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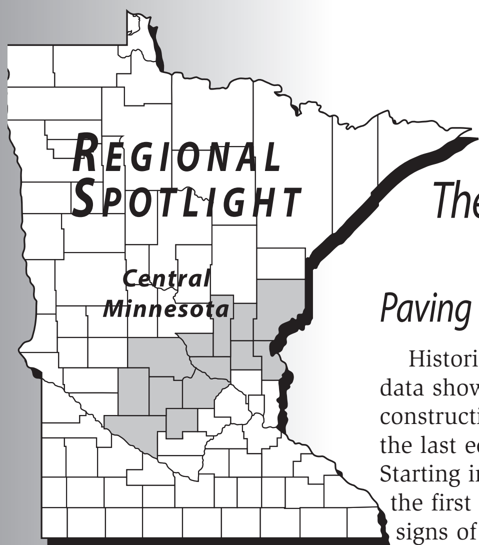


Work Zone Ahead!

The Construction Industry is Paving theWay in Central Minnesota

Paving the Way

Historical employment data show how predictive the construction industry was of the last economic downturn. Starting in 2006, it was one of the first industries to show signs of the looming "Great Recession" that ravaged the state and region from December 2007 to June 2009.

Construction industry employment started sinking sooner, plummeted faster, and recovered later than the total of all industries. Historical data from DEED's Quarterly Census of Employment and Wages (QCEW) program show Construction suffered year-over-year job cuts from the third quarter of 2005 to the third quarter of 2010, experiencing a total loss of nearly 5,200 jobs or more than 25 percent of the previous peak employment level set in 2005 (see Figure 1).

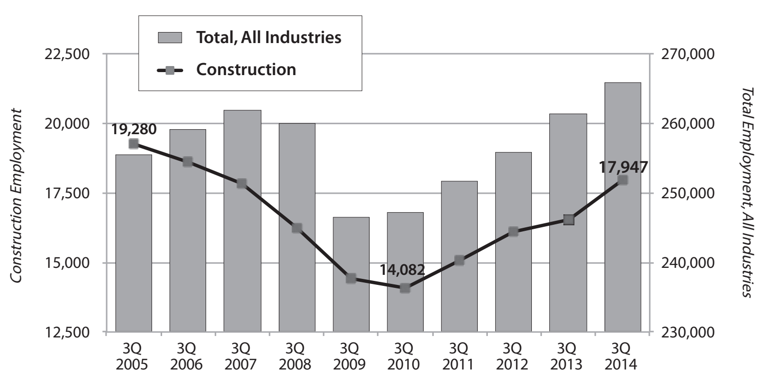
Since then, the construction industry has been adding jobs at a rapid pace, regaining almost 4,000 jobs from the third quarter of 2010 to the third quarter of 2014. If that pace continues, the construction industry should surpass its prerecession peak by the third quarter of 2015.

Construction employers in Central Minnesota added more jobs than any other industry over the past year, outpacing even Health Care and Manufacturing. The region gained just over 1,400 net new jobs, an 8.5 percent increase, compared to a 1.7 percent increase across all industries combined.

That pushed Central Minnesota to the forefront in the state, both in construction employment and total employment growth. Figure 2 shows employment changes in each of the Minnesota planning regions from the end of the recession in 2009 to the most recent data available in 2014.

Figure 1

Central Minnesota Industry Employment Statistics



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

Feature:

LAUS Annual Revisions

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Three Sectors

The construction industry clearly benefits from the expanding economy in the state and region. As businesses grow, they require additional facilities to be built or developed further, more jobs mean that more workers have more money for new houses and remodeling, and increased tax collections allow for new funding of infrastructure projects.

The construction industry is divided into three main subsectors, each with its own specialty. Although it has some of the smallest employers, the largest sector is specialty trade contractors, with just over 8,200 employees at nearly 1,800 firms, an average of less than 5 employees at each firm. The next largest sector is heavy and civil engineering construction, which has 4,176 jobs at 203 larger employers — an average of more than 20 employees per site. The smallest sector is construction of buildings, which has 2,756 jobs at 635 firms (see Table 1).

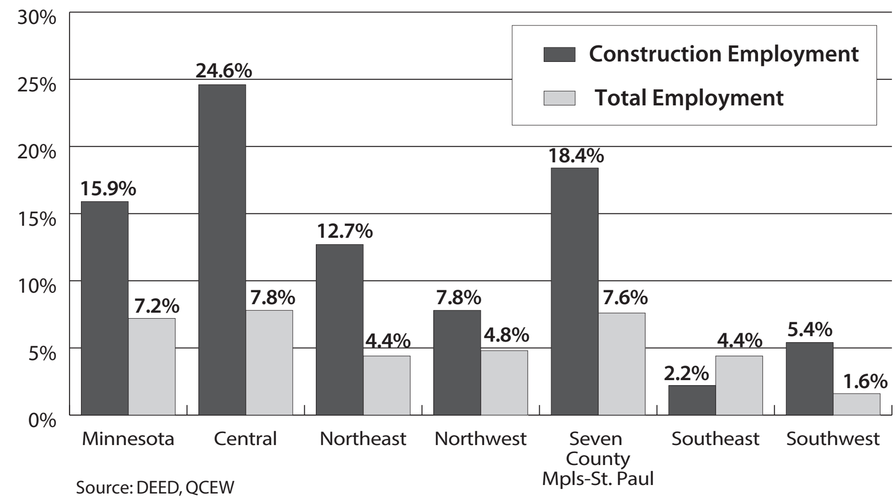
Construction of buildings includes both residential and nonresidential construction. While residential building construction maintains slightly more jobs than the commercial and industrial building side, it is the latter that has enjoyed more growth in the last few years in Central Minnesota. Average annual wages for the construction of buildings sector was $42,614†, which was 11.3 percent higher than the average for all jobs in Central Minnesota.

Because of the obvious implications of the housing crisis that helped trigger the recession, this subsector experienced the largest declines moving through the recession and recovery, losing over 39 percent of its jobs from 2006 to 2010. Since 2010, however, this subsector has managed to increase employment by 38.5 percent, regaining almost 750 jobs through the first three quarters of 2014.

Wages were particularly high in the heavy and civil engineering construction subsector with an average annual wage of just over $74,555.† That's 75% higher than the average wage for all jobs in Central Minnesota. Thanks to an increase in highway, street, and bridge construction, utility system construction, and land subdivision projects in the region, this subsector accounted for 46 percent of job growth in the construction industry in the last year.

Figure 2

Employment Growth by Region, 2009 to 2014, 3rd Quarter



Source: DEED, QCEW

Table 1

Central Minnesota Construction Subsector Industry Statistics, Average of Quarters 1-3 2014

Industry/Subsector	Number of Firms	Number of Jobs	Share of Construction Jobs	Job Change 2013-2014	
				Number	Percent
Construction	**2,636**	**15,140**	**100%**	**1,134**	**8.1%**
Construction of Buildings	635	2,756	18%	241	9.6%
Heavy and Civil Engineering Construction	203	4,176	28%	344	9.0%
Specialty Trade Contractors	1,799	8,207	54%	549	7.2%

Source: DEED, QCEW

The heavy and civil engineering construction sector also withstood the recession much better than the construction of buildings and specialty trade contractors sectors. Average annual employment dipped just 7.5 percent from 2006 to the employment low in 2009, losing 260 jobs. Since the low in 2009, the heavy and civil engineering construction sector added nearly 1,000 jobs (30%) through the first three quarters of 2014 and now has about 700 more jobs than the annual average before the recession.

Specialty trade contractors includes 29 different classifications of contractors, covering everything from framing, roofing, and siding contractors to electrical, plumbing, heating and air-conditioning contractors. Specialty trade contractors experienced similar employment trends to the construction of buildings sector through the recession and recovery.

Despite the recent gains, employment is still down by almost 20 percent for both housing-related industry sectors, leaving considerable room for sustained growth. Average annual wages are estimated at $44,798 † for specialty trade contractors, about $7,000 more than the average wage for all industries.

Begin Work Zone

These higher wages are a highlight of the industry. Of the 31 occupational titles classified in construction and extraction

†Annual Wage was computed using the four most recent available quarters.

Table 2

Central Minnesota Wage Statistics for Construction Occupations

Occupational Title	Employment	Annual Wage 10th Percentile	Annual Wage Median	Annual Wage 90th Percentile
Total, All Occupations	**258,710**	**$18,264**	**$33,853**	**$72,134**
First-Line Supervisors of Construction Trades Workers	670	$45,304	$62,770	$89,726
Brickmasons and Blockmasons	160	$39,957	$54,336	$84,304
Carpenters	1,860	$31,455	$43,212	$67,610
Carpet Installers	*	$41,867	$52,942	$60,376
Tile and Marble Setters	*	$39,379	$44,299	$53,211
Cement Masons and Concrete Finishers	430	$34,643	$55,825	$72,993
Terrazzo Workers and Finishers	*	$25,155	$28,929	$52,048
Construction Laborers	960	$26,084	$36,520	$62,371
Paving, Surfacing, and Tamping Equipment Operators	270	$32,700	$40,085	$51,923
Operating Engineers and Const. Equipment Operators	1,400	$34,118	$47,801	$68,057
Drywall and Ceiling Tile Installers	20	$38,842	$54,529	$60,660
Tapers	*	$19,220	$32,749	$65,082
Electricians	1,250	$32,719	$52,045	$76,140
Glaziers	*	$25,338	$28,134	$30,990
Insulation Workers, Floor, Ceiling, and Wall	*	$26,759	$81,759	$92,938
Insulation Workers, Mechanical	170	$31,372	$63,119	$88,754
Painters, Construction and Maintenance	200	$24,567	$34,163	$55,982
Pipelayers	150	$37,024	$53,120	$74,254
Plumbers, Pipefitters, and Steamfitters	1,020	$28,482	$53,000	$75,268
Roofers	260	$29,608	$50,885	$59,982
Sheet Metal Workers	390	$29,792	$46,925	$69,735
Structural Iron and Steel Workers	40	$32,538	$38,185	$72,516
Helpers, Brickmasons, Blockmasons, Stonemasons	140	$22,566	$27,956	$63,003
Helpers, Carpenters	90	$20,320	$25,018	$30,663
Helpers, Pipelayers, Plumbers, Pipefitters, and Steamfitters	60	$16,261	$19,421	$39,937
Construction and Building Inspectors	120	$34,090	$52,458	$80,275
Highway Maintenance Workers	750	$32,320	$43,007	$52,390
Septic Tank Servicers and Sewer Pipe Cleaners	60	$26,112	$34,014	$67,032
Construction and Related Workers, All Other	60	$21,100	$26,733	$40,705
Earth Drillers, Except Oil and Gas	*	$20,760	$35,215	$68,208
Helpers--Extraction Workers	*	$28,597	$41,952	$68,603

* Data are suppressed

Source: DEED, Occupational Employment Statistics (OES) program occupations, over three-quarters have a higher median wage than the median for all occupations in Central Minnesota.

Even at the entry level, construction jobs provide higher wages than other occupational groups. For example, wages at the 10th percentile were higher in all but one construction occupation, helpers of pipelayers, plumbers, pipefitters, and steamfitters. The wage advantage dissipates somewhat at the top of the pay scale, with only about one-third of the occupations having higher 90th percentile wages than the total of all occupations (see Table 2).

Hammertime

Job vacancy data can serve as a leading indicator for the direction of an industry because staffing patterns are driven directly by both new and pent-up demand. According to DEED's second quarter 2014 Job Vacancy Survey, job openings in Construction more than doubled from the previous year. It was the highest number of second quarter job vacancies ever reported by employers (see Figure 3).

The expansion of the construction industry and the increase in job vacancies is especially good news for youth in Central Minnesota. Just prior to the recession over 18 percent of construction industry jobs were held by young people from 14 to 24 years of age. As the industry laid off workers, the share of jobs filled by the youngest age cohort bottomed out in 2011 at 9.7 percent and still stands at a much lower 11.3 percent. Currently about 1,549 jobs are held by workers in this age cohort, which is 1,123 fewer jobs than prior to the recession.

An increase in employment for youth in construction not only tackles this age group's higher unemployment rate, but also provides a chance to earn more money. The youngest construction workers earn well over 50 percent more than the average for their peers in all industries.

According to DEED's Cost of Living Calculator, a young adult with no children would need to earn a minimum of $24,504 per year to meet a basic cost of living budget in Central Minnesota. Young adults without children in the 22 to 24 year-old age group who work in Construction earn an average annual wage that is roughly $4,000 above that basic needs budget.

While apprenticeships and formal education provide a clear path to construction occupations, the industry also presents those with a high school diploma or less a wide array of options to gain meaningful employment in the fourth highest paying industry in Central Minnesota. With plenty of room for expansion, a variety of jobs with great wages, and a bright employment outlook, the construction industry should continue to help Central Minnesota's economy keep hammering away.

by Luke Greiner
Regional Analyst, Central Minnesota
Department of Employment and
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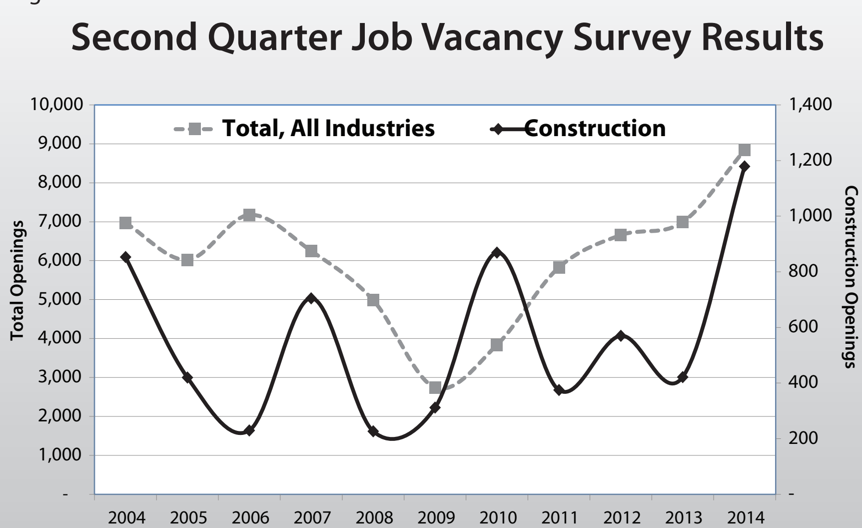
Figure 3



Source: DEED, Job Vacancy Survey (JVS) program

Regional Spotlight CENTRAL MINNESOTA

Featuring the CES

The Current Employment Statistics (CES) program is a national monthly survey that estimates employment, hours, and earnings. The estimates are created by the U.S. Bureau of Labor Statistics (BLS), in cooperation with state Labor Market Information offices. The most often cited estimate produced by the CES is monthly employment, which is provided for all nonfarm jobs and broken down by industry group. Seasonally adjusted and unadjusted estimates are published for the entire country and each state. In addition, unadjusted estimates are provided for metropolitan statistical areas, including each of the eight MSAs in Minnesota. We are also able to create seasonally adjusted estimates for some series in the Minneapolis-St. Paul-Bloomington MSA, which we do independently of BLS.

Estimates are created from a monthly survey of approximately 143,000 employers covering 588,000 worksites and from historical Quarterly Census of Employment and Wage (QCEW) data. The Minnesota sample consists of approximately 2,400 employers and roughly 9,000 worksites. Survey results are combined with historical trends to produce monthly estimates. The first estimates, which are generally the most widely publicized, are actually preliminary. A more complete 'final' estimate is produced a month later, although this is not the ultimate estimate for a given month either. At the end of each year, previously produced estimates are matched to QCEW data, providing a nearly complete census of all employment, using a process referred to as benchmarking. This annual process is necessary because QCEW data are only available on a six month lag. Benchmarking allows us to check published estimates thoroughly against the census, while also providing a robust foundation for the estimates that will be produced in the future. However, while the CES is tied to QCEW data, the programs have slightly different gaps in their coverages, so the two will never completely match.

National CES estimates are generally published on the first Friday of every month. For reasons related to how the data are collected, the release is actually the third Friday following the conclusion of the week which includes the 12th of the month, although that isn't quite as easy to remember. Minnesota's state estimates are released two Thursdays after the national data. Because estimates for a given month are produced so quickly, the CES has become a popular tool for the media, businesses, and others with an interest in tracking the labor market in as close to as real time as is possible. While the CES is eminently useful for the timely estimates it provides, it is worth remembering that the final estimates for a given month may change dramatically after the benchmarking process. For instance, total nonfarm employment estimates in Minnesota for March 2014 changed by 17,120, or 0.62 percent, after benchmarking.

Besides being a timely employment estimate for many consumers, CES data is also used as an input for the monthly unemployment rate, which is produced by the Local Area Unemployment Statistics (LAUS) program. There is a thorough examination of this program in this month's Review feature.

by Nick Dobbins

Labor Force Estimates

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Apr 2015	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014
United States ('000s)												
(Seasonally adjusted)	157,072	156,906	155,421	148,523	148,331	145,669	8,549	8,575	9,753	5.4	5.5	6.3
(Unadjusted)	156,554	156,318	154,845	148,587	147,635	145,767	7,966	8,682	9,079	5.1	5.6	5.9
Minnesota												
(Seasonally adjusted)	3,030,443	3,020,441	2,972,273	2,917,019	2,907,034	2,846,845	113,424	113,407	125,428	3.7	3.8	4.2
(Unadjusted)	3,015,669	3,014,919	2,962,016	2,901,432	2,878,825	2,835,415	114,237	136,094	126,601	3.8	4.5	4.3
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,938,939	1,929,643	1,913,599	1,871,776	1,851,455	1,838,207	67,163	78,188	75,392	3.5	4.1	3.9
Duluth-Superior MSA	143,232	143,113	143,062	136,050	135,079	134,980	7,182	8,034	8,082	5.0	5.6	5.6
Rochester MSA	117,696	118,809	116,255	113,698	113,771	111,770	3,998	5,038	4,485	3.4	4.2	3.9
St. Cloud MSA	110,472	111,610	109,887	106,256	106,262	105,126	4,216	5,348	4,761	3.8	4.8	4.3
Mankato-N Mankato MSA	59,365	60,182	58,540	57,648	58,141	56,592	1,717	2,041	1,948	2.9	3.4	3.3
Fargo-Moorhead MSA	129,990	130,615	128,055	126,559	126,241	124,531	3,431	4,374	3,524	2.6	3.3	2.8
Grand Forks MSA	55,502	55,655	54,229	53,657	53,420	52,309	1,845	2,235	1,920	3.3	4.0	3.5
Region One	**50,619**	**51,122**	**47,844**	**47,923**	**48,020**	**45,266**	**2,696**	**3,102**	**2,578**	**5.3**	**6.1**	**5.4**
Kittson	2,478	2,557	2,332	2,370	2,427	2,212	108	130	120	4.4	5.1	5.1
Marshall	6,032	6,129	5,487	5,550	5,546	5,042	482	583	445	8.0	9.5	8.1
Norman	3,543	3,687	3,228	3,383	3,467	3,054	160	220	174	4.5	6.0	5.4
Pennington	9,402	9,203	8,830	8,711	8,551	8,292	691	652	538	7.3	7.1	6.1
Polk	17,933	18,128	17,021	17,151	17,216	16,196	782	912	825	4.4	5.0	4.8
Red Lake	2,330	2,369	2,226	2,187	2,169	2,068	143	200	158	6.1	8.4	7.1
Roseau	8,901	9,049	8,720	8,571	8,644	8,402	330	405	318	3.7	4.5	3.6
Region Two	**42,999**	**43,231**	**41,644**	**40,314**	**40,111**	**38,802**	**2,685**	**3,120**	**2,842**	**6.2**	**7.2**	**6.8**
Beltrami	24,105	24,054	23,256	22,851	22,636	21,924	1,254	1,418	1,332	5.2	5.9	5.7
Clearwater	4,708	4,848	4,520	4,188	4,204	3,919	520	644	601	11.0	13.3	13.3
Hubbard	9,442	9,387	9,255	8,803	8,599	8,601	639	788	654	6.8	8.4	7.1
Lake of the Woods	2,362	2,537	2,249	2,226	2,429	2,132	136	108	117	5.8	4.3	5.2
Mahnomen	2,382	2,405	2,364	2,246	2,243	2,226	136	162	138	5.7	6.7	5.8
Region Three	**163,613**	**163,419**	**162,949**	**154,482**	**153,481**	**153,143**	**9,131**	**9,938**	**9,806**	**5.6**	**6.1**	**6.0**
Aitkin	6,739	6,801	6,734	6,274	6,233	6,225	465	568	509	6.9	8.4	7.6
Carlton	17,669	17,692	17,548	16,701	16,585	16,512	968	1,107	1,036	5.5	6.3	5.9
Cook	2,966	2,944	2,951	2,786	2,749	2,730	180	195	221	6.1	6.6	7.5
Itasca	22,139	22,153	21,686	20,634	20,562	20,175	1,505	1,591	1,511	6.8	7.2	7.0
Koochiching	6,227	6,312	6,481	5,618	5,715	5,841	609	597	640	9.8	9.5	9.9
Lake	5,506	5,502	5,556	5,225	5,210	5,271	281	292	285	5.1	5.3	5.1
St. Louis	102,367	102,015	101,993	97,244	96,427	96,389	5,123	5,588	5,604	5.0	5.5	5.5
City of Duluth	45,785	45,689	45,715	43,941	43,572	43,555	1,844	2,117	2,160	4.0	4.6	4.7
Balance of St. Louis County	56,582	56,326	56,278	53,303	52,855	52,834	3,279	3,471	3,444	5.8	6.2	6.1
Region Four	**128,185**	**129,008**	**122,733**	**123,517**	**122,705**	**117,542**	**4,668**	**6,303**	**5,191**	**3.6**	**4.9**	**4.2**
Becker	17,988	18,062	17,706	17,145	16,941	16,764	843	1,121	942	4.7	6.2	5.3
Clay	36,529	36,825	35,337	35,451	35,426	34,119	1,078	1,399	1,218	3.0	3.8	3.4
Douglas	20,089	20,071	19,568	19,383	19,131	18,813	706	940	755	3.5	4.7	3.9
Grant	3,473	3,554	3,186	3,303	3,303	3,007	170	251	179	4.9	7.1	5.6
Otter Tail	31,670	31,836	30,384	30,373	30,014	28,882	1,297	1,822	1,502	4.1	5.7	4.9
Pope	6,533	6,551	6,002	6,314	6,254	5,774	219	297	228	3.4	4.5	3.8
Stevens	6,222	6,251	5,432	6,072	6,049	5,259	150	202	173	2.4	3.2	3.2
Traverse	1,813	1,896	1,593	1,736	1,783	1,512	77	113	81	4.2	6.0	5.1
Wilkin	3,868	3,962	3,525	3,740	3,804	3,412	128	158	113	3.3	4.0	3.2
Region Five	**82,399**	**82,756**	**80,998**	**77,653**	**76,526**	**75,607**	**4,746**	**6,230**	**5,391**	**5.8**	**7.5**	**6.7**
Cass	14,024	13,901	13,622	13,029	12,596	12,535	995	1,305	1,087	7.1	9.4	8.0
Crow Wing	30,793	30,485	31,185	29,055	28,228	29,202	1,738	2,257	1,983	5.6	7.4	6.4
Morrison	17,542	17,890	17,280	16,515	16,537	16,023	1,027	1,353	1,257	5.9	7.6	7.3
Todd	13,738	14,013	12,818	13,143	13,238	12,165	595	775	653	4.3	5.5	5.1
Wadena	6,302	6,467	6,093	5,911	5,927	5,682	391	540	411	6.2	8.4	6.7
Region Six East	**67,531**	**68,367**	**63,640**	**64,770**	**64,679**	**60,414**	**2,761**	**3,688**	**3,226**	**4.1**	**5.4**	**5.1**
Kandiyohi	24,742	25,017	23,507	23,840	23,764	22,412	902	1,253	1,095	3.6	5.0	4.7
McLeod	19,923	19,976	19,489	19,104	18,941	18,502	819	1,035	987	4.1	5.2	5.1
Meeker	13,552	13,740	12,657	12,955	12,913	12,014	597	827	643	4.4	6.0	5.1
Renville	9,314	9,634	7,987	8,871	9,061	7,486	443	573	501	4.8	5.9	6.3

*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

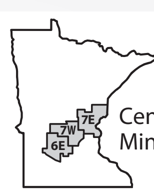
Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development,
Local Area Unemployment Statistics, and North Dakota Job Service, 2015.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Apr 2015	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014
Region Six West	**24,207**	**24,982**	**23,008**	**23,207**	**23,503**	**21,899**	**1,000**	**1,479**	**1,109**	**4.1**	**5.9**	**4.8**
Big Stone	2,637	2,746	2,492	2,523	2,573	2,369	114	173	123	4.3	6.3	4.9
Chippewa	7,133	7,352	6,860	6,857	6,916	6,525	276	436	335	3.9	5.9	4.9
Lac Qui Parle	3,745	3,896	3,582	3,595	3,665	3,399	150	231	183	4.0	5.9	5.1
Swift	5,082	5,220	4,711	4,820	4,882	4,467	262	338	244	5.2	6.5	5.2
Yellow Medicine	5,610	5,768	5,363	5,412	5,467	5,139	198	301	224	3.5	5.2	4.2
Region Seven East	**86,392**	**87,154**	**85,569**	**81,875**	**81,184**	**80,151**	**4,517**	**5,970**	**5,418**	**5.2**	**6.8**	**6.3**
Chisago	29,143	29,226	28,762	27,893	27,630	27,312	1,250	1,596	1,450	4.3	5.5	5.0
Isanti	20,544	20,646	20,401	19,662	19,469	19,262	882	1,177	1,139	4.3	5.7	5.6
Kanabec	8,969	9,136	8,873	8,297	8,205	8,101	672	931	772	7.5	10.2	8.7
Mille Lacs	12,979	13,147	12,854	12,165	12,068	11,883	814	1,079	971	6.3	8.2	7.6
Pine	14,757	14,999	14,679	13,858	13,812	13,593	899	1,187	1,086	6.1	7.9	7.4
Region Seven West	**232,358**	**233,693**	**230,170**	**223,437**	**222,296**	**219,932**	**8,921**	**11,397**	**10,238**	**3.8**	**4.9**	**4.4**
Benton	21,862	22,147	21,814	20,854	20,832	20,676	1,008	1,315	1,138	4.6	5.9	5.2
Sherburne	49,797	49,870	49,181	47,787	47,290	46,864	2,010	2,580	2,317	4.0	5.2	4.7
Stearns	88,610	89,463	88,073	85,402	85,430	84,450	3,208	4,033	3,623	3.6	4.5	4.1
Wright	72,089	72,213	71,102	69,394	68,744	67,942	2,695	3,469	3,160	3.7	4.8	4.4
Region Eight	**67,612**	**68,958**	**64,114**	**65,348**	**65,833**	**61,633**	**2,264**	**3,125**	**2,481**	**3.3**	**4.5**	**3.9**
Cottonwood	5,955	6,090	5,548	5,733	5,814	5,316	222	276	232	3.7	4.5	4.2
Jackson	6,607	6,711	6,131	6,347	6,444	5,923	260	267	208	3.9	4.0	3.4
Lincoln	3,490	3,609	3,217	3,361	3,408	3,062	129	201	155	3.7	5.6	4.8
Lyon	15,615	15,788	15,239	15,142	15,109	14,674	473	679	565	3.0	4.3	3.7
Murray	5,061	5,209	4,822	4,840	4,834	4,558	221	375	264	4.4	7.2	5.5
Nobles	11,700	11,897	11,091	11,330	11,440	10,709	370	457	382	3.2	3.8	3.4
Pipestone	5,207	5,322	4,662	5,056	5,072	4,476	151	250	186	2.9	4.7	4.0
Redwood	8,093	8,341	7,828	7,778	7,887	7,474	315	454	354	3.9	5.4	4.5
Rock	5,884	5,991	5,576	5,761	5,825	5,441	123	166	135	2.1	2.8	2.4
Region Nine	**132,174**	**134,413**	**129,283**	**127,146**	**128,096**	**123,604**	**5,028**	**6,317**	**5,679**	**3.8**	**4.7**	**4.4**
Blue Earth	39,254	39,783	38,775	38,075	38,376	37,429	1,179	1,407	1,346	3.0	3.5	3.5
Brown	14,552	14,794	13,975	13,913	13,919	13,266	639	875	709	4.4	5.9	5.1
Faribault	7,401	7,616	7,186	7,069	7,193	6,774	332	423	412	4.5	5.6	5.7
Le Sueur	15,987	16,170	15,653	15,160	15,093	14,712	827	1,077	941	5.2	6.7	6.0
Martin	10,327	10,552	10,070	9,883	10,027	9,603	444	525	467	4.3	5.0	4.6
Nicollet	20,111	20,399	19,765	19,573	19,765	19,163	538	634	602	2.7	3.1	3.0
Sibley	8,713	8,918	8,276	8,342	8,437	7,871	371	481	405	4.3	5.4	4.9
Waseca	9,485	9,610	9,525	9,077	9,104	9,044	408	506	481	4.3	5.3	5.0
Watonwan	6,344	6,571	6,058	6,054	6,182	5,742	290	389	316	4.6	5.9	5.2
Region Ten	**279,385**	**281,245**	**274,856**	**269,791**	**269,202**	**263,881**	**9,594**	**12,043**	**10,975**	**3.4**	**4.3**	**4.0**
Dodge	11,402	11,625	11,177	10,972	11,037	10,680	430	588	497	3.8	5.1	4.4
Fillmore	11,340	11,700	10,911	10,854	11,007	10,392	486	693	519	4.3	5.9	4.8
Freeborn	16,524	16,708	16,132	15,883	15,920	15,425	641	788	707	3.9	4.7	4.4
Goodhue	27,065	27,419	26,488	26,107	26,170	25,418	958	1,249	1,070	3.5	4.6	4.0
Houston	10,693	10,851	10,512	10,295	10,291	10,004	398	560	508	3.7	5.2	4.8
Mower	20,668	20,821	20,199	19,965	19,959	19,399	703	862	800	3.4	4.1	4.0
Olmsted	82,908	83,174	82,523	80,301	80,018	79,568	2,607	3,156	2,955	3.1	3.8	3.6
City of Rochester	60,943	61,118	60,694	59,020	58,812	58,482	1,923	2,306	2,212	3.2	3.8	3.6
Rice	35,763	35,637	35,061	34,539	34,098	33,561	1,224	1,539	1,500	3.4	4.3	4.3
Steele	20,675	20,735	20,817	19,965	19,865	19,944	710	870	873	3.4	4.2	4.2
Wabasha	12,046	12,310	11,644	11,571	11,709	11,130	475	601	514	3.9	4.9	4.4
Winona	30,301	30,265	29,392	29,339	29,128	28,360	962	1,137	1,032	3.2	3.8	3.5
Region Eleven	**1,657,304**	**1,646,571**	**1,635,200**	**1,601,517**	**1,583,191**	**1,573,543**	**55,787**	**63,380**	**61,657**	**3.4**	**3.8**	**3.8**
Anoka	191,971	191,043	189,574	184,902	182,795	181,646	7,069	8,248	7,928	3.7	4.3	4.2
Carver	54,654	54,497	53,684	52,875	52,406	51,723	1,779	2,091	1,961	3.3	3.8	3.7
Dakota	234,292	232,900	231,242	226,637	224,028	222,684	7,655	8,872	8,558	3.3	3.8	3.7
Hennepin	679,858	674,627	670,880	657,297	649,593	646,171	22,561	25,034	24,709	3.3	3.7	3.7
City of Bloomington	47,280	46,932	46,699	45,634	45,099	44,862	1,646	1,833	1,837	3.5	3.9	3.9
City of Minneapolis	230,784	229,053	227,674	223,079	220,464	219,303	7,705	8,589	8,371	3.3	3.7	3.7
Ramsey	280,362	278,454	276,601	270,432	267,319	265,742	9,930	11,135	10,859	3.5	4.0	3.9
City of St. Paul	154,059	152,940	151,863	148,361	146,653	145,788	5,698	6,287	6,075	3.7	4.1	4.0
Scott	78,561	78,187	77,530	76,076	75,220	74,719	2,485	2,967	2,811	3.2	3.8	3.6
Washington	137,606	136,863	135,689	133,298	131,830	130,858	4,308	5,033	4,831	3.1	3.7	3.6

Minneapolis/
St. Paul

Northeast
Minnesota

Northwest
Minnesota



Central
Minnesota

Southern
Minnesota

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

Overview

Minnesota had another month of strong growth in April as the state added 7,400 jobs (0.3 percent). The gain came entirely from the smaller goods producing segment of the labor market, as service providers lost 500 jobs. Construction had the lion's share of the growth (up 6,600 or 6.3 percent) with notable increases also appearing in Trade, Transportation, and Utilities (up 2,200, 0.4 percent). Annually, Minnesota added 46,114 jobs (1.7 percent). The only supersectors to lose employment were Mining and Logging, Information, which each lost less than 100 jobs, and Government, which lost 2,830 (0.7 percent). Supersectors with significant growth included Construction (up 4,828 or 5 percent) and Professional and Business Services (up 12,006 or 3.5 percent).

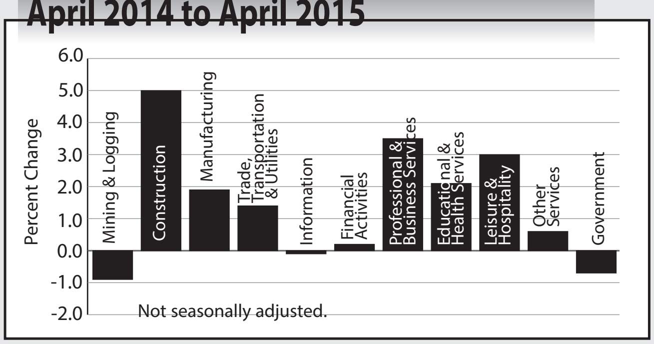
Mining and Logging

Employment in the Mining and Logging supersector was up by 400 jobs (5.7 percent) in April, seasonally adjusted. For the year, the supersector was down slightly, shedding 62 jobs (0.9 percent) from April of 2014.

Construction

Employment in the Construction industry jumped in April as the supersector added a seasonally adjusted 6,600 jobs (6.3 percent). While dramatic fluctuations are common in the spring and fall in Construction from seasonal changes, this represents an unusually large monthly employment increase for the supersector. The strong month was enough to move Construction into positive annual employment growth in April, as it supported 4,828 more jobs (5 percent) in 2015 than it had in the previous year. Most of that annual increase came from Specialty Trade Contractors, which added 4,016 jobs (6.6 percent), making it both the largest and the fastest-growing component sector in the group.

MN Employment Growth
April 2014 to April 2015



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

Manufacturing

Employment in Manufacturing grew slightly in April, up by 900 jobs (0.3 percent). The increase came entirely from Durable Goods Manufacturing, which added 1000 jobs (0.5 percent), while Non-Durable Goods Manufacturing lost 100 (0.1 percent). Employment increased by 5,891 (1.9 percent) over the year. The increase was shared by both durable and non-durable goods manufacturers, which grew by 2.5 and 0.9 percent, respectively. Food Manufacturing had the sharpest growth, up 2,099 jobs (4.7 percent).

Trade, Transportation, and Utilities

Trade, Transportation, and Utilities employment was up again in April, adding 2,200 jobs (0.4 percent). That marks the third straight month of seasonally adjusted increases in the supersector following a steep drop in January. Gains were spread between the component sectors, as Wholesale Trade added 300 jobs (0.2 percent), Retail Trade added 1,100 (0.4 percent), and Transportation, Warehousing, and Utilities added 800 (0.8 percent). Over the year, Trade, Transportation, and Utilities added 7,018 jobs (1.4 percent). Most of that came from the two trade sectors, which combined to add 6,859 jobs on the year. Notable component industries included Durable Goods Merchant Wholesalers, which added 2,019 jobs (3.1 percent), and Motor Vehicle and Parts Dealers, which added 1,497 (4.6 percent).

Information

The Information supersector lost 500 jobs (0.9 percent) in April, continuing to fluctuate between growth and contraction. The losses helped to push the supersector into slightly negative annual growth, as Information was down by 28 jobs (0.1 percent) from April 2014 estimates. The two published component sectors were down significantly, with Publishing Industries (except Internet) down 581 (2.8 percent) and Telecommunications down 130 (1 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

Financial Activities employment was up 400 jobs (0.2 percent) in April, its first month of growth since November 2014, when it added 2,000 seasonally adjusted jobs. The supersector lost 1,500 of that gain in the four intervening months, however. April's increases came from Real Estate and Rental and Leasing, which added 800 jobs (2.1 percent) to counteract the loss of 400 (0.3 percent) in Finance and Insurance. Employment in Financial Activities remains up for the year, with the supersector supporting 403 (0.2 percent) more jobs than it did in April 2014. Insurance Carriers are largely responsible for that increase, up by 1,156 jobs (2.7 percent) on the year.

Professional and Business Services

Professional and Business Services bounced back from a tough March by adding 3,400 jobs (0.9 percent) in April, erasing all of the previous month's losses. The majority of the new jobs were in Administrative and Support and Waste Management and Remediation Services, which added 2,900 jobs (2.1 percent) for the month, following a loss of 1,600 in March. Employment in the supersector also remains strong on an annual basis, up 12,006 (3.5 percent) over April 2014 estimates. Annual losses in Management of Companies and Enterprises (down 956 or 1.2 percent) were erased by large gains in Professional, Scientific, and Technical Services (up 4,555 or 3.2 percent) and Administrative and Support and Waste Management and Remediation Services (up 8,407, 6.5 percent).

Educational and Health Services

Employment in Educational and Health Services dipped in April, giving back some of the large employment gains from March by shedding 2,200 jobs (0.4 percent). Health Care and Social Assistance continued its four-month run of expansion, adding 1,900 jobs (0.4 percent), but those gains were overshadowed by a loss of 4,100 (6.0 percent) in Educational Services. The supersector remains strong on an annual basis, adding 10,692 jobs (2.1 percent) from April 2014. Most of that increase came from Health Care and Social Assistance, which added 9,982 jobs (2.3 percent) with significant increases in Ambulatory Health Care Services, Nursing and Residential Care Facilities, and Social Assistance overshadowing a small employment decline in Hospitals.

Leisure and Hospitality

Employment in Leisure and Hospitality dipped slightly in April, shedding 600 jobs (0.2 percent) on the heels of two months of job growth. The addition of 1,000 jobs (0.5 percent) in Accommodation and Food Services was erased by the loss of 1,600 (3.7 percent) in Arts, Entertainment, and Recreation. Employment remains up annually in the supersector, which was 7,490 jobs (3.0 percent) larger than in 2014.

Other Services

Other Services lost 700 jobs (0.6 percent) in April, giving back exactly half of the employment that was added in March. Annual employment was up by 706 jobs (0.6 percent) with two of three component sectors - Repair and Maintenance and Religious, Grantmaking, Civic, Professional, and Similar Organizations - adding employment on the year.

Government

Government employers lost 2,500 jobs in April with State and Local employers (down 500 and 2,000 jobs, respectively) shedding employment. The monthly losses also helped push the supersector into annual job losses, down 2,830 (0.7 percent) from April 2014 with State (down 2,678 or 3.8 percent) and Local Government Educational Services (down 1,771 or 1.2 percent) driving the losses.

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	April 2015	March 2015	February 2015
Total Nonagricultural	**2,852.0**	**2,844.6**	**2,837.0**
Goods-Producing	**435.9**	**428.0**	**427.7**
Mining and Logging	7.4	7.0	7.1
Construction	111.8	105.2	106.0
Manufacturing	316.7	315.8	314.6
Service-Providing	**2,416.1**	**2,416.6**	**2,409.3**
Trade, Transportation, and Utilities	522.4	520.2	519.1
Information	52.3	52.8	52.0
Financial Activities	178.7	178.3	178.5
Professional and Business Services	363.0	359.6	362.8
Educational and Health Services	506.6	508.8	504.0
Leisure and Hospitality	261.3	261.9	261.0
Other Services	113.9	114.6	113.2
Government	417.9	420.4	418.7

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 MSA increased dramatically in April, adding 24,129 jobs (1.3 percent) as hiring picked up with the warmer weather. Gains were led by three supersectors in particular. Mining, Logging, and Construction added 5,976 jobs (9.8 percent), Professional and Business Services added 6,536 (2.2 percent), and Leisure and Hospitality added 6,018 (3.5 percent). Annually, the metro added 34,145 jobs (1.8 percent). Professional and Business Services had the largest numerical and proportional gains, adding 11,165 new jobs (3.8 percent). Professional, Scientific, and Technical Services added 5,518 jobs (4.5 percent), and Administrative and Support and Waste Management and Remediation Services added 6,773 (6.7 percent), but the third major component sector, Management of Companies and Enterprises, remains down (off 1,126 or 1.6 percent). Other supersectors with notable growth included Educational and Health Services (up 8,621, 2.8 percent) and Leisure and Hospitality (up 5,726, 3.4 percent). Information remains the only supersector to shrink for the year, down 219 jobs (0.6 percent).

Duluth -Superior MSA

The Duluth-Superior MSA added 1,373 jobs in April (1.0 percent) after a relatively flat month in March. Mining, Logging, and Construction added 389 jobs (4.8 percent), Trade, Transportation, and Utilities added 363 (1.4 percent), and Leisure and Hospitality added 596 (4.7 percent). Five separate supersectors contracted in April, but none lost more than 20 total jobs. Annually, Duluth added 916 jobs (0.7 percent). This is the largest proportional over-the-year growth the MSA has had since June of 2014. Trade, Transportation, and Utilities, up 938 jobs (3.8 percent) had the largest total number of jobs added thanks in large part to an increase of 621 (4.1 percent) in Retail Trade. Educational and Health Services lost the largest number of jobs, down 508 or 1.6 percent. Financial Activities, which lost 176 jobs (3.1 percent), had the largest proportional decline.

Rochester MSA

Rochester employment was up 702 jobs (0.6 percent) in April. As was common in the state, growth was led in part by a sharp increase in Mining, Logging, and Construction employment (up 359 or 9.9 percent). Trade, Transportation, and Utilities also had significant growth, adding 225 jobs (1.3 percent) with expansion in all of its component industries. Over the year, Rochester added 719 jobs (0.6 percent), with Trade, Transportation, and Utilities and Mining, Logging, and Construction once again leading the way. Other supersectors with notable annual growth included Government (up 284 or 2.3 percent on the strength of an additional 221 Local Government jobs) and Information (up 77 or 3.9 percent), which is bucking the trend of statewide job losses. The most significant job losses occurred in Professional and Business Services, which shed 188 jobs (3.2 percent) from April of 2014.

St. Cloud MSA

Employment in the Saint Cloud MSA expanded in April as the metro added 711 jobs (0.7 percent). While Mining, Logging, and Construction again showed the greatest proportional growth (up 134 jobs or 2.5 percent), a number of other supersectors also contributed to the strong month. Manufacturing added 205 jobs (1.4 percent), Trade, Transportation, and Utilities added 221 (1.1 percent), and Professional and Business Services added 100 (1.2 percent). Despite strong statewide growth in Leisure and Hospitality, the supersector lost 108 jobs (1.2 percent) in St. Cloud. Over the year, employment in the MSA was mostly flat, down 21 total jobs (0.0 percent). Government was down 293 jobs (1.8 percent), and Leisure and Hospitality was down 123 (1.4 percent) following its weak April, but the biggest loss came in Professional and Business Services, which was down 818 jobs (9.1 percent) and is approaching 12 consecutive months with losses of greater than 3 percent. The largest numerical job growth belonged to Educational and Health Services, which added 737 jobs (3.5 percent).

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA was down in April as the MSA shed 125 jobs (0.2 percent). It was the only MSA in Minnesota to lose employment last month, as a loss of 250 jobs (0.5 percent) among service providers trumped a gain of 125 (1.3 percent) with goods producers. Annually, Mankato added 403 jobs (0.7 percent), mostly through goods producers, who added 347 (3.6 percent).

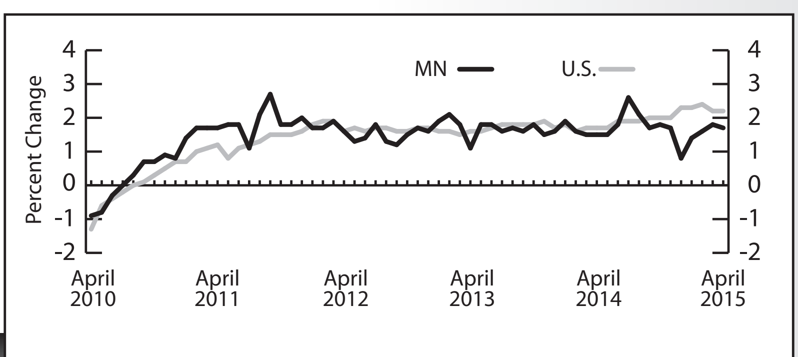
Fargo-Moorhead MSA

The Fargo-Moorhead MSA added 929 jobs (0.7 percent) in April. However, it was the only MSA to lose employment in Professional and Business Services (down 168 or 1.1 percent). Annually, Fargo-Moorhead added 3,937 jobs (2.9 percent) with gains in every supersector save Manufacturing (down 134, 1.3 percent) and Professional and Business Services (down 82, 0.5 percent).

Grand Forks-East Grand Forks MSA

The Grand Forks-East Grand Forks MSA added 735 jobs (1.3 percent) in April, with the usual suspects, Mining, Logging, and Construction and Trade, Transportation, and Utilities, leading the way. The employment picture also remains strong over the year with the MSA supporting 1,827 (3.2 percent) more jobs than in April 2014. The only supersectors to lose employment were Government (down 172 or 1.2 percent) and Educational and Health Services (down 155 or 1.6 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) Apr 2015	Mar 2015	Apr 2014	Percent Change From** Mar 2015	Apr 2014	Production Workers Hours and Earnings: Average Weekly Earnings Apr 2015	Apr 2014	Average Weekly Hours Apr 2015	Apr 2014	Average Hourly Earnings Apr 2015	Apr 2014
TOTAL NONFARM WAGE AND SALARY	**2,833.3**	**2,796.2**	**2,787.2**	**1.3%**	**1.7%**	—	—	—	—	—	—
GOODS-PRODUCING	**421.5**	**407.0**	**410.8**	**3.6**	**2.6**	—	—	—	—	—	—
Mining and Logging	**6.8**	**6.7**	**6.8**	**0.1**	**-0.9**	—	—	—	—	—	—
Construction	**101.3**	**88.6**	**96.5**	**14.3**	**5.0**	—	—	—	—	—	—
Specialty Trade Contractors	65.0	56.3	61.0	15.5	6.6	$ 1,119.09	$1,176.53	36.8	38.6	$30.41	$30.48
Manufacturing	**313.4**	**311.7**	**307.6**	**0.6**	**1.9**	**794.79**	**814.85**	**39.7**	**41.3**	**20.02**	**19.73**
Durable Goods	201.1	199.5	196.2	0.8	2.5	796.00	822.50	40.0	41.9	19.90	19.63
Wood Product Manufacturing	10.4	10.2	10.4	2.0	0.2	—	—	—	—	—	—
Fabricated Metal Production	43.5	42.9	42.3	1.4	2.9	—	—	—	—	—	—
Machinery Manufacturing	32.9	32.8	32.0	0.4	2.8	—	—	—	—	—	—
Computer and Electronic Product	45.4	45.5	44.9	-0.4	1.2	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.5	25.5	25.0	0.1	2.1	—	—	—	—	—	—
Transportation Equipment	11.3	11.4	11.4	-1.5	-1.0	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.6	15.6	15.4	0.0	0.9	—	—	—	—	—	—
Nondurable Goods	112.4	112.1	111.4	0.2	0.9	795.04	803.96	39.3	40.4	20.23	19.90
Food Manufacturing	46.5	46.3	44.4	0.3	4.7	—	—	—	—	—	—
Paper Manufacturing	31.9	32.3	33.2	-1.0	-3.8	—	—	—	—	—	—
Printing and Related	23.0	23.2	23.9	-0.6	-3.4	—	—	—	—	—	—
SERVICE-PROVIDING	**2,411.8**	**2,389.2**	**2,376.4**	**1.0**	**1.5**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**517.3**	**510.7**	**510.3**	**1.3**	**1.4**	—	—	—	—	—	—
Wholesale Trade	133.1	132.1	130.7	0.8	1.9	931.76	975.43	39.7	38.8	23.47	25.14
Retail Trade	288.4	283.3	284.0	1.8	1.5	405.53	388.35	27.7	27.7	14.64	14.02
Motor Vehicle and Parts	34.1	33.4	32.6	2.0	4.6	—	—	—	—	—	—
Building Material and Garden Equipment	26.3	24.6	26.2	6.7	0.4	—	—	—	—	—	—
Food and Beverage Stores	50.7	50.3	50.2	0.8	1.1	—	—	—	—	—	—
Gasoline Stations	23.9	23.7	23.6	0.9	1.2	—	—	—	—	—	—
General Merchandise Stores	60.3	59.5	59.3	1.2	1.6	299.74	298.48	27.2	28.0	11.02	10.66
Transportation,Warehouse, Utilities	95.8	95.3	95.6	0.4	0.2	—	—	—	—	—	—
Transportation and Warehousing	82.7	82.4	82.9	0.4	-0.2	670.80	608.65	34.4	36.1	19.50	16.86
Information	**52.3**	**52.7**	**52.3**	**-0.8**	**-0.1**	**834.11**	**807.71**	**36.6**	**34.8**	**22.79**	**23.21**
Publishing Industries	20.1	20.1	20.7	0.0	-2.8	—	—	—	—	—	—
Telecommunications	13.2	13.2	13.4	0.1	-1.0	—	—	—	—	—	—
Financial Activities	177.7	177.0	177.3	0.4	0.2	—	—	—	—	—	—
Finance and Insurance	139.6	140.0	138.7	-0.3	0.6	866.22	951.91	34.9	35.4	24.82	26.89
Credit Intermediation	54.2	54.1	54.9	0.3	-1.2	687.08	749.34	34.2	34.5	20.09	21.72
Securities, Commodity Contracts, and Other	18.6	18.5	18.4	0.4	0.9	—	—	—	—	—	—
Insurance Carriers and Related	65.7	65.6	64.1	0.1	2.5	—	—	—	—	—	—
Real Estate and Rental and Leasing	38.1	37.0	38.6	3.1	-1.2	—	—	—	—	—	—
Professional and Business Services	**359.5**	**351.4**	**347.4**	**2.3**	**3.5**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	145.4	144.1	140.8	0.9	3.2	—	—	—	—	—	—
Legal Services	17.8	17.8	18.1	0.2	-1.4	—	—	—	—	—	—
Accounting, Tax Preparation	19.5	19.5	18.2	-0.1	7.4	—	—	—	—	—	—
Computer Systems Design	36.7	35.8	33.5	2.3	9.3	—	—	—	—	—	—
Management of Companies and Enterprises	77.0	76.8	78.0	0.2	-1.2	—	—	—	—	—	—
Administrative and Support Services	137.0	130.4	128.6	5.1	6.5	—	—	—	—	—	—
Educational and Health Services	**511.5**	**510.2**	**500.8**	**0.2**	**2.1**	—	—	—	—	—	—
Educational Services	70.2	71.2	69.5	-1.4	1.0	—	—	—	—	—	—
Health Care and Social Assistance	441.2	439.1	431.3	0.5	2.3	—	—	—	—	—	—
Ambulatory Health Care	142.7	141.8	137.6	0.6	3.7	1,258.30	1,211.04	35.9	34.8	35.05	34.80
Offices of Physicians	67.0	66.9	66.1	0.1	1.4	—	—	—	—	—	—
Hospitals	105.5	105.3	105.6	0.2	-0.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	107.3	107.3	105.6	0.0	1.6	432.80	421.56	28.7	29.5	15.08	14.29
Social Assistance	85.8	84.6	82.5	1.4	4.0	—	—	—	—	—	—
Leisure and Hospitality	**255.0**	**246.5**	**247.5**	**3.5**	**3.0**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	40.1	38.0	37.2	5.6	7.7	—	—	—	—	—	—
Accommodation and Food Services	214.9	208.5	210.3	3.1	2.2	—	—	—	—	—	—
Food Services and Drinking Places	188.5	183.5	184.8	2.7	2.0	252.56	242.55	20.5	21.0	12.32	11.55
Other Services	**113.3**	**114.8**	**112.6**	**-1.3**	**0.6**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	63.5	64.0	62.7	-0.7	1.3	—	—	—	—	—	—
Government	**425.4**	**425.8**	**428.2**	**-0.1**	**-0.7**	—	—	—	—	—	—
Federal Government	31.4	31.2	31.3	0.7	0.4	—	—	—	—	—	—
State Government	106.2	105.6	108.3	0.6	-1.9	—	—	—	—	—	—
State Government Education	67.4	67.0	70.1	0.7	-3.8	—	—	—	—	—	—
Local Government	287.7	289.0	288.6	-0.4	-0.3	—	—	—	—	—	—
Local Government Education	144.3	145.4	146.1	-0.7	-1.2	—	—	—	—	—	—

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	
	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014	Apr 2015	Apr 2014	Apr 2015	Apr 2014	Apr 2015	Apr 2014
TOTAL NONFARM WAGE AND SALARY	**1,912.6**	**1,888.5**	**1,878.5**	**1.3%**	**1.8%**	—	—	—	—	—	—
GOODS-PRODUCING	**258.9**	**253.0**	**252.5**	**2.4**	**2.6**	—	—	—	—	—	—
Mining, Logging, and Construction	**66.8**	**60.8**	**64.7**	**9.8**	**3.2**	—	—	—	—	—	—
Construction of Buildings	15.6	15.2	15.5	2.6	0.7	—	—	—	—	—	—
Specialty Trade Contractors	45.9	42.6	42.1	7.8	9.0	$1,187.63	$1,211.20	37.3	38.1	$31.84	$31.79
Manufacturing	**192.1**	**192.1**	**187.8**	**0.0**	**2.3**	**840.40**	**845.21**	**40.0**	**41.8**	**21.01**	**20.23**
Durable Goods	131.6	131.5	128.5	0.1	2.4	829.85	861.15	40.5	42.6	20.49	20.21
Fabricated Metal Production	29.8	29.5	28.8	0.9	3.3	—	—	—	—	—	—
Machinery Manufacturing	20.2	20.1	19.8	0.4	2.1	—	—	—	—	—	—
Computer and Electronic Product	36.3	36.5	35.7	-0.5	1.5	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.8	23.7	23.3	0.1	2.0	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.3	14.3	13.9	-0.2	2.6	—	—	—	—	—	—
Nondurable Goods	60.6	60.6	59.2	-0.2	2.2	864.11	814.55	39.1	39.9	22.10	20.42
Food Manufacturing	14.8	14.8	14.2	0.3	4.7	—	—	—	—	—	—
Printing and Related	15.1	15.2	15.4	-0.7	-1.9	—	—	—	—	—	—
SERVICE-PROVIDING	**1,653.7**	**1,635.6**	**1,626.0**	**1.1**	**1.7**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**341.5**	**338.1**	**339.2**	**1.0**	**0.7**	—	—	—	—	—	—
Wholesale Trade	96.9	96.7	95.4	0.2	1.6	931.41	915.51	39.3	38.3	23.70	23.91
Merchant Wholesalers - Durable Goods	48.4	47.9	46.7	1.0	3.8	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	27.6	27.3	27.6	1.1	0.1	—	—	—	—	—	—
Retail Trade	177.6	175.0	178.3	1.5	-0.4	439.06	415.12	29.0	29.1	15.14	14.28
Food and Beverage Stores	30.4	30.1	29.5	0.9	2.8	—	—	—	—	—	—
General Merchandise Stores	38.0	37.4	37.0	1.7	2.7	313.22	319.98	28.5	29.6	10.99	10.81
Transportation, Warehouse, Utilities	67.0	66.5	65.5	0.8	2.2	—	—	—	—	—	—
Utilities	7.9	7.9	7.7	0.6	3.1	—	—	—	—	—	—
Transportation and Warehousing	59.1	58.6	57.9	0.8	2.0	760.41	838.84	37.7	44.9	20.17	18.67
Information	**39.3**	**39.3**	**39.5**	**0.0**	**-0.6**						
Publishing Industries	16.2	16.2	16.5	0.3	-1.7	—	—	—	—	—	—
Telecommunications	9.7	9.7	9.8	0.3	-0.9	—	—	—	—	—	—
Financial Activities	**145.2**	**144.1**	**144.7**	**0.8**	**0.4**	—	—	—	—	—	—
Finance and Insurance	113.7	113.3	112.5	0.4	1.1	860.27	1,081.16	33.1	35.7	25.99	30.31
Credit Intermediation	39.2	38.8	39.5	1.0	-0.6	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	16.4	16.3	16.6	0.6	-1.2	—	—	—	—	—	—
Insurance Carriers and Related	55.7	55.3	55.2	0.6	0.8	—	—	—	—	—	—
Real Estate and Rental and Leasing	31.5	30.8	32.2	2.1	-2.2	—	—	—	—	—	—
Professional and Business Services	**304.2**	**297.7**	**293.0**	**2.2**	**3.8**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	126.8	125.8	121.3	0.8	4.5	—	—	—	—	—	—
Legal Services	15.1	15.1	15.3	-0.1	-1.3	—	—	—	—	—	—
Architectural, Engineering, and Related	16.5	16.4	16.0	1.0	3.4	—	—	—	—	—	—
Computer Systems Design	32.5	32.0	31.0	1.5	4.9	—	—	—	—	—	—
Management of Companies and Enterprises	69.7	69.5	70.8	0.3	-1.6	—	—	—	—	—	—
Administrative and Support Services	107.7	102.3	100.9	5.2	6.7	—	—	—	—	—	—
Employment Services	51.4	49.4	48.3	3.9	6.4	—	—	—	—	—	—
Educational and Health Services	**316.8**	**314.6**	**308.2**	**0.7**	**2.8**	—	—	—	—	—	—
Educational Services	47.3	47.3	46.3	0.1	2.1	—	—	—	—	—	—
Health Care and Social Assistance	269.5	267.4	261.8	0.8	2.9	—	—	—	—	—	—
Ambulatory Health Care	87.0	86.1	83.4	1.1	4.3	—	—	—	—	—	—
Hospitals	62.2	62.0	62.2	0.3	0.1	—	—	—	—	—	—
Nursing and Residential Care Facilities	59.4	59.3	58.2	0.1	2.1	—	—	—	—	—	—
Social Assistance	60.9	60.0	58.1	1.5	4.8	—	—	—	—	—	—
Leisure and Hospitality	**176.4**	**170.4**	**170.7**	**3.5**	**3.4**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	30.0	27.5	29.6	9.1	1.1	—	—	—	—	—	—
Accommodation and Food Services	146.5	142.9	141.1	2.5	3.8	272.44	288.34	21.9	23.3	12.44	12.37
Food Services and Drinking Places	133.2	130.7	127.6	1.9	4.4	267.33	282.47	21.2	22.7	12.61	12.46
Other Services	**78.6**	**79.8**	**78.8**	**-1.5**	**-0.3**	—	—	—	—	—	—
Repair and Maintenance	14.3	14.4	14.0	-1.2	1.6	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.3	43.1	42.3	-1.8	0.0	—	—	—	—	—	—
Government	**251.8**	**251.6**	**251.9**	**0.1**	**-0.1**	—	—	—	—	—	—
Federal Government	20.6	20.4	20.5	0.7	0.5	—	—	—	—	—	—
State Government	72.0	70.8	72.4	1.8	-0.5	—	—	—	—	—	—
State Government Education	45.8	44.6	46.7	2.7	-2.0						
Local Government	159.2	160.4	159.1	-0.7	0.1						
Local Government Education	89.6	90.1	90.7	-0.6	-1.2						

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			% Chg. From		Rochester MSA Jobs			% Chg. From	
	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014
TOTAL NONFARM WAGE AND SALARY	**134,171**	**132,798**	**133,255**	**1.0%**	**0.7%**	**114,034**	**113,332**	**113,315**	**0.6%**	**0.6%**
GOODS-PRODUCING	**15,662**	**15,249**	**15,472**	**2.7**	**1.2**	**14,745**	**14,308**	**14,420**	**3.1**	**2.3**
Mining, Logging, and Construction	8,523	8,134	8,298	4.8	2.7	3,997	3,638	3,752	9.9	6.5
Manufacturing	7,139	7,115	7,174	0.3	-0.5	10,748	10,670	10,668	0.7	0.7
SERVICE-PROVIDING	**118,509**	**117,549**	**117,783**	**0.8**	**0.6**	**99,289**	**99,024**	**98,895**	**0.3**	**0.4**
Trade, Transportation, and Utilities	25,473	25,110	24,535	1.4	3.8	17,564	17,339	17,526	1.3	0.2
Wholesale Trade	3,358	3,324	3,345	1.0	0.4	2,615	2,530	2,602	3.4	0.5
Retail Trade	15,605	15,432	14,984	1.1	4.1	11,910	11,797	12,058	1.0	-1.2
Transportation, Warehouse, Utilities	6,510	6,354	6,206	2.5	4.9	3,039	3,012	2,866	0.9	6.0
Information	1,401	1,420	1,386	-1.3	1.1	2,074	2,037	1,997	1.8	3.9
Financial Activities	5,423	5,442	5,599	-0.3	-3.1	2,780	2,759	2,725	0.8	2.0
Professional and Business Services	8,423	8,408	8,406	0.2	0.2	5,643	5,610	5,831	0.6	-3.2
Educational and Health Services	31,320	31,332	31,828	0.0	-1.6	44,980	44,897	44,944	0.2	0.1
Leisure and Hospitality	13,165	12,569	12,933	4.7	1.8	9,938	9,973	9,891	-0.4	0.5
Other Services	6,242	6,198	5,877	0.7	6.2	3,648	3,664	3,603	-0.4	1.2
Government	27,062	27,070	27,219	0.0	-0.6	12,662	12,745	12,378	-0.7	2.3

Employer Survey

Industry	St. Cloud MSA Jobs			% Chg. From		Mankato-North Mankato MSA Jobs			% Chg. From	
	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014
TOTAL NONFARM WAGE AND SALARY	**106,578**	**105,867**	**106,599**	**0.7%**	**0.0%**	**55,560**	**55,685**	**55,157**	**-0.2**	**0.7%**
GOODS-PRODUCING	**20,830**	**20,491**	**20,340**	**1.7**	**2.4**	**10,043**	**9,918**	**9,696**	**1.3**	**3.6**
Mining, Logging, and Construction	5,533	5,399	5,274	2.5	4.9	--	--	--	--	--
Manufacturing	15,297	15,092	15,066	1.4	1.5	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**85,748**	**85,376**	**86,259**	**0.4**	**-0.6**	**45,517**	**45,767**	**45,461**	**-0.5**	**0.1**
Trade, Transportation, and Utilities	21,196	20,975	21,297	1.1	-0.5	--	--	--	--	--
Wholesale Trade	4,580	4,528	4,412	1.1	3.8	--	--	--	--	--
Retail Trade	12,786	12,661	13,077	1.0	-2.2	--	--	--	--	--
Transportation, Warehouse, Utilities	3,830	3,786	3,808	1.2	0.6	--	--	--	--	--
Information	1,559	1,565	1,640	-0.4	-4.9	--	--	--	--	--
Financial Activities	4,794	4,781	4,683	0.3	2.4	--	--	--	--	--
Professional and Business Services	8,134	8,034	8,952	1.2	-9.1	--	--	--	--	--
Educational and Health Services	21,849	21,794	21,112	0.3	3.5	--	--	--	--	--
Leisure and Hospitality	8,644	8,752	8,767	-1.2	-1.4	--	--	--	--	--
Other Services	3,714	3,692	3,657	0.6	1.6	--	--	--	--	--
Government	15,858	15,783	16,151	0.5	-1.8	9,461	9,469	9,471	-0.1	-0.1

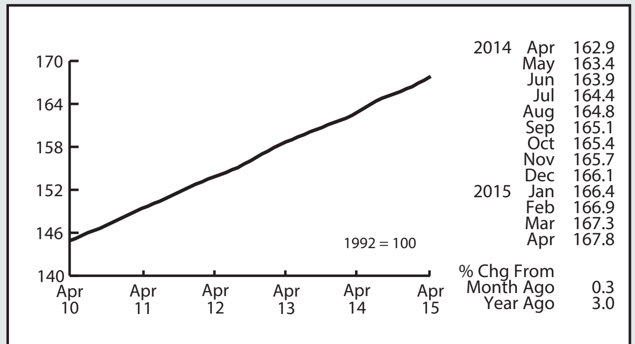
Employer Survey

Industry	Fargo-Moorhead MSA Jobs			% Chg. From		Grand Forks-East Grand Forks MSA Jobs			% Chg. From	
	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014	Apr 2015	Mar 2015	Apr 2014	Mar 2015	Apr 2014
TOTAL NONFARM WAGE AND SALARY	**139,658**	**138,729**	**135,721**	**0.7%**	**2.9%**	**58,213**	**57,478**	**56,386**	**1.3%**	**3.2%**
GOODS-PRODUCING	**18,268**	**17,811**	**18,037**	**2.6**	**1.3**	**6,948**	**6,530**	**6,425**	**6.4**	**8.1**
Mining, Logging, and Construction	8,226	7,844	7,861	4.9	4.6	2,958	2,649	2,623	11.7	12.8
Manufacturing	10,042	9,967	10,176	0.8	-1.3	3,990	3,881	3,802	2.8	4.9
SERVICE-PROVIDING	**121,390**	**120,918**	**117,684**	**0.4**	**3.2**	51,265	50,948	49,961	0.6	2.6
Trade, Transportation, and Utilities	30,990	30,853	29,733	0.4	4.2	13,536	13,265	12,383	2.0	9.3
Wholesale Trade	9,343	9,218	9,008	1.4	3.7	2,096	1,980	1,970	5.9	6.4
Retail Trade	16,643	16,661	15,586	-0.1	6.8	9,160	9,026	8,324	1.5	10.0
Transportation, Warehouse, Utilities	5,004	4,974	5,139	0.6	-2.6	2,280	2,259	2,089	0.9	9.1
Information	3,240	3,323	3,258	-2.5	-0.6	605	612	590	-1.1	2.5
Financial Activities	10,755	10,675	10,262	0.8	4.8	1,768	1,777	1,715	-0.5	3.1
Professional and Business Services	15,799	15,967	15,881	-1.1	-0.5	3,139	3,120	2,901	0.6	8.2
Educational and Health Services	21,759	21,669	21,648	0.4	0.5	9,423	9,429	9,578	-0.1	-1.6
Leisure and Hospitality	14,625	14,349	13,470	1.9	8.6	6,069	5,989	5,937	1.3	2.2
Other Services	5,395	5,311	5,277	1.6	2.2	2,146	2,136	2,106	0.5	1.9
Government	18,827	18,771	18,155	0.3	3.7	14,579	14,620	14,751	-0.3	-1.2

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

Minnesota Economic Indicators

Highlights



Source: The Federal Reserve Bank of Philadelphia, 2015

Minnesota Index

The **Minnesota Index** rose 0.3 percent for the third straight month, indicating that Minnesota's economy has picked up speed from the end of last year. Minnesota's index has increased faster than the U.S. index, which climbed 0.2 percent in April, for three consecutive months after lagging the U.S. index for almost all of 2014.

Minnesota has recorded solid wage and salary employment growth for the third month in a row, and unemployment dropped 0.1 percentage point to advance the index in April. The drop in unemployment last month occurred despite more people looking for jobs as labor force growth picked up. Acceleration in labor force growth plus job growth is a very positive sign that Minnesota's economy is off to a good start in 2015. Labor force participation for the state reached 70.7 percent, the highest level since October 2011. Minnesota's index was up 3.0 percent from last April, while the U.S. index was up 3.6 from a year ago.

Adjusted **Wage and Salary Employment** jumped sharply for the third month in a row in April, increasing by 7,400 jobs even though 2,500 jobs were cut in the public sector. Private sector payrolls increased strongly for the third straight month in April with hiring led by Construction, Professional and Business Services, and Trade, Transportation, and Utilities. Construction employment soared, recording its largest monthly gain over the last 25 years. Four other sectors besides Government reduced their workforces with Educational and Health Services cutting the most jobs after Government. Minnesota has added 21,300 private sector jobs during the first four months of 2015 compared to 15,600 last year.

Minnesota's unadjusted over-the-year job growth slipped slightly to 1.7 percent in April compared to the national increase of 2.2 percent. Minnesota's job growth on a year-over-year basis hasn't been higher than the U.S. rate since July 2014.

Minnesota's adjusted online **Help-Wanted Ads** declined by 4.8 percent in April. The decline was the steepest drop in over a year, but April's level was 14.7 percent above a year ago as online help-wanted advertising remains strong in the state. Help-wanted ad levels nationally slipped 1.9 percent for the month but were up 7.2 percent from a year ago. Minnesota online help-wanted ads accounted for 2.5 percent of ads nationwide compared to the 2.0 percent share of U.S. wage and salary employment Minnesota holds.

Minnesota's **Purchasing Managers' Index (PMI)** inched up to 51.3 in April after plummeting in March. The average reading for the last two months is the lowest two-month average since November 2012. Minnesota's index has slipped below the U.S. PMI over the last two months, ending 15 straight months of topping the U.S. index. The below U.S. readings suggest that Minnesota's economy will grow slower than the rest of the U.S. over the next few months. Minnesota's stronger PMI readings in 2014, however, did not translate into stronger job growth last year for the state. Minnesota's annual average job growth last year was 1.3 percent compared to the U.S. rate of 1.9 percent.

Adjusted **Manufacturing Hours** plummeted in April which is consistent with the slowdown warning issued by the recent drop in the state's PMI. April's 39.9 hour factory workweek was the lowest in five years. The 45-year average for non-recession months is 40.6 hours and 39.7 hours for recession months. The stronger U.S. dollar may be behind the drop in hours as Minnesota manufacturers experience challenging export markets. **Manufacturing Earnings** tumbled with wages declining steeply to $792.04. That is the lowest manufacturing paycheck in real terms since December 2012. Real factory paychecks have been lower than a year ago for eight straight months.

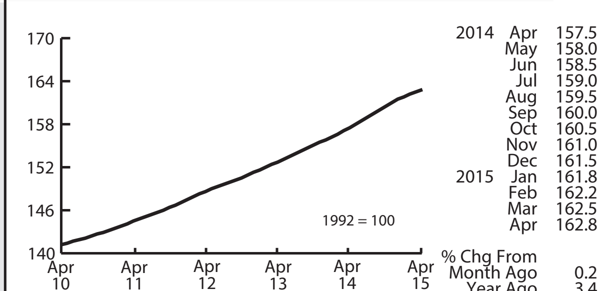
The **Minnesota Leading Index** is indicating the opposite of manufacturing hours and the PMI index. The state's leading index increased in April to its highest level since April 2014. April's 2.26 reading implies that Minnesota's economy will grow by 2.1 percent over the next six months.

Adjusted **Residential Building Permits** were disappointing in April, declining 12.4 percent to the lowest level in five months. Minnesota's home-building recovery, like the nation's, continues to be bumpy.

Adjusted **Initial Claims for Unemployment Benefits (UB)** tailed off for the second month in a row and continue to run below last year's levels. The low initial claims level continues to signal that Minnesota's job growth will continue to be solid over the next few months.

by Dave Senf

United States Index

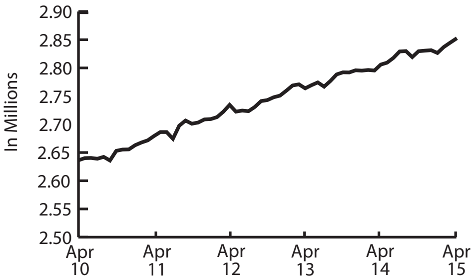


Source: The Federal Reserve Bank of Philadelphia, 2015

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

2014	Nov	2.8306
	Dec	2.8314
2015	Jan	2.8265
	Feb	2.8370
	Mar	2.8446
	Apr	2.8520

% Chg From Month Ago 0.3

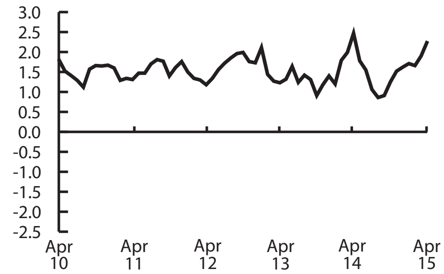
unadjusted

2014	Apr	2,787.2
2015	Apr	2,833.3

% Chg From Year Ago 1.7%

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

Minnesota Leading Index

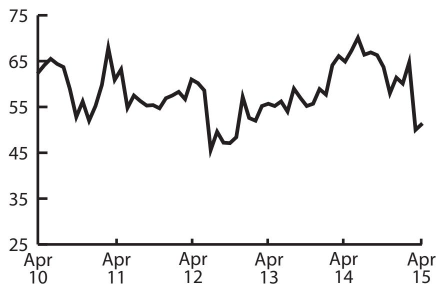


2014	Apr	2.47
	May	1.78
	Jun	1.55
	Jul	1.06
	Aug	0.86
	Sep	0.91
	Oct	1.25
	Nov	1.52
	Dec	1.62
2015	Jan	1.71
	Feb	1.66
	Mar	1.90
	Apr	2.26

% Chg From Month Ago 19.5
Year Ago -8.3

Source: The Federal Reserve Bank of Philadelphia, 2015

Purchasing Managers' Index

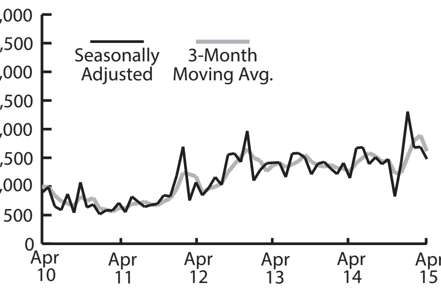


2014	Apr	64.9
	May	67.3
	Jun	70.1
	Jul	66.4
	Aug	66.9
	Sep	66.3
	Oct	63.7
	Nov	58.0
	Dec	61.4
2015	Jan	60.1
	Feb	64.7
	Mar	50.0
	Apr	51.3

% Chg From Month Ago 2.6
Year Ago -21.0

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

Residential Building Permits



seasonally adjusted

2014	Nov	825
	Dec	1,419
2015	Jan	2,307
	Feb	1,680
	Mar	1,688
	Apr	1,478

% Chg From Month Ago -12.4

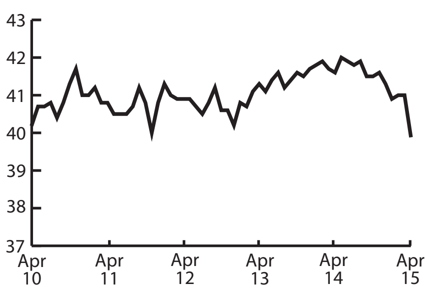
unadjusted

2014	Apr	1,082
2015	Apr	1,324

% Chg From Year Ago 22.4%

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

Average Weekly Manufacturing Hours



seasonally adjusted

2014	Nov	41.6
	Dec	41.3
2015	Jan	40.9
	Feb	41.0
	Mar	41.0
	Apr	39.9

% Chg From Month Ago -2.7

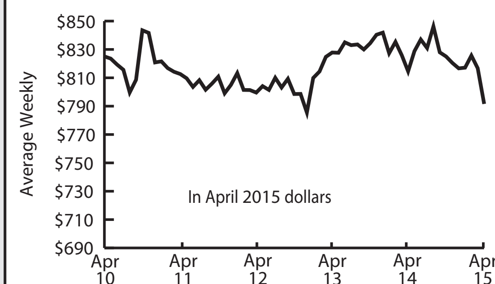
unadjusted

2014	Apr	41.3
2015	Apr	39.7

% Chg From Year Ago -3.9%

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

Manufacturing Earnings



seasonally adjusted

2014	Nov	820.46
	Dec	816.65
2015	Jan	817.15
	Feb	825.68
	Mar	816.74
	Apr	792.04

% Chg From Month Ago -3.0

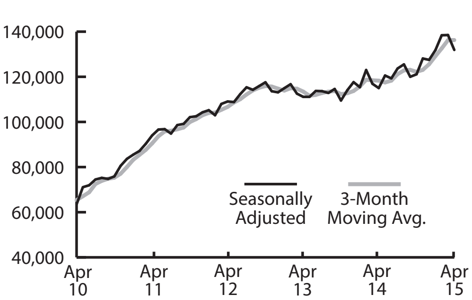
unadjusted

2014	Apr	814.85
2015	Apr	794.79

% Chg From Year Ago -2.5%

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

Online Help-Wanted Advertising

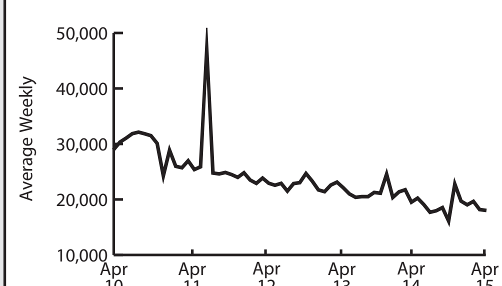


2014	Apr	118,300
	May	117,487
	Jun	118,287
	Jul	121,187
	Aug	122,833
	Sep	123,067
	Oct	122,200
	Nov	123,067
	Dec	125,567
2015	Jan	129,133
	Feb	132,567
	Mar	136,233
	Apr	136,267

% Chg From Month Ago 0.0
Year Ago 15.2

Source: The Conference Board Inc., 2015

Initial UB Claimants



seasonally adjusted

2014	Nov	22,765
	Dec	19,704
2015	Jan	19,036
	Feb	19,654
	Mar	18,176
	Apr	18,033

% Chg From Month Ago -0.8

unadjusted

2014	Apr	20,112
2015	Apr	17,729

% Chg From Year Ago -11.8%

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

M nnesota Employment Review

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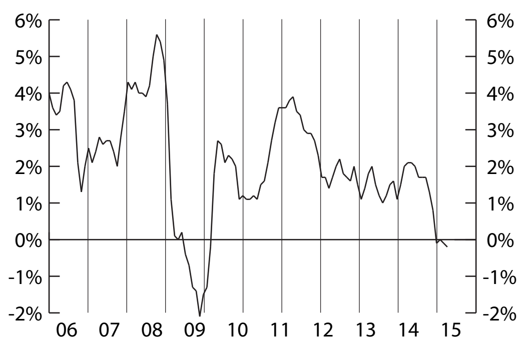
U.S. Consumer Price Index for All Urban Consumers (CPI-U)



The Consumer Price Index for All Urban Consumers increased 0.1 percent in April on a seasonally adjusted basis the BLS reported. The index for all items less food and energy rose 0.3 percent. The index for shelter also rose. The energy index declined in April, while the food index was unchanged. The all items index declined 0.2 percent for the 12 months ending April. The decline was driven by the energy index, which fell 19.4 percent over the last 12 months. The food index rose 2.0 percent over the last year, and the index for all items less food and energy rose 1.8 percent.

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?

Get ready for MN Vets Career Fair — July 15

The Minnesota Veterans Career Fair, the largest event of its kind in the state, is on deck for 10 a.m. to 3 p.m., Wed., July 15. If you're a U.S. military veteran seeking a job or career, you won't want to miss this opportunity to connect with employers and educational institutions and attend job search workshops.

The Career Fair will be held at the Earle Brown Heritage Center, 6155 Earle Brown Drive, Brooklyn Center and will offer workshops that include: Learn how to be a federal employee, boot camp to business, and social media and job search.

For more details, go to: http://mn.gov/deed/events/VCF15/

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LAUS Annual Revisions

The unemployment rate calculation in this country is a national achievement — we have a consistent, comparable time series of unemployment data for the entire country going back to 1948. No other nation in the world has tracked employment information that long — even Eurostat, the European Union's statistical agency, only publishes data back to 1990, although individual countries may have a comparable series going further back. Although it may sound trivial, this allows us to analyze trends through many generations. For example, having data on labor force participation for women as they were pushed out of the workforce following World War II and then again as they made gains in the 80s and 90s gives us a much clearer picture of social behavior than is available in many places in the world. The trouble with having such a long history is that to continue it you have to keep producing data the same way. Even as technology changes and the questions of interest to researchers and the public evolve, the core of the survey and methods must remain the same and changes have to be carefully considered and tested. The data series for Minnesota is not as long or storied, but because it's a part of the same program, we have to ensure it's consistent in methods and reliability.

Every year the unemployment rates are replaced with new numbers for all areas smaller than the U.S. The Current Population Survey (CPS) is the source of unemployment rate data for the U.S . — it's designed to be statistically reliable and available quickly enough to support a data release less than a month after the reference week. According to the Census Bureau, "The CPS has one of the highest response rates among government household surveys, averaging around 90 percent. This rate is calculated after excluding those housing units that are either unoccupied (vacant, under construction) or occupied solely by persons not eligible for interview." Unfortunately, the procedures that keep that response rate so high also make the survey very expensive. While the sample is stratified to ensure coverage in all states, in most states the Bureau of Labor Statistics (BLS) has opted to use a statistical model to improve reliability in lieu of expanding sample size. The core of this model is still the CPS, but significant economic events that are more apparent in the Current Employment Statistics (CES) survey of employers or in Unemployment Insurance claims counts derived from administrative data are given some weight — how much varies from state to state based on its own sample size. Additionally, state employment and unemployment are ratio-adjusted to sum to regional and national totals — this ensures consistency throughout the nation and with the core national series.

The statistical models depend on the historical series and the other data programs — CES and Unemployment Insurance. While both of those programs make data available to the LAUS program in time to make the monthly deadline, they also revise data as time goes on to get a more accurate series. Claims are contested or filed late, so counts for the reference period can change depending on when you extract them. The CES is a survey of employers — some reporters file their forms, but do it late. The response rate improves the longer you wait, so there's a monthly revision to pull in more of that data. It's also benchmarked against the Quarterly Census of Employment and Wages (QCEW), a program that collects employment counts from all employers who pay into the Unemployment

Insurance program, which in Minnesota is about 97 percent of firms. Those data are released only much later — they lag by six to nine months. Incorporating those numbers helps keep the historical series accurate, but it also has a ripple effect on the current numbers, resulting in changes on an annual basis. In Chart 1 the revisions to the CES data as part of the 2014 Benchmark period are shown. Changes start small but in some months get to be quite large, up to 20,000 jobs.

Once there are changes to the inputs for the unemployment rate model, the model has to be run again to incorporate them. Because the historical series is part of the input, all of the data have to be recalculated, not just the years with changes. The largest changes occur in the recent past, but occasionally small changes filter back further (see Chart 2).

Chart 1

CES Statewide Revisions, Benchmark 2014

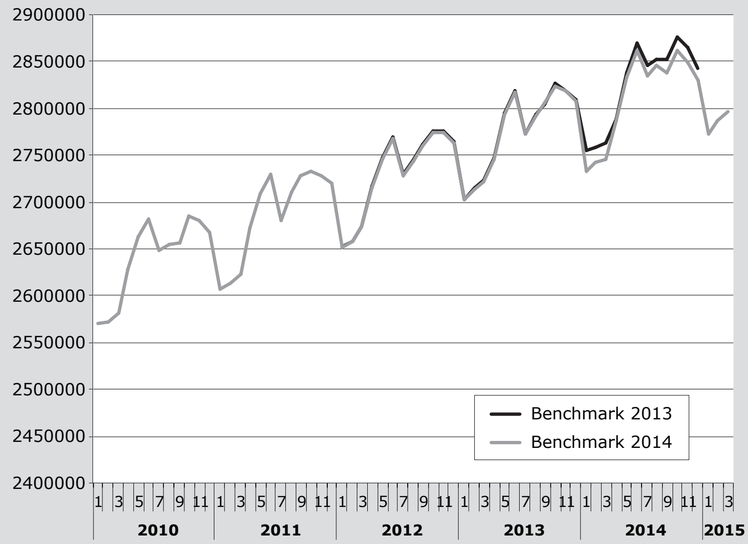
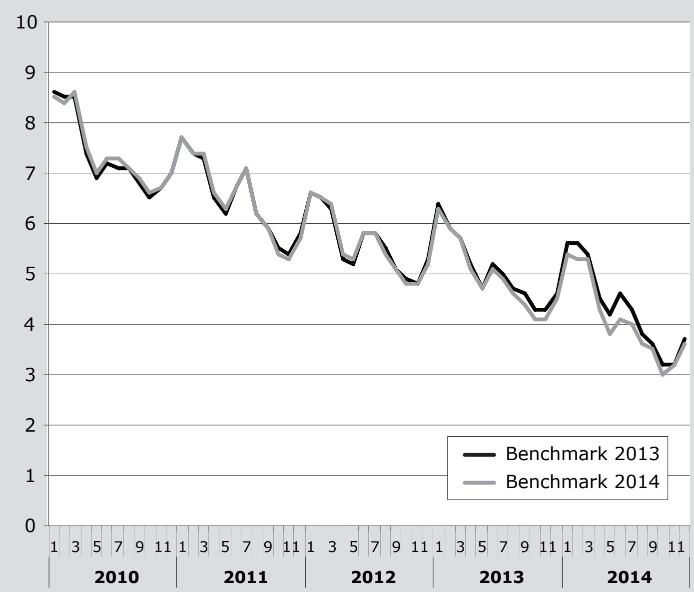


Chart 2

Minnesota Unadjusted Unemployment Rates: Benchmark 2013 Series vs. Benchmark 2014 Series



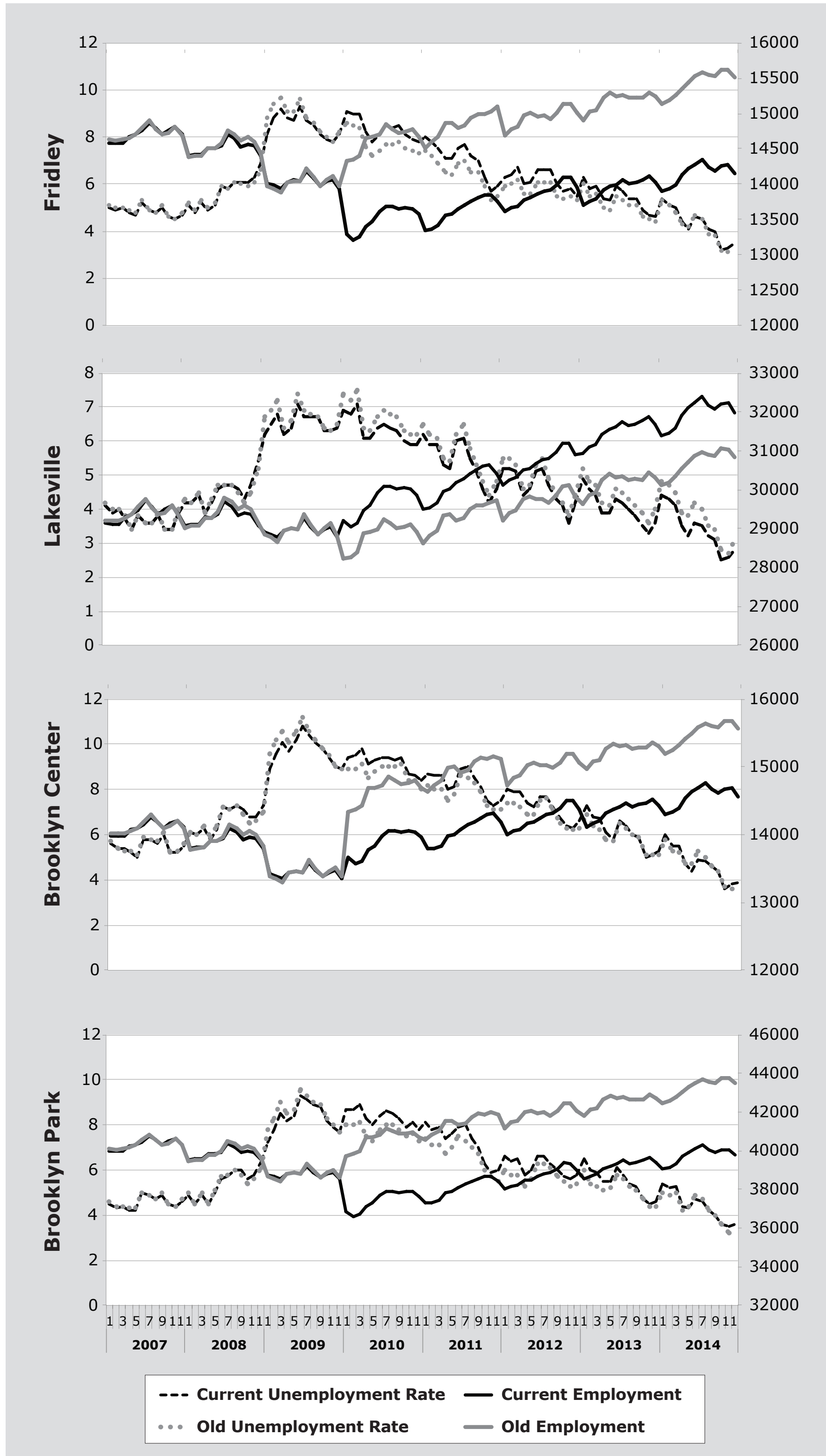
Substate estimates for counties, Metropolitan Statistical Areas (MSAs), and cities have yet different methods. The CPS sample isn't big enough to estimate small areas, so employment and unemployment numbers for each small area are calculated using the best available inputs, adjusted to match the concept of the CPS. Employment inputs are from CES for areas covered by the CES program (metropolitan statistical areas) and from projected QCEW employment for other areas. In both cases commuting patterns data from the American Community Survey (ACS) are used to distribute the employer-based source data to match the worker-based unemployment rate concept. Estimates of non-covered employment are also added, since the CPS has a broader definition of employment than either of the employer-based sources. Unemployment starts with unemployment insurance claims, but is adjusted using ACS demographic data to include new-entrants (young people) and re-entrants (people who have been out of the labor force for a while). It also uses a diminishing ratio on unemployment insurance final payments to account for the long-term unemployed. Once employed and unemployed numbers are calculated for each area and across state lines, they're scaled to the state totals from the CPS. During annual processing, unemployment numbers are replaced with a fresh extract from the unemployment insurance program, and employment inputs are replaced with the revised CES series and with actual, not projected, QCEW values.

During the 2014 benchmark period that has just been completed, these changes were a little more significant than usual. The 2010 Census didn't include a long form since the Census Bureau has been working on replacing that survey with the ACS. Unfortunately, the ACS doesn't ask all the same questions that the Census long form did and sometimes doesn't ask questions in the same way. Since the LAUS program is producing estimates for very small areas and is looking for data on particular subsets of workers like the self-employed or agricultural workers, only five-year ACS estimates contain the necessary detail. Since estimates are for such a long span of time, it's unclear what effect this has on the overall presentation of trends and seasonality. Adapting to these conceptual changes has necessitated a redesign of a lot of the adjustment processes that are done to make employment and unemployment inputs match CPS concepts. To prevent an abrupt change in the substate series, this was done going back to 2010 with all the previous data replaced.

Some examples of noticeable changes to substate data are included in the charts to the right. To keep the data for component areas consistent with the larger areas in which they reside, estimates are first produced for the largest areas: Metropolitan Statistical Areas where available and counties or combinations of counties called Labor Market Areas (LMAs) elsewhere. For smaller counties and cities within these areas, disaggregation ratios derived from Census data and unemployment insurance claims are used to distribute employment and unemployment from the MSA or LMA. With the transition to ACS data, Fridley, Lakeville, Brooklyn Center, and Brooklyn Park all had larger than average changes to their disaggregation ratios for employment. The solid gray lines (see Chart 3) are the employment numbers for the areas from the previous benchmark period and the black solid lines are what results with the most recent revision. In the background the dotted line shows the unemployment rate. All of these cities fall within the Minneapolis-St. Paul MSA, meaning their employment numbers are affected by CES revisions, particularly in the most recent couple of years. Despite the apparent level-shifts in employment, however, the final rates have modest changes and continue to tell the same story of the economy.

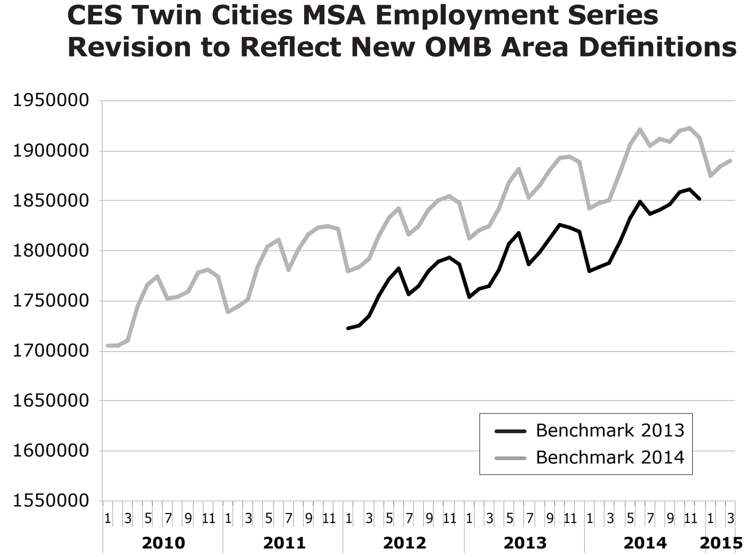
Additionally, in 2013 the U.S. Office of Management and Budget (OMB) changed the official statistical areas. In Minnesota

Chart 3



	Current Ratio	Former Ratio	Percentage Difference
Brooklyn Center city, MN	0.0225111	0.024232200	7.1%
Brooklyn Park city, MN	0.0614439	0.067144300	8.5%
Fridley city, MN	0.0777799	0.084078500	7.5%
Lakeville city, MN	0.1433274	0.135124900	-6.1%

Chart 4



they added three counties to the Minneapolis-St. Paul-Bloomington MSA and one county to the Rochester MSA. They also dropped Fairmont as a micropolitan. Since CES is based on MSAs, LAUS methods had to be adjusted to match their area definitions as well (see Chart 4).

While all the changes that were made were individually quite minor, the total effect this year was a fairly major change to the methodology. Some small areas have seen noticeable shifts in their unemployment rates.

Unemployment rate calculation is a complex process, limited by history, budget, and far-reaching policy decisions. Given the constraints and available data, the BLS in partnership with the states puts out the best quality and most detailed unemployment rate data possible, even though the additive model used for small areas has limitations. Knowing this helps inform users of the data in their interpretation of its meaning. Although methods are consistent across areas and through different states, there are unavoidable transitions in the time series for small areas as a result of our incorporation of other data sources. Care should be exercised in comparing long spans of local unemployment rates, although the national and statewide series are carefully maintained to avoid methodological inconsistencies.

by Amanda Rorher
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Minnesota
Department of Employment and Economic Development