	138.4	0	7.3	262.62	260.03	23.2	23.3	11.32	11.16
Food Services and Drinking Places	134.8	135.1	124.8	-0.2	8	254.93	247.70	22.5	22.6	11.33	10.96
Other Services	**76.9**	**76.6**	**78.2**	**0.3**	**-1.6**	—	—	—	—	—	—
Repair and Maintenance	13.2	13.0	13.2	1.6	-0.1	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	43.1	42.9	43.8	0.4	-1.7	—	—	—	—	—	—
Government	**227.0**	**241.8**	**212.0**	**-6.1**	**7.1**	—	—	—	—	—	—
Federal Government	19.6	19.7	20.3	-0.6	-3.7	—	—	—	—	—	—
State Government	62.6	63.2	62.9	-1.1	-0.5						
State Government Education	36.8	37.5	37.8	-1.7	-2.7						
Local Government	144.8	158.8	128.8	-8.8	12.4						
Local Government Education	68.2	86.2	59.6	-20.8	14.4						

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

Industry	Duluth-Superior MSA					Rochester MSA				
	Jobs			% Chg. From		Jobs			% Chg. From	
	July 2013	June 2013	July 2012	June 2013	July 2012	July 2013	June 2013	July 2012	June 2013	July 2012
TOTAL NONFARM WAGE AND SALARY	**130,265**	**132,064**	**129,633**	**-1.4%**	**0.5%**	**107,878**	**108,308**	**107,385**	**-0.4%**	**0.5%**
GOODS-PRODUCING	**15,683**	**15,439**	**16,346**	**1.6**	**-4.1**	**14,172**	**13,861**	**14,674**	**2.2**	**-3.4**
Mining, Logging, and Construction	8,191	7,989	8,811	2.5	-7	3,654	3,545	3,660	3.1	-0.2
Manufacturing	7,492	7,450	7,535	0.6	-0.6	10,518	10,316	11,014	2	-4.5
SERVICE-PROVIDING	**114,582**	**116,625**	**113,287**	**-1.8**	**1.1**	**93,706**	**94,447**	**92,711**	**-0.8**	**1.1**
Trade, Transportation, and Utilities	24,818	24,788	24,450	0.1	1.5	16,274	16,305	15,796	-0.2	3
Wholesale Trade	3,220	3,239	3,208	-0.6	0.4	2,375	2,354	2,362	0.9	0.6
Retail Trade	15,223	15,165	15,116	0.4	0.7	11,594	11,580	11,232	0.1	3.2
Transportation, Warehouse, Utilities	6,375	6,384	6,126	-0.1	4.1	2,305	2,371	2,202	-2.8	4.7
Information	1,292	1,302	1,328	-0.8	-2.7	1,741	1,729	1,618	0.7	7.6
Financial Activities	5,489	5,471	5,445	0.3	0.8	2,371	2,384	2,411	-0.5	-1.7
Professional and Business Services	7,813	7,763	7,840	0.6	-0.3	5,265	5,331	5,178	-1.2	1.7
Educational and Health Services	30,382	30,494	29,648	-0.4	2.5	44,673	44,440	44,135	0.5	1.2
Leisure and Hospitality	15,139	14,849	14,720	2	2.8	9,542	9,668	9,439	-1.3	1.1
Other Services	5,914	5,963	6,075	-0.8	-2.7	3,721	3,745	3,582	-0.6	3.9
Government	23,735	25,995	23,781	-8.7	-0.2	10,119	10,845	10,552	-6.7	-4.1

Employer Survey

Industry	St. Cloud MSA					Mankato MSA				
	Jobs			% Chg. From		Jobs			% Chg. From	
	July 2013	June 2013	July 2012	June 2013	July 2012	July 2013	June 2013	July 2012	June 2013	July 2012
TOTAL NONFARM WAGE AND SALARY	**102,689**	**103,484**	**99,718**	**-0.8%**	**3%**	**52,636**	**53,781**	**51,733**	**-2.1%**	**1.7%**
GOODS-PRODUCING	**22,022**	**21,758**	**21,042**	**1.2**	**4.7**	**9,965**	**9,922**	**9,629**	**0.4**	**3.5**
Mining, Logging, and Construction	6,458	6,257	5,429	3.2	19	--	--	--	--	--
Manufacturing	15,564	15,501	15,613	0.4	-0.3	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**80,667**	**81,726**	**78,676**	**-1.3**	**2.5**	**42,671**	**43,859**	**42,104**	**-2.7**	**1.3**
Trade, Transportation, and Utilities	20,685	20,632	20,189	0.3	2.5	--	--	--	--	--
Wholesale Trade	4,283	4,229	4,135	1.3	3.6	--	--	--	--	--
Retail Trade	13,056	13,040	12,722	0.1	2.6	--	--	--	--	--
Transportation, Warehouse, Utilities	3,346	3,363	3,332	-0.5	0.4	--	--	--	--	--
Information	1,637	1,647	1,656	-0.6	-1.1	--	--	--	--	--
Financial Activities	4,461	4,458	4,414	0.1	1.1	--	--	--	--	--
Professional and Business Services	8,280	8,288	8,115	-0.1	2	--	--	--	--	--
Educational and Health Services	18,979	18,995	18,209	-0.1	4.2	--	--	--	--	--
Leisure and Hospitality	8,916	8,950	8,751	-0.4	1.9	--	--	--	--	--
Other Services	3,506	3,530	3,509	-0.7	-0.1	--	--	--	--	--
Government	14,203	15,226	13,833	-6.7	2.7	7,973	9,067	8,401	-12.1	-5.1

Employer Survey

Industry	Fargo-Moorhead MSA					Grand Forks-East Grand Forks MSA				
	Jobs			% Chg. From		Jobs			% Chg. From	
	July 2013	June 2013	July 2012	June 2013	July 2012	July 2013	June 2013	July 2012	June 2013	July 2012
TOTAL NONFARM WAGE AND SALARY	**131,164**	**132,950**	**126,987**	**-1.3%**	**3.3%**	**53,963**	**55,709**	**53,347**	**-3.1%**	**1.2%**
GOODS-PRODUCING	**20,412**	**19,828**	**18,542**	**3.0**	**10.1**	**7,155**	**6,969**	**6,993**	**2.7**	**2.3**
Mining, Logging, and Construction	10,086	9,494	8,246	6.2	22.3	3,625	3,464	3,464	4.7	4.7
Manufacturing	10,326	10,334	10,296	-0.1	0.3	3,530	3,505	3,529	0.7	0.0
SERVICE-PROVIDING	**110,752**	**113,122**	**108,445**	**-2.1**	**2.1**	**46,808**	**48,740**	**46,354**	**-4.0**	**1.0**
Trade, Transportation, and Utilities	28,848	28,872	27,942	-0.1	3.2	12,343	12,372	11,793	-0.2	4.7
Wholesale Trade	8,791	8,736	8,570	0.6	2.6	2,075	2,078	2,050	-0.1	1.2
Retail Trade	15,210	15,307	14,763	-0.6	3.0	8,214	8,221	7,905	-0.1	3.9
Transportation, Warehouse, Utilities	4,847	4,829	4,609	0.4	5.2	2,054	2,073	1,838	-0.9	11.8
Information	3,269	3,274	3,266	-0.2	0.1	608	605	623	0.5	-2.4
Financial Activities	9,428	9,358	9,188	0.8	2.6	1,659	1,651	1,652	0.5	0.4
Professional and Business Services	15,966	15,968	15,245	0.0	4.7	2,861	2,852	3,061	0.3	-6.5
Educational and Health Services	20,904	20,984	20,057	-0.4	4.2	9,703	9,704	9,451	0.0	2.7
Leisure and Hospitality	12,945	12,969	13,219	-0.2	-2.1	5,828	5,990	5,815	-2.7	0.2
Other Services	4,994	5,046	5,074	-1.0	-1.6	1,977	1,954	1,921	1.2	2.9
Government	14,398	16,651	14,454	-13.5	-0.4	11,829	13,612	12,038	-13.1	-1.7

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 45th straight month in July after turning the corner from the Great Recession in November 2009. Minnesota's economy, as measured by the Minnesota Index, has increased 10.7 percent since the recovery began. Economic activity in the state plunged by 5.3 percent during the recession. The state's economy is roughly 4.8 percent larger than its pre-recession peak in April 2008. The U.S. index shows that the national economy has expanded 9.1 percent since the bottom. The U.S. economy dropped 5.1 percent during the recession and is roughly 4.4 percent larger than its pre-recession peak.

July's advance in the Minnesota Index was fueled by moderate job growth and a small uptick in average weekly manufacturing hours. The index was up 0.4 percent in Minnesota and 0.2 percent nationally last month. Minnesota's economy has been expanding faster than the U.S. economy for the last few months. The state's GDP has grown by 3.5 percent since last July compared to a 2.9 percent national expansion.

Minnesota's **Wage and Salary Employment** jumped by 4,300 jobs in July with jobs added in Government, Financial Activities, Leisure and Hospitality, Other Services, and Information. Job losses in Educational and Health Services, Construction, and Manufacturing held down job growth. Private payrolls grew by only 300 jobs, the smallest advance in three months.

Over-the-year job growth using unadjusted employment numbers soared to 2.6 percent, the strongest monthly pace since September 2011. Comparable national growth was 1.7 percent. Private sector job growth over the year was 2.4 percent versus 2.1 percent nationally.

Minnesota's adjusted online **Help-Wanted Ads** reversed direction in July, declining for the fifth time in the last six months. Minnesota ads dropped 0.4 percent last month while declining 1.9 percent nationwide. Minnesota's online help-wanted ad level has been lower than a year ago for the last four months. This drop is inconsistent with the recently released Job Vacancy Survey. The survey estimated roughly 73,000 job openings in Minnesota in the second quarter of 2013 compared to 62,000 last year. According to the Job Vacancy Survey labor demand is up 17 percent from a year ago, not down 2 percent as suggested by the drop in online help-wanted ads.

Minnesota's **Purchasing Managers' Index (PMI)** dipped slightly in July to 54.0. The index from a monthly survey of supply managers has now been above the growth neutral reading of 50 for eight straight months. July's reading suggests that Minnesota's economy will continue to expand at a moderate rate through the rest of the year. The employment component of the index has also been above 50 for nine consecutive months which points toward job growth continuing to run between 1.5 – 1.7 percent over the next few months.

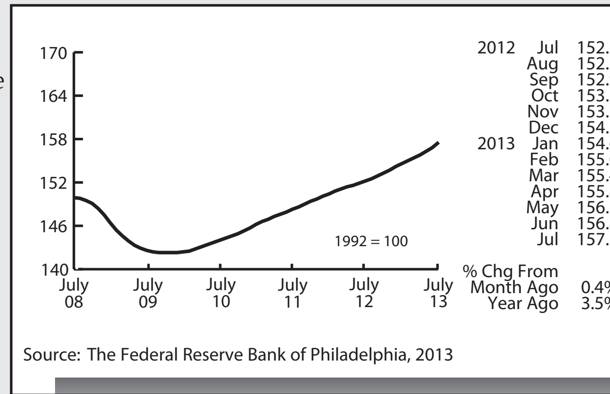
Adjusted **Manufacturing Hours** climbed for the second straight month to 41.7, the highest factory workweek reading since November 2010. Minnesota's factory workweek has been above 41 hours per week for five straight months. The last time that happened was late 2010 through early 2011. Higher hours usually signal a pending pickup in manufacturing hiring. **Manufacturing Earnings** slipped a bit in July, sliding to $824.88, but remain elevated compared to a year ago. Factory paychecks have been on average 2.9 percent higher in real terms over the last five months. That wage gain should help boost household spending.

The **Minnesota Leading Index** retreated a tad in July, but the 2.35 reading remains robust by historical standards. The index, which forecasts the state's economic growth out six months, has exceeded 2.00 since April. If the index is two, then the economy is predicted to grow by 2 percent over the next six months, a feat not accomplished since late 1997. If the index continues to run above 2 percent, Minnesota's GDP growth for 2013 might top 4 percent. Last year the state's GDP growth was the fifth fastest at 3.5 percent.

Adjusted **Residential Building Permits** bounced back in July, jumping 28.8 percent. Permit numbers have averaged 30 percent higher than last year through the first half of 2013, solid evidence that Minnesota's home-building market is on the mend. Home prices and sales continue to rise in the state which is a good indicator that demand for new houses will be increasing.

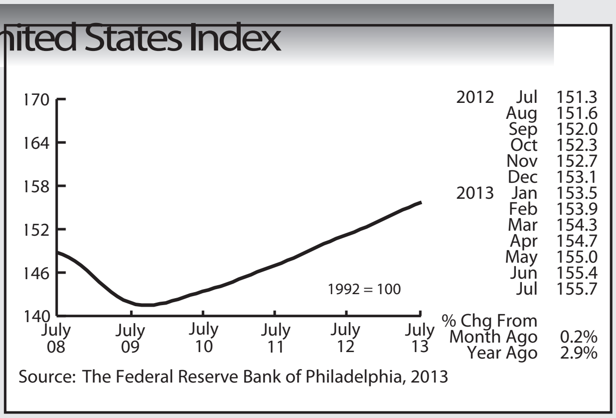
Adjusted **Initial Claims for Unemployment Benefits (UB)** fell for the third consecutive month, shrinking to the lowest level since January 2001. The number of Minnesota workers filing for first-time unemployment benefits is a reliable proxy for layoffs. The downward drift in initial claims is solid evidence that the job market will remain steady over the next six months.

by Dave Senf



Minnesota Index

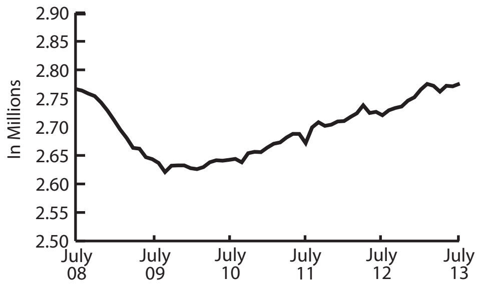
United States Index



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



seasonally adjusted

2013 Feb	2.7753	
Mar	2.7720	
Apr	2.7618	
May	2.7721	
Jun	2.7711	
Jul	2.7754	

% Chg From Month Ago 0.2%

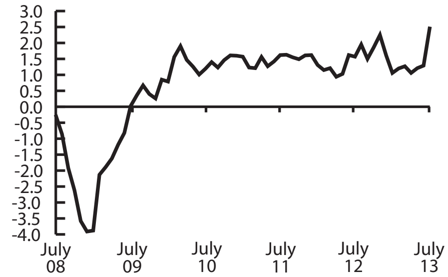
unadjusted

2012 Jul 2,729.2
2013 Jul 2,800.6

% Chg From Year Ago 2.6%

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

Minnesota Leading Index

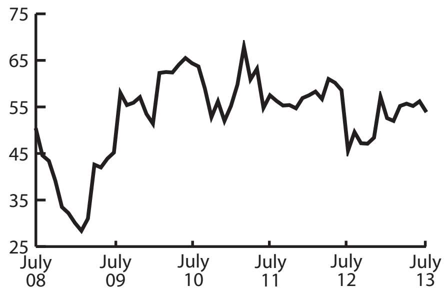


2012 Jul	1.65
Aug	1.90
Sep	1.42
Oct	1.43
Nov	2.35
Dec	1.65
2013 Jan	1.25
Feb	1.58
Mar	1.91
Apr	2.02
May	2.40
Jun	2.73
Jul	2.35

% Chg From Month Ago -14.0%
Year Ago 41.9%

Source: The Federal Reserve Bank of Philadelphia, 2013

Purchasing Managers' Index

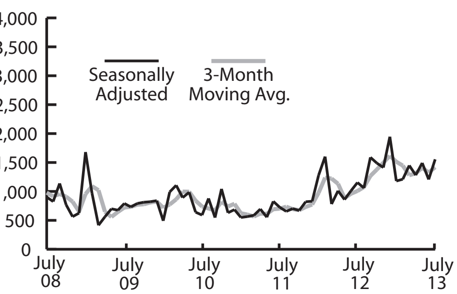


2012 Jul	45.6
Aug	49.6
Sep	47.2
Oct	47.1
Nov	48.4
Dec	57.2
2013 Jan	52.6
Feb	52.0
Mar	55.2
Apr	55.7
May	55.2
Jun	56.2
Jul	54.0

% Chg From Month Ago -3.9%
Year Ago 18.4%

Source: Creighton University, Mid-America Survey of Business Conditions, 2013

Residential Building Permits



seasonally adjusted

2013 Feb	1,211
Mar	1,449
Apr	1,282
May	1,492
Jun	1,207
Jul	1,555

% Chg From Month Ago 28.8%

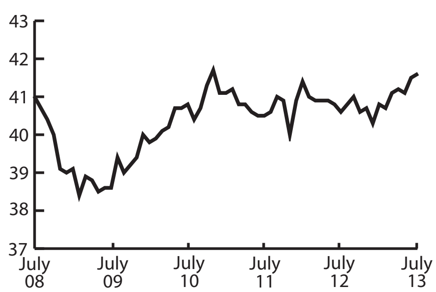
unadjusted

2012 Jul 1,472
2013 Jul 2,071

% Chg From Year Ago 40.7%

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2013

Average Weekly Manufacturing Hours



seasonally adjusted

2013 Feb	40.7
Mar	41.1
Apr	41.2
May	41.1
Jun	41.5
Jul	41.6

% Chg From Month Ago 0.3%

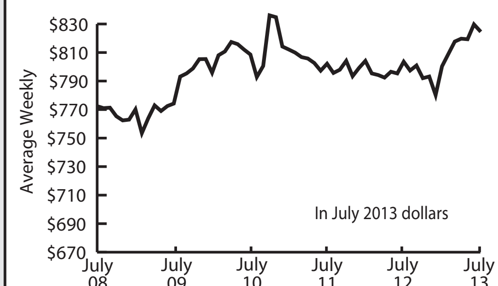
unadjusted

2012 Jul 40.1
2013 Jul 41.0

% Chg From Year Ago 2.2%

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

Manufacturing Earnings



seasonally adjusted

2013 Feb	809.03
Mar	817.70
Apr	819.70
May	819.31
Jun	829.74
Jul	824.88

% Chg From Month Ago -0.6%

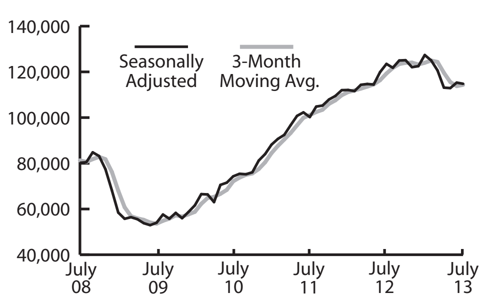
unadjusted

2012 Jul 794.36
2013 Jul 817.13

% Chg From Year Ago 2.9%

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

Online Help-Wanted Advertising

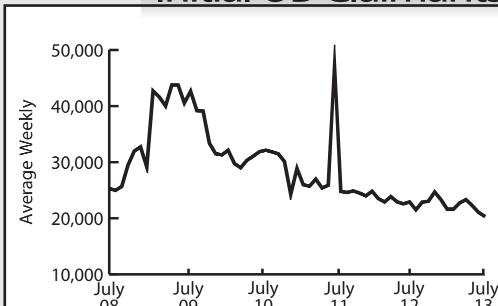


2012 Jul	123,486
Aug	121,796
Sep	124,973
Oct	125,104
Nov	122,066
Dec	122,500
2013 Jan	127,366
Feb	125,028
Mar	120,633
Apr	113,100
May	112,900
Jun	115,300
Jul	114,800

% Chg From Month Ago -0.4%
Year Ago -7.0%

Source: The Conference Board Inc., 2013

Initial UB Claimants



seasonally adjusted

2013 Feb	21,624
Mar	22,728
Apr	23,326
May	22,259
Jun	21,054
Jul	20,339

% Chg From Month Ago -3.4%

unadjusted

2012 Jul 20,236
2013 Jul 18,535

% Chg From Year Ago -8.4%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2013

Minnesota Employment Review

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Labor Market Information
Help Line:
651.259.7384

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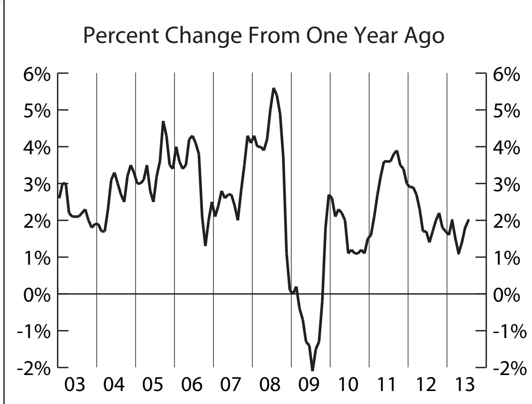
U.S. Consumer Price Index

for All Urban Consumers (CPI-U)

The July CPI-U for all items increased 0.2 percent over the month, seasonally adjusted. The index increased 2.0 percent from July 2012, not seasonally adjusted. All subcategories increased at about the same pace as the overall. Energy commodities increased by 1.0 percent, and Energy Services fell by 1.0 percent, resulting in a 0.2 percent overall increase. All Items less Food and Energy increased 0.2 percent over the month, with subcategories mostly similar. Used Cars and Trucks is the only category to have a significant over-the-year index decrease, falling 2.1 percent.

The official BLS news release is available here:
www.bls.gov/news.release/pdf/cpi.pdf



For more information on the U.S. CPI or the semi-annual Minneapolis-St. Paul CPI, call: 651.259.7384 or toll free 1.888.234.1114.

The employment and unemployment data in this publication were produced in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

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What's Going On?

Why Brainerd? We've Got Talent

Many reasons: Crow Wing County is currently one of the fastest growing counties in the state; excellent quality of life; and nearly 100,000 residents and thousands more summer visitors call it home.

And if you're looking to find a new career, take a look at the Brainerd Lakes Talent Community. Their mission is to inform and connect job seekers, career changers and employers through innovative, effective and customer-friendly services. More than 2,000 local businesses looking for new talent are already a part of this new initiative.

The Brainerd Lakes Talent Community is sponsored in part by a grant from the Social Media for Workforce Development Pilot project and the Bremer Foundation.

Check it out at:
http://brainerdlakestalent.com/

POSITIVELY Minnesota
Department of Employment and Economic Development

Working 'Behind the Scenes' a Good Fit for Boomer Employment

Management, Scientific, and Technical Consulting Services is fast growing and high paying

Behind the Scenes

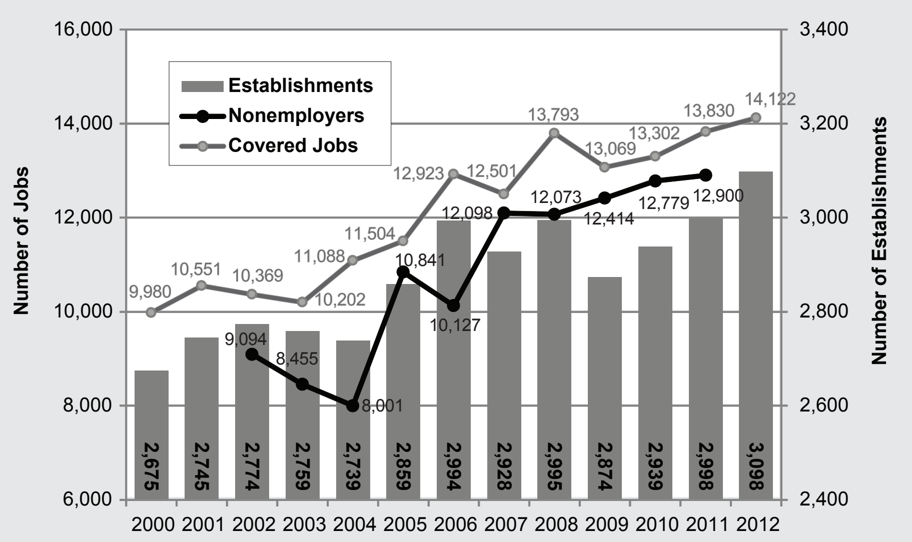
Management, Scientific, and Technical Consulting Services is one of the fastest growing and highest paying industry sectors in Minnesota. However, like the work these consultants perform, much of this growth happened behind the scenes.

Consultants provide their clients with valuable technical expertise, skills, or services that they don't have in-house or can't handle themselves. As regulations and markets have become increasingly complex, more organizations have turned to consultants to help them succeed. They contract out essential business functions including marketing, human resources, information systems, supply chain management, and strategic planning among many other areas.

Because anyone with expertise in a specific area can become a consultant, opportunities for small businesses to join the industry and make some money abound. In fact, almost 85 percent of consulting firms in Minnesota had fewer than five employees, while less than 2 percent of consulting firms had more than 50 employees.

Figure 1

Management, Scientific & Technical Consulting Services in Minnesota, 2002-2012



Source: DEED QCEW Program, U.S. Census Bureau's Nonemployer Statistics Program

Expanding and Contracting

After expanding almost 40 percent over the last decade, there are now nearly 3,100 Management, Scientific, and Technical Consulting Services employer establishments in Minnesota, providing just over 14,100 jobs. In addition, there were another 12,900 self-employed consultants. Combined, there are about 27,000 people working in the consulting sector in Minnesota (Figure 1).

Since they rely on business from other industries for their business, consulting services are also negatively impacted by recessions. Following the recession in 2001, many consulting gigs dried up, especially for self-employed consultants. However, as the economy began growing in the middle part of the decade, consultants began hiring again and hundreds of brand new nonemployer establishments popped up. Interestingly, the increases in self-employment seemed to coincide with declines in covered employment, while drops or slowdowns for nonemployers matched up with hiring bursts at employer establishments.

Since the recession at the end of 2007, the Management, Scientific, and Technical Consulting Services sector has gained 170 net new business establishments, more than 1,600 net new jobs, and more than 800 nonemployer establishments. These consultants and contract workers have capitalized on outsourcing trends, filling a vital lack for businesses that need to get up to speed quickly.

Table 1

Minnesota Industry Employment Statistics, 2012

NAICS Industry Title	NAICS Code	Number of Establishments	Number of Covered Jobs	Total Industry Payroll, 2012	Average Annual Wages
Total, All Industries	***0***	***168,334***	***2,644,895***	***$130,505,921,144***	***$49,348***
Management, Scientific, and Technical Consulting Services	5416	3,098	14,122	$1,224,889,307	$86,632
Management Consulting Services	54161	2,251	10,916	$996,641,129	$91,260
Admin. Mgmt. and General Mgmt. Consulting	541611	998	4,242	$404,801,438	$95,420
Human Resources and Exec. Search Consulting	541612	205	1,114	$100,308,185	$90,116
Marketing Consulting Services	541613	479	2,522	$198,788,154	$78,728
Process, Distribution, and Logistics Consulting	541614	179	1,537	$162,259,117	$105,664
Other Management Consulting Services	541618	391	1,500	$130,484,235	$86,996
Environmental Consulting Services	54162	141	947	$64,645,857	$68,172
Other Scientific and Technical Consulting Services	54169	706	2,259	$163,602,321	$72,332

Source: DEED (QCEW)

High Value, High Pay

As noted above, the Management, Scientific and Technical Consulting Services sector has 3,098 business establishments providing 14,122 covered jobs, according to data from DEED's Quarterly Census of Employment and Wages (QCEW) program. Industry payrolls surged past $1.2 billion in 2012, with average annual wages closing in on $90,000 (Table 1).

The largest and most identifiable sector is Management Consulting Services, with nearly 11,000 jobs at 2,251 establishments. The largest subsector within that is Administrative Management and General Management Consulting Services, which had just under 1,000 establishments and 4,250 jobs in 2012. Consultants in this specialty provide high-value services including financial planning and budgeting, equity and asset management, records management, strategic and organizational planning, site selection, new business startup, and business process improvement, leading to average annual wages over $95,000.

The next largest subsector is Marketing Consulting Services, which includes providing advice and assistance to businesses on marketing planning and strategy, new product development, sales forecasting, licensing and franchise planning, and other marketing issues. Minnesota has just under 500 firms in this category with just over 2,500 jobs.

There are 179 consulting firms providing 1,537 jobs in Process, Distribution, and Logistics Consulting Services, offering technical expertise in areas such as manufacturing operations and productivity improvement, quality assurance and quality control, production planning and control, inventory management and distribution networks, and transportation, warehousing, and materials management and handling. The average annual wage of $105,664 made this the highest paying subsector in the state.

Though technically a catch-all category, the Other Management Consulting Services subsector concentrated primarily on the telecommunications and utilities industries. There were 391 firms and 1,500 jobs in Minnesota in 2012 with average annual wages of $86,996.

Finally, the Human Resources and Executive Search Consulting Services subsector provided 1,114 jobs at 205 firms. This well-known specialty includes compensation and benefits planning, labor relations consulting, assessment and organizational development services, and 'head-hunting' services.

Bolstered by the strength of Minnesota's farm economy, the state's second largest consulting sector is Other Scientific and Technical Consulting Services, which includes agricultural, biological, and chemical consulting services, as well as energy, safety, and security consulting services. This sector more than doubled over the last decade — growing like a weed from 1,043 jobs in 2002 to 2,259 jobs in 2012, a 117 percent increase.

The smallest sector is Environmental Consulting Services, which helps businesses identify, measure, and evaluate environmental conditions — specifically regarding pollutants, toxic substances, and hazardous materials — and then helps recommend and implement solutions.

Occupations in Demand

To meet their clients' needs, these consulting services typically employ a small but multi-disciplined staff of analysts, managers, specialists, scientists, engineers, and other technicians with expertise in a broad range of domains. For example, human resources consultants might rely on management analysts, accountants, or training specialists while environmental consultants might have air and water quality specialists or experts in environmental law on staff.

Not surprisingly, most of these jobs require specific education or training plus relevant work experience. Because of higher educational attainment, employees in Management, Scientific, and Technical Consulting Services are also higher wage earners, with median wages ranging from about $15 an hour for office clerks to $45 an hour for software developers (Table 2).

Twenty of the 25 occupations in demand in the consulting sector earn a higher median hourly wage than the total of all occupations, especially those requiring postsecondary education. To that end, 16 of the 25 occupations require at least some college experience, including 13 that require at least a bachelor's degree.

Table 2

Top 25 Occupations in Management, Scientific & Technical Consulting Services Sector, 2013

Occupational Title	Percent of Industry Workers	Median Hourly Wage	Estimated Employment 2010	Projected Employment 2020	Percent Change 2010-2020	Numeric Change 2010-2020	2010-2020 Replacement Openings	2010-2020 Total Openings
Total, All Occupations	***100.0%***	***$17.95***	***2,830,000***	***3,198,000***	***13.0%***	***368,000***	***663,320***	***1,041,750***
Management Analysts	14.4%	$37.42	12,127	14,181	16.9%	2,054	1,980	4,030
Office Clerks, General	4.2%	$14.31	62,156	70,718	13.8%	8,562	11,000	19,560
Business Operations Specialists, All Other	4.0%	$28.47	44,157	48,715	10.3%	4,558	8,470	13,030
General and Operations Managers	3.7%	$42.16	30,604	31,524	3.0%	920	5,690	6,610
Customer Service Representatives	3.4%	$16.82	40,659	45,416	11.7%	4,757	11,550	16,310
Market Research Analysts	3.0%	$30.62	8,045	10,679	32.7%	2,634	2,140	4,770
Executive Secretaries and Exec. Admin. Assts.	2.9%	$22.09	27,092	29,645	9.4%	2,553	3,630	6,180
Secretaries and Administrative Assistants	2.8%	$17.96	13,307	13,761	3.4%	454	1,780	2,230
Accountants and Auditors	2.5%	$29.01	23,994	27,056	12.8%	3,062	5,150	8,210
Sales Representatives, Services	2.3%	$25.22	12,576	14,594	16.0%	2,018	3,690	5,710
Bookkeeping, Accounting, and Auditing Clerks	2.1%	$17.52	35,809	39,616	10.6%	3,807	3,940	7,750
Computer Systems Analysts	1.8%	$37.42	12,819	14,733	14.9%	1,914	2,400	4,310
Environmental Scientists and Specialists	1.7%	$29.29	1,541	1,714	11.2%	173	460	630
Human Resources and Training Specialists	1.6%	$25.10	9,126	10,814	18.5%	1,688	1,540	3,230
Software Developers, Systems Software	1.5%	$45.56	7,688	8,911	15.9%	1,223	800	2,020
First-Line Supervisors of Office and Admin. Support Workers	1.5%	$23.83	24,243	26,766	10.4%	2,523	6,480	9,000
Software Developers, Applications	1.4%	$43.91	14,722	17,192	16.8%	2,470	1,530	4,000
Financial Analysts	1.0%	$34.13	5,230	6,030	15.3%	800	1,110	1,910
Network and Computer Sys. Administrators	1.0%	$34.54	9,559	11,334	18.6%	1,775	1,620	3,400
Computer Support Specialists	1.0%	$23.11	11,591	12,732	9.8%	1,141	3,040	4,180
Info. Security Analysts and Network Architects	1.0%	$43.21	6,441	7,168	11.3%	727	950	1,680
Environmental Engineers	1.0%	$37.87	431	490	13.7%	59	100	160
Telemarketers	0.9%	$11.87	5,398	5,535	2.5%	137	1,150	1,290
Laborers, Freight and Material Movers, Hand	0.9%	$12.85	31,471	35,872	14.0%	4,401	10,060	14,460
Training and Development Specialists	0.8%	$27.20	4,453	5,470	22.8%	1,017	750	1,770

Source: Bureau of Labor Statistics, DEED Occupation Employment & Wage Statistics (OES); DEED 2010-2020 Employment Projections

Technical School

DEED's Quarterly Workforce Indicators program shows that nearly three-fourths of the workforce in the Management, Scientific, and Technical Consulting Services has at least some college experience, including nearly half who have bachelor's degrees or higher. That was nearly double the rate of workers with bachelor's degrees or higher in the total of all industries (Figure 2).

Consulting workers were also much more likely to be in their prime working years, from 25 to 54 years of age. Only 6 percent of the consulting services workforce is under 25 years of age, compared to 14 percent in the total of all industries in Minnesota. Instead, more than three-fourths of workers in the Management, Scientific, and Technical Consulting Services sector were in their prime working years, as compared to two-thirds of workers in the total of all industries.

However, over the last decade, the number of younger workers has essentially held steady while the number of workers 55 years and over more than doubled. Moving forward, consulting seems to be a great fit for the baby boom generation — the work often requires expertise built up over a career, is typically not physically demanding, pays well, and allows almost everyone with specialized skills to start their own business. Finally, the workforce was evenly split between males and females.

Smooth Sales

According to annual sales and use tax statistics from the Minnesota Department of Revenue, gross sales in Management, Scientific and Technical Services surpassed $2.4 billion in 2011 and have grown nearly three times as fast as the total of all industries over the last decade. While gross sales in the state climbed a solid 36 percent, from $220 billion in 2003 to $300 billion in 2011, gross sales more than doubled in Management, Scientific, and Technical Consulting, jumping from $1.2 billion in 2003 to $2.4 billion in 2011 (Figure 3).

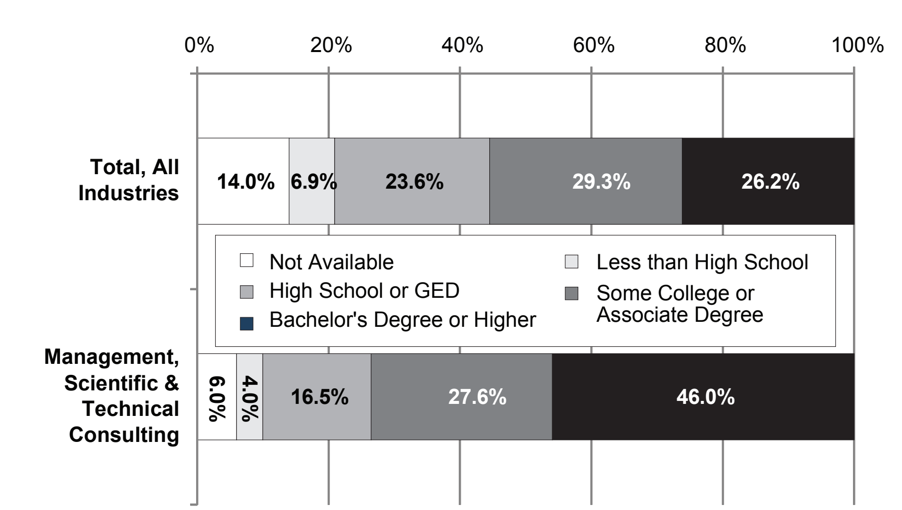
Poised for Growth

After seeing tremendous growth in the last decade, the Management, Scientific, and Technical Consulting Services sector is expected to see rapid growth in the next decade as well. According to DEED's 2010 to 2020 Employment Outlook tool, the consulting sector is projected to grow 43.6 percent from 2010 to 2020, an increase of 5,768 jobs. That is three times faster than the total of all industries (Table 3).

While the state as a whole is expected to see rapid growth in the consulting industry, it is almost completely concentrated in the 7-county Twin Cities region. More than 80 percent of the state's consulting jobs are currently located in Minneapolis-St. Paul metro area, and more than 95 percent of the state's projected job growth is expected to happen there as well.

As businesses rely more and more on outsourcing and contract work, the Management, Scientific, and Technical Consulting Services industry will provide a great opportunity for growth throughout the state. Although employment tenure might be less stable, well-educated workers with specialized skills — especially those in the baby boom generation — may be able to jump into and out of employment and self-employment quickly, depending on the economy.

Figure 2



Source: DEED Quarterly Workforce Indicators (QWI) program

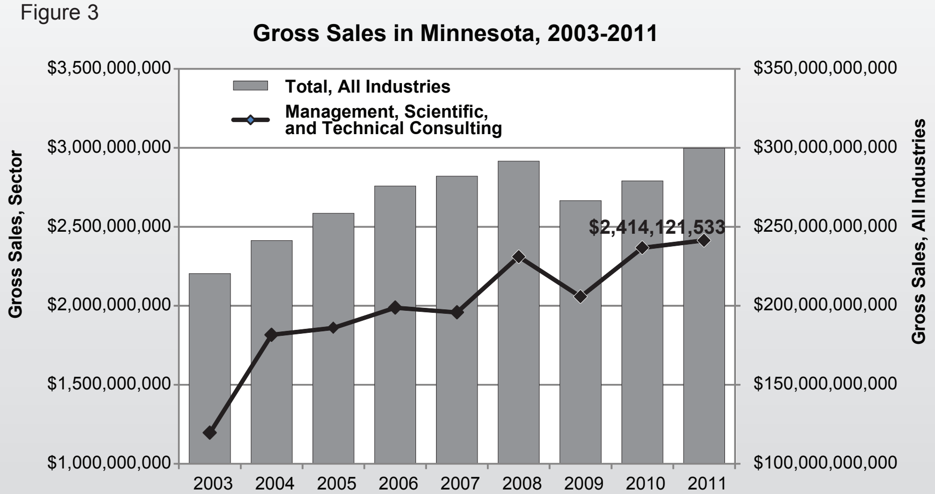
Table 3

Minnesota Employment Projections, 2010 to 2020

Industry	NAICS Code	Estimated Employment 2010	Projected Employment 2020	Percent Change 2010 - 2020	Numeric Change 2010 - 2020
Total, All Industries	***0***	***2,830,000***	***3,198,000***	***+13.0%***	***+368,000***
Professional and Technical Services	54	123,296	148,100	+20.1%	+24,804
Management and Technical Consulting Services	5416	13,232	19,000	+43.6%	+5,768

Source: DEED 2010-2020 Employment Outlook

Figure 3



Source: Minnesota Dept. of Revenue

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by Cameron Macht
Labor Market Information Office
Minnesota Department of Employment and Economic Development