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Trucking for Jobs in Northwest Minnesota

Trucks are an essential mode of transportation for moving valued goods throughout Minnesota and the United States. With 481 firms supplying 2,197 jobs, truck transportation is also a major and necessary part of the economy in Northwest Minnesota. Truck transportation is a specific subsection of transportation and warehousing, in the North American Industry Classification System (NAICS). Overall, the concentration of transportation and warehousing industries in Northwest Minnesota is much lower than the nation as a whole. However, truck transportation, specifically general freight trucking, has a higher concentration within the region than the nation (Table 1). Industries in truck transportation provide over-the-road transportation of cargo using motor vehicles, such as truck and tractor-trailers, according to the Bureau of Labor Statistics. Truck transportation can be further divided into two sectors, general freight trucking and specialized freight trucking.

Table 1

Northwest Minnesota Industry Employment Statistics, 2012

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Location Quotient	Total Payroll*	Average Annual Wages*
Total, All Industries	0	17,293	213,893	1.0	$6,779,841,076	$32,552
Transportation and Warehousing	48	906	5,882	0.7	$202,670,163	$33,696
Truck Transportation	**484**	**481**	**2,197**	**1.1**	**$79,685,809**	**$34,320**
General Freight Trucking	4841	351	1,604	1.2	$56,490,282	$34,632
Specialized Freight Trucking	4842	130	592	1.0	$23,195,527	$33,644

Source: DEED Quarterly Census of Employment and Wages (QCEW), * DEED QCEW 2011 Annual Data

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General freight trucking includes establishments that handle a wide variety of commodities, generally on pallets, which are then transported in a container or van trailer. Establishments, as such, provide for a combination of local pickup, local sorting and terminal operations, line-haul, destination sorting and terminal operations, and local delivery.

Establishments in specialized trucking are primarily engaged in the transportation of freight which, because of size, weight, shape, or other inherent characteristics, requires specialized equipment. Such equipment may include flat beds, tankers, or refrigerated trailers.

Table 2

Employment and Wages by Region, 2012
53-3032 Truck Drivers, Heavy and Tractor-Trailer

Geographic Area	Employment	25th Percentile Wage	Median Wage
EDR 1	720	$13.31	$16.21
EDR 2	440	$15.34	$16.98
EDR 4	1,790	$15.19	$17.90
EDR 5	890	$13.85	$16.13
Northwest Minnesota	3,830	$14.50	$16.94
Minnesota	31,180	$15.88	$18.93

Source: DEED Occupational Employment Statistics (OES)

Regional Differences

Overall, truck transportation in Northwest Minnesota is not much more highly concentrated than in the nation as a whole. With a more focused analysis, however, the concentrations of general and specialized trucking become more pronounced within the four distinct regions of Northwest Minnesota. Focusing on employment, EDR 2 — Beltrami, Clearwater, Hubbard, Lake of the Woods, and Mahnomen counties — has just 0.8 percent of its employment devoted to truck transportation, either general or specialized. On the other hand, EDR 4 — Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse, and Wilkin counties — has 1.6 percent of its employment devoted to truck transportation, double that of EDR 2. EDR 1 — Kittson, Marshall, Norman, Pennington, Polk, Red Lake, and Roseau counties — has 1.4 percent, and EDR 5 — Cass, Crow Wing, Morrison, Todd, and Wadena counties — has 1.1 percent of its total employment devoted to truck transportation.

Focusing on location quotients is another way of discerning the importance of trucking in Northwest Minnesota. Location quotients are simply a ratio that compares the percentage of employment in a particular industry in a local economy to the percentage of employment the same industry constitutes in the national economy. In other words, location quotients are a measure of industry concentration. A location quotient equal to 1.0 means that the concentration of a particular industry in a local economy is exactly the same as the concentration of the same industry nationally. A location quotient of 2.0 would mean that the concentration of a particular industry in a local economy is twice that of the same industry nationally. Looking at EDR 2 again, the location quotient for truck transportation is 0.6, while the quotient for general freight trucking is 0.7. As such, the concentration of trucking within EDR 2 is less than that of Northwest Minnesota and the nation. In EDR 4, however, the location quotient for truck transportation is 1.3, while the quotient for general freight trucking is 1.5. Trucking within Region 4 is much more highly concentrated than in EDR 2, as well as Northwest Minnesota and the nation.

Along with differences in employment and concentration, wages for truck drivers also vary widely within Northwest Minnesota. For example, the hourly median wage for truck drivers within EDR 4 is

Table 3

Northwest Minnesota Industry Employment Statistics, 2002-2012

NAICS Industry Title	NAICS Code	2002-2012 Job Change: Numeric Change in Jobs	2002-2012 Job Change: Percent Change in Jobs	2002-2012 Job Change: Minnesota Job Change	2002-2012 Wage Change: Change in Wages	2002-2012 Wage Change: Change in Wages	2002-2012 Wage Change: MN Change in Wages
Total, All Industries	0	4,450	2.1%	2.4%	$143	29.6%	28.7%
Transportation and Warehousing	48	5	0.1%	-6.8%	$139	27.7%	11.2%
Truck Transportation	**484**	**218**	**11.0%**	**7.3%**	**$165**	**32.9%**	**24.4%**
General Freight Trucking	4841	184	13.0%	6.1%	$184	38.1%	25.4%
Specialized Freight Trucking	4842	33	5.9%	10.6%	$115	20.8%	21.9%

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

more than 10 percent higher than the median wage for truck drivers in EDR 5, just a few counties east (Table 2).

Recent Growth

Despite the recent economic recession, truck transportation has witnessed healthy growth during the past decade, especially in Northwest Minnesota. Between 2002 and 2012 the region added more than 200 truck transportation jobs for 11 percent growth. Of these added jobs more than 180 were in general freight trucking. This constitutes 13 percent growth over the past decade in Northwest Minnesota, which more than doubles the 6 percent growth witnessed in Minnesota overall (Table 3). Much of this growth can be attributed to EDR 4 alone.

High Demand for Truckers

Along with the recent growth in truck transportation, the demand for truckers in Northwest Minnesota is projected to increase significantly through 2020. This projected increase in demand can be attributed to both the recent economic recovery and an aging workforce. On one hand, while the overall economy of Northwest Minnesota has grown by only 1.3 percent since 2010, certain sectors that rely on trucking have grown much more significantly. For example, natural resources and mining is up nearly 16 percent, professional and business services is up nearly 10 percent, manufacturing is up nearly 8 percent, and construction is up more than 3 percent. Projections for such sectors show significant growth as well. With more jobs and increased economic activity, the demand for shipping and trucking follows suit (Table 4).

Table 4

Northwest Minnesota Industry Employment Statistics, 2010-2012

NAICS Industry Title	2012 Data: Number of Jobs	2010-2012 Job Change: Numeric Change in Jobs	2010-2012 Job Change: Percent Change in Jobs	2010-2020 Projected Growth*
Total, All Industries	213,893	2,721	1.3%	14.4%
Manufacturing	27,130	1,897	7.5%	16.6%
Professional and Business Services	9,450	846	9.8%	25.6%
Trade, Transportation, and Utilities	45,825	722	1.6%	12.4%
Natural Resources and Mining	4,760	651	15.8%	7.1%
Construction	10,317	308	3.1%	39.9%
Leisure and Hospitality	25,751	5	0.0%	8.9%
Educational and Health Services	59,654	-120	-0.2%	31.1%
Other Services	6,172	-158	-2.5%	7.5%
Financial Activities	7,191	-254	-3.4%	9.7%
Public Administration	14,560	-834	-5.4%	36.5%

Source: DEED Quarterly Census of Employment and Wages (QCEW), *DEED Employment Outlook Program

On the other hand, Northwest

Minnesota is witness to an aging population. As the baby boomers begin to enter their 60s, the average age in the labor force has shifted upward, and the number of retirees is projected to increase. The American Trucking Association, which represents the big trucking carriers, stated in November 2012, that 'the need for drivers is acute' and that 'long-term trends could cause the shortage [in truck drivers] to explode in the next decade,' mainly from retirement and turnover. Over the next decade, the net gain in hires for heavy and tractor-trailer truck drivers in Northwest Minnesota is projected to be around 1,165, for a 27 percent growth. Another 860 replacement hires are projected to cover for retirements and turnover (Table 5).

Filling the Demand

All signs point to an increasing need for truck drivers in Northwest Minnesota. Truck driving is highly concentrated in certain regions of the area, the growing economy will put increased pressure on the need for truck transportation, and the aging workforce will result in a renewed need for drivers as current drivers retire or leave the occupation. Unfortunately, the demand for drivers is not being currently met. Factors contributing to this phenomenon include the type of work and compensation. Truck drivers many times sacrifice days if not weeks on the road, often living from the truck itself. This poses serious complications for those individuals with spouses and children. Not surprisingly, more than 85 percent of truck drivers within Northwest Minnesota are male. On top of this, wages for truck drivers have lagged behind inflation. Accounting for inflation, the median hourly wage for heavy-truck drivers in Minnesota fell from $18.22 to $17.00 between 2007 and 2012.

Despite these barriers, however, the outlook for truck driving in Northwest Minnesota remains strong, especially in EDR 4. As long as the economy continues to grow, the demand for trucking will grow as well. For students and job seekers interested in trucking driving, a high school diploma or equivalent is required. Once short-term on-the-job training is complete, drivers will be able to hit the road with a career that shows much promise for the future.

by Tim O'Neill
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Table 5

Northwest MN Employment Outlook: Heavy and Tractor-Trailer Truck Drivers

Occupation	2010 Estimated Employment	2020 Estimated Employment	Percent Change	Total Change	Replacement Hires	Total Hires
Total, All Occupations	251,220	287,455	14.4%	36,235	59,430	96,750
Transportation and Material Moving Occupations	15,834	18,521	17.0%	2,687	3,710	6,410
Heavy and Tractor-Trailer Truck Drivers	**4,296**	**5,461**	**27.1%**	**1,165**	**860**	**2,020**

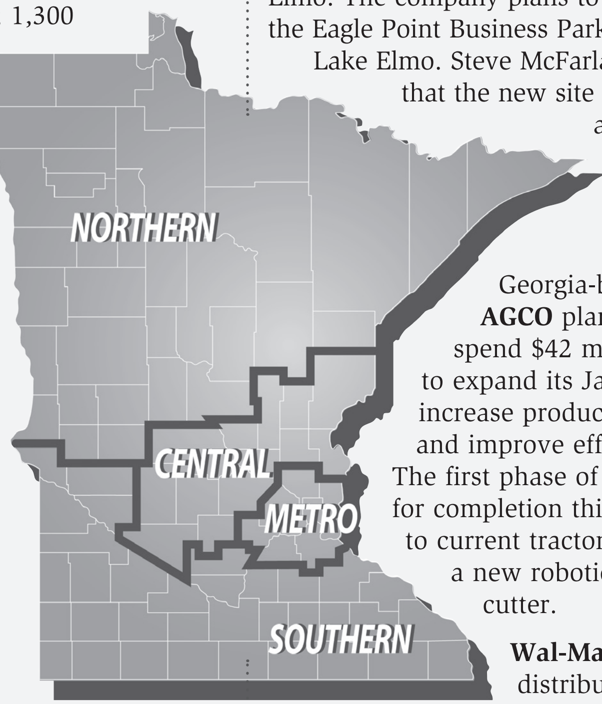
Source: DEED Employment Outlook Program

Minnesota Business Developments

Northern

Delta Air Lines has announced it plans to add jobs at the carrier's reservation center in Chisholm. Delta plans to invest in the facility and keep it growing, according to CEO Richard Anderson. It has about 500 full-time-equivalent employees, well above the goal of 350 set before it opened in 1996 with financial help from the state. Delta's center in Chisholm is one of the largest non-mining employers in the region.

Union workers at **American Crystal Sugar** approved a new contract on April 13, ending one of Minnesota's longest and largest labor disputes. The new contract passed with approval of 55 percent of those voting. There were four unsuccessful voting attempts on the same contract over the past two years; 1,300 employees were locked out for 20 months.



Central

Minneapolis-based **Baldwin Supply Co.**, a supplier of power transmission, electrical control, conveyor belt, and other industrial products, has expanded into St. Cloud with the opening of a branch office and warehouse. The new site is 3,000 sq. ft. and is the company's eighth location in the Upper Midwest. The new Baldwin's St. Cloud facility will serve a number of industries, including aggregate and mining, food and beverage, agriculture, poultry, packaging equipment, power generation, and industrial conveyors.

The expansion of **Park Manufacturing**, located in Cambridge, has provided many opportunities for employment and doubled their manufacturing area. The company, which creates high-quality wire harnesses, custom cable assemblies, and electro-mechanical assemblies, celebrated with a ribbon-cutting ceremony in January.

Twin Cities Metro Area

The **Mall of America** is poised to get a lot bigger. On May 20, 2013, Minnesota lawmakers passed a $250 million tax break to jumpstart a long-dormant Phase II expansion. The $1.5 billion plan is projected to double the size of the Bloomington megamall, adding hotels, a waterpark, a performing arts center, office towers, and hundreds of stores. The Phase II project is expected to boost the number of visitors who come to the MOA each year from 42 million to more than 60 million.

Giant telecommunications provider **AT&T** has decided to move its facility in Birmingham, Alabama, to Minneapolis, adding 93 jobs to the city's workforce. The move, which occurred in March, encompassed teleconference specialist roles as well as customer support roles in AT&T's teleconference business. The Birmingham jobs have been relocated to the AT&T Tower in downtown Minneapolis. AT&T currently employs about 1,800 individuals in Minnesota.

Wisconsin-based **Valley Cartage** is receiving nearly $1 million in government incentives to expand into Lake Elmo. The company plans to open an operations center in the Eagle Point Business Park near I-94 and Radio Drive in Lake Elmo. Steve McFarland, vice president, stated that the new site will employ 50 people with an annual payroll of more than $2.5 million.

Southern

Georgia-based **AGCO** plans to spend $42 million to expand its Jackson tractor factory to increase production capacity by 25 percent and improve efficiencies, adding 75 new jobs. The first phase of the expansion project, slated for completion this fall, will add 30,000 sq. ft. to current tractor manufacturing and establish a new robotic welder and sheet-metal laser cutter.

Wal-Mart announced that a new distribution center will open in Mankato in 2015, creating about 300 jobs. The Arkansas-based retailer bought land for the distribution center in 2005, but the plan was placed on hold during the recession. The projected 420,000 sq. ft. building will be used to distribute perishable food throughout the Upper Midwest.

Sanford Cancer Center in Worthington has expanded its services to offer comprehensive cancer care. Several new jobs have been added to the team already in place. The expansion of services and new team members will allow the Cancer Care of Worthington to provide all kinds of services for cancer and blood disorders, including cancer screening, diagnostic tests, genetic counseling and radiation treatment surgery, chemotherapy, and supportive care.

by Mohamed Mourssi

Labor Force Estimates

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

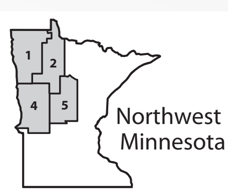
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012
United States ('000s)												
(Seasonally adjusted)	155,238	155,028	154,365	143,579	143,286	141,865	11,659	11,742	12,500	7.5%	7.6%	8.1%
(Unadjusted)	154,739	154,512	153,905	143,724	142,698	141,995	11,014	11,815	11,910	7.1	7.6	7.7
Minnesota												
(Seasonally adjusted)	2,985,963	2,982,674	2,969,693	2,826,962	2,821,531	2,802,168	159,001	161,143	167,525	5.3	5.4	5.6
(Unadjusted)	2,978,412	2,960,469	2,955,970	2,818,639	2,787,808	2,797,863	159,773	172,661	158,107	5.4	5.8	5.3
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,875,840	1,866,930	1,849,710	1,783,224	1,767,024	1,753,996	92,616	99,906	95,714	4.9	5.4	5.2
Duluth-Superior MSA	145,127	144,271	144,294	135,533	134,107	134,859	9,594	10,164	9,435	6.6	7.0	6.5
Rochester MSA	104,994	104,871	104,021	100,182	99,736	99,459	4,812	5,135	4,562	4.6	4.9	4.4
St. Cloud MSA	108,153	108,053	108,228	101,900	101,412	102,583	6,253	6,641	5,645	5.8	6.1	5.2
Grand Forks MSA	54,381	53,713	53,575	52,025	51,166	51,241	2,356	2,547	2,334	4.3	4.7	4.4
Fargo-Moorhead MSA	119,615	119,688	120,407	115,648	114,703	115,736	3,967	4,985	4,671	3.3	4.2	3.9
Region One	**51,156**	**50,877**	**51,315**	**47,812**	**47,273**	**48,276**	**3,344**	**3,604**	**3,039**	**6.5**	**7.1**	**5.9**
Kittson	2,583	2,661	2,665	2,436	2,486	2,522	147	175	143	5.7	6.6	5.4
Marshall	5,578	5,469	5,709	5,021	4,857	5,255	557	612	454	10.0	11.2	8.0
Norman	3,614	3,575	3,668	3,400	3,335	3,482	214	240	186	5.9	6.7	5.1
Pennington	9,562	9,509	9,620	8,723	8,654	8,899	839	855	721	8.8	9.0	7.5
Polk	18,244	18,382	18,110	17,281	17,333	17,128	963	1,049	982	5.3	5.7	5.4
Red Lake	2,537	2,422	2,368	2,309	2,174	2,180	228	248	188	9.0	10.2	7.9
Roseau	9,038	8,859	9,175	8,642	8,434	8,810	396	425	365	4.4	4.8	4.0
Region Two	**40,030**	**39,722**	**40,288**	**36,576**	**36,087**	**37,143**	**3,454**	**3,635**	**3,145**	**8.6**	**9.2**	**7.8**
Beltrami	21,934	21,783	22,128	20,269	20,041	20,566	1,665	1,742	1,562	7.6	8.0	7.1
Clearwater	4,263	4,225	4,208	3,614	3,522	3,703	649	703	505	15.2	16.6	12.0
Hubbard	9,117	8,887	9,169	8,302	8,002	8,402	815	885	767	8.9	10.0	8.4
Lake of the Woods	2,238	2,382	2,250	2,079	2,248	2,103	159	134	147	7.1	5.6	6.5
Mahnomen	2,478	2,445	2,533	2,312	2,274	2,369	166	171	164	6.7	7.0	6.5
Region Three	**168,138**	**167,525**	**167,561**	**156,193**	**154,995**	**156,022**	**11,945**	**12,530**	**11,539**	**7.1**	**7.5**	**6.9**
Aitkin	7,095	7,020	7,267	6,496	6,380	6,681	599	640	586	8.4	9.1	8.1
Carlton	17,811	17,750	17,880	16,644	16,470	16,577	1,167	1,280	1,303	6.6	7.2	7.3
Cook	2,960	2,922	3,026	2,735	2,691	2,791	225	231	235	7.6	7.9	7.8
Itasca	23,254	23,563	22,984	21,366	21,532	21,280	1,888	2,031	1,704	8.1	8.6	7.4
Koochiching	6,497	6,515	6,538	5,829	5,885	5,953	668	630	585	10.3	9.7	8.9
Lake	6,163	6,108	6,095	5,736	5,666	5,741	427	442	354	6.9	7.2	5.8
St. Louis	104,358	103,647	103,771	97,387	96,371	96,999	6,971	7,276	6,772	6.7	7.0	6.5
City of Duluth	45,776	45,391	45,657	43,034	42,585	42,863	2,742	2,806	2,794	6.0	6.2	6.1
Balance of St. Louis County	58,582	58,256	58,114	54,353	53,786	54,136	4,229	4,470	3,978	7.2	7.7	6.8
Region Four	**125,742**	**125,171**	**125,081**	**119,105**	**117,722**	**119,319**	**6,637**	**7,449**	**5,762**	**5.3**	**6.0**	**4.6**
Becker	17,848	17,682	17,610	16,678	16,315	16,623	1,170	1,367	987	6.6	7.7	5.6
Clay	35,332	35,381	34,258	33,850	33,706	32,965	1,482	1,675	1,293	4.2	4.7	3.8
Douglas	20,756	20,637	20,752	19,710	19,488	19,784	1,046	1,149	968	5.0	5.6	4.7
Grant	3,217	3,240	3,267	2,977	2,964	3,076	240	276	191	7.5	8.5	5.8
Otter Tail	30,449	29,893	30,768	28,496	27,746	29,141	1,953	2,147	1,627	6.4	7.2	5.3
Pope	6,361	6,478	6,523	6,081	6,162	6,259	280	316	264	4.4	4.9	4.0
Stevens	6,284	6,490	6,406	6,066	6,251	6,184	218	239	222	3.5	3.7	3.5
Traverse	1,702	1,630	1,760	1,607	1,523	1,675	95	107	85	5.6	6.6	4.8
Wilkin	3,793	3,740	3,737	3,640	3,567	3,612	153	173	125	4.0	4.6	3.3
Region Five	**82,260**	**80,391**	**82,740**	**75,751**	**73,176**	**76,831**	**6,509**	**7,215**	**5,909**	**7.9**	**9.0**	**7.1**
Cass	13,744	13,320	13,736	12,420	11,842	12,520	1,324	1,478	1,216	9.6	11.1	8.9
Crow Wing	32,287	31,148	32,386	29,840	28,453	30,080	2,447	2,695	2,306	7.6	8.7	7.1
Morrison	17,411	17,334	17,548	15,973	15,738	16,339	1,438	1,596	1,209	8.3	9.2	6.9
Todd	12,543	12,283	12,771	11,738	11,406	12,058	805	877	713	6.4	7.1	5.6
Wadena	6,275	6,306	6,299	5,780	5,737	5,834	495	569	465	7.9	9.0	7.4
Region Six East	**65,712**	**62,946**	**66,283**	**61,695**	**58,450**	**62,422**	**4,017**	**4,496**	**3,861**	**6.1**	**7.1**	**5.8**
Kandiyohi	25,078	23,811	24,950	23,778	22,346	23,766	1,300	1,465	1,184	5.2	6.2	4.7
McLeod	19,530	18,968	19,754	18,245	17,508	18,420	1,285	1,460	1,334	6.6	7.7	6.8
Meeker	12,534	12,273	12,710	11,703	11,345	11,891	831	928	819	6.6	7.6	6.4
Renville	8,570	7,894	8,869	7,969	7,251	8,345	601	643	524	7.0	8.1	5.9

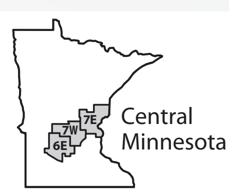
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

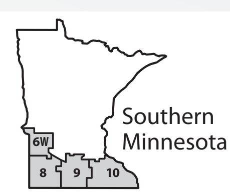
Labor Force Estimates

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		
	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012
Region Six West	**24,954**	**24,872**	**25,394**	**23,541**	**23,289**	**24,162**	**1,413**	**1,583**	**1,232**	**5.7%**	**6.4%**	**4.9%**
Big Stone	2,828	2,785	2,843	2,654	2,594	2,706	174	191	137	6.2	6.9	4.8
Chippewa	7,151	7,323	7,299	6,756	6,877	6,929	395	446	370	5.5	6.1	5.1
Lac Qui Parle	4,173	4,127	4,278	3,948	3,879	4,113	225	248	165	5.4	6.0	3.9
Swift	5,243	5,056	5,360	4,925	4,704	5,055	318	352	305	6.1	7.0	5.7
Yellow Medicine	5,559	5,581	5,614	5,258	5,235	5,359	301	346	255	5.4	6.2	4.5
Region Seven East	**85,493**	**85,635**	**84,675**	**78,540**	**77,950**	**78,195**	**6,953**	**7,685**	**6,480**	**8.1**	**9.0**	**7.7**
Chisago	29,285	29,207	28,822	27,250	27,003	26,810	2,035	2,204	2,012	6.9	7.5	7.0
Isanti	21,306	21,270	20,795	19,735	19,556	19,416	1,571	1,714	1,379	7.4	8.1	6.6
Kanabec	8,172	8,189	8,195	7,293	7,181	7,339	879	1,008	856	10.8	12.3	10.4
Mille Lacs	12,438	12,593	12,470	11,281	11,292	11,379	1,157	1,301	1,091	9.3	10.3	8.7
Pine	14,292	14,376	14,393	12,981	12,918	13,251	1,311	1,458	1,142	9.2	10.1	7.9
Region Seven West	**229,303**	**229,080**	**227,175**	**215,554**	**214,036**	**214,402**	**13,749**	**15,044**	**12,773**	**6.0**	**6.6**	**5.6**
Benton	22,488	22,495	22,353	20,975	20,875	21,116	1,513	1,620	1,237	6.7	7.2	5.5
Sherburne	50,165	50,163	49,385	47,143	46,716	46,382	3,022	3,447	3,003	6.0	6.9	6.1
Stearns	85,665	85,558	85,874	80,925	80,537	81,467	4,740	5,021	4,407	5.5	5.9	5.1
Wright	70,985	70,864	69,563	66,511	65,908	65,437	4,474	4,956	4,126	6.3	7.0	5.9
Region Eight	**68,445**	**67,899**	**69,453**	**65,265**	**64,362**	**66,708**	**3,180**	**3,537**	**2,745**	**4.6**	**5.2**	**4.0**
Cottonwood	6,527	6,327	6,605	6,229	5,993	6,320	298	334	285	4.6	5.3	4.3
Jackson	7,109	7,247	7,233	6,834	6,945	6,993	275	302	240	3.9	4.2	3.3
Lincoln	3,512	3,492	3,588	3,319	3,282	3,434	193	210	154	5.5	6.0	4.3
Lyon	14,863	14,755	14,990	14,154	13,968	14,369	709	787	621	4.8	5.3	4.1
Murray	5,951	5,780	6,042	5,646	5,420	5,818	305	360	224	5.1	6.2	3.7
Nobles	11,413	11,308	11,624	10,952	10,813	11,190	461	495	434	4.0	4.4	3.7
Pipestone	5,580	5,502	5,683	5,322	5,209	5,455	258	293	228	4.6	5.3	4.0
Redwood	8,150	8,226	8,294	7,661	7,681	7,914	489	545	380	6.0	6.6	4.6
Rock	5,340	5,262	5,394	5,148	5,051	5,215	192	211	179	3.6	4.0	3.3
Region Nine	**132,546**	**131,217**	**133,008**	**125,458**	**123,428**	**126,251**	**7,088**	**7,789**	**6,757**	**5.3**	**5.9**	**5.1**
Blue Earth	38,709	38,670	38,494	37,010	36,809	36,836	1,699	1,861	1,658	4.4	4.8	4.3
Brown	15,206	14,776	15,444	14,339	13,790	14,605	867	986	839	5.7	6.7	5.4
Faribault	7,400	7,376	7,558	6,925	6,852	7,089	475	524	469	6.4	7.1	6.2
Le Sueur	14,515	14,439	14,409	13,357	13,155	13,430	1,158	1,284	979	8.0	8.9	6.8
Martin	11,417	10,772	11,543	10,823	10,135	10,969	594	637	574	5.2	5.9	5.0
Nicollet	19,660	19,606	19,664	18,878	18,775	18,789	782	831	875	4.0	4.2	4.4
Sibley	9,932	10,069	10,093	9,394	9,471	9,601	538	598	492	5.4	5.9	4.9
Waseca	10,151	10,043	10,184	9,520	9,357	9,637	631	686	547	6.2	6.8	5.4
Watonwan	5,556	5,466	5,619	5,212	5,084	5,295	344	382	324	6.2	7.0	5.8
Region Ten	**272,911**	**272,039**	**272,646**	**259,181**	**257,154**	**259,269**	**13,730**	**14,885**	**13,377**	**5.0**	**5.5**	**4.9**
Dodge	11,328	11,314	11,124	10,653	10,605	10,576	675	709	548	6.0	6.3	4.9
Fillmore	11,072	11,193	11,282	10,420	10,430	10,699	652	763	583	5.9	6.8	5.2
Freeborn	16,353	15,994	16,533	15,495	15,026	15,606	858	968	927	5.2	6.1	5.6
Goodhue	25,422	25,651	25,377	24,082	24,143	24,103	1,340	1,508	1,274	5.3	5.9	5.0
Houston	10,883	10,816	10,773	10,151	10,029	10,087	732	787	686	6.7	7.3	6.4
Mower	21,363	21,053	21,391	20,336	19,989	20,412	1,027	1,064	979	4.8	5.1	4.6
Olmsted	81,770	81,677	81,128	78,244	77,896	77,679	3,526	3,781	3,449	4.3	4.6	4.3
City of Rochester	59,619	59,526	59,147	57,037	56,783	56,625	2,582	2,743	2,522	4.3	4.6	4.3
Rice	32,729	32,151	32,664	30,802	30,073	30,730	1,927	2,078	1,934	5.9	6.5	5.9
Steele	20,954	21,082	21,132	19,858	19,889	20,017	1,096	1,193	1,115	5.2	5.7	5.3
Wabasha	11,896	11,881	11,770	11,285	11,235	11,204	611	646	566	5.1	5.4	4.8
Winona	29,141	29,227	29,472	27,855	27,839	28,156	1,286	1,388	1,316	4.4	4.7	4.5
Region Eleven	**1,631,720**	**1,623,097**	**1,610,350**	**1,553,967**	**1,539,885**	**1,528,863**	**77,753**	**83,212**	**81,487**	**4.8**	**5.1**	**5.1**
Anoka	191,840	191,067	189,397	181,796	180,148	178,859	10,044	10,919	10,538	5.2	5.7	5.6
Carver	51,678	51,436	50,785	49,137	48,692	48,343	2,541	2,744	2,442	4.9	5.3	4.8
Dakota	234,367	233,261	231,101	223,255	221,232	219,649	11,112	12,029	11,452	4.7	5.2	5.0
Hennepin	666,396	662,555	657,823	636,064	630,300	625,789	30,332	32,255	32,034	4.6	4.9	4.9
City of Bloomington	48,636	48,461	47,973	46,453	46,032	45,702	2,183	2,429	2,271	4.5	5.0	4.7
City of Minneapolis	217,514	216,257	214,824	207,366	205,487	204,016	10,148	10,770	10,808	4.7	5.0	5.0
Ramsey	276,432	274,805	273,334	262,876	260,494	258,629	13,556	14,311	14,705	4.9	5.2	5.4
City of St. Paul	147,924	146,994	146,437	140,239	138,969	137,974	7,685	8,025	8,463	5.2	5.5	5.8
Scott	76,061	75,732	74,730	72,220	71,565	71,053	3,841	4,167	3,677	5.0	5.5	4.9
Washington	134,946	134,241	133,180	128,619	127,454	126,541	6,327	6,787	6,639	4.7	5.1	5.0







Industrial Analysis

Overview

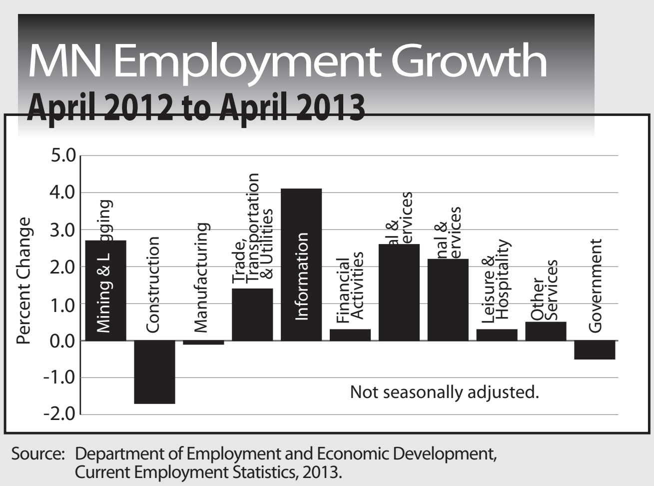
Minnesota employment estimates showed a one-month decline of 11,400 in April, the second consecutive monthly employment loss and the fourth in the last 12 months. Losses were distributed broadly with eight of the 11 supersectors posting declines. More than half the total loss came in Trade, Transportation, and Utilities which fell by 5,700. Other large losses occurred in Government (-2,000), Leisure and Hospitality (-1,900), and Manufacturing (-1,100). There were no large monthly increases but gains of 600 in each of Educational and Health Services and Information. Two consecutive months of losses have significantly lowered the year-over-year rate of change from 2.2 percent in February to 1.0 percent in April. Eight supersectors showed annual growth. The largest gain was in Educational and Health Services which increased 10,500. Large gains were also present in Professional and Business Services, up 8,600, Trade, Transportation, and Utilities, up 6,800, and Information, up 2,200. Slow spring hiring in Construction moved annual employment change back into negative territory, down 1,500, over the past 12 months. Government was down 2,100.

Mining and Logging

There was no change in employment in Mining and Logging for the month. The supersector showed a gain of 200 compared to one year ago.

Construction

Construction employment was down 100 over the last month as seasonal growth was off a bit. It is surprising that the loss was not larger given the record snowfalls and unseasonably cold temperatures. Hiring in Heavy and Civil Engineering Construction was well off for the month with an unadjusted monthly increase of 14.6 percent, about half the usual gain. Counterbalancing this was fairly good performance in Specialty Trade Contractors. Over the past year the supersector showed a loss of 1,500, turning negative for the first time since December 2012 and largely caused by a difference in the seasonal pattern of one year ago compared to this year. For January to March, Census Bureau estimates showed an increase of 14.9 percent in terms of units permitted for construction in Minnesota. Unlike last year, most of this increase has been in single family construction with permits for individual structures up 31.2 percent over the first three months of 2013.



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

Manufacturing

Employment fell for a third consecutive month in Manufacturing, down 1,100 in April and 2,500 over the past three-month period. All of the loss was in Durable Goods Manufacturing. Fabricated Metal Manufacturing was among the weakest performing industries. Over the past 12 months the supersector was down 200 jobs. This was the first instance of year-over-year job loss since the middle of 2010. Durable Goods still showed annual growth of 400 jobs, but was weakened by a loss of more than 700 in Computer and Electronic Product Manufacturing. Nondurable Goods Manufacturing was down 600 jobs, with a substantial loss in Paper Manufacturing and in Printing and Related Support Activities where the closure of one paper plant and reductions at others have hurt employment in the past year. The recent losses came despite fairly positive reports associated with Creighton University's Minnesota Business Conditions Index which has been above growth neutral for five months and stood at 55.7 in April. This indicates expectations for solid but unspectacular growth in the next few months.

Trade, Transportation, and Utilities

Losses in all three major industry components contributed to the extremely large decline of 5,700 in Trade, Transportation, and Utilities (TTU). Transportation, Warehousing, and Utilities was particularly weak, falling 2,800, with notable losses in Trucking and Warehousing and in Delivery Service industries. Wholesale Trade was also down sharply with both Durable and Nondurable Wholesalers posting very weak job growth. This continued a four-month growth-loss cycle with substantial ups and downs but that on net has produced an additional 400 jobs over the four months. Retail fell for a second consecutive month, down 800 in April and 2,300 the past two months. A large part of the monthly loss in Retail was in Building Material and Garden Equipment and Supply, negatively impacted by April's extremely cold and snowy weather. Over the past 12 months TTU added 6,800 jobs with a rather even distribution of growth in the three major component industries. Jobs increased 1.5 percent in Wholesale Trade, 1.4 percent in Retail Trade, and 1.1 percent in Transportation, Warehousing, and Utilities. The delay of spring hiring was evident in over-the-year losses in Building Material and Garden Equipment and Supplies dealers and in Department Stores.

Information

Employment growth totaled 600 over the past month with the supersector posting a sixth month of job growth in the last seven. There were no evident gains in either traditional Publishing or in Telecommunications. Compared to April 2012 the supersector was up 2,200 with nearly all of the gains taking place during the past seven months.

*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 at Insurance Related Companies was a major reason for an April job loss of 700 in Finance and Insurance, and helped produce a loss of 400 in the Financial Activities supersector. Real Estate and Rental and Leasing added 300 jobs to mark a fourth month of growth in the last six months. On an annual basis, employment increased by 700 jobs with nearly all of the gain coming from Real Estate. Insurance Carriers, which had produced solid results during most of the recovery, posted its first annual employment loss since March 2010. Credit Intermediation still showed some vigor, but other areas of Finance are in the doldrums.

Professional and Business Services

There was a small decline of 500 in Professional and Business Services as slight losses occurred in Management of Companies and in Administrative and Support Services. Professional and Technical Services continued to trend upward, adding 3,500 jobs during the past six months. Administrative and Support is showing results all over the map. Employment has fallen in nine of 12 months in the last year, but two sizeable monthly gains outweighed these losses. The supersector added 8,600 jobs compared to last year. More than half of the increases came in Professional, Scientific, and Technical Services, but there were also sizeable annual gains in Administrative and Support and in Management of Companies. Despite some recent weak results, annual growth in Employment Services stood at 6.4 percent in April.

Educational and Health Services

Educational and Health Services added 600 jobs in April. Private Education added 400, while Health and Social Welfare added 200. The gain in Private Education came from outside Primary, Secondary, and College Education which experienced very average monthly employment change. Over the past year employment was up 10,500 jobs with all of the gain in Health Care and Social Assistance. Ambulatory Health Care added 6,100 jobs. There has been a slowing of job growth in Health Care and Social Assistance but no evidence that the upward trend is coming to an end.

Leisure and Hospitality

The Leisure and Hospitality supersector posted a second consecutive month of decline in April, down 1,900 jobs. A net 3,300 jobs were lost the past two months but did not erase the large gains made over the winter. Since September 2012, the supersector has added a net 4,100 jobs despite the recent losses. All of the current month's decline came in Arts, Entertainment, and Recreation which fell by 2,200 jobs and has seen nearly all of the gains made during the winter disappear the past two months. There is hope for a partial turnaround in May as the poor weather would have impacted seasonal hiring in April, and there is likely to be some additional hiring in May because of this. Over-the-year growth has fallen by 1 percent since January to 0.3 percent in April, mainly caused by poorer results in Arts, Entertainment, and Recreation and in Accommodation.

Other Services

Other Services employment fell for a third consecutive month, down 900 in April and 1,300 over the past three months. Over the past year the supersector showed a gain of 600 largely from increases last fall and winter.

Government

Employment in Government fell for a third consecutive month, down 2,000 jobs with nearly all of the loss coming from Local Government employment. A substantial volume of seasonal hiring in non-educational Local Government that usually occurs in April was missing. Some losses may be regained in May and June as the seasonal build-up continues. The educational portions of Government performed close to expectations. Compared to April 2012, Government employment was down 2,100 jobs with most of the losses coming from Federal and State Government payrolls.

by Jerry Brown

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	April 2013	March 2013	February 2013
Total Nonagricultural	**2,760.6**	**2,772.0**	**2,775.3**
Goods-Producing	**410.4**	**411.6**	**410.6**
Mining and Logging	7.3	7.3	7.3
Construction	97.7	97.8	96.5
Manufacturing	305.4	306.5	306.8
Service-Providing	**2,350.2**	**2,360.4**	**2,364.7**
Trade, Transportation, and Utilities	511.1	516.8	516.0
Information	55.5	54.9	54.7
Financial Activities	178.2	178.6	179.3
Professional and Business Services	345.7	346.2	345.1
Educational and Health Services	486.2	485.6	487.9
Leisure and Hospitality	247.8	249.7	251.1
Other Services	115.6	116.5	116.7
Government	410.1	412.1	413.9

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 increased 1.2 percent (20,350) over the month and 1.5 percent (25,997) over the year. Government employment declined 0.1 percent (125) over the month but increased 0.4 percent (1,021) over the year. Overall, Government sectors increased over the month but Local Government Education declined substantially (down 1.2 percent, 1,064) – a seasonally appropriate change that erased the growth in other industries. In the Private Sector employment in most industries grew modestly over the month. Mining, Logging, and Construction (up 13.2 percent, 6,575), Trade, Transportation, and Utilities (down 0.3 percent, 913), and Other Services (down 0.8 percent, 581) were the exceptions.

Duluth-Superior MSA

Employment in the Duluth-Superior MSA increased 1.2 percent (1,530) over April and 0.8 percent (1023) over the year. With the exceptions of Information, which declined 1.8 percent (24), and Other Services, which saw no change over the month, all major industries saw increases in employment ranging from 0.2 percent in Manufacturing (12) and Financial Activities (10) to 6.5 percent (482) in Mining, Logging, and Construction. Leisure and Hospitality saw a seasonally appropriate increase of 3.1 percent (410). Government employment increased 0.5 percent (140) over the month, but was the industry with the largest over-the-year decline, 2.3 percent (626).

Rochester MSA

Employment in the Rochester MSA increased 0.9 percent (844) over the month and 1.1 percent (1,017) over the year. Government employment was flat over the month and down 0.8 percent (91) over the year. In the Private Sector the largest growth industries for the month were Mining, Logging, and Construction (up 11.3 percent, 300) and Leisure and Hospitality (up 4.1 percent, 362), both industries that typically see spring employment growth. Few industries declined, but the largest loss was in Manufacturing (down 1.0 percent, 95).

St. Cloud MSA

Employment in the St. Cloud MSA increased 1.1 percent (1,092) over the month and 0.2 percent (161) over the year. Government employment declined 0.5 percent (84) over the month and 2.1 percent (347) over the year. Over the month the loss came from Local and Federal Government, while over the year State Government also contributed. The largest monthly Private Sector gains were in Mining, Logging, and Construction (6.9 percent, 302) and in Professional and Business Services (1.8 percent, 147). The only decline was in Information (down 0.5 percent, 9).

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA increased 0.7 percent (379) over the month and 0.7 percent (395) over the year. The Private Sector was responsible for the growth both over the month and over the year. Government employment declined 0.7 percent (69) over the month and 0.9 percent (80) annually. Goods Producing industries grew fastest with monthly gains of 2.7 percent (249) and annual gains of 3.7 percent (344).

Fargo-Moorhead MSA

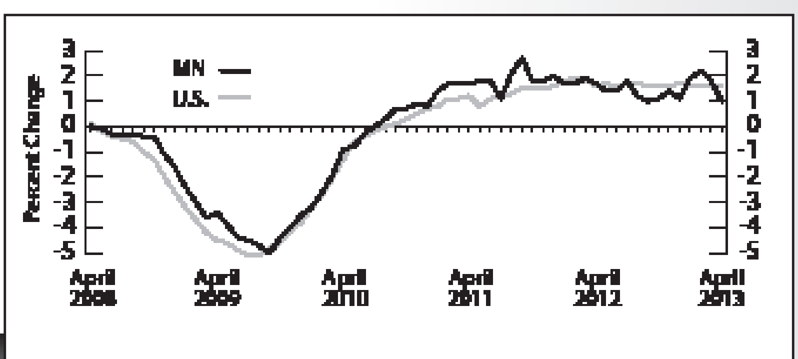
Employment in the Fargo-Moorhead MSA increased 0.6 percent (817) over the month of April and 2.4 percent (3,074) over the year. Government employment was a disproportionate share of that growth, with an increase of 1.6 percent (273). Most of the monthly growth was in State Government employment (up 2.1 percent, 118), an industry that saw an over-the-year decline of 5.3 percent (315). The largest Private Sector growth industries were Mining, Logging, and Construction (up 2.8 percent, 207) and Health Care and Social Assistance (up 0.8 percent, 166). Few Private sector industries saw significant declines.

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA increased 0.2 percent (94) over the month and 1.2 percent (653) over the year. Government employment declined 0.5 percent (77) over the month and 0.6 percent (81) over the year. The most significant numeric changes over the month in Private Sector industries were in Mining, Logging, and Construction (up 6.2 percent, 161), in Trade, Transportation, and Utilities (up 0.8 percent, 99), and in Leisure and Hospitality (down 2.0 percent, 124).

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	
	Apr 2013	Mar 2013	Apr 2012	Mar 2013	Apr 2012	Apr 2013	Apr 2012	Apr 2013	Apr 2012	Apr 2013	Apr 2012
TOTAL NONFARM WAGE AND SALARY	**2,745.3**	**2,722.5**	**2,718.8**	**0.8%**	**1.0%**	—	—	—	—	—	—
GOODS-PRODUCING	**397.5**	**389.7**	**399.1**	**2.0**	**-0.4**	—	—	—	—	—	—
Mining and Logging	**7.0**	**6.9**	**6.8**	**1.7**	**2.7**	—	—	—	—	—	—
Construction	**88.6**	**80.8**	**90.1**	**9.6**	**-1.7**	—	—	—	—	—	—
Specialty Trade Contractors	58.6	52.3	57.3	12.1	2.3	$1,210.28	$1,280.68	39.5	41.1	$30.64	$31.16
Manufacturing	**302.0**	**302.0**	**302.2**	**0.0**	**-0.1**	**820.87**	**785.56**	**41.5**	**41.0**	**19.78**	**19.16**
Durable Goods	193.1	193.3	192.7	-0.1	0.2	821.12	785.40	41.2	40.8	19.93	19.25
Wood Product Manufacturing	10.4	10.1	10.4	3.5	0.4	—	—	—	—	—	—
Fabricated Metal Production	41.9	42.0	40.8	-0.2	2.9	—	—	—	—	—	—
Machinery Manufacturing	31.9	32.0	31.9	-0.2	0.3	—	—	—	—	—	—
Computer and Electronic Product	45.1	45.1	45.8	0.1	-1.6	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.0	24.9	25.0	0.3	-0.1	—	—	—	—	—	—
Transportation Equipment	10.1	9.9	9.9	1.7	2.1	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.7	15.7	15.7	0.2	0.2	—	—	—	—	—	—
Nondurable Goods	108.8	108.7	109.4	0.1	-0.6	819.15	783.62	41.9	41.2	19.55	19.02
Food Manufacturing	43.9	44.0	43.0	-0.4	2.1	—	—	—	—	—	—
Paper Manufacturing	32.7	32.7	33.8	-0.1	-3.3	—	—	—	—	—	—
Printing and Related	22.9	23.0	23.3	-0.1	-1.7	—	—	—	—	—	—
SERVICE-PROVIDING	**2,347.7**	**2,332.9**	**2,319.7**	**0.6**	**1.2**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**505.1**	**506.5**	**498.3**	**-0.3**	**1.4**	—	—	—	—	—	—
Wholesale Trade	130.6	131.5	128.7	-0.7	1.5	971.14	933.86	38.4	37.9	25.29	24.64
Retail Trade	281.8	280.2	278.0	0.6	1.4	372.64	361.96	27.2	28.3	13.70	12.79
Motor Vehicle and Parts	31.3	30.7	30.9	1.8	1.0	—	—	—	—	—	—
Building Material and Garden Equipment	24.8	23.0	25.4	8.0	-2.5	—	—	—	—	—	—
Food and Beverage Stores	49.4	49.3	48.9	0.2	1.0	—	—	—	—	—	—
Gasoline Stations	23.5	23.4	23.1	0.4	1.6	—	—	—	—	—	—
General Merchandise Stores	59.9	59.4	60.4	0.8	-0.9	303.30	327.75	27.8	29.5	10.91	11.11
Transportation,Warehouse, Utilities	92.7	94.7	91.7	-2.1	1.1	—	—	—	—	—	—
Transportation and Warehousing	80.0	81.9	79.1	-2.4	1.0	640.46	657.99	38.1	38.1	16.81	17.27
Information	**55.6**	**55.1**	**53.4**	**1.1**	**4.1**	**723.77**	**742.79**	**31.4**	**34.5**	**23.05**	**21.53**
Publishing Industries	20.8	20.8	21.4	-0.1	-3.1	—	—	—	—	—	—
Telecommunications	13.7	13.7	13.7	0.3	0.2	—	—	—	—	—	—
Financial Activities	**177.8**	**177.5**	**177.2**	**0.2**	**0.3**	—	—	—	—	—	—
Finance and Insurance	139.2	139.7	139.1	-0.3	0.1	934.00	962.74	36.3	37.2	25.73	25.88
Credit Intermediation	54.1	54.2	52.8	-0.1	2.5	710.27	684.39	34.8	34.9	20.41	19.61
Securities, Commodity Contracts, and Other	17.9	18.0	18.2	-0.4	-1.3	—	—	—	—	—	—
Insurance Carriers and Related	63.2	63.6	63.4	-0.6	-0.4	—	—	—	—	—	—
Real Estate and Rental and Leasing	38.6	37.8	38.1	2.1	1.4	—	—	—	—	—	—
Professional and Business Services	**342.4**	**336.5**	**333.8**	**1.7**	**2.6**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	134.8	134.4	130.2	0.3	3.5	—	—	—	—	—	—
Legal Services	18.7	18.7	18.8	0.1	-0.3	—	—	—	—	—	—
Accounting, Tax Preparation	15.9	15.8	16.3	0.1	-2.9	—	—	—	—	—	—
Computer Systems Design	30.8	30.6	30.5	0.7	1.0	—	—	—	—	—	—
Management of Companies and Enterprises	75.6	75.5	74.0	0.1	2.2	—	—	—	—	—	—
Administrative and Support Services	132.0	126.6	129.6	4.2	1.9	—	—	—	—	—	—
Educational and Health Services	**490.1**	**487.3**	**479.6**	**0.6**	**2.2**	—	—	—	—	—	—
Educational Services	69.4	66.9	69.5	3.8	-0.2	—	—	—	—	—	—
Health Care and Social Assistance	420.7	420.5	410.1	0.0	2.6	—	—	—	—	—	—
Ambulatory Health Care	136.5	137.1	130.4	-0.5	4.7	1,170.98	1,065.97	34.4	34.1	34.04	31.26
Offices of Physicians	66.7	66.5	63.0	0.3	5.8	—	—	—	—	—	—
Hospitals	102.8	103.0	101.3	-0.2	1.5	—	—	—	—	—	—
Nursing and Residential Care Facilities	105.6	105.0	102.9	0.6	2.7	424.25	392.43	28.9	27.5	14.68	14.27
Social Assistance	75.7	75.4	75.5	0.5	0.4	—	—	—	—	—	—
Leisure and Hospitality	**241.6**	**233.4**	**240.8**	**3.5**	**0.3**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	37.1	35.1	37.7	5.7	-1.8	—	—	—	—	—	—
Accommodation and Food Services	204.5	198.3	203.0	3.1	0.7	—	—	—	—	—	—
Food Services and Drinking Places	180.5	175.1	178.3	3.1	1.3	223.60	215.05	20.8	20.5	10.75	10.49
Other Services	**116.2**	**116.7**	**115.6**	**-0.4**	**0.5**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	67.9	68.7	67.6	-1.2	0.5	—	—	—	—	—	—
Government	**419.0**	**419.9**	**421.0**	**-0.2**	**-0.5**	—	—	—	—	—	—
Federal Government	30.6	30.5	31.6	0.1	-3.4	—	—	—	—	—	—
State Government	103.1	101.9	104.0	1.2	-0.9	—	—	—	—	—	—
State Government Education	65.5	64.7	67.5	1.3	-2.9	—	—	—	—	—	—
Local Government	285.4	287.5	285.4	-0.7	0.0	—	—	—	—	—	—
Local Government Education	142.7	144.4	142.7	-1.2	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, 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	
	Apr 2013	Mar 2013	Apr 2012	Mar 2013	Apr 2012	Apr 2013	Apr 2012	Apr 2013	Apr 2012	Apr 2013	Apr 2012
TOTAL NONFARM WAGE AND SALARY	**1,786.5**	**1,766.2**	**1,760.5**	**1.2%**	**1.5%**	—	—	—	—	—	—
GOODS-PRODUCING	**237.7**	**230.8**	**234.4**	**3.0**	**1.4**	—	—	—	—	—	—
Mining, Logging, and Construction	**56.5**	**50.0**	**55.0**	**13.2**	**2.9**	—	—	—	—	—	—
Construction of Buildings	12.1	11.6	12.0	4.1	1.2	—	—	—	—	—	—
Specialty Trade Contractors	40.2	36.0	36.7	11.9	9.7	$1,314.87	$1,362.47	41.0	41.1	$32.07	$33.15
Manufacturing	**181.2**	**180.9**	**179.5**	**0.2**	**1.0**	**853.82**	**830.34**	**40.6**	**41.6**	**21.03**	**19.96**
Durable Goods	126.1	125.7	123.8	0.4	1.9	879.35	852.72	40.9	41.8	21.50	20.40
Fabricated Metal Production	28.3	28.2	27.5	0.2	2.8	—	—	—	—	—	—
Machinery Manufacturing	19.4	19.7	19.4	-1.6	-0.1	—	—	—	—	—	—
Computer and Electronic Product	35.6	35.6	35.8	0.1	-0.5	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.5	23.4	23.4	0.3	0.3	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.1	14.1	14.2	0.2	-0.7	—	—	—	—	—	—
Nondurable Goods	55.1	55.2	55.6	-0.3	-1.0	801.99	784.60	39.9	41.1	20.10	19.09
Food Manufacturing	11.9	12.0	12.0	0.0	-0.5	—	—	—	—	—	—
Printing and Related	14.5	14.5	14.7	-0.2	-1.0	—	—	—	—	—	—
SERVICE-PROVIDING	**1,548.8**	**1,535.3**	**1,526.1**	**0.9**	**1.5**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**314.5**	**315.4**	**312.6**	**-0.3**	**0.6**	—	—	—	—	—	—
Wholesale Trade	80.8	81.8	80.6	-1.2	0.3	973.59	987.17	38.3	38.1	25.42	25.91
Merchant Wholesalers - Durable Goods	42.8	43.7	42.4	-2.0	0.8	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	24.4	24.1	24.5	1.2	-0.3	—	—	—	—	—	—
Retail Trade	171.9	171.6	169.9	0.2	1.2	364.87	349.49	27.6	28.6	13.22	12.22
Food and Beverage Stores	28.1	28.1	27.8	-0.2	1.1	—	—	—	—	—	—
General Merchandise Stores	36.1	36.0	36.4	0.1	-1.0	316.90	329.66	29.1	30.3	10.89	10.88
Transportation, Warehouse, Utilities	61.8	62.0	62.1	-0.4	-0.6	—	—	—	—	—	—
Utilities	7.4	7.4	7.4	0.1	0.8	—	—	—	—	—	—
Transportation and Warehousing	54.4	54.6	54.8	-0.4	-0.7	713.50	683.20	41.1	39.4	17.36	17.34
Information	**39.0**	**38.8**	**38.8**	**0.7**	**0.5**	**722.70**	**809.78**	**30.0**	**35.3**	**24.09**	**22.94**
Publishing Industries	16.5	16.4	16.8	0.7	-1.5	—	—	—	—	—	—
Telecommunications	9.5	9.5	9.6	0.3	-0.3	—	—	—	—	—	—
Financial Activities	**140.0**	**140.2**	**139.3**	**-0.1**	**0.5**	—	—	—	—	—	—
Finance and Insurance	108.8	109.4	108.6	-0.5	0.2	1,068.48	1,104.89	37.1	37.8	28.80	29.23
Credit Intermediation	37.6	37.7	36.4	-0.3	3.3	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.0	16.1	16.4	-0.4	-2.4	—	—	—	—	—	—
Insurance Carriers and Related	52.7	52.9	52.7	-0.4	0.0	—	—	—	—	—	—
Real Estate and Rental and Leasing	31.3	30.9	30.7	1.3	1.7	—	—	—	—	—	—
Professional and Business Services	**276.9**	**271.6**	**271.4**	**2.0**	**2.0**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	106.5	107.0	104.1	-0.5	2.2	—	—	—	—	—	—
Legal Services	15.8	15.8	15.8	0.0	0.2	—	—	—	—	—	—
Architectural, Engineering, and Related	14.9	14.6	14.8	1.6	0.4	—	—	—	—	—	—
Computer Systems Design	26.3	26.1	25.3	0.9	3.8	—	—	—	—	—	—
Management of Companies and Enterprises	67.3	67.0	67.8	0.4	-0.7	—	—	—	—	—	—
Administrative and Support Services	103.1	97.5	99.4	5.8	3.7	—	—	—	—	—	—
Employment Services	52.7	49.3	47.8	6.9	10.1	—	—	—	—	—	—
Educational and Health Services	**298.4**	**295.9**	**287.1**	**0.8**	**3.9**	—	—	—	—	—	—
Educational Services	49.7	47.4	47.2	4.9	5.3	—	—	—	—	—	—
Health Care and Social Assistance	248.7	248.5	239.9	0.1	3.7	—	—	—	—	—	—
Ambulatory Health Care	80.9	81.2	76.6	-0.4	5.6	—	—	—	—	—	—
Hospitals	59.8	59.7	58.4	0.2	2.5	—	—	—	—	—	—
Nursing and Residential Care Facilities	55.8	55.5	53.7	0.7	4.0	—	—	—	—	—	—
Social Assistance	52.1	52.1	51.2	0.0	1.8	—	—	—	—	—	—
Leisure and Hospitality	**163.2**	**156.0**	**161.3**	**4.6**	**1.1**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	28.4	25.7	28.8	10.8	-1.4	—	—	—	—	—	—
Accommodation and Food Services	134.7	130.3	132.5	3.4	1.7	256.74	253.34	22.6	22.4	11.36	11.31
Food Services and Drinking Places	123.9	119.3	119.8	3.8	3.4	246.86	241.33	22.1	21.8	11.17	11.07
Other Services	**76.6**	**77.2**	**76.5**	**-0.8**	**0.1**	—	—	—	—	—	—
Repair and Maintenance	13.2	13.3	13.1	-0.6	0.8	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.6	43.0	42.4	-1.0	0.6	—	—	—	—	—	—
Government	**240.1**	**240.2**	**239.1**	**-0.1**	**0.4**	—	—	—	—	—	—
Federal Government	19.7	19.7	20.4	0.0	-3.6	—	—	—	—	—	—
State Government	68.8	68.1	69.0	0.9	-0.3						
State Government Education	43.3	42.8	44.4	1.2	-2.6						
Local Government	151.6	152.4	149.7	-0.5	1.3						
Local Government Education	87.7	88.8	86.0	-1.2	2.1						

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

Industry

Industry	St. Cloud MSA Jobs Apr 2013	Jobs Mar 2013	Jobs Apr 2012	% Chg. From Mar 2013	% Chg. From Apr 2012	Rochester MSA Jobs Apr 2013	Jobs Mar 2013	Jobs Apr 2012	% Chg. From Mar 2013	% Chg. From Apr 2012
TOTAL NONFARM WAGE AND SALARY	**102,222**	**101,130**	**102,061**	**1.1%**	**0.2%**	**105,735**	**104,893**	**104,809**	**0.8%**	**0.9%**
GOODS-PRODUCING	**19,683**	**19,201**	**19,705**	**2.5**	**-0.1**	**12,835**	**12,630**	**13,385**	**1.6**	**-4.1**
Mining, Logging, and Construction	4,687	4,385	4,576	6.9	2.4	2,965	2,665	3,093	11.3	-4.1
Manufacturing	14,996	14,816	15,129	1.2	-0.9	9,870	9,965	10,292	-1.0	-4.1
SERVICE-PROVIDING	**82,539**	**81,929**	**82,356**	**0.7**	**0.2**	**92,900**	**92,263**	**91,424**	**0.7**	**1.6**
Trade, Transportation, and Utilities	20,422	20,100	19,966	1.6	2.3	16,049	15,751	15,734	1.9	2.0
Wholesale Trade	4,130	4,094	3,957	0.9	4.4	2,346	2,294	2,317	2.3	1.3
Retail Trade	12,929	12,656	12,644	2.2	2.3	11,351	11,098	11,050	2.3	2.7
Transportation, Warehouse, Utilities	3,363	3,350	3,365	0.4	-0.1	2,352	2,359	2,367	-0.3	-0.6
Information	1,635	1,644	1,622	-0.5	0.8	1,700	1,701	1,582	-0.1	7.5
Financial Activities	4,377	4,359	4,259	0.4	2.8	2,383	2,338	2,432	1.9	-2.0
Professional and Business Services	8,132	7,985	8,454	1.8	-3.8	4,949	4,922	5,100	0.5	-3.0
Educational and Health Services	19,605	19,525	19,103	0.4	2.6	44,327	44,380	43,138	-0.1	2.8
Leisure and Hospitality	8,647	8,529	8,812	1.4	-1.9	9,192	8,830	9,056	4.1	1.5
Other Services	3,418	3,400	3,490	0.5	-2.1	3,618	3,657	3,609	-1.1	0.2
Government	16,303	16,387	16,650	-0.5	-2.1	10,682	10,684	10,773	0.0	-0.8

Employer Survey

Industry

Industry	Duluth-Superior MSA Jobs Apr 2013	Jobs Mar 2013	Jobs Apr 2012	% Chg. From Mar 2013	% Chg. From Apr 2012	Mankato-North Mankato MSA Jobs Apr 2013	Jobs Mar 2013	Jobs Apr 2012	% Chg. From Mar 2013	% Chg. From Apr 2012
TOTAL NONFARM WAGE AND SALARY	**130,490**	**128,960**	**129,467**	**1.2%**	**0.8%**	**53,957**	**53,578**	**53,562**	**0.7%**	**0.7%**
GOODS-PRODUCING	**15,074**	**14,580**	**15,116**	**3.4**	**-0.3**	**9,643**	**9,394**	**9,299**	**2.7**	**3.7**
Mining, Logging, and Construction	7,896	7,414	7,859	6.5	0.5	--	--	--	--	--
Manufacturing	7,178	7,166	7,257	0.2	-1.1	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**115,416**	**114,380**	**114,351**	**0.9**	**0.9**	**44,314**	**44,184**	**44,263**	**0.3**	**0.1**
Trade, Transportation, and Utilities	24,121	23,814	23,501	1.3	2.6	--	--	--	--	--
Wholesale Trade	3,189	3,159	3,050	0.9	4.6	--	--	--	--	--
Retail Trade	14,926	14,724	14,558	1.4	2.5	--	--	--	--	--
Transportation, Warehouse, Utilities	6,006	5,931	5,893	1.3	1.9	--	--	--	--	--
Information	1,306	1,330	1,327	-1.8	-1.6	--	--	--	--	--
Financial Activities	5,348	5,338	5,285	0.2	1.2	--	--	--	--	--
Professional and Business Services	7,440	7,344	7,532	1.3	-1.2	--	--	--	--	--
Educational and Health Services	30,741	30,643	30,148	0.3	2.0	--	--	--	--	--
Leisure and Hospitality	13,592	13,182	13,077	3.1	3.9	--	--	--	--	--
Other Services	5,886	5,887	5,873	0.0	0.2	--	--	--	--	--
Government	26,982	26,842	27,608	0.5	-2.3	9,192	9,261	9,272	-0.7	-0.9

Employer Survey

Industry

Industry	Grand Forks-East Grand Forks MSA Jobs Apr 2013	Jobs Mar 2013	Jobs Apr 2012	% Chg. From Mar 2013	% Chg. From Apr 2012	Fargo-Moorhead MSA Jobs Apr 2013	Jobs Mar 2013	Jobs Apr 2012	% Chg. From Mar 2013	% Chg. From Apr 2012
TOTAL NONFARM WAGE AND SALARY	**55,963**	**55,869**	**55,310**	**0.2%**	**1.2%**	**131,498**	**130,681**	**128,424**	**0.6%**	**2.4%**
GOODS-PRODUCING	**6,372**	**6,245**	**6,029**	**2.0**	**5.7**	**17,806**	**17,527**	**17,112**	**1.6**	**4.1**
Mining, Logging, and Construction	2,774	2,613	2,596	6.2	6.9	7,731	7,524	6,989	2.8	10.6
Manufacturing	3,598	3,632	3,433	-0.9	4.8	10,075	10,003	10,123	0.7	-0.5
SERVICE-PROVIDING	**49,591**	**49,624**	**49,281**	**-0.1**	**0.6**	**113,692**	**113,154**	**111,312**	**0.5**	**2.1**
Trade, Transportation, and Utilities	12,380	12,281	11,962	0.8	3.5	29,117	28,972	27,944	0.5	4.2
Wholesale Trade	2,050	2,009	2,066	2.0	-0.8	8,613	8,503	8,271	1.3	4.1
Retail Trade	8,244	8,071	7,941	2.1	3.8	15,673	15,667	14,969	0.0	4.7
Transportation, Warehouse, Utilities	2,086	2,201	1,955	-5.2	6.7	4,831	4,802	4,704	0.6	2.7
Information	599	605	620	-1.0	-3.4	3,224	3,228	3,257	-0.1	-1.0
Financial Activities	1,660	1,657	1,639	0.2	1.3	9,180	9,144	8,976	0.4	2.3
Professional and Business Services	2,769	2,713	2,975	2.1	-6.9	15,381	15,524	14,583	-0.9	5.5
Educational and Health Services	9,602	9,594	9,388	0.1	2.3	21,166	21,000	20,669	0.8	2.4
Leisure and Hospitality	6,055	6,179	6,126	-2.0	-1.2	12,935	12,924	13,070	0.1	-1.0
Other Services	2,020	2,012	1,984	0.4	1.8	5,127	5,073	5,175	1.1	-0.9
Government	14,506	14,583	14,587	-0.5	-0.6	17,562	17,289	17,638	1.6	-0.4

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

Minnesota Economic Indicators

Highlights

The **Minnesota Index** was unchanged in April as declining payroll employment last month offset another drop in the unemployment rate and a slight uptick in average manufacturing hours. Minnesota's economy is experiencing more of a spring swoon than the national economy as the U.S. index was up 0.2 percent. The index is a proxy measure of the state's economic activity. The payroll employment component of the index is subject to revisions, so April's reading may eventually report economic growth once employment numbers are revised.

Minnesota's index was racing way ahead of the U.S. index six months ago, suggesting that Minnesota's economy was expanding faster than the U.S. Over the last few months Minnesota's index has slipped behind the U.S. index, indicating that economic growth in Minnesota has slipped below national growth. Economic activity in Minnesota, as measured by the index, is up 2.9 percent from a year ago while the U.S. economy is up 2.7 percent.

Minnesota's **Wage and Salary Employment** fell steeply in April with 11,400 jobs lost. April's job cutbacks were the largest since last May and, when combined with March's decline, the first consecutive monthly job declines in three years. Job cutbacks were spread across almost every sector; only Educational and Health Services and Information added positions. Job loss was heaviest in Trade, Transportation, and Utilities, Government, Leisure and Hospitality, and Manufacturing. Manufacturing has recorded job declines for the last three months.

The two-month decline in jobs may be partially related to the late spring with normal spring hiring curtailed by the cold weather. Other labor market indicators are not pointing toward a softening in Minnesota's job growth. Minnesota job growth slipped far behind the U.S. rate on an unadjusted over-the-year basis, 1.0 to 1.6 percent in April. The 1.0 percent over-the-year job growth is the lowest since last September.

Minnesota's adjusted online **Help-Wanted Ads** snapped back from a two-month slide, jumping 4.0 percent in April. Online advertising also rose nationwide, climbing 4.2 percent. Minnesota's share of online help-wanted advertising continues to look strong, standing at 2.5 percent of the national total. The 2.5 percent is higher than the Minnesota's 2.0 percent of jobs suggesting that the demand for labor in Minnesota remains stronger than nationwide.

Minnesota's **Purchasing Managers' Index (PMI)** ticked up for the second consecutive month, inching up to 55.7. The upswing in the survey points toward an expanding state economy in the months ahead. If the index is right, job growth should resume over the next few months. The employment component of the index, however, has been above growth neutral for all four months this year, but manufacturing jobs have increased only in January. Other manufacturing indicators suggest that manufacturing activity may be gaining some speed after slipping over the last few months.

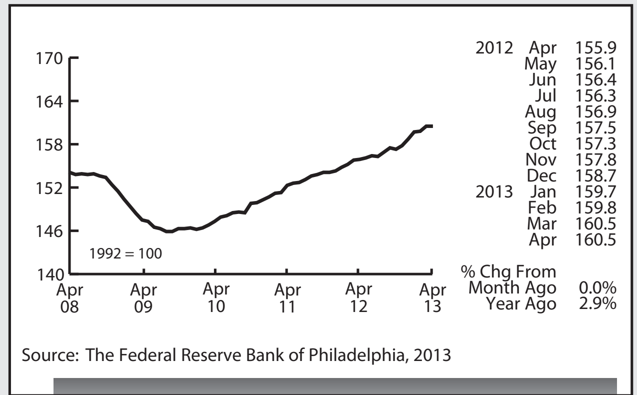
Adjusted **Manufacturing Hours** rose for the fourth straight month, pushing the factory workweek to its highest level in over a year. An uptick in manufacturing hours usually signals that manufacturing activity is accelerating. Hiring should pick up if this trend continues. Adjusted **Manufacturing Earnings** were down slightly in April but remain elevated, near a two and a half year high. Average manufacturing earnings after adjusting for inflation were 3.3 percent higher than a year ago which is good for boosting household spending.

The **Minnesota Leading Index** slipped for the third consecutive month, dipping to its lowest level since last November. The leading index forecasts the change in the Minnesota Index which is a monthly measure of the state's economic activity. April's 1.44 reading predicts that Minnesota's economy will grow about 1.4 percent over the next six months. That is right in line with the state's economic growth over the last two years. The U.S. leading index was also around 1.4 percent in April.

Adjusted **Residential Building Permits** slipped slightly in April. The housing comeback is going to be a bumpy ride. Home building is likely to pick up in the coming months: Home prices are up, homes are selling fast, and the inventory of homes for sale is at the lowest in 10 years.

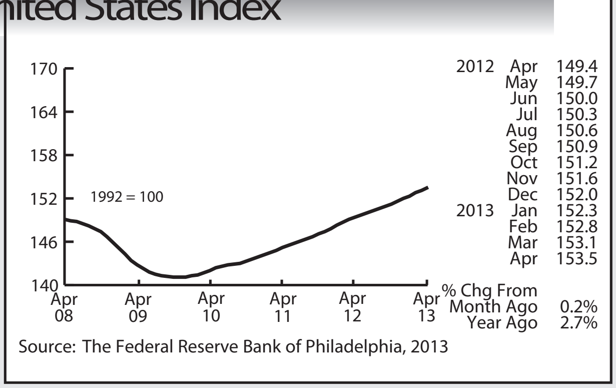
Adjusted **Initial Claims for Unemployment Benefits (UB)** rose for the second month in a row, advancing to a five-month high. Unadjusted initial claims were 3.8 percent higher than a year ago, making April one of the few months over the last three years with a higher level than 12 months earlier.

by Dave Senf



Minnesota Index

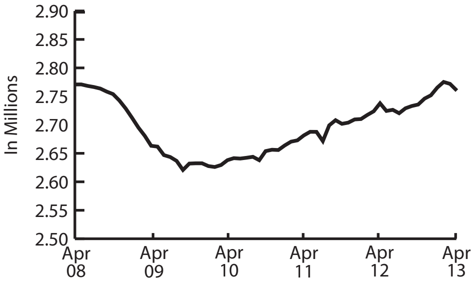
United States Index



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

2012	Nov	2.7461
	Dec	2.7519
2013	Jan	2.7654
	Feb	2.7753
	Mar	2.7720
	Apr	2.7610

% Chg From Month Ago -0.4%

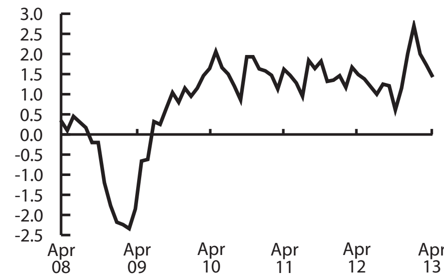
unadjusted

2012	Apr	2.7188
2013	Apr	2.7453

% Chg From Year Ago 1.0%

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

Minnesota Leading Index

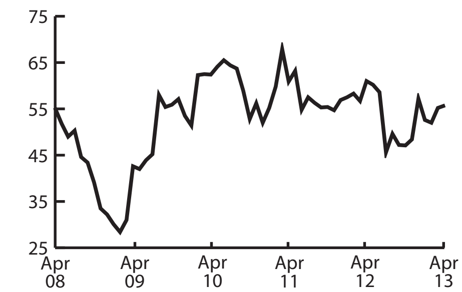


2012	Apr	1.49
	May	1.38
	Jun	1.19
	Jul	1.00
	Aug	1.25
	Sep	1.21
	Oct	0.61
	Nov	1.15
	Dec	2.01
2013	Jan	2.70
	Feb	2.00
	Mar	1.73
	Apr	1.44

% Chg From Month Ago -16.9%
Year Ago -3.7%

Source: The Federal Reserve Bank of Philadelphia, 2013

Purchasing Managers' Index

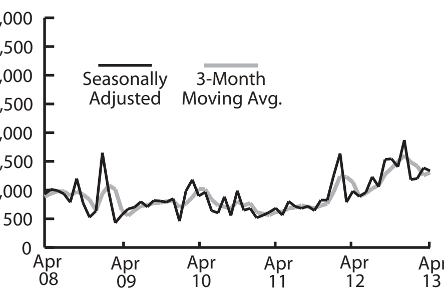


2012	Apr	61.0
	May	60.2
	Jun	58.6
	Jul	45.6
	Aug	49.6
	Sep	47.2
	Oct	47.1
	Nov	48.4
	Dec	57.2
2013	Jan	52.6
	Feb	52.0
	Mar	55.2
	Apr	55.7

% Chg From Month Ago 0.9%
Year Ago -8.7%

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

Residential Building Permits



seasonally adjusted

2012	Nov	1,404
	Dec	1,871
2013	Jan	1,183
	Feb	1,201
	Mar	1,387
	Apr	1,336

% Chg From Month Ago -3.7%

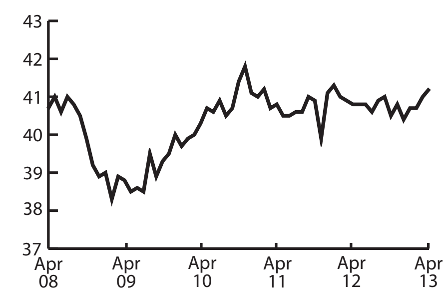
unadjusted

2012	Apr	1,073
2013	Apr	1,460

% Chg From Year Ago 36.1%

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

Average Weekly Manufacturing Hours



seasonally adjusted

2012	Nov	40.8
	Dec	40.4
2013	Jan	40.7
	Feb	40.7
	Mar	41.0
	Apr	41.2

% Chg From Month Ago 0.5%

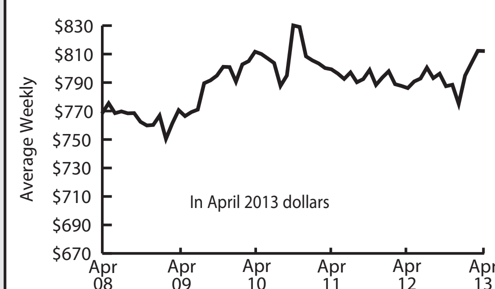
unadjusted

2012	Apr	41.0
2013	Apr	41.5

% Chg From Year Ago 1.2%

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

Manufacturing Earnings



seasonally adjusted

2012	Nov	788.45
	Dec	775.02
2013	Jan	794.92
	Feb	803.67
	Mar	812.28
	Apr	812.14

% Chg From Month Ago 0.0%

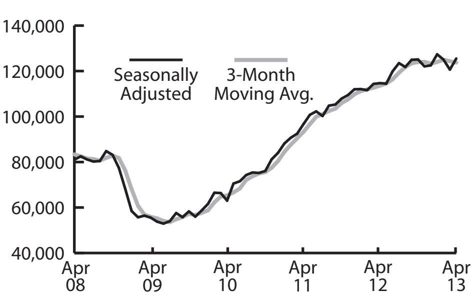
unadjusted

2012	Apr	793.92
2013	Apr	820.87

% Chg From Year Ago 3.4%

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

Online Help-Wanted Advertising

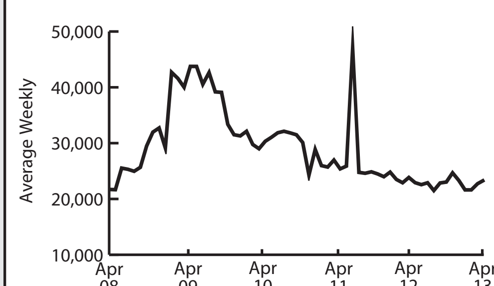


2012	Apr	114,697
	May	114,456
	Jun	119,892
	Jul	123,486
	Aug	121,796
	Sep	124,973
	Oct	125,104
	Nov	122,066
	Dec	122,500
2013	Jan	127,366
	Feb	125,028
	Mar	120,633
	Apr	125,500

% Chg From Month Ago 4.0%
Year Ago 9.4%

Source: The Conference Board Inc., 2013

Initial UB Claimants



seasonally adjusted

2012	Nov	24,679
	Dec	23,317
2013	Jan	21,623
	Feb	21,624
	Mar	22,728
	Apr	23,349

% Chg From Month Ago 2.7%

unadjusted

2012	Apr	19,695
2013	Apr	20,435

% Chg From Year Ago 3.8%

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

Minnesota Employment Review

MINNESOTA WORKFORCE CENTER

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

Labor Market Information Help Line:
651.259.7384

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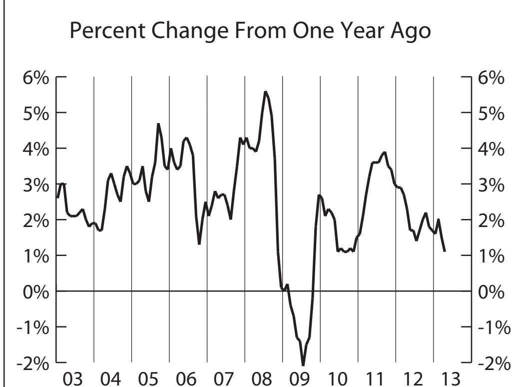
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)



On a seasonally adjusted basis the April CPI-U for all items decreased 0.4 percent over the month. The index increased 1.1 percent from April 2012, not seasonally adjusted. The index for Gasoline fell by a substantial 8.1 percent in April, which contributed to an 8.3 percent over-the-year decline in Gasoline prices. Food prices were nearly flat over the month, increasing 0.2 percent. In the index for all items less food and energy, results for various categories were mostly changes of less than 0.5 percent up or down. The exception was in Used Cars and Trucks (+ 0.6 percent). There was an overall monthly gain of 0.1 percent and a 12-month gain of 1.7 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.

What's Going On?

Minnesota Job Seekers Will 'Like' This

DEED launched a new Facebook page for MinnesotaWorks.net, the no-fee online job bank for finding jobs and employers in Minnesota. Posts about careers and job seeking, including advice and links to jobs, have been moved to the new MinnesotaWorks Facebook page from the agency's official Facebook page.

Check it out at:
www.facebook.com/minnesotaworks

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

POSITIVELY Minnesota
Department of Employment and Economic Development

2012 Marked Modest Job Growth in Minnesota

Minnesota experienced moderate job growth in 2012 compared to 2011 with newly benchmarked data showing an annual increase of 1.4 percent and numeric growth of 38,868 jobs for the year. This is a reduction from the 47,374 jobs added in 2011.

As was to be expected in the second year of a recovery from a sharp downturn, employment growth was widely distributed. Table 1 presents the rate of growth for all supersectors and major rollups. Of these, only the Information supersector showed an annual decline in 2012 with a loss of 153. The Government sector was weaker than the apparent growth of 1,160 jobs for the year. This figure was inflated by the state government layoff which reduced the average employment in 2011, thereby increasing the apparent growth in 2012. Adjusting for this one-month layoff produces an average loss of more than 600 in 2012 rather than a gain. The other supersectors showed mainly modest rates of growth although Professional and Business Services, Construction, and Mining and Logging all showed gains of 2.0 percent or higher. Table 1 also presents the U.S. rates of growth for the supersectors and shows that the U.S. as a whole outperformed Minnesota in terms of its rate of job growth in 2012, posting a gain of 1.7 percent. The U.S. outperformed Minnesota in seven of 11 supersectors including the key areas of Professional and Business Services, Educational and Health Services, Trade, Transportation, and Utilities, and Leisure and Hospitality. Minnesota saw a faster increase in Construction employment but is recovering from a larger than average Construction downturn. In the end, nearly all of the job gains made between 1995 and 2005 in Construction were lost in the recession, and it is not surprising the state shows somewhat higher than average growth in recovering from this very low level.

Figure 1 provides a graphical representation of seasonally adjusted employment growth by month for 2011 and 2012. The figure shows that employment has been on a consistently upward trend with two major

Table 1

Employment Growth by Supersector 2011 and 2012

				Year-to-Year Change 2011 to 2012		
				Minnesota		United States
Industry Title	2012 Average	2011-2012 Average	2010-2012 Average	Numeric	Percent	Percent
Total Nonfarm	2,727,514	2,688,646	2,641,272	38,868	1.4	1.7
Total Private	2,315,737	2,278,029	2,224,741	37,708	1.7	2.2
Goods-Producing	407,130	398,991	386,265	8,139	2.0	2.0
Service-Providing	2,320,383	2,289,655	2,255,008	30,728	1.3	1.7
Private Service-Providing	1,908,607	1,879,038	1,838,476	29,569	1.6	2.2
Mining and Logging	7,037	6,605	5,972	432	6.5	8.0
Construction	94,739	91,776	87,614	2,963	3.2	2.0
Manufacturing	305,354	300,610	292,679	4,744	1.6	1.6
Trade, Transportation, and Utilities	503,226	497,127	490,062	6,099	1.2	1.8
Information	53,683	53,836	54,104	(153)	-0.3	0.1
Financial Activities	177,082	174,209	172,598	2,873	1.6	1.2
Professional and Business Services	336,258	329,646	314,044	6,612	2.0	3.5
Educational and Health Services	478,038	469,401	458,391	8,637	1.8	2.2
Leisure and Hospitality	244,256	239,687	235,197	4,569	1.9	2.9
Other Services	116,063	115,133	114,082	930	0.8	1.4
Government	411,777	410,617	416,531	1,160	0.3	-0.8

Source: Minnesota Current Employment Statistics:

exceptions, in July 2011 with the State Government layoff and the April and May period in 2012 where a sharp April increase was followed by a sharp loss in May. These two movements largely counteracted each other and did not change the underlying upward trend.

Minnesota was in the middle of the pack in terms of employment growth compared to other states, sharing a ranking of 22nd with six other states. North Dakota showed by far the highest rate of job growth, boosted by an expanding oil mining sector. Nine states showed growth of 2.0 percent or greater. During the heart of the last expansion in 2005 and 2006, 19 states showed annual growth of 2.0 percent or higher. Twelve states showed growth of less than 1.0 percent.

Looking at over-the-year rates of growth by quarter showed that employment growth compared to the previous year was strongest in the first quarter of the year at 1.8 percent, but gradually tailed off to a level of 1.2 percent in the fourth quarter. This indicates that job growth was not accelerating at the same rate as the year progressed compared to 2011. This occurrence is in line with measures of gross national product growth for the U.S. Annualized real GDP for 2011 was 0.1 percent in first quarter, 2.5 percent in second quarter, 1.3 percent in third quarter, and 4.1 percent in fourth quarter. For 2012 growth was 2.0 percent in first quarter, 1.3 percent in second quarter, 3.1 percent in third quarter, and 0.1 percent in fourth quarter. Since economic growth was back-loaded in 2011 and front-loaded in 2012, the gradual reduction in the over-the-year rate of growth for the year is a logical result. Table 2 presents growth by quarter for all supersectors. Overall 2012 posted a 2.2 percent gain in gross domestic product, a bit higher than the 1.8 percent gain of 2011 but still a rather pedestrian showing for an economy exiting a deep recession. In the three years of recovery GDP growth has yet to exceed 3.0 percent, a mark commonly hit following a recessionary period. This further drives home the point that while in recovery, we are improving only very gradually rather than experiencing a sharp return to past trends. Productivity posted another weak period with growth of only 0.7 percent at nonfarm businesses after increasing only 0.6 percent in 2011. Income growth was again stagnant with disposable personal income growing only 1.5 percent after controlling for inflation, a slight increase from 1.3 percent growth in 2011 but well below the income growth common in previous expansions. With about 70 percent of the economy based on consumer spending, slower growth in real personal consumption expenditures, 1.8 percent compared with 2.5 percent, was indicative of the mediocre nature of the economic growth experienced in 2012.

Figure 1

Source: Minnesota and U.S. Current Employment Statistics

Table 2

Minnesota Year over Year Growth by Quarter

	2012 Quarterly Annual Growth Rates			
Industry Title	**1st Qtr.**	**2nd Qtr.**	**3rd Qtr.**	**4th Qtr.**
Total Nonfarm	1.8	1.5	1.3	1.2
Total Private	2.2	1.8	1.2	1.4
Goods-Producing	2.9	2.8	1.6	0.9
Service-Providing	1.6	1.3	1.3	1.3
Private Service-Providing	2.1	1.6	1.2	1.5
Mining and Logging	8.9	9.1	5.7	2.9
Construction	5.2	5.3	2.2	0.8
Manufacturing	2.2	1.9	1.3	0.8
Trade, Transportation, and Utilities	1.9	1.1	0.7	1.2
Information	-0.7	-0.4	-1.0	0.9
Financial Activities	1.0	2.3	1.9	1.4
Professional and Business Services	3.1	2.5	1.4	1.1
Educational and Health Services	1.9	1.4	1.6	2.4
Leisure and Hospitality	3.5	1.9	1.3	1.0
Other Services	1.2	0.7	0.1	1.2
Government	-0.7	-0.2	1.9	0.3

Source: Minnesota Current Employment Statistics

Unemployment

With continued job growth in 2012, the official rate of unemployment continued to drop although the rate of decline slowed from 2011. The rate of unemployment fell from 5.8 percent to

5.4 percent on a seasonally adjusted basis from December 2011 to December 2012. This drop of 0.4 of a percentage point was far short of the 1.2 percentage point drop from December 2010 to December 2011. This indicates that while job growth is not robust enough to return the state quickly to the sub 4 percent rate experienced in 2006, growth is adequate to move lower slowly, particularly with increasing numbers of retirees limiting workforce growth. As has been common for the past two decades, Minnesota showed unemployment substantially below the national rate. Using the annual average rate of unemployment, Minnesota ranked ninth at 5.6 percent compared to the national rate of 8.1 percent. The 10 states with the lowest unemployment rates were dominated by Midwestern states, six out of 10, along with two New England states and oil patch states Oklahoma and Wyoming. Nevada showed the worst unemployment at 11.1 percent with California and Rhode Island also showing unemployment rates above 10 percent.

Initial Claims

Initial claims for unemployment showed only a small decline compared to 2011, down 1.4 percent for total initial claims. The raw number of claims for the year — 281,194 — was about 6,600 above the number filed in 2007 prior to the large increases caused by the recession. Historical data indicate that monthly seasonally adjusted claims levels of about 26,000 are the point at which consistent job growth begins. Initial claims in Minnesota have been at or below that approximate level since late 2010. During 2012 seasonally adjusted initial claims fell from 24,809 in January to 21,507 in August before rising again at the end of the year to about 23,000. This would indicate modest job growth. Very robust job growth would require this number to fall to around 17,000. At the end of 2012, about 55 percent of all initial claims were associated with job cuts expected to be permanent. This ratio reached 71 percent in the worst of the downturn. During economic expansion after the 2001 recession, permanent layoffs were about 45 percent of all initial claims.

Table 3

Minnesota Industries with the Highest Rates of Growth

	2011 to 2012 Growth	
Industry title	**Numeric**	**Percent**
Fabricated Metal Product Manufacturing	2,252	5.8
Employment Services	3,062	5.4
Heavy and Civil Engineering Construction	610	4.7
Machinery Manufacturing	1,316	4.3
Computer Systems Design and Related Services	1,244	4.2
Machine Shops, Turned Product, and Screw, Nut, and Bolt Manufacturing	508	3.8
Wholesale Electronic Markets and Agents and Brokers	814	3.6
State Government Excluding Education	1,241	3.5
Merchant Wholesalers, Durable Goods	1,979	3.3
Ambulatory Health Care Services	4,185	3.3
Specialty Trade Contractors	1,857	3.2
Miscellaneous Store Retailers	470	3.0
Offices of Physicians	1,866	3.0
Arts, Entertainment, and Recreation	1,105	2.9
Building Material and Garden Equipment and Supplies Dealers	636	2.6
Architectural, Engineering, and Related Services	452	2.5
Management of Companies and Enterprises	1,858	2.5
Construction of Buildings	498	2.4
Durable Goods	4,604	2.4
Motor Vehicle and Parts Dealers	714	2.4
Limited-Service Eating Places	1,759	2.4
Depository Credit Intermediation	916	2.3
Health Care and Social Assistance	9,134	2.3
Hospitals	2,279	2.3
Real Estate	681	2.2

Source: Minnesota Current Employment Statistics

Construction

Turning to a more detailed look at where job growth came from in 2012, Table 3 presents the 25 industry groups below the level of supersector with the highest rate of job growth for the year. Representatives in this group from eight of the 11 supersectors mark a year of fairly well distributed growth. Having three construction industries on the list was not particularly surprising given that the Construction supersector trailed only Mining and Logging in its rate of job growth. Specialty Trade Contractors, the largest component of construction, posted a gain of 3.2 percent but all three major components showed strong growth as Heavy and Civil Engineering increased 4.7 percent and Construction of Buildings 2.4 percent. There is no longer a question whether Construction has bottomed out. It is clearly past its bottom and is now trending toward growth. This is an important factor going forward as thus far we have experienced a recovery without the usual burst of growth from Construction expansion. This lack of growth has been a contributing factor in the rather slow pace of recovery. Census data on new housing permits in Minnesota showed substantial improvement in 2012. Estimates showed that overall there were 15,409 permits issues in Minnesota for the year compared to 8,990 in 2011 to post an increase of 73.3 percent. This is the highest level of permitting since 2007. While this improvement is heartening, remember that 2012's permitting level was only about 38 percent of the 41,843 permits issued in 2004. Signs indicate continued improvement in housing in 2013. Housing inventories have been declining relative to sales as the volume of foreclosures declines. A result has been higher median prices for existing home sales. For the Twin Cities metro area the Case Schiller index showed an 11.9 percent annual increase in home prices in December 2012. Zillow reported that for Minnesota overall, there was an 8.4 percent annual increase in prices for December 2012. As inventories drop, there should be more demand for new houses, and as home prices rebound, family balance sheets should be under less stress and confidence should improve. Improved values should help the market move toward a more normal balance as instances of negative equity decline, thereby releasing trapped homeowners more readily to upsize, downsize, or exit for employment purposes. Fannie Mae projects a 15.1 percent increase in new single family building in 2013 and a 10.5 percent increase in existing home sales for the U.S. as a whole.

Professional and Business Services

Professional and Business Services accounted for four of the fastest growing industries. The second fastest growth on the list was Employment Services with a gain of 5.4 percent, equal to 3,062 jobs. This was well below growth of 19 and 13.8 percent posted the previous two years for this industry. This slower growth is an expected development as the economic expansion matures and increased hiring of permanent workers takes place. Computer System and Design also posted a strong gain of 4.2 percent or about 1,200 new jobs. Management of Companies increased by 2.5 percent. That Minnesota lagged behind the U.S. in growth in Professional and Business Services is somewhat troubling as many of the jobs in these industries tend to be high paying and are in areas of the economy seeing dynamic growth.

Educational and Health Services

Job growth in health care industries accounted for all of the gains in the Educational and Health Services supersector as Educational Services showed a loss of about 500 for the year. Four health care industry groupings showed up on the list of the 25 fastest growing industries. Ambulatory Health Services showed the most robust growth, adding 4,185 jobs with Offices of Physicians accounting for a great deal of this increase. Hospitals also showed good growth, up 2.3 percent for the year. Somewhat slower growth also occurred in Nursing and Residential Care and Social Assistance industries with gains of 1.7 and 1.3 percent, respectively. There is every reason to believe that the long-term trend of job growth in health care will continue through 2013.

Leisure and Hospitality

Of particular note was the large revision made in Leisure and Hospitality which initially was estimated to have produced very weak results throughout most of 2012. The revised data did not show this same weakness in the first part of 2012 with the revisions being particularly large in Arts, Entertainment, and Recreation which in the end showed an annual average increase of 2.9 percent to place it on our list of fast-growing industries. Limited Service Eating Places, which showed a gain of 2.4 percent, was also revised upward. Following the revision, the supersector actually posted solid though unspectacular growth that was about one percentage point below the national rate of growth. The large revision was caused by sample results that substantially underestimated growth in these industries. In particular, the sample showed a much larger seasonal decline in late 2011 and a smaller summer expansion than was present after benchmarking.

Manufacturing

Although employment growth weakened at year end, Manufacturing nonetheless had four industries among those with the fastest rate of growth. Growth was focused in Durable Goods Manufacturing with a gain of 2.4 percent. Three component industries were on the fastest-growing list including Fabricated Metal Product Manufacturing, Machinery Manufacturing, and Machine Shops which were all in the top six fastest rates of growth for the year. The weakening of manufacturing job growth in the second half of the year was predicted by a decline in Creighton University's Minnesota Business Conditions Index which fell below growth neutral beginning in July and remained there until turning positive again with a strong gain in December to move it back above the neutral point. It has continued to indicate conditions of growth since that time, predicting that conditions are in place for modest growth in manufacturing industries in the first half of 2013. The health of the Manufacturing sector will be closely tied to gains in exports of goods which showed a reduced level of growth in the fourth quarter of 2012. Durable Goods industries are particularly impacted by export trends in terms of employment.

The data presented clearly point to a year of positive developments in the employment market for Minnesota. Growth in employment was solid but not particularly robust. The state saw similar improvement in its unemployment situation. For readers interested in additional detailed industry data not covered in this article, an Excel file that includes a presentation of job growth for the past two years for all industries and locations will be available at: **www.PositivelyMinnesota.com/Review** (May 2013 edition).

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Department of Employment and Economic Development

by Jerry Brown
Labor Market Information Office
Minnesota Department of Employment and Economic Development