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Transportation and Warehousing in Southeast Minnesota

Where Are We Now?

Transportation and Warehousing is a part of the broader industry category of Trade, Transportation, and Utilities. DEED's Quarterly Census of Employment and Wages (QCEW) shows that this broader category is responsible for 42,373 jobs in 2,969 establishments. Of those, 7,508 (17.7 percent) of the jobs are in Transportation and Warehousing spread among 584 establishments. Total wages paid in Transportation and Warehousing totaled almost 290 million dollars — just under 20 percent of the total wages paid in the broader Trade, Transportation, and Utilities industry. Average weekly wages for Transportation and Warehousing were at $738, which is 11 percent higher than the average weekly wages in Trade, Transportation, and Utilities.

In Southeast Minnesota the most significant subsectors of Transportation and Warehousing are Truck Transportation, both general and specialized freight, and Transit and Ground Passenger Transportation which includes urban transit, taxi and limousine transportation, and bus transportation. Warehouse and Storage, Support activities, and Air and Water Transportation are also present in Southeast Minnesota but are not as important to the economy (see Table 1).

As seen in Figure 1, impressive growth occurred in the number of jobs in the Transportation and Warehousing industry compared to those across all industries. Both show a decline during the recession years, hitting the lowest number of jobs in 2010 followed by a steady increase from 2011 to 2014. But overall, from 2007 to 2014 jobs in Transportation and Warehousing increased by 651 or 9.5 percent while overall jobs increased by 1325 or 0.6 percent.

Specific occupations within Transportation and Warehousing and their wages are shown in Table 2 ranked by employment. Individuals seeking employment because they are unemployed or looking for a new job should see Transportation as a viable option because of a wide range of occupations and employment numbers in jobs such as laborer and material moving, stockrooms, and driving jobs such as heavy and tractor trailer truck driving and school bus drivers. The low numbers in the jobs towards the bottom of the table should not be discouraging to job seekers, but rather serve as a reason to get any additional training and/or experience to make them competitive when openings occur. For example, there are only seven locks and dams on the Mississippi in the Southeast MN — Southwest WI border, which could be reason for such few workers in this occupation.

As of the fourth quarter of 2014 there were 287 job vacancies in the Transportation and Material Moving occupation with 249 of these motor vehicle operators. Of those, 50 percent are part-time while none are temporary or seasonal. Additionally, 14 percent require

Table 1: Significant Transportation and Warehousing Industries in SE Minnesota, 2014

Industry	Employment	Average Wages	Percent of Industry Employment
Truck Transportation	2744	834	36.6
Transit and Ground Transportation	2108	394	28.1
Warehousing and Storage	925	901	12.3
Support Activities for Transportation	286	732	3.8

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

Feature:

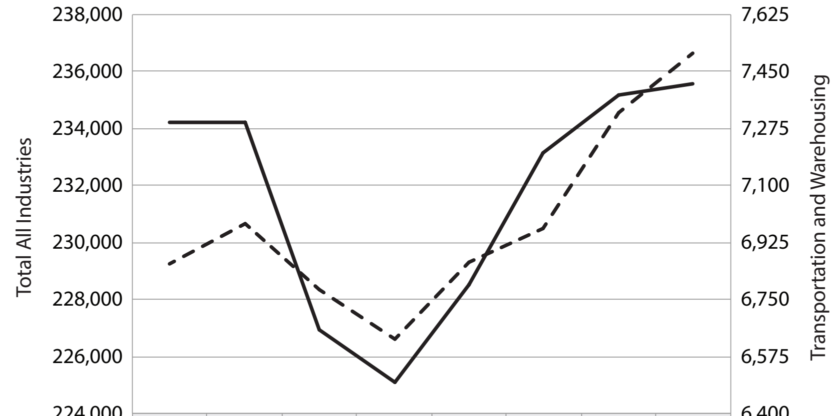
Real Wage Growth by Occupation

In this issue:

post-secondary education, 20 percent require one or more years' experience, and 85 percent require a certificate or license. There are many schools that offer programs in transportation. For example, Southeast Minnesota has institutions in which students can earn their certificate in truck driving including Minnesota State College — Southeast Technical (Winona and Red Wing) and Riverland Community College (Albert Lea, Austin, and Owatonna).

Table 3 includes vacancy data on material recording, scheduling, and dispatching occupations, which would include warehousing positions. Unlike the transportation jobs, fewer of the vacancies in warehousing are part-time, and more are temporary or seasonal. Some require post-secondary education but very few require experience. Virtually all motor vehicle operators must have a certificate or license.

Figure 1: Employment Trends in Southeast Minnesota, 2007-2014



	2007	2008	2009	2010	2011	2012	2013	2014
Total, All Industries	234,240	234,239	226,917	225,090	228,519	233,147	235,157	235,565
Transportation and Warehousing	6,857	6,982	6,780	6,628	6,862	6,968	7,323	7,508

DEED's Quarterly Census of Employment and Wages (QCEW)

Table 2: Employment and Wages for Transportation and Warehousing Occupations in SE Minnesota, First Quarter 2015

Occupation	Employment	Entry Level Wages	Median Wages	Aspiration Wages
Laborers and Freight, Stock and Material Movers, Hand	3,620	$9.69	$13.51	$18.72
Stock Clerks and Order Fillers	3,420	$8.19	$11.06	$18.97
Truck Drivers, Heavy and Tractor Trailer	3,330	$13.94	$20.30	$29.53
Bus Drivers, School	1,700	$9.18	$15.28	$22.60
Industrial Truck and Tractor Operators	1,330	$11.22	$15.98	$22.30
Shipping, Receiving and Traffic Clerks	1,170	$9.74	$15.09	$21.90
Cleaners of Vehicles and Equipment	970	$8.25	$11.06	$17.20
Truck Drivers, Light or Delivery Services	840	$8.67	$13.40	$28.15
Taxi Drivers and Chauffeurs	610	$8.04	$10.81	$17.56
Production, Planning and Expediting Clerks	380	$15.00	$20.49	$32.79
First-Line Supervisors/Managers of Helpers, Laborers and Material Movers, Hand	310	$16.22	$24.54	$31.94
First-Line Supervisors/Managers of Transportation and Material-Moving Machine and Vehicle Operators	240	$15.42	$23.67	$36.49
Bus Drivers, Transit and Intercity	200	$8.25	$14.36	$21.20
Driver/Sales Workers	180	$7.89	$9.23	$18.83
Weighers, Measurers, Checkers, Samplers and Recordkeeping	130	$11.65	$16.38	$22.14
Service Station Attendants	120	$8.07	$10.30	$14.53
Refuse and Recyclable Material Collectors	90	$9.22	$15.98	$22.28
Parking Lot Attendants	80	$8.02	$9.41	$17.47
Cargo and Freight Agents	40	$12.44	$20.05	$33.28
Bridge and Lock Tenders	20	$22.91	$27.35	$29.50
Transportation Workers, All Other	20	$8.83	$11.17	$14.21

Source: DEED's Occupational Employment Statistics (OES)

Table 3: Fourth Quarter 2014 Vacancies, Motor Vehicle Operators in SE Minnesota

Occupation	# of Job Vacancies	Part-Time	Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1+ Years' Experience	Requiring Certificate or License	Median Wages
Motor Vehicle Operators	249	50%	0%	16%	20%	95%	$11.85
Bus Drivers, School or Special Client	64	98%	0%	4%	26%	100%	$12.01
Light Truck or Delivery Service Drivers	74	69%	0%	24%	21%	100%	$10.53
Heavy and Tractor Trailer Truck Drivers	106	4%	0%	17%	16%	87%	$9.25
Material Moving Occupations	30	25%	8%	0%	2%	9%	$11.16
Material Recording, Scheduling and Dispatching Workers	207	39%	10%	18%	4%	7%	$10.47

Source: DEED's job Vacancy Survey

Table 4: Employment Projections for Transportation and Warehousing in SE Minnesota

Title	Estimate Year Employment	Projected Year Employment	Percent Change	Total Change	Replacement Hires	Total Hires
Cargo and Freight Agents	17	19	11.8	2	0	0
Production, Planning, and Expediting Clerks	365	364	-0.3	-1	90	90
Shipping, Receiving, and Traffic Clerks	1004	1000	-0.4	-4	260	260
Stock Clerks and Order Fillers	2835	2698	-4.8	-137	860	860
Weighers, Measurers, Checkers, Samplers and Recorders	102	109	6.9	7	20	30
First-Line Supervisors of Helpers, Laborers, and M	205	214	4.4	9	60	70
Laborers and Freight, Stock, and Material Movers,	3315	3519	6.2	204	1030	1230
Refuse and Recyclable Material Collectors	195	221	13.3	26	40	70
Taxi Drivers and Chauffeurs	577	650	12.7	73	70	140
Other Transportation Workers	282	298	5.7	16	100	130
Bridge and Lock Tenders	37	29	-21.6	-8	20	20
Parking Lot Attendants	66	71	7.6	5	30	30
Industrial Truck and Tractor Operators	1134	1070	-5.6	-64	260	260
Cleaners of Vehicles and Equipment	990	1054	6.5	64	280	340
First-Line Supervisors of Transportation and Material Movers	256	266	3.9	10	70	80
Bus Drivers, Transit and Intercity	465	484	4.1	19	80	100
Bus Drivers, School or Special Client	1074	1083	0.8	9	200	210
Driver/Sales Workers	650	659	1.4	9	100	110
Heavy and Tractor-Trailer Truck Drivers	3935	4326	9.9	391	630	1020
Light Truck or Delivery Services Drivers	1246	1224	-1.8	-22	200	200

Source: DEED's Employment Outlook

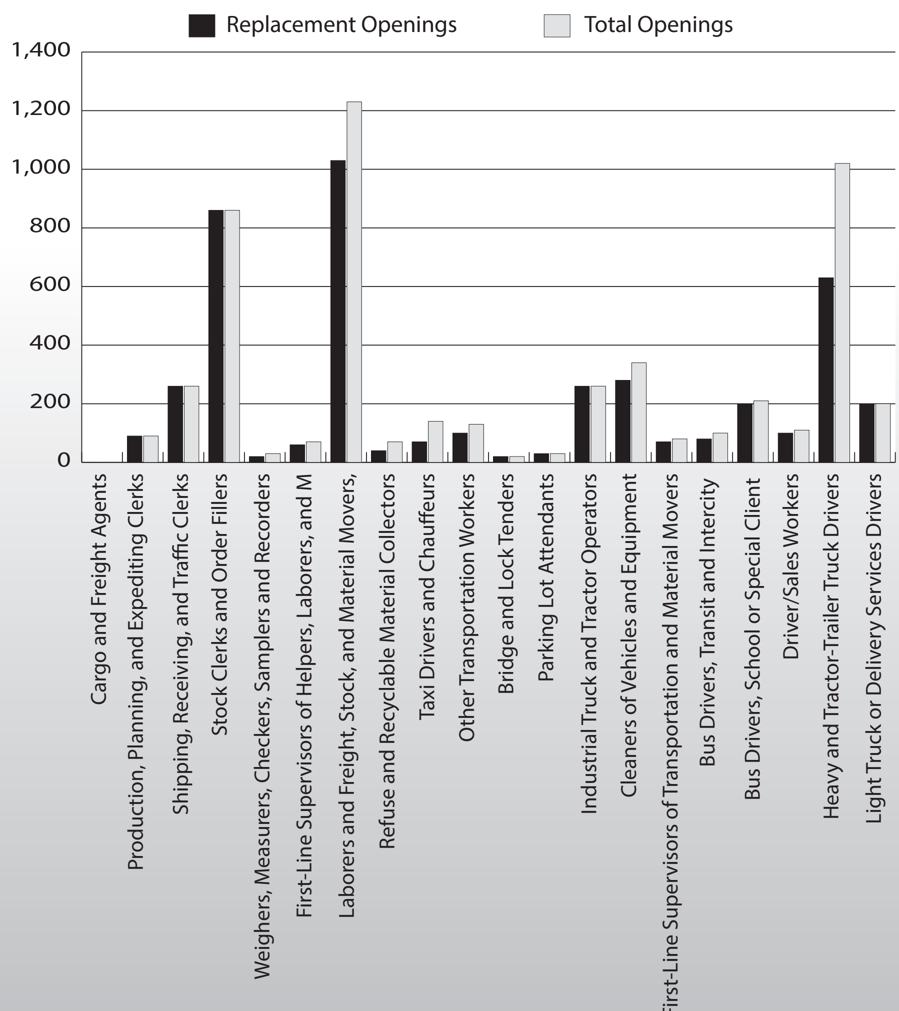
While Transportation and Warehousing is not a defining industry in Southeast Minnesota, it has the fifth highest number of job vacancies, double the previous high number of vacancies. There are many part-time vacancies in Transportation and Warehousing that may provide individuals, such as primary parents with children or college students, with opportunities that will let them earn income and have flexibility in their work hours to fit their schedules. Additionally these part-time jobs, such as bus driving, delivery truck driving, and warehousing, can also supply supplemental income for those who need to work two jobs, such as individuals trying to pay off bills or graduates with heavy school loans.

Where Are We Headed?

Projections show that the Transportation and Material Moving occupation is forecast to show an increase in openings. Table 4 shows that between 2012 and 2022 projected job openings in Transportation and Warehousing will see an increase ranging from two to 391. Despite this, six of those occupations are projected to see a decrease, including a drop of 137 jobs as stock clerks and order fillers and a decrease of 64 industrial truck and tractor operators. Two possible reasons for this are advancements in technology making a human obsolete and/or that individuals are being cross-trained to do multiple tasks that include those characteristic of the six jobs that are projected to see a decline.

Although there are declines, all but cargo and freight agents are expected to see positive total hires from the need for new work force participants to replace those who have permanently left the occupation, known as replacement hires. As seen in the last two columns in Table 4 as well as in Figure 2, replacement hires are projected to range from none in cargo and freight agents to 1,030 in laborers and freight, stock and material movers. While some of the occupations are expected to see all of the total hires from replacement hires, many will see an increase in employment. In fact, heavy and tractor-trailer truck drivers have the highest total change with 391 — not surprising since truck driving is a high demand occupation according to DEED's Occupations in Demand (OID) data tool. Another occupation in the list below that is in high demand is stock clerks and order fillers.

Figure 2: Replacement and Total Openings, Transportation and Warehousing in SE Minnesota, 2012-2022



Source: DEED's Employment Outlook

Conclusion

Transportation and Warehousing occupations are doing very well in Southeast Minnesota. Employment has seen steady growth since 2010, and six occupations have more than 1,000 employees. Median wages in Transportation and Materials Moving occupations are $15.25, compared to entry level wages which are between $9.00 and $11.00. Transportation and Warehousing is going to stay strong. After all, there will always be a public and private need for goods and services, including a place to store them and means to transport them, as well as a need for transportation for residents of Southeast Minnesota.

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Fun With Statistics

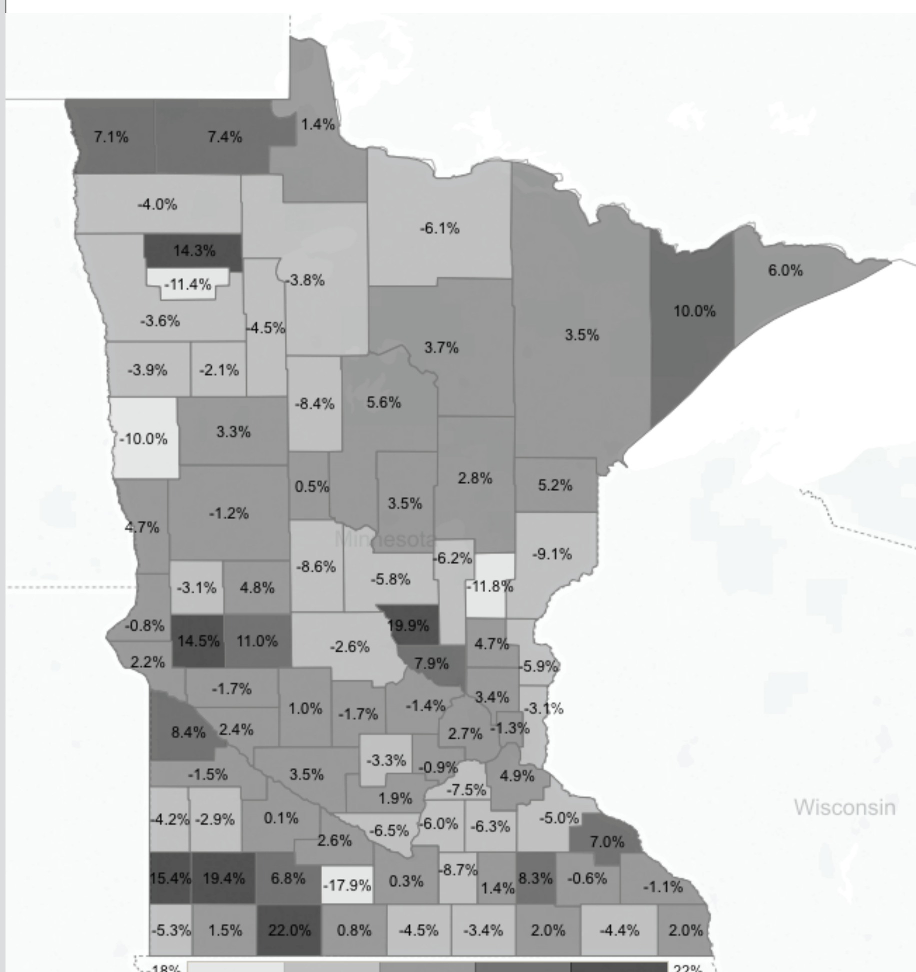
by Luke Greiner

The number of jobs added to the economy is often used as the most significant economic indicator, but is job growth always associated with an increase in the labor force? Looking at county level data, we can see this is not always the case. The job and labor force growth relationship is further complicated by workers commuting across county and state borders. Labor force data are reported based on where workers live while the most common source of job numbers — the Quarterly Census of Employment and Wage (QCEW) — reports job numbers based on where the jobs are located.

Looking at employment growth alone, employment has increased the most between 2004 and 2014 around regional employment hubs like the Twin Cities, St. Cloud, and Mankato and in a few other Greater Minnesota counties like Jackson, Becker, and Pennington. It should be noted that percent growth can be influenced much more easily in counties with fewer jobs, possibly even by a single large business opening or closing.

Labor force growth over the same period has a positive relationship with job growth in many areas but not all. Thirty counties with declining labor force had declining employment, while 33 counties with increasing labor force had increasing employment. Seven counties however experienced labor force growth but saw employment decline (for example Nicollet, Polk, and Ramsey) while 17 counties experienced falling labor force yet saw employment gains (for example Benton, Jackson, and Pope). The map shows employment growth, labor force growth, and the percent change in employment growth minus percent change in labor force growth, from 2004 to 2014. Positive numbers indicate the county employment grew jobs faster than the labor force. Negative numbers indicate labor force growth exceeding job growth over the period.

2004 to 2014 Employment and Labor Force Growth



Source: DEED, Quarterly Census of Employment and Wages
DEED, Local Area Unemployment Statistics

Labor Force Estimates

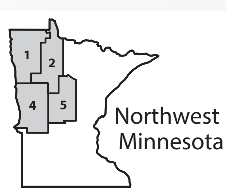
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	July 2015	June 2015	July 2014	July 2015	June 2015	July 2014	July 2015	June 2015	July 2014	July 2015	June 2015	July 2014
United States ('000s)												
(Seasonally adjusted)	157,106	157,037	156,023	148,840	148,739	146,352	8,266	8,299	9,671	5.3%	5.3%	6.2%
(Unadjusted)	158,527	158,283	157,573	149,722	149,645	147,265	8,805	8,638	10,307	5.6	5.5	6.5
Minnesota												
(Seasonally adjusted)	3,016,022	3,029,418	2,973,133	2,896,064	2,911,192	2,860,667	119,958	118,226	112,466	4.0	3.9	3.8
(Unadjusted)	3,041,710	3,036,726	3,010,250	2,925,752	2,917,106	2,890,105	115,958	119,620	120,145	3.8	3.9	4.0
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,962,098	1,948,005	1,943,744	1,890,385	1,874,805	1,867,718	71,713	73,200	76,026	3.7	3.8	3.9
Duluth-Superior MSA	144,468	145,116	143,726	137,139	137,382	136,450	7,329	7,734	7,276	5.1	5.3	5.1
Rochester MSA	119,138	118,205	119,677	115,205	114,119	115,527	3,933	4,086	4,150	3.3	3.5	3.5
St. Cloud MSA	108,959	108,895	108,771	104,879	104,567	104,547	4,080	4,328	4,224	3.7	4.0	3.9
Mankato-N Mankato MSA	57,900	58,968	57,613	56,054	57,048	55,604	1,846	1,920	2,009	3.2	3.3	3.5
Fargo-Moorhead MSA	129,527	129,325	131,163	126,444	125,776	127,744	3,083	3,549	3,419	2.4	2.7	2.6
Grand Forks MSA	54,038	55,164	54,266	52,357	53,206	52,421	1,681	1,958	1,845	3.1	3.5	3.4
Region One	**49,752**	**51,053**	**48,464**	**47,541**	**48,598**	**46,350**	**2,211**	**2,455**	**2,114**	**4.4**	**4.8**	**4.4**
Kittson	2,480	2,589	2,425	2,358	2,455	2,309	122	134	116	4.9	5.2	4.8
Marshall	5,912	6,197	5,577	5,590	5,839	5,298	322	358	279	5.4	5.8	5.0
Norman	3,612	3,688	3,439	3,444	3,522	3,278	168	166	161	4.7	4.5	4.7
Pennington	9,221	9,426	8,896	8,855	8,966	8,543	366	460	353	4.0	4.9	4.0
Polk	17,417	17,816	16,989	16,611	16,961	16,204	806	855	785	4.6	4.8	4.6
Red Lake	2,328	2,380	2,286	2,220	2,248	2,174	108	132	112	4.6	5.5	4.9
Roseau	8,782	8,957	8,852	8,463	8,607	8,544	319	350	308	3.6	3.9	3.5
Region Two	**43,508**	**43,629**	**42,775**	**41,253**	**41,279**	**40,496**	**2,255**	**2,350**	**2,279**	**5.2**	**5.4**	**5.3**
Beltrami	24,076	24,081	23,544	22,935	22,891	22,379	1,141	1,190	1,165	4.7	4.9	4.9
Clearwater	4,553	4,645	4,501	4,215	4,288	4,144	338	357	357	7.4	7.7	7.9
Hubbard	10,080	10,034	9,916	9,554	9,490	9,420	526	544	496	5.2	5.4	5.0
Lake of the Woods	2,475	2,505	2,468	2,362	2,392	2,343	113	113	125	4.6	4.5	5.1
Mahnomen	2,324	2,364	2,346	2,187	2,218	2,210	137	146	136	5.9	6.2	5.8
Region Three	**166,109**	**166,673**	**165,036**	**157,198**	**157,422**	**156,533**	**8,911**	**9,251**	**8,503**	**5.4**	**5.6**	**5.2**
Aitkin	6,738	6,945	6,825	6,383	6,570	6,452	355	375	373	5.3	5.4	5.5
Carlton	17,646	17,729	17,546	16,810	16,848	16,703	836	881	843	4.7	5.0	4.8
Cook	3,435	3,282	3,423	3,321	3,160	3,291	114	122	132	3.3	3.7	3.9
Itasca	22,663	22,710	22,498	21,249	21,231	21,175	1,414	1,479	1,323	6.2	6.5	5.9
Koochiching	6,347	6,445	6,354	5,842	5,919	5,828	505	526	526	8.0	8.2	8.3
Lake	6,005	5,924	5,993	5,724	5,673	5,766	281	251	227	4.7	4.2	3.8
St. Louis	103,275	103,638	102,397	97,869	98,021	97,318	5,406	5,617	5,079	5.2	5.4	5.0
City of Duluth	45,974	46,194	46,037	44,224	44,292	43,975	1,750	1,902	2,062	3.8	4.1	4.5
Balance of St. Louis County	57,301	57,444	56,360	53,645	53,729	53,343	3,656	3,715	3,017	6.4	6.5	5.4
Region Four	**130,341**	**131,076**	**127,367**	**125,841**	**126,403**	**122,919**	**4,500**	**4,673**	**4,448**	**3.5**	**3.6**	**3.5**
Becker	18,236	18,573	18,137	17,468	17,772	17,420	768	801	717	4.2	4.3	4.0
Clay	36,119	36,116	35,682	34,950	34,926	34,495	1,169	1,190	1,187	3.2	3.3	3.3
Douglas	20,941	20,784	20,661	20,296	20,096	20,002	645	688	659	3.1	3.3	3.2
Grant	3,501	3,597	3,307	3,357	3,455	3,175	144	142	132	4.1	3.9	4.0
Otter Tail	32,967	33,086	32,212	31,778	31,842	31,011	1,189	1,244	1,201	3.6	3.8	3.7
Pope	6,696	6,738	6,348	6,481	6,512	6,154	215	226	194	3.2	3.4	3.1
Stevens	6,271	6,358	5,724	6,108	6,187	5,556	163	171	168	2.6	2.7	2.9
Traverse	1,811	1,899	1,672	1,743	1,827	1,603	68	72	69	3.8	3.8	4.1
Wilkin	3,799	3,925	3,624	3,660	3,786	3,503	139	139	121	3.7	3.5	3.3
Region Five	**83,966**	**84,875**	**83,816**	**80,058**	**80,773**	**79,855**	**3,908**	**4,102**	**3,961**	**4.7**	**4.8**	**4.7**
Cass	15,260	15,151	14,925	14,435	14,313	14,103	825	838	822	5.4	5.5	5.5
Crow Wing	31,606	31,947	32,373	30,152	30,417	30,875	1,454	1,530	1,498	4.6	4.8	4.6
Morrison	17,442	17,658	17,529	16,660	16,820	16,697	782	838	832	4.5	4.7	4.7
Todd	13,395	13,794	12,799	12,888	13,262	12,303	507	532	496	3.8	3.9	3.9
Wadena	6,263	6,325	6,190	5,923	5,961	5,877	340	364	313	5.4	5.8	5.1
Region Six East	**68,431**	**69,059**	**65,505**	**65,858**	**66,311**	**62,882**	**2,573**	**2,748**	**2,623**	**3.8**	**4.0**	**4.0**
Kandiyohi	25,107	25,291	24,063	24,243	24,376	23,187	864	915	876	3.4	3.6	3.6
McLeod	20,452	20,455	20,235	19,656	19,591	19,393	796	864	842	3.9	4.2	4.2
Meeker	13,558	13,714	12,942	13,048	13,186	12,445	510	528	497	3.8	3.9	3.8
Renville	9,314	9,599	8,265	8,911	9,158	7,857	403	441	408	4.3	4.6	4.9

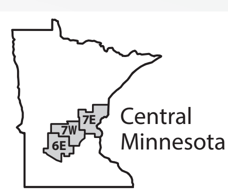
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

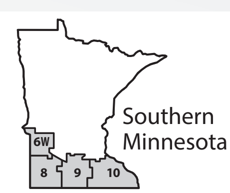
Labor Force Estimates

Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2015.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	July 2015	June 2015	July 2014	July 2015	June 2015	July 2014	July 2015	June 2015	July 2014	July 2015	June 2015	July 2014
Region Six West	**24,383**	**25,189**	**23,646**	**23,226**	**23,943**	**22,699**	**1,157**	**1,246**	**947**	**4.7%**	**4.9%**	**4.0%**
Big Stone	2,778	2,797	2,701	2,664	2,684	2,605	114	113	96	4.1	4.0	3.6
Chippewa	7,138	7,333	6,886	6,832	7,009	6,612	306	324	274	4.3	4.4	4.0
Lac Qui Parle	3,644	3,891	3,613	3,498	3,739	3,462	146	152	151	4.0	3.9	4.2
Swift	5,238	5,429	4,954	4,856	4,984	4,741	382	445	213	7.3	8.2	4.3
Yellow Medicine	5,585	5,739	5,492	5,376	5,527	5,279	209	212	213	3.7	3.7	3.9
Region Seven East	**86,649**	**86,501**	**85,998**	**82,760**	**82,434**	**81,909**	**3,889**	**4,067**	**4,089**	**4.5**	**4.7**	**4.8**
Chisago	29,336	29,180	29,013	28,156	27,945	27,798	1,180	1,235	1,215	4.0	4.2	4.2
Isanti	20,687	20,571	20,505	19,853	19,699	19,596	834	872	909	4.0	4.2	4.4
Kanabec	8,952	8,972	8,978	8,462	8,469	8,455	490	503	523	5.5	5.6	5.8
Mille Lacs	12,957	12,909	12,812	12,286	12,202	12,117	671	707	695	5.2	5.5	5.4
Pine	14,717	14,869	14,690	14,003	14,119	13,943	714	750	747	4.9	5.0	5.1
Region Seven West	**231,829**	**231,047**	**230,303**	**223,197**	**221,966**	**221,343**	**8,632**	**9,081**	**8,960**	**3.7**	**3.9**	**3.9**
Benton	21,458	21,466	21,465	20,572	20,501	20,528	886	965	937	4.1	4.5	4.4
Sherburne	50,220	49,924	49,659	48,254	47,863	47,641	1,966	2,061	2,018	3.9	4.1	4.1
Stearns	87,501	87,429	87,306	84,307	84,066	84,019	3,194	3,363	3,287	3.7	3.8	3.8
Wright	72,650	72,228	71,873	70,064	69,536	69,155	2,586	2,692	2,718	3.6	3.7	3.8
Region Eight	**67,482**	**69,049**	**65,904**	**65,290**	**66,580**	**63,464**	**2,192**	**2,469**	**2,440**	**3.2**	**3.6**	**3.7**
Cottonwood	5,861	6,111	5,687	5,597	5,799	5,400	264	312	287	4.5	5.1	5.0
Jackson	6,657	6,828	6,506	6,433	6,487	6,154	224	341	352	3.4	5.0	5.4
Lincoln	3,516	3,568	3,381	3,413	3,457	3,261	103	111	120	2.9	3.1	3.5
Lyon	15,392	15,697	15,224	14,929	15,207	14,729	463	490	495	3.0	3.1	3.3
Murray	5,069	5,246	4,934	4,893	5,056	4,766	176	190	168	3.5	3.6	3.4
Nobles	11,550	11,734	11,306	11,185	11,327	10,920	365	407	386	3.2	3.5	3.4
Pipestone	5,277	5,381	4,895	5,131	5,229	4,739	146	152	156	2.8	2.8	3.2
Redwood	8,299	8,459	8,250	7,977	8,129	7,921	322	330	329	3.9	3.9	4.0
Rock	5,861	6,025	5,721	5,732	5,889	5,574	129	136	147	2.2	2.3	2.6
Region Nine	**131,289**	**133,167**	**130,249**	**126,373**	**127,939**	**125,077**	**4,916**	**5,228**	**5,172**	**3.7**	**3.9**	**4.0**
Blue Earth	38,283	38,962	38,120	37,007	37,656	36,727	1,276	1,306	1,393	3.3	3.4	3.7
Brown	14,810	14,852	14,385	14,212	14,208	13,820	598	644	565	4.0	4.3	3.9
Faribault	7,595	7,778	7,500	7,252	7,397	7,155	343	381	345	4.5	4.9	4.6
Le Sueur	15,966	15,917	15,751	15,323	15,244	15,076	643	673	675	4.0	4.2	4.3
Martin	10,388	10,582	10,559	9,971	10,062	10,033	417	520	526	4.0	4.9	5.0
Nicollet	19,617	20,006	19,493	19,047	19,392	18,877	570	614	616	2.9	3.1	3.2
Sibley	8,808	8,843	8,575	8,469	8,485	8,243	339	358	332	3.8	4.0	3.9
Waseca	9,610	9,720	9,808	9,173	9,289	9,368	437	431	440	4.5	4.4	4.5
Watonwan	6,212	6,507	6,058	5,919	6,206	5,778	293	301	280	4.7	4.6	4.6
Region Ten	**280,739**	**281,103**	**279,638**	**270,767**	**270,858**	**269,229**	**9,972**	**10,245**	**10,409**	**3.6**	**3.6**	**3.7**
Dodge	11,555	11,479	11,547	11,133	11,057	11,116	422	422	431	3.7	3.7	3.7
Fillmore	11,477	11,456	11,363	11,030	11,004	10,938	447	452	425	3.9	3.9	3.7
Freeborn	16,341	16,872	16,185	15,694	16,206	15,538	647	666	647	4.0	3.9	4.0
Goodhue	27,217	27,390	26,981	26,249	26,384	25,979	968	1,006	1,002	3.6	3.7	3.7
Houston	10,417	10,447	10,377	10,015	10,056	9,975	402	391	402	3.9	3.7	3.9
Mower	20,587	20,777	20,469	19,899	20,067	19,694	688	710	775	3.3	3.4	3.8
Olmsted	83,901	83,074	84,631	81,291	80,347	81,796	2,610	2,727	2,835	3.1	3.3	3.3
City of Rochester	61,705	61,098	62,261	59,748	59,054	60,119	1,957	2,044	2,142	3.2	3.3	3.4
Rice	36,127	36,366	35,465	34,693	34,930	33,980	1,434	1,436	1,485	4.0	3.9	4.2
Steele	21,058	21,030	21,113	20,291	20,251	20,320	767	779	793	3.6	3.7	3.8
Wabasha	12,205	12,196	12,136	11,751	11,711	11,677	454	485	459	3.7	4.0	3.8
Winona	29,854	30,016	29,371	28,721	28,845	28,216	1,133	1,171	1,155	3.8	3.9	3.9
Region Eleven	**1,677,234**	**1,664,306**	**1,661,544**	**1,616,391**	**1,602,600**	**1,597,345**	**60,843**	**61,706**	**64,199**	**3.6**	**3.7**	**3.9**
Anoka	194,008	192,530	192,124	186,653	185,055	184,414	7,355	7,475	7,710	3.8	3.9	4.0
Carver	55,220	54,898	54,639	53,400	53,007	52,683	1,820	1,891	1,956	3.3	3.4	3.6
Dakota	237,143	235,301	234,931	228,787	226,813	226,048	8,356	8,488	8,883	3.5	3.6	3.8
Hennepin	688,153	682,726	681,894	663,240	657,532	655,670	24,913	25,194	26,224	3.6	3.7	3.8
City of Bloomington	47,854	47,507	47,428	46,047	45,651	45,521	1,807	1,856	1,907	3.8	3.9	4.0
City of Minneapolis	233,905	232,182	231,626	225,096	223,159	222,527	8,809	9,023	9,099	3.8	3.9	3.9
Ramsey	284,033	281,808	281,368	272,928	270,593	269,735	11,105	11,215	11,633	3.9	4.0	4.1
City of St. Paul	156,238	155,034	154,604	149,731	148,450	147,979	6,507	6,584	6,625	4.2	4.2	4.3
Scott	79,414	78,779	78,667	76,796	76,145	75,871	2,618	2,634	2,796	3.3	3.3	3.6
Washington	139,263	138,264	137,921	134,587	133,455	132,924	4,676	4,809	4,997	3.4	3.5	3.6







Industrial Analysis

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

Overview

Minnesota lost 3,900 jobs (0.1 percent) in July on a seasonally adjusted basis. At the same time, June's job growth was adjusted upward from an initially projected 2,900 new jobs to 5,600 (0.2 percent). The decline was caused by losses in a number of supersectors including Construction (down 2,000 or 1.8 percent), Leisure and Hospitality (down 3,700 or 1.4 percent), and Trade, Transportation, and Utilities (down 1,700, 0.3 percent). Government employers helped stem the tide of losses, adding 2,700 jobs (0.6 percent). Over the year, job growth remained up in the state as employers added 43,719 jobs (1.5 percent) over July of 2014. Supersectors with the largest growth included Educational and Health Services (up 14,356 or 2.9 percent), Professional and Business Services (up 10,100, 2.8 percent), and Trade, Transportation, and Utilities (up 7,232, 1.4 percent). The monthly growth in Government employment was enough to move the supersector to flat over-the-year growth, leaving Information (down 490 or 0.9 percent) and Other Services (down 1,056, 0.9 percent) as the only supersectors to shed jobs on the year.

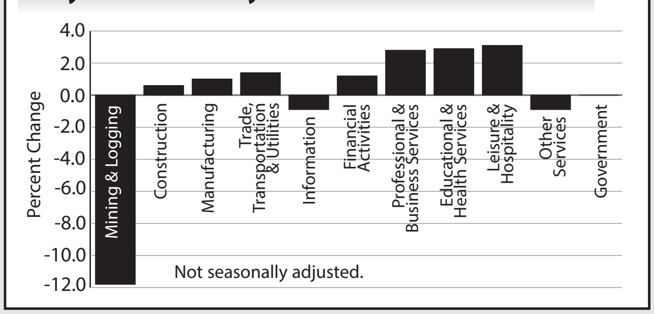
Mining and Logging

Employment in Mining and Logging was up in July as the supersector added 300 jobs (4.8 percent) following significant job losses in June. Employment in the supersector remains down on an annual basis, off 893 jobs (11.8 percent) from July 2014 as slumping steel prices continued to drag on Minnesota's mining industry.

Construction

Employment in Construction was down sharply in July as the supersector was off by 2,000 jobs (1.8 percent). Construction employment remained up over the year, however, as the industry added 724 jobs (0.6 percent) over July 2014 estimates. Growth was concentrated in Construction of Buildings (up 807 or 3 percent) and Specialty Trade Contractors (up 664 or 0.9 percent), while Heavy and Civil Engineering Construction remained down on the year, off by 747 jobs or 3.8 percent.

MN Employment Growth
July 2014 to July 2015



Source: Department of Employment and Economic Development, Current Employment Statistics, 2015.

Manufacturing

Manufacturing employment was down slightly in July as the supersector shed 300 jobs (0.1 percent) with both the Durable and Non-Durable Goods Manufacturing sectors losing jobs. This marked the third straight month of job losses for Manufacturing. Employment remained up on the year, however, as the supersector was up 3,074 jobs (1 percent) over July of 2014. The gains belonged entirely to Durable Goods manufacturers, who added 4,430 jobs (2.2 percent) with the Fabricated Metal Product Manufacturing sector (up 1,712 jobs or 4 percent) remaining the primary engine of growth in the supersector. Non-Durable Goods employment remained off on the year (down 1,356 jobs, 1.2 percent) as the shrinking Paper Manufacturing and Printing and Related Support Activities sector (down 1,725 jobs, 5.1 percent) continued to drag on the larger industry's performance.

Trade, Transportation, and Utilities

Employment in Trade, Transportation, and Utilities dropped again in July, down 1,700 jobs (0.3 percent). Wholesale Trade and Transportation, Warehousing, and Utilities each lost 1,500 jobs (1.1 and 1.5 percent, respectively) while Retail Trade added 1,300 (0.4 percent). This was the second straight month of declines in the supersector, following four straight months of seasonally adjusted growth. Employment in Trade, Transportation, and Utilities remains significantly up on the year, however, with 7,232 jobs (1.4 percent) more than in July of 2014. The annual growth was shared by Retail Trade (up 6,553 or 2.2 percent) and Transportation, Warehousing, and Utilities (up 1,191 or 1.3 percent), while Wholesale Trade lost 512 jobs (0.4 percent). July marked the first time since September of 2010 that Wholesale Trade dipped into negative over-the-year job growth.

Information

Employers in the Information supersector added 200 jobs (0.4 percent) in July as the see-saw of alternating months of growth and contraction in the industry continued. Job growth remained negative over the year, with Information losing 490 jobs (0.9 percent) from July of 2014. Publishing Industries (except Internet) lost 711 jobs (3.4 percent) while Telecommunications lost 318 jobs (2.3 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 grew by 500 jobs (0.3 percent) in July. Finance and Insurance added 1,100 jobs (0.8 percent) while Real Estate and Rental and Leasing lost 600 jobs (1.5 percent). This represented the fourth straight month of job growth for the supersector. Employment was also up on the year, as Financial Activities added 2,240 jobs (1.2 percent) from July of 2014. The growth was concentrated entirely in Finance and Insurance, which added 2,340 jobs (1.7 percent) as Real Estate and Rental and Leasing lost 100 jobs (0.2 percent).

Professional and Business Services

The Professional and Business Services supersector added 1,400 jobs (0.4 percent) in July. Administrative and Support and Waste Management and Remediation Services led the way with 2,000 new jobs (1.4 percent) while Management of Companies and Enterprises kicked in another 600 jobs (0.8 percent). Professional, Scientific, and Technical Services lost 1,200 jobs (0.8 percent). Over-the-year employment change remains strong, up 10,100 jobs (2.8 percent) with all three component sectors showing growth.

Educational and Health Services

Educational and Health Services saw some job loss in July with employment down by 1,200 (0.2 percent) in the supersector. The loss came thanks to a decline of 2,400 (0.5 percent) in Health Care and Social Assistance employment, as Educational Services added 1,200 jobs (1.7 percent). Annually, employment growth in the supersector remains healthy, up 14,356 jobs (2.9 percent) since July of 2014. Growth was split between components with Educational Services up 5,475 jobs (9.6 percent) and Health Care and Social Assistance up 8,881 (2 percent).

Leisure and Hospitality

Leisure and Hospitality employment was down sharply in July, off 3,700 jobs (1.4 percent) with losses in both Arts, Entertainment, and Recreation (down 1,000 jobs, 2.3 percent) and Accommodation and Food Services (down 2,700 jobs, 1.2 percent). Employment remained up on the year as the supersector supported 8,381 more jobs in 2015 than it had in 2014, with both component sectors showing significant growth. The Limited-Service Eating Places subsector showed the most dramatic growth, up 5,429 jobs or 6.6 percent, contrasted with just 1.5 percent growth in Full-Service Restaurants.

Other Services

Other Services employment was down slightly, shedding 100 jobs (0.1 percent) in July. Employment remained in the red over the year as well, down 1,056 (0.9 percent). While Repair and Maintenance (up 428, 2 percent) and Personal and Laundry Services (up 122, 0.4 percent) added jobs on the year, Religious, Grantmaking, Civic, Professional, and Similar Organizations brought down the supersector with its loss of 1,606 jobs (2.5 percent).

Government

Government employers added more jobs in July than any other supersector, up 2,700 or 0.6 percent. The growth came almost entirely from Local Government, which added 3,500 jobs (1.2 percent) while Federal employers added just 100 jobs (0.3 percent), and State employers lost 900 (down 0.9 percent). The monthly growth was enough to push Government employment out of the red over the year, as employment was roughly flat, up 51 jobs (0.0 percent).

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	July 2015	June 2015	May 2015
Total Nonagricultural	**2,853.3**	**2,857.2**	**2,851.6**
Goods-Producing	**429.0**	**431.0**	**429.6**
Mining and Logging	6.5	6.2	6.9
Construction	108.4	110.4	107.9
Manufacturing	314.1	314.4	314.8
Service-Providing	**2,424.3**	**2,426.2**	**2,422.0**
Trade, Transportation, and Utilities	524.9	526.6	529.1
Information	52.8	52.6	53.0
Financial Activities	180.9	180.4	179.8
Professional and Business Services	359.8	358.4	359.2
Educational and Health Services	513.2	514.4	506.5
Leisure and Hospitality	258.0	261.7	261.4
Other Services	114.3	114.4	114.6
Government	420.4	417.7	418.4

Source: Department of Employment and Economic Development Current Employment Statistics, 2015.

Regional Analysis

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

Employment in the Minneapolis-St. Paul-Bloomington MSA was down sharply in July as the area lost 13,360 jobs (0.7 percent). However, it is worth noting that job losses on this scale are a regular occurrence in July, as many schools shut down for the summer during this time. As such, it is not surprising that Government led all supersectors in losses, down 18,071 (7.2 percent). Other significant job losers included Educational and Health Services (down 1,555, 0.5 percent), Trade, Transportation, and Utilities (down 1,813, 0.5 percent), and Other Services (down 786 or 1 percent). The largest numerical gains came in Professional and Business Services, which was up 3,340 jobs (1.1 percent). Over the year, employment in the metro was up by 40,564 (2.1 percent). Professional and Business Services still had the most employment growth, up 12,520 or 4.1 percent. Some interesting movement was taking place at the component sector level in Trade, Transportation, and Utilities, as the supersector added 931 jobs (0.3 percent). This belied more dramatic movements in component sectors, as a loss of 2,308 jobs (2.4 percent) in Wholesale Trade was hidden by gains of 2,150 (1.2 percent) and 1,089 (1.7 percent) in Retail Trade and Transportation, Warehousing, and Utilities, respectively.

Duluth-Superior MSA

The Duluth-Superior MSA lost 2,367 jobs (1.7 percent) in July. As expected, the bulk of that loss came in Government (down 2,174 or 8.2 percent), with nearly all of that coming from Local Government (down 1,948 or 11.2 percent). The only other supersectors with movement of 1 percent or more were Mining, Logging, and Construction (down 149 jobs or 1.6 percent) and Leisure and Hospitality (up 201 jobs or 1.3 percent). For the year, employment in Duluth remained up, adding 1,797 jobs (1.3 percent) over July 2014. While gains were spread among numerous supersectors, Educational and Health Services had by far the largest numerical increase, up 1,228 jobs (4.1 percent). The largest proportional increase came in Other Services, which added 300 jobs (4.9 percent). Significant losses occurred in Mining, Logging, and Construction, which was down 738 or 7.3 percent.

Rochester MSA

The Rochester MSA lost 295 jobs (0.3 percent) in July. Trade, Transportation, and Utilities lost 259 jobs (1.4 percent), while Government employers shed 684 jobs (5.3 percent). Manufacturing added 279 jobs (2.5 percent), and Leisure and Hospitality added 110 (1 percent). Over the year, Rochester added 129 jobs (0.1 percent). The gain put them back into the black following June's drop. The largest numerical gain came in Educational and Health Services, which added 386 jobs (0.9 percent), while the largest proportional gains came in Information (up 131, 6.6 percent). Professional and Business Services continues to be a drag on Rochester's over-the-year employment, as it has had annual losses of greater than 2 percent since January and came in with 338 (5.6 percent) fewer jobs than in July of 2014.

St. Cloud MSA

Employment in the St. Cloud MSA was off by 1,045 (1 percent) in July. Government (down 1,332, 9 percent) and Professional and Business Services (down 151, 1.9 percent) were the only supersectors to lose jobs, but they both lost more jobs individually than any other single supersector gained. The largest numerical and proportional growth came in Mining, Logging, and Construction, which added 144 jobs (2.3 percent). Annually, St. Cloud added 432 jobs (0.4 percent), with much of the credit going to Educational and Health Services, which added 1,373 (6.8 percent). Significant annual losses occurred in Professional and Business Services (down 562 or 6.7 percent) and Mining, Logging, and Construction (down 324, 4.8 percent), among others.

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA was off in July, down 1,786 or 3.2 percent. Government dropped 1,666 jobs (17.4 percent) while private employment was down 180 (0.5 percent). Employment remained up on the year, however, with Mankato supporting 518 jobs (1 percent) more than in July of 2014. That gain was spread among sectors, as Private and Government employers (up 316 or 0.7 percent and 202 or 2.6 percent, respectively) saw job growth, as did Goods Producers and Service Providers (up 111 or 1.1 percent, and 407 or 0.9 percent, respectively).

Fargo-Moorhead MSA

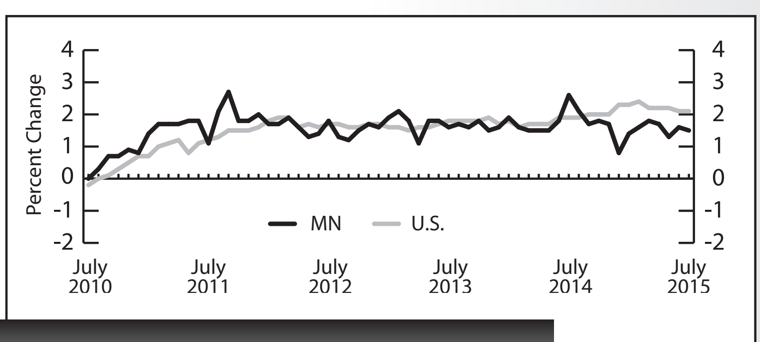
The Fargo-Moorhead MSA lost 1,768 jobs (1.3 percent) in July. Government employment lost 2,198 jobs (12.3 percent), with the Local Government sector shedding 2,069 jobs (19.9 percent). Mining, Logging, and Construction added the most jobs on the month, up 178 or 1.9 percent. Over the year, Fargo-Moorhead added 2,230 jobs (1.6 percent). Leisure and Hospitality continued to lead the MSA in annual growth, up 1,512 (10.9 percent) over July of 2014. Professional and Business Services lost more jobs than any other supersector, down 833 or 5 percent.

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA was down in July, shedding 1,909 jobs (3.3 percent). While Government employers led the way with a loss of 1,815 (13 percent), multiple supersectors had smaller losses, including Manufacturing (down 51 or 1.3 percent), Trade, Transportation, and Utilities (down 123 or .9 percent) and Leisure and Hospitality (down 102 or 1.7 percent). Employment in the MSA was up by 1,264 (2.3 percent) for the year, with the largest gain coming in Trade, Transportation, and Utilities (up 956 or 7.8 percent).

by Nick Dobbins

Source: Department of Employment and Economic Development, Current Employment Statistics, 2015; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2015.



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 2015	Jun 2015	July 2014	Jun 2015	July 2014	July 2015	July 2014	July 2015	July 2014	July 2015	July 2014
TOTAL NONFARM WAGE AND SALARY	**2,878.6**	**2,906.2**	**2,834.8**	**-1.0%**	**1.5%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**449.0**	**445.3**	**446.1**	**0.8**	**0.7**	—	—	—	—	—	—
Mining and Logging	**6.7**	**6.5**	**7.6**	**2.1**	**-11.8**	—	—	—	—	—	—
Construction	**122.8**	**120.4**	**122.0**	**2.0**	**0.6**	—	—	—	—	—	—
Specialty Trade Contractors	76.3	75.0	75.6	1.8	0.9	$1,155.57	$1,139.77	37.9	39.1	$30.49	$29.15
Manufacturing	**319.6**	**318.4**	**316.5**	**0.4**	**1.0**	**822.96**	**828.07**	**40.6**	**41.3**	**20.27**	**20.05**
Durable Goods	205.9	204.5	201.5	0.7	2.2	819.70	831.20	40.3	42.3	20.34	19.65
Wood Product Manufacturing	11.1	11.0	11.2	1.0	-0.9	—	—	—	—	—	—
Fabricated Metal Production	44.6	44.4	42.9	0.6	4.0	—	—	—	—	—	—
Machinery Manufacturing	33.2	33.0	32.9	0.6	0.7	—	—	—	—	—	—
Computer and Electronic Product	46.2	46.2	45.4	0.1	1.7	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.8	25.8	25.5	0.3	1.3	—	—	—	—	—	—
Transportation Equipment	11.7	11.8	11.6	-0.4	0.5	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.8	15.8	15.5	0.3	1.7	—	—	—	—	—	—
Nondurable Goods	113.7	113.9	115.0	-0.2	-1.2	830.59	824.66	41.2	39.8	20.16	20.72
Food Manufacturing	46.4	46.5	46.2	-0.2	0.4	—	—	—	—	—	—
Paper Manufacturing	32.0	32.1	33.7	-0.4	-5.1	—	—	—	—	—	—
Printing and Related	23.0	23.1	24.3	-0.5	-5.3	—	—	—	—	—	—
SERVICE-PROVIDING	**2,429.5**	**2,460.9**	**2,388.7**	**-1.3**	**1.7**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**526.9**	**530.2**	**519.7**	**-0.6**	**1.4**	—	—	—	—	—	—
Wholesale Trade	133.5	134.7	134.0	-0.9	-0.4	929.37	942.08	39.0	39.6	23.83	23.79
Retail Trade	299.5	298.9	292.9	0.2	2.2	411.84	401.29	28.8	28.3	14.30	14.18
Motor Vehicle and Parts	34.9	34.9	33.5	0.2	4.3	—	—	—	—	—	—
Building Material and Garden Equipment	27.7	28.4	27.7	-2.3	-0.1	—	—	—	—	—	—
Food and Beverage Stores	52.5	52.3	52.4	0.2	0.1	—	—	—	—	—	—
Gasoline Stations	24.7	24.7	24.4	0.0	0.9	—	—	—	—	—	—
General Merchandise Stores	61.1	61.2	61.0	-0.1	0.2	325.70	312.48	28.9	28.8	11.27	10.85
Transportation,Warehouse, Utilities	93.9	96.5	92.7	-2.7	1.3	—	—	—	—	—	—
Transportation and Warehousing	80.7	83.3	79.8	-3.1	1.1	708.47	623.74	34.9	35.2	20.30	17.72
Information	**52.7**	**52.9**	**53.2**	**-0.3**	**-0.9**	**850.78**	**809.45**	**35.2**	**34.8**	**24.17**	**23.26**
Publishing Industries	20.2	20.2	20.9	-0.2	-3.4	—	—	—	—	—	—
Telecommunications	13.3	13.3	13.7	0.2	-2.3	—	—	—	—	—	—
Financial Activities	**183.5**	**181.6**	**181.3**	**1.1**	**1.2**	—	—	—	—	—	—
Finance and Insurance	143.2	141.7	140.9	1.0	1.7	877.92	905.18	35.5	35.4	24.73	25.57
Credit Intermediation	55.8	55.0	55.3	1.5	1.0	729.75	742.71	35.0	35.3	20.85	21.04
Securities, Commodity Contracts, and Other	18.8	18.7	18.8	0.5	0.1	—	—	—	—	—	—
Insurance Carriers and Related	67.6	67.0	65.5	0.9	3.2	—	—	—	—	—	—
Real Estate and Rental and Leasing	40.3	39.8	40.4	1.2	-0.2	—	—	—	—	—	—
Professional and Business Services	**368.5**	**366.0**	**358.4**	**0.7**	**2.8**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	143.3	143.4	142.5	-0.1	0.5	—	—	—	—	—	—
Legal Services	18.1	18.2	18.4	-0.1	-1.2	—	—	—	—	—	—
Accounting, Tax Preparation	16.8	16.7	15.5	0.5	8.3	—	—	—	—	—	—
Computer Systems Design	37.9	37.2	34.2	1.8	10.9	—	—	—	—	—	—
Management of Companies and Enterprises	78.6	77.7	78.5	1.2	0.1	—	—	—	—	—	—
Administrative and Support Services	146.7	144.9	137.3	1.2	6.8	—	—	—	—	—	—
Educational and Health Services	**506.3**	**510.2**	**492.0**	**-0.8**	**2.9**	—	—	—	—	—	—
Educational Services	62.6	64.9	57.2	-3.5	9.6	—	—	—	—	—	—
Health Care and Social Assistance	443.7	445.3	434.8	-0.4	2.0	—	—	—	—	—	—
Ambulatory Health Care	143.0	144.2	139.3	-0.8	2.7	1,258.92	1,183.35	36.0	34.3	34.97	34.50
Offices of Physicians	67.8	67.7	66.4	0.1	2.1	—	—	—	—	—	—
Hospitals	106.3	106.3	105.0	0.0	1.2	—	—	—	—	—	—
Nursing and Residential Care Facilities	107.3	108.2	106.5	-0.8	0.8	443.42	437.78	29.7	29.6	14.93	14.79
Social Assistance	87.2	86.6	84.1	0.6	3.7	—	—	—	—	—	—
Leisure and Hospitality	**281.2**	**279.9**	**272.8**	**0.4**	**3.1**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	51.4	50.8	46.9	1.2	9.5	—	—	—	—	—	—
Accommodation and Food Services	229.8	229.2	225.8	0.3	1.7	—	—	—	—	—	—
Food Services and Drinking Places	199.8	199.7	194.2	0.0	2.9	271.61	259.13	22.1	22.3	12.29	11.62
Other Services	**113.8**	**114.4**	**114.9**	**-0.5**	**-0.9**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	62.4	63.1	64.0	-1.1	-2.5						
Government	**396.6**	**425.9**	**396.5**	**-6.9**	**0.0**						
Federal Government	31.7	31.5	31.3	0.8	1.3						
State Government	95.9	98.4	97.4	-2.5	-1.6						
State Government Education	56.3	58.8	58.4	-4.2	-3.6						
Local Government	269.0	296.0	267.8	-9.1	0.4						
Local Government Education	114.2	142.3	114.7	-19.8	-0.5						

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, 2015.

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 2015	Jun 2015	July 2014	Jun 2015	July 2014	July 2015	July 2014	July 2015	July 2014	July 2015	July 2014
TOTAL NONFARM WAGE AND SALARY	**1,945.7**	**1,959.0**	**1,905.1**	**-0.7%**	**2.1%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**277.3**	**274.5**	**271.0**	**1.0**	**2.3**	—	—	—	—	—	—
Mining, Logging, and Construction	**80.8**	**79.3**	**78.4**	**1.9**	**3.1**	—	—	—	—	—	—
Construction of Buildings	17.4	17.1	16.8	2.1	3.6	—	—	—	—	—	—
Specialty Trade Contractors	54.2	52.7	51.0	3.0	6.3	$1,233.64	$1,302.48	38.3	40.2	$32.21	$ 32.40
Manufacturing	**196.5**	**195.2**	**192.7**	**0.7**	**2.0**	**866.18**	**860.04**	**40.8**	**42.5**	**21.23**	**20.26**
Durable Goods	134.8	133.6	131.5	0.8	2.5	844.19	863.03	41.1	43.4	20.54	19.89
Fabricated Metal Production	30.5	30.2	29.2	0.9	4.3	—	—	—	—	—	—
Machinery Manufacturing	20.6	20.3	20.2	1.3	2.0	—	—	—	—	—	—
Computer and Electronic Product	37.2	36.9	36.3	0.9	2.4	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	24.1	24.0	23.9	0.3	0.8	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.5	14.5	14.1	0.2	3.0	—	—	—	—	—	—
Nondurable Goods	61.8	61.6	61.2	0.3	1.0	909.07	861.91	40.1	40.1	22.67	21.51
Food Manufacturing	14.8	14.8	14.8	-0.2	0.1	—	—	—	—	—	—
Printing and Related	15.1	15.1	15.8	-0.2	-4.2	—	—	—	—	—	—
SERVICE-PROVIDING	**1,668.3**	**1,684.5**	**1,634.1**	**-1.0**	**2.1**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**346.2**	**348.0**	**345.2**	**-0.5**	**0.3**	—	—	—	—	—	—
Wholesale Trade	95.4	96.6	97.8	-1.2	-2.4	935.34	914.80	39.3	39.4	23.80	23.23
Merchant Wholesalers - Durable Goods	47.9	48.5	48.1	-1.3	-0.5	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	28.0	28.1	28.2	-0.2	-0.5	—	—	—	—	—	—
Retail Trade	185.8	184.4	183.6	0.7	1.2	439.85	426.90	29.8	29.2	14.76	14.61
Food and Beverage Stores	31.3	31.1	31.0	0.5	1.1	—	—	—	—	—	—
General Merchandise Stores	38.8	38.9	38.0	-0.3	2.1	335.48	326.01	29.9	29.5	11.22	11.04
Transportation, Warehouse, Utilities	65.0	67.0	63.9	-3.1	1.7	—	—	—	—	—	—
Utilities	8.0	8.0	7.7	-0.7	3.5	—	—	—	—	—	—
Transportation and Warehousing	57.0	59.0	56.2	-3.4	1.5	795.15	866.85	38.1	43.0	20.87	20.15
Information	**39.7**	**39.6**	**40.2**	**0.2**	**-1.2**						
Publishing Industries	16.4	16.3	16.6	0.3	-1.2	—	—	—	—	—	—
Telecommunications	9.7	9.7	10.0	0.5	-2.7	—	—	—	—	—	—
Financial Activities	**150.2**	**148.5**	**147.1**	**1.2**	**2.2**	—	—	—	—	—	—
Finance and Insurance	117.2	115.7	113.9	1.3	2.9	882.94	981.10	33.7	34.6	26.20	28.38
Credit Intermediation	40.5	39.8	39.7	1.7	2.0	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.7	16.6	17.0	0.6	-1.5	—	—	—	—	—	—
Insurance Carriers and Related	57.3	56.6	56.0	1.2	2.2	—	—	—	—	—	—
Real Estate and Rental and Leasing	33.0	32.8	33.2	0.7	-0.5	—	—	—	—	—	—
Professional and Business Services	**315.0**	**311.7**	**302.5**	**1.1**	**4.1**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	128.3	126.9	123.0	1.1	4.3	—	—	—	—	—	—
Legal Services	15.4	15.4	15.5	0.1	-0.8	—	—	—	—	—	—
Architectural, Engineering, and Related	17.0	17.0	17.0	-0.1	0.1	—	—	—	—	—	—
Computer Systems Design	33.3	32.8	31.6	1.6	5.6	—	—	—	—	—	—
Management of Companies and Enterprises	70.8	70.1	71.4	0.9	-0.9	—	—	—	—	—	—
Administrative and Support Services	116.0	114.6	108.1	1.2	7.3	—	—	—	—	—	—
Employment Services	54.4	53.0	50.4	2.6	7.8	—	—	—	—	—	—
Educational and Health Services	**311.7**	**313.3**	**302.6**	**-0.5**	**3.0**	—	—	—	—	—	—
Educational Services	38.5	40.9	38.2	-5.9	1.0	—	—	—	—	—	—
Health Care and Social Assistance	273.2	272.4	264.4	0.3	3.3	—	—	—	—	—	—
Ambulatory Health Care	86.7	87.5	84.1	-0.8	3.2	—	—	—	—	—	—
Hospitals	63.2	62.8	62.1	0.7	1.8	—	—	—	—	—	—
Nursing and Residential Care Facilities	60.1	60.3	58.8	-0.3	2.2	—	—	—	—	—	—
Social Assistance	63.2	61.9	59.5	2.1	6.3	—	—	—	—	—	—
Leisure and Hospitality	**193.3**	**192.4**	**184.6**	**0.5**	**4.7**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	38.5	37.7	35.7	2.3	8.1	—	—	—	—	—	—
Accommodation and Food Services	154.7	154.7	148.9	0.0	3.9	289.69	297.15	22.9	24.1	12.65	12.33
Food Services and Drinking Places	140.6	140.5	134.5	0.1	4.6	279.62	292.90	22.0	23.6	12.71	12.39
Other Services	**79.1**	**79.8**	**80.9**	**-1.0**	**-2.3**	—	—	—	—	—	—
Repair and Maintenance	14.4	14.4	14.5	-0.5	-0.8	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.7	43.2	43.8	-1.1	-2.5	—	—	—	—	—	—
Government	**233.2**	**251.2**	**231.0**	**-7.2**	**0.9**						
Federal Government	20.6	20.4	20.4	0.8	1.0						
State Government	65.4	66.7	65.5	-1.9	-0.2						
State Government Education	38.8	40.1	39.4	-3.3	-1.7						
Local Government	147.2	164.1	145.1	-10.3	1.4						
Local Government Education	70.8	88.8	70.9	-20.2	0.0						

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2015.

Employer Survey

Industry	Duluth-Superior MSA Jobs July 2015	June 2015	July 2014	% Chg. From June 2015	July 2014	Rochester MSA Jobs July 2015	June 2015	July 2014	% Chg. From June 2015	July 2014
TOTAL NONFARM WAGE AND SALARY	**136,038**	**138,405**	**134,241**	**-1.7%**	**1.3%**	**116,317**	**116,612**	**116,188**	**-0.3%**	**0.1%**
GOODS-PRODUCING	**16,781**	**16,883**	**17,539**	**-0.6**	**-4.3**	**16,036**	**15,626**	**16,041**	**2.6**	**0.0**
Mining, Logging, and Construction	9,377	9,526	10,115	-1.6	-7.3	4,627	4,496	4,780	2.9	-3.2
Manufacturing	7,404	7,357	7,424	0.6	-0.3	11,409	11,130	11,261	2.5	1.3
SERVICE-PROVIDING	**119,257**	**121,522**	**116,702**	**-1.9**	**2.2**	**100,281**	**100,986**	**100,147**	**-0.7**	**0.1**
Trade, Transportation, and Utilities	25,741	25,974	25,313	-0.9	1.7	17,632	17,891	17,562	-1.4	0.4
Wholesale Trade	3,372	3,372	3,421	0.0	-1.4	2,641	2,633	2,647	0.3	-0.2
Retail Trade	15,533	15,822	15,473	-1.8	0.4	12,161	12,270	12,366	-0.9	-1.7
Transportation, Warehouse, Utilities	6,836	6,780	6,419	0.8	6.5	2,830	2,988	2,549	-5.3	11.0
Information	1,371	1,380	1,405	-0.7	-2.4	2,131	2,117	2,000	0.7	6.6
Financial Activities	5,490	5,505	5,532	-0.3	-0.8	2,773	2,776	2,814	-0.1	-1.5
Professional and Business Services	8,751	8,679	8,646	0.8	1.2	5,739	5,761	6,077	-0.4	-5.6
Educational and Health Services	31,510	31,590	30,282	-0.3	4.1	45,410	45,287	45,024	0.3	0.9
Leisure and Hospitality	15,789	15,588	15,221	1.3	3.7	10,634	10,524	10,651	1.0	-0.2
Other Services	6,382	6,409	6,082	-0.4	4.9	3,677	3,661	3,708	0.4	-0.8
Government	24,223	26,397	24,221	-8.2	0.0	12,285	12,969	12,311	-5.3	-0.2

Employer Survey

Industry	St. Cloud MSA Jobs July 2015	June 2015	July 2014	% Chg. From June 2015	July 2014	Mankato MSA Jobs July 2015	June 2015	July 2014	% Chg. From June 2015	July 2014
TOTAL NONFARM WAGE AND SALARY	**105,571**	**106,616**	**105,139**	**-1.0%**	**0.4%**	**54,116**	**55,902**	**53,598**	**-3.2%**	**1.0%**
GOODS-PRODUCING	**22,044**	**21,844**	**22,318**	**0.9**	**-1.2**	**10,442**	**10,382**	**10,331**	**0.6**	**1.1**
Mining, Logging, and Construction	6,369	6,225	6,693	2.3	-4.8	--	--	--	--	--
Manufacturing	15,675	15,619	15,625	0.4	0.3	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**83,527**	**84,772**	**82,821**	**-1.5**	**0.9**	**43,674**	**45,520**	**43,267**	**-4.1**	**0.9**
Trade, Transportation, and Utilities	21,546	21,477	21,529	0.3	0.1	--	--	--	--	--
Wholesale Trade	4,800	4,764	4,540	0.8	5.7	--	--	--	--	--
Retail Trade	12,868	12,845	13,290	0.2	-3.2	--	--	--	--	--
Transportation, Warehouse, Utilities	3,878	3,868	3,699	0.3	4.8	--	--	--	--	--
Information	1,589	1,582	1,649	0.4	-3.6	--	--	--	--	--
Financial Activities	4,895	4,888	4,924	0.1	-0.6	--	--	--	--	--
Professional and Business Services	7,867	8,018	8,429	-1.9	-6.7	--	--	--	--	--
Educational and Health Services	21,491	21,416	20,118	0.4	6.8	--	--	--	--	--
Leisure and Hospitality	8,921	8,830	8,887	1.0	0.4	--	--	--	--	--
Other Services	3,742	3,753	3,725	-0.3	0.5	--	--	--	--	--
Government	13,476	14,808	13,560	-9.0	-0.6	7,927	9,593	7,725	-17.4	2.6

Employer Survey

Industry	Fargo-Moorhead MSA Jobs July 2015	June 2015	July 2014	% Chg. From June 2015	July 2014	Grand Forks-East Grand Forks MSA Jobs July 2015	June 2015	July 2014	% Chg. From June 2015	July 2014
TOTAL NONFARM WAGE AND SALARY	**138,222**	**139,990**	**135,992**	**-1.26**	**1.64%**	**56,103**	**58,012**	**54,839**	**-3.29%**	**2.30%**
GOODS-PRODUCING	**19,777**	**19,600**	**20,270**	**0.90**	**-2.43**	**7,705**	**7,589**	**7,392**	**1.53**	**4.23**
Mining, Logging, and Construction	9,688	9,510	9,921	1.87	-2.35	3,940	3,773	3,673	4.43	7.27
Manufacturing	10,089	10,090	10,349	-0.01	-2.51	3,765	3,816	3,719	-1.34	1.24
SERVICE-PROVIDING	**118,445**	**120,390**	**115,722**	**-1.62**	**2.35**	**48,398**	**50,423**	**47,447**	**-4.02**	**2.00**
Trade, Transportation, and Utilities	30,749	30,614	29,766	0.44	3.30	13,284	13,407	12,328	-0.92	7.75
Wholesale Trade	9,371	9,390	9,128	-0.20	2.66	2,031	2,070	1,992	-1.88	1.96
Retail Trade	16,494	16,303	15,602	1.17	5.72	9,052	9,112	8,335	-0.66	8.60
Transportation, Warehouse, Utilities	4,884	4,921	5,036	-0.75	-3.02	2,201	2,225	2,001	-1.08	10.00
Information	3,223	3,232	3,300	-0.28	-2.33	614	606	610	1.32	0.66
Financial Activities	10,954	10,883	10,542	0.65	3.91	1,780	1,761	1,748	1.08	1.83
Professional and Business Services	15,914	15,952	16,747	-0.24	-4.97	3,175	3,247	3,024	-2.22	4.99
Educational and Health Services	21,312	21,213	21,028	0.47	1.35	9,473	9,429	9,551	0.47	-0.82
Leisure and Hospitality	15,367	15,320	13,855	0.31	10.91	5,863	5,965	5,840	-1.71	0.39
Other Services	5,268	5,320	5,212	-0.98	1.07	2,074	2,058	2,037	0.78	1.82
Government	15,658	17,856	15,272	-12.31	2.53	12,135	13,950	12,309	-13.01	-1.41

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2015.

Highlights

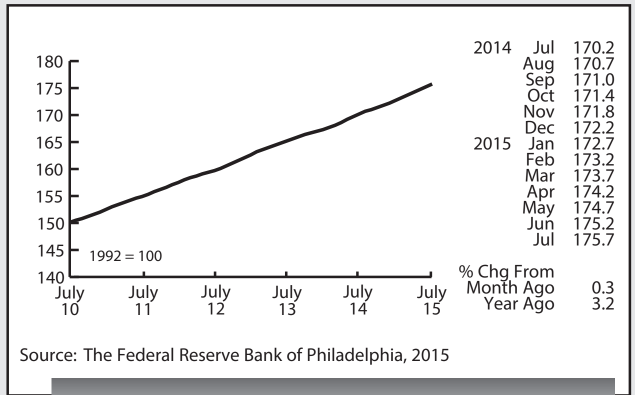
The **Minnesota Index** advanced 0.3 percent for the eighth straight month in July despite a drop in wage and salary employment and another uptick in the unemployment rate, which inched up for the third straight month. The index was pushed upward by average weekly manufacturing hours which topped 41 hours for the first time since February and by rising real wage and salary income. The U.S. index climbed 0.2 percent for the fourth month in a row. Minnesota's index has been climbing slightly faster than the U.S. index since February, suggesting that Minnesota's economy has expanded just a notch faster than the U.S. index during the first half of 2015.

Adjusted **Wage and Salary Employment** unexpectedly declined in July as employment slipped by 3,900 jobs. All of the job loss was in the private sector as public payroll numbers jumped 2,700. The 6,600 private job cut was the largest since May 2012 and will hopefully be revised lower next month. Leisure and Hospitality layoffs accounted for over half of the private sector payroll reduction with Accommodation and Food Service employment recording its third steepest monthly drop in the last 25 years. Job reduction was also noteworthy in: Educational and Health Services; Trade, Transportation and Utilities; and Construction. The Professional and Business Services sector was the only private industry to increase employment significantly.

Minnesota's unadjusted over-the-year job growth was 1.5 percent in July, just below the 1.6 percent average achieved over the first seven months of 2015. Employment grew by 1.3 percent last year in Minnesota, lagging well behind the 1.9 percent U.S. increase in 2014. U.S. unadjusted employment was up 2.1 percent in July which is just below the 2.2 percent average achieved so far this year. It looks like Minnesota's job growth will again fall short of the national rate but will be higher than last year. Minnesota's low unemployment rate relative to the national rate explains part of Minnesota's slower job growth.

Minnesota's adjusted online **Help-Wanted Ads** remained virtually unchanged for the third straight month in July. Job advertising online dipped 0.2 percent in the state while increasing 1.6 percent nationally. Minnesota's share of nationwide advertising remains right around 2.5 percent even though its share of national employment is roughly 2.0 percent. This suggests that Minnesota's slower job growth rate is more of a labor supply rather than labor demand problem.

Minnesota's **Purchasing Managers' Index (PMI)** ticked up for the second straight month in July, advancing to 54.8. Minnesota's PMI index was higher than the U.S. (52.7) and Mid-American (50.6) indices which both lost ground last month. Manufacturing activity in Minnesota will be expanding faster over the next few months than in many other regions according to the July's readings. Another positive sign is last month's 54.5 employment component reading. The index is made up of five components including an employment component. This component, the job gauge, increased to 54.5 in July from 51.8 in June suggesting that manufacturing hires should increase over the next few months.



Minnesota Index

Adjusted **Manufacturing Hours** climbed sharply for the second time in three months, jumping to 41.0 hours for the first time since February. Factory hours are still down significantly from a year ago but seem to be signaling that manufacturing activity is on the upswing. **Manufacturing Earnings** inched up in July to $827.91 but were below last year's level for the 11th consecutive month.

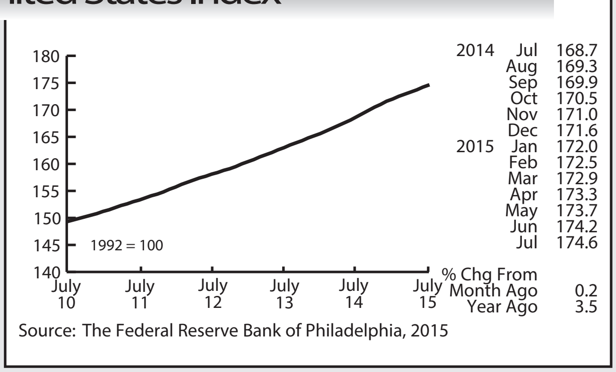
The **Minnesota Leading Index** zigzagged down in July to 1.75. July's reading predicts that Minnesota's GDP will expand 1.75 percent over the next six month which works out to a robust 3.5 percent annualized rate. Minnesota's leading index has outpaced the U.S. leading index since November suggesting that Minnesota's economy will likely grow faster than the national pace for the rest of 2015.

Adjusted **Residential Building Permits** slipped for the second month in a row to 1,565 but were up 8.5 percent from a year ago on an unadjusted basis. Home building activity is up moderately from last year but remains well below the historical norm.

Adjusted **Initial Claims for Unemployment Benefits (UB)** dipped strongly for the second straight month in July, pushing initial claim numbers down to the second lowest level since they skyrocketed up during the Great Recession. Minnesota's job growth will remain solid, in the 1.5 – 1.7 range, for the rest of the year based on the current low initial claims level.

by Dave Senf

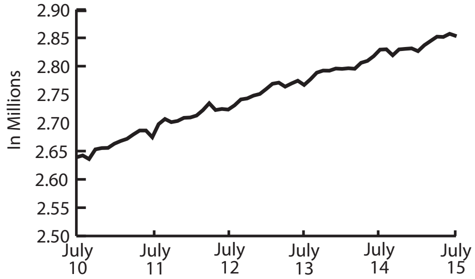
United States Index



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

Minnesota Economic Indicators

Wage and Salary Employment



seasonally adjusted

2015	Feb	2.8370
	Mar	2.8446
	Apr	2.8521
	May	2.8516
	Jun	2.8572
	Jul	2.8533

% Chg From Month Ago -0.1

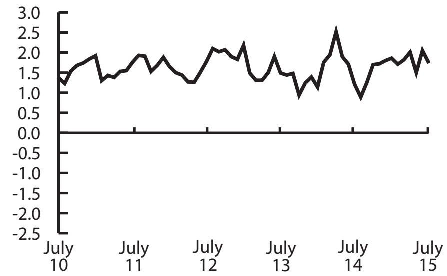
unadjusted

2014	Jul	2.8348
2015	Jul	2.8785

% Chg From Year Ago 1.5

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Minnesota Leading Index

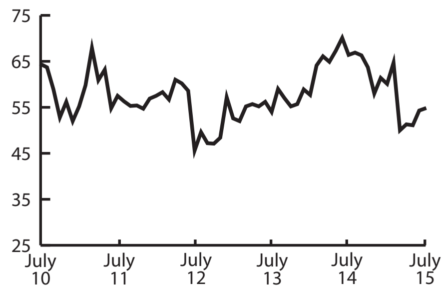


2014	Jul	1.21
	Aug	0.89
	Sep	1.26
	Oct	1.70
	Nov	1.72
	Dec	1.80
2015	Jan	1.86
	Feb	1.71
	Mar	1.82
	Apr	2.01
	May	1.50
	Jun	2.05
	Jul	1.75

% Chg From Month Ago -14.5
Year Ago 44.6

Source: The Federal Reserve Bank of Philadelphia, 2015

Purchasing Managers' Index

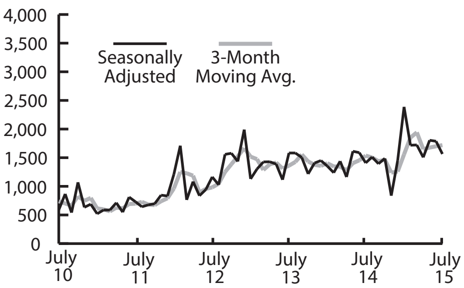


2014	Jul	66.4
	Aug	66.9
	Sep	66.3
	Oct	63.7
	Nov	58.0
	Dec	61.4
2015	Jan	60.1
	Feb	64.7
	Mar	50.0
	Apr	51.3
	May	51.1
	Jun	54.3
	Jul	54.8

% Chg From Month Ago 0.9
Year Ago -17.5

Source: Creighton University, Mid-America Survey of Business Conditions, 2015

Residential Building Permits



seasonally adjusted

2015	Feb	1,718
	Mar	1,722
	Apr	1,506
	May	1,804
	Jun	1,787
	Jul	1,565

% Chg From Month Ago -12.4

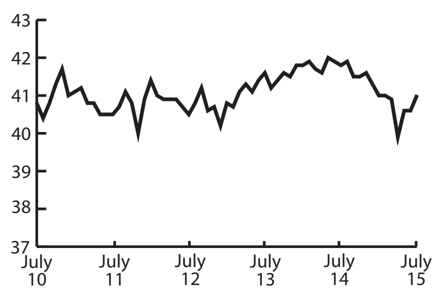
unadjusted

2014	Jul	1,830
2015	Jul	1,985

% Chg From Year Ago 8.5

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2015

Average Weekly Manufacturing Hours



seasonally adjusted

2015	Feb	41.0
	Mar	40.9
	Apr	39.9
	May	40.6
	Jun	40.6
	Jul	41.0

% Chg From Month Ago 1.0

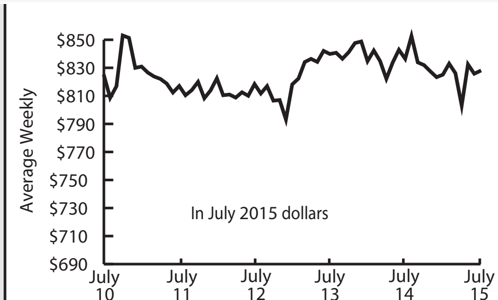
unadjusted

2014	Jul	41.3
2015	Jul	40.6

% Chg From Year Ago -1.7

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Manufacturing Earnings



seasonally adjusted

2015	Feb	832.98
	Mar	826.18
	Apr	803.10
	May	832.45
	Jun	825.80
	Jul	827.91

% Chg From Month Ago 0.3

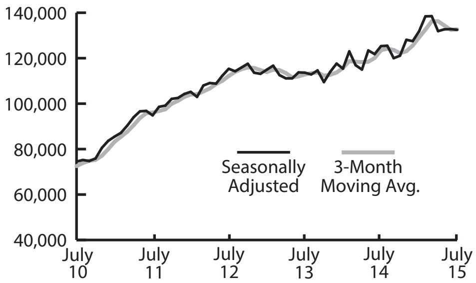
unadjusted

2014	Jul	831.44
2015	Jul	822.96

% Chg From Year Ago -1.0%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2015

Online Help-Wanted Advertising

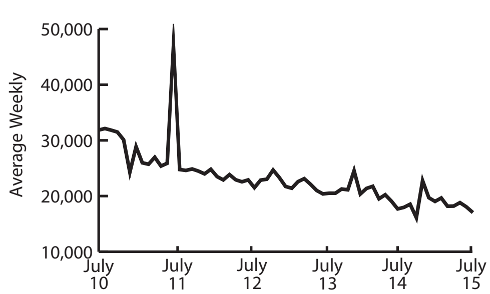


2014	Jul	125,300
	Aug	125,500
	Sep	120,000
	Oct	121,100
	Nov	128,100
	Dec	127,500
2015	Jan	131,800
	Feb	138,400
	Mar	138,500
	Apr	131,900
	May	132,700
	Jun	132,800
	Jul	132,500

% Chg From Month Ago -0.2
Year Ago 5.7

Source: The Conference Board Inc., 2015

Initial UB Claimants



seasonally adjusted

2015	Feb	19,654
	Mar	18,176
	Apr	18,199
	May	18,817
	Jun	18,082
	Jul	17,112

% Chg From Month Ago -5.4

unadjusted

2014	Jul	15,328
2015	Jul	13,897

% Chg From Year Ago -9.3%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2015

Minnesota Employment Review

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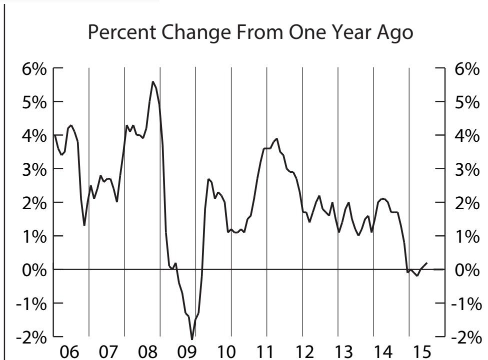
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1 percent in July on a seasonally adjusted basis the U.S. Bureau of Labor Statistics reported today. The indices for food, energy, and all items less food and energy all rose slightly. The food index rose 0.2 percent. The energy index rose 0.1 percent. The index for all items less food and energy also rose 0.1 percent in July



The all items index increased 0.2 percent for the 12 months ending July. The index for all items less food and energy increased 1.8 percent for the 12 months ending July. The food index increased 1.6 percent over the last 12 months. The energy index, however, continues to show a 12- month decline, falling 14.8 percent over the past year.

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.

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What's Going On?

State Services for the Blind reaches all corners of the state

SSB offers employment and senior services at eleven WorkForce Centers across Minnesota. Unless indicated, the office offers both employment services and services for seniors. Call the office nearest you, or give the St. Paul office a call at 651-539-2300 or 1-800-652-9000.

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St. Cloud, 320-308-4800

West St. Paul (employment), 651-554-6246

Minnesota Department of Employment and Economic Development

Real Wage Growth by Occupation

Wage growth is one of the topics that is of most interest to people – after all, it has the largest single impact on workers. Unfortunately, it's difficult to measure. Workers rarely stay neatly in a single industry or occupation. The path to wage increases often involves a change in jobs — either a promotion that may change the job description or leaving a company for the challenges — new industries, new types of work. To further complicate the question, inflation changes the buying power of wages over long periods, and social policies and new technologies can change the value of benefits and further change the perceived wealth associated with earnings.

Teasing out the subtleties of wage gains can shed light not just on quality of life for individual workers, it can also have ramifications in the broader labor market and social climate. The skill level of jobs that are increasing in compensation can be reflective of the value of higher education; the wage level of jobs can shed light on income inequality and the ability to move up the income ladder; the industry or type of jobs with wage gains can reflect changes in demand and the broader value of a career track.

Methodology

To really get at the impact of wage changes on individuals, we need to start with data that break wage data out by individual worker. The data set that best meets this need is the Occupational Employment Statistics (OES) program, which collects employee-level wage data from firms. To conduct this analysis, we started with the median wage for each of the 6-digit SOC occupations estimated by the program in 1st quarter 2001 (the first available) and 1st quarter 2014. Because the SOC coding structure changed in 2010, the BLS crosswalk was applied to the 2001 data to get comparable 2010 codes. The relationship between occupational codes is not one-to-one, however. Where more than one 2000 SOC code fed into a single 2010 SOC, employment was aggregated and wages were calculated as a weighted average. Where a 2000 SOC code fed into multiple 2010 SOC codes, 2000 employment was distributed based on 2010 ratios of employment for that set of SOC codes — for example, if a 2000 code was assigned to 2010 SOCs A, B, and C, with 2014 employment of 10 for A and 20 for B and 70 for C, then 10 percent of 2001 employment would be applied to SOC A, 20 percent to SOC B and 70 percent to SOC C. In that case, the full median wage would be applied to all three occupations. For a handful of occupations there was a many-to-many relationship between 2000 and 2010 codes — multiple 2000 SOCs fed into multiple 2010 SOCs. In those cases the ratio was calculated for each individual occupation and then employment was aggregated. Only occupations with data in both years, 2001 and 2014, were included in the analysis.

Despite the use of the crosswalk, not all employment could be converted perfectly. Final OES 2014 1st quarter estimated employment was 2,688,580. Matched 2014 employment used in the analysis was 2,446,680 — 91.0 percent of the total.

Once the final wage was calculated or assigned to the appropriate 2010 SOC code, wages were progressed forward into 2014 dollars using the U.S. CPI-U for 2014 annual and 2001 annual. This gives us comparable wage levels despite the 14-year gap.

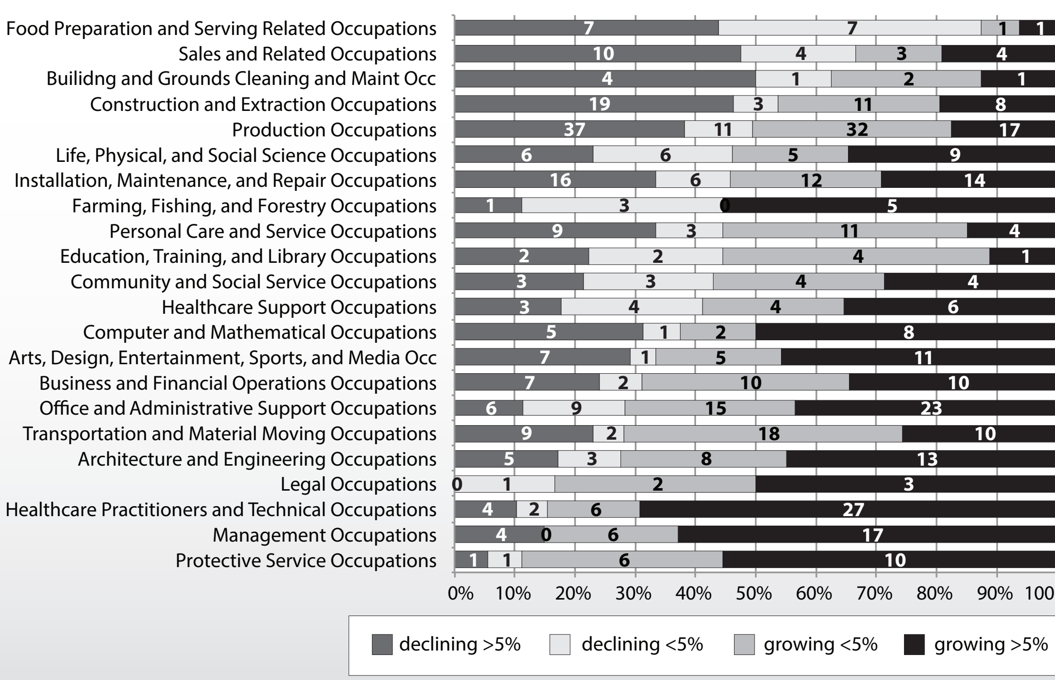
The OES data are not intended as a time series, but comparing two relatively distant points in time can give us some inkling of how wages have or have not kept up with other changes in costs.

This analysis does not compare individuals to themselves — there is no link through time of the same people or even the same firms. What it does compare is the way a set of job duties is compensated and valued by the market through time — because the occupations are being matched by their consistent 2010 SOC code, the analysis directly relates the earnings of people performing the same kinds work at different points in time. The analysis does not try to extrapolate individual workers' wage experiences, but examining the relationship between relative wage gains and occupation can help us understand the occupation as a whole and its role in the labor market.

Occupations with Improving Real Wages

Of the 613 occupations included in the analysis, only 373 (60.8 percent) saw wage gains as adjusted for inflation. However, in the aggregate, gains outpaced the losses. Multiplying the annual numeric wage change by the number of employees yields an average wage increase of $1297.87 for each of the 2,446,680 jobs included in the analysis. Occupations with declines were concentrated in occupational groupings that are heavily low-wage. How much they grew or declined varied quite a bit, too — Chart 1 shows the difference between large (>5%) gains and losses. Occupations in groupings that often require very high education levels — Healthcare Practitioners and Technical, Legal, Computer, and Mathematical, and Architecture and Engineering occupations — saw consistent growth and often very strong growth. Office and Administration, Business and Financial Operations, Healthcare Support, Education, Training and Library, and Community and Social Service occupations mostly increased, but by more moderate amounts. Some of the lowest-paid workers — Food Prep, Sales, Building and Grounds Cleaning and Maintenance — were most likely to see declines, especially significant

Chart 1: Inflation-Adjusted Wage Growth by Occupational Grouping, 2001-2014



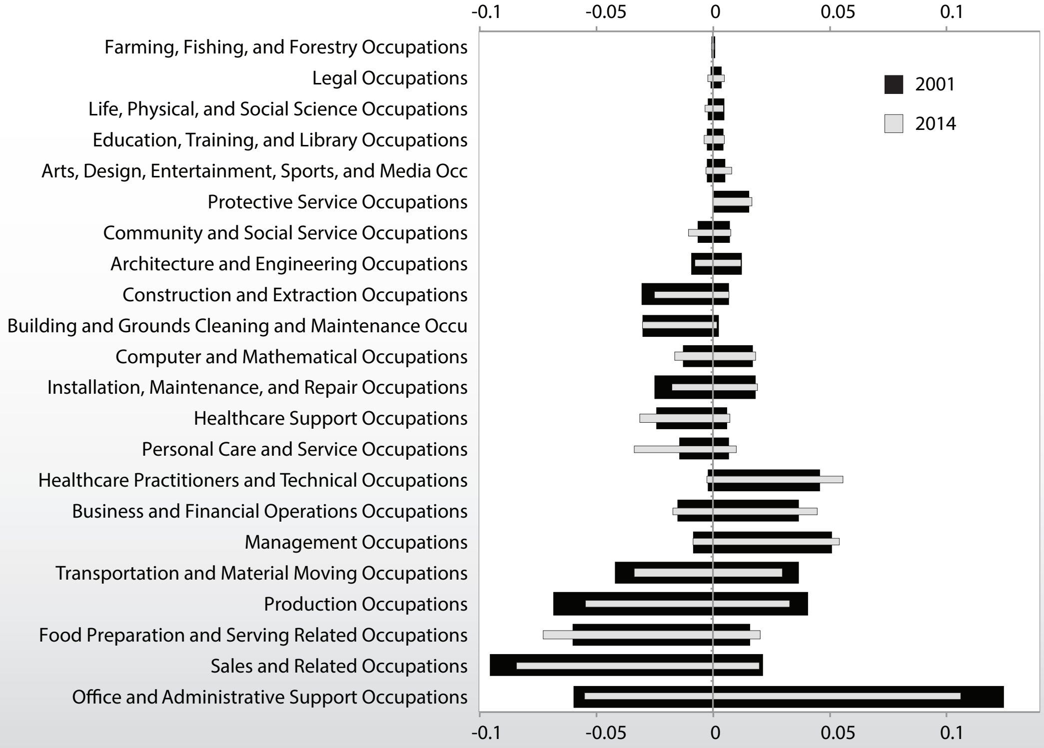
Source: DEED, Occupational Employment Statistics ones. Management occupations saw the second-highest share of gains and many were significant. Protective Service Occupations had the largest percentage of occupations seeing gains. This may reflect the preponderance of government employment in this category, which is often more stable with wages. It's also a very small occupational grouping, housing only 1.7 percent of employment in 2014.

One of the disadvantages of examining wage growth for each occupation separately is that some occupations employ very few people, and some are very abundant. Examining wage growth by employment in an occupational grouping changes the picture somewhat.

In Chart 2 the length of the bars is the percentage of employment in a given occupational grouping. The gray bars are 2014, and the black bars are 2001. The amount to the right of the axis indicates the share in occupations with wage growth, and the amount to the left of the axis indicates the share in occupations with wage declines.

Personal Care and Service Occupations, Healthcare Support Occupations, and Food Preparation and Serving Related Occupations all stand out because not only do they employ a larger share of the pool of workers in 2014 (the overall length of the bar has increased), but the occupations with declining real wages are employing a larger share of the occupational grouping's employment (the gray bar sticks out further to the left). In contrast, Healthcare Practitioners and Technical Occupations employ more people, but most of them are in occupations that are more highly paid in real terms than they were in 2001. Office and Administrative Support Occupations still employs the largest share of Minnesota workers, but it's declining, and a disproportionate share of those declines seem to be occurring in occupations that have seen inflation-adjusted wage gains since 2001.

Chart 2: Wage Gains by Percent of Employment, 2001 and 2014



Source: DEED, Occupational Employment Statistics

Wage Gains by Income

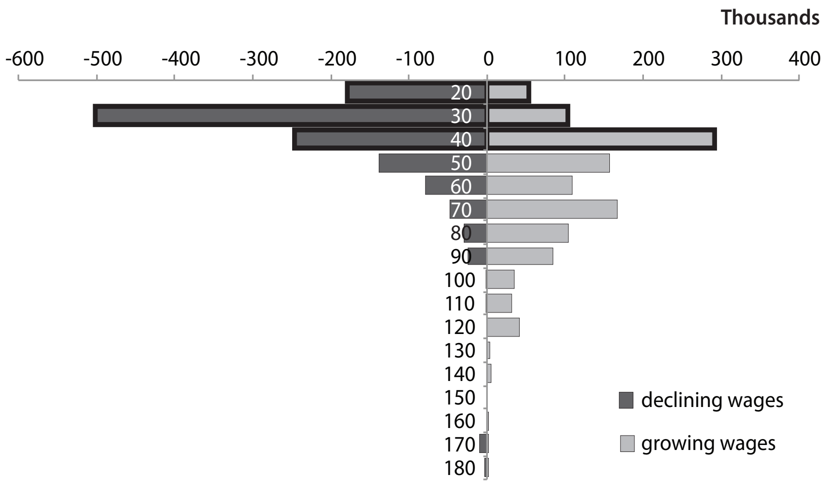
Although it's apparent from occupational groupings discussed above that most of the declining wages are in low-skilled occupations, it's also useful to group occupations by wage, as well. Grouped by income bracket, there are many more low-wage jobs that have seen a decline in real wages since 2001.

In Chart 3 employment for 2014 is displayed by income brackets labeled by their upper threshold. The income bracket with annual earnings of up to $20,000 had 230,000 workers in 2014 — 180,000 in occupations that were paying less in inflation-adjusted dollars than in 2001, and 50,000 in occupations that were paying more. The bars highlighted with heavy outlines are moderate-income brackets — those earning $40,000 and less.

There's a clear pattern that the lowest-paid jobs are those that are least likely to have wage gains that keep pace with inflation. In contrast, nearly all of the jobs paying more than $40,000 have seen wage gains since 2001, and for each bracket up, the share of jobs that have seen wage increases is greater. This suggests a widening gap between the affluent and the struggling, those with years of post-secondary education and those without.

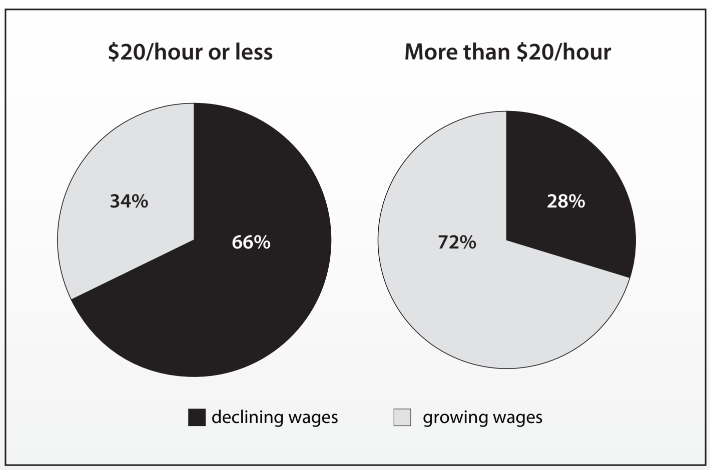
A similar pattern is apparent in hourly medians. The percentage of employment in occupations where wages have declined is 66 percent for those paying $20/hour and less, but only 28 percent for those paying more than $20/hour (see Chart 4).

Chart 3: 2014 Employment by Annual Income Bracket and Wage Change, 2001-2014



Source: DEED, Occupational Employment Statistics

Chart 4:



Source: DEED, Occupational Employment Statistics

Conclusion

Overall, wages are higher than they were in 2001 even after accounting for inflation. However, well-paying high-skilled jobs are compensating workers more, while low-wage and low-skill jobs in Food Service and Personal Care and Healthcare Support are paying less in real terms in 2014 than they were in 2001. This trend may be changing — recent increases in the minimum wage would not yet be reflected in this data set.

by Amanda Rohrer
Labor Market Information Office
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