EMPLOYMENT AND ECONOMIC DEVELOPMENT
MINNESOTA

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From Staffing to Recruitment

The Employment Services Industry in Central Minnesota

Employment Services is an unusual industry that serves many other industries rather than being distinguishable by its own unique occupations. While nurses are distinguished in the Health Care industry, Employment Services provides many different occupations to a wide variety of industries. Common occupations range from customer service representatives and secretaries to assemblers and hand material movers.

Central Minnesota is home to 2,538 Employment Services jobs through the third quarter of 2015, down from its employment high of 3,154 during 2013. The Employment Services industry represents just 0.9 percent of all jobs in the region, less than half the share found across Minnesota (2.2%).

The Employment Services industry is made up of three different smaller sectors:

Employment Placement Agencies where the firm helps find permanent employees for firms

Temporary Help Services where the firm provides temporary help that is not on the payroll of the company where they work but the temporary help agency that placed them

Professional Employer Organizations: Primarily engaged in providing human resource management in a wide range of HR and personnel management duties to clients.

Although most quarters have suppressed employment data in Central Minnesota for employment placement agencies and professional employer organizations, the bulk of employment in the broader Employment Services industry is temporary help which is large enough to be disclosed. Federal and state law require that data be suppressed to prevent revealing private sector individual firm data.

Temporary help services made up about 95 percent of all jobs in the Employment Services industry during the first three quarters of 2015*, up significantly from a decade ago when temporary services was only 71 percent of employment services total employment.

**Note: Fourth quarter QCEW data have not yet been released at the time of publishing, for historical comparisons the first three quarters are used to maintain consistency of employment data.*

Features:

- Concentration of Grocery Stores
- E is for Electrician
- F is for Financial Analyst

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Following years of economic expansion in the mid 2000's the Great Recession dramatically changed the composition of the Employment Services industry. By 2008 the share of Employment Services jobs in temporary help dipped to just 66 percent. As the overall economy slumped into the recession, Central Minnesota lost 4.6 percent of all jobs in 2009 while Employment Services declined by 45.7 percent. Temporary help services declined by 26.7 percent during that period implying the largest losses of jobs were experienced in the other two smaller sectors of Employment Services - placement agencies and professional employer organizations (see Figure 1).

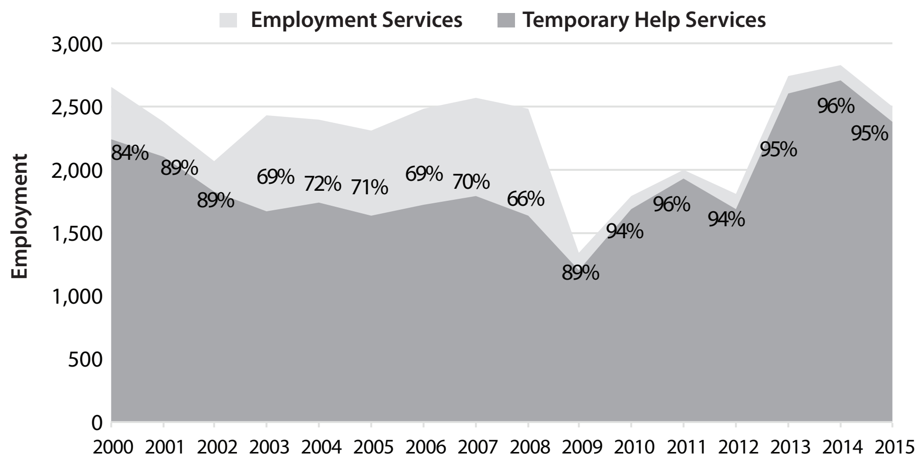
Although temporary help services now dominates the Employment Services industry it remains a relatively small industry in Central Minnesota's economy compared to that of the state. Only 0.9 percent of employment is found in temporary help services whereas Minnesota maintains about 2 percent of total employment in the industry.

Moving On

The shift towards more temporary help service employment has not impacted average annual wages, contrary to common perceptions. Although they are still much lower, average annual wages have increased substantially faster in Employment Services and its sub industry, temporary help, compared to overall average wages.

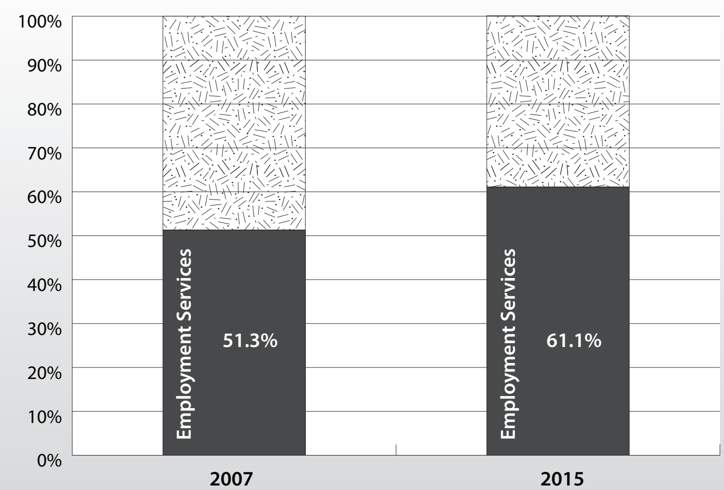
Strong wage growth in Employment Services has helped close the gap found in the industry, but it's still far from being a high paying industry. By 2015 the average annual wage was $23,781 or 61 percent of the average annual wage for all industries in the region, closing the gap 10 points from 2007 when the average annual wage was $17,264

Figure 1: Share of Temporary Help Services Jobs Within Employment Services Industry in Central Minnesota, Average of Qtr 1-3



Source: DEED, QCEW program

Figure 2: Average Wages for Employment Services Industry Relative to Average Wage of All Industries in Central Minnesota



Source: DEED, QCEW program

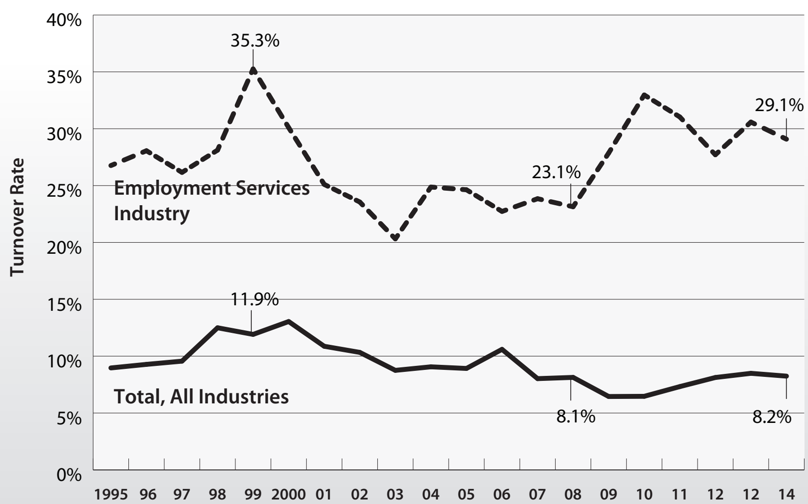
First appearing in 2009 in the final year of the recession and the first year of the recovery, average annual wages increased 17 percent for the Employment Services industry while the average annual wage across Central Minnesota increased by 0.6 percent. Lower average wages in the Employment Services industry is highly correlated to both the most common occupations found in the industry as well as the nature of temporary staffing (see Figure 2).

Workers employed by the Employment Services industry, specifically temporary help services, commonly fill entry level occupations and after a period of time are hired by the company where they were placed. Temporary help service companies negotiate wages and charge a fee for supplying labor. Since there is an incentive for both companies to employ a temporary worker, contracts are typically negotiated for work duration among other details. If the client company wants to employ the temporary worker before his/her contract has expired, the contract must be "bought out" from the temporary help service business.

This type of relationship not only provides a crucial service for companies to help staff vacant positions, but it also skews the average wages in the employment services industry. Because many workers gain entry level jobs, the Employment Services industry also has higher job mobility rates compared to other industries. Inevitably many workers gaining entry level employment are promoted and work their way up the career ladder long after leaving a staffing or employment agency. Although this situation regularly plays out, not all employment in the employment services industry are entry level. Employment Service businesses also provide mid- and professional-level workers for hard-to-fill job openings.

According to Quarterly Workforce Indicator data the rate of turnover in the Employment Services industry was 29.1 percent by the second quarter of 2014 compared to 8.2 percent for all industries in the region. Although turnover rates fluctuate with economic cycles, the changes are more dramatic in Employment Services. The highest turnover rate on record occurred back in 1999 at 35.3 percent. As recently as 2010, however, the rate rose to 33%. The most current turnover rate of 29.1% would also seem high, but it's only 2 percentage points above the average from 1995-2014 (see Figure 3).

Figure 3: Turnover Rates in Central Minnesota, 2nd Quarter



Source: Quarterly Workforce Indicators

Matching the Mix Up

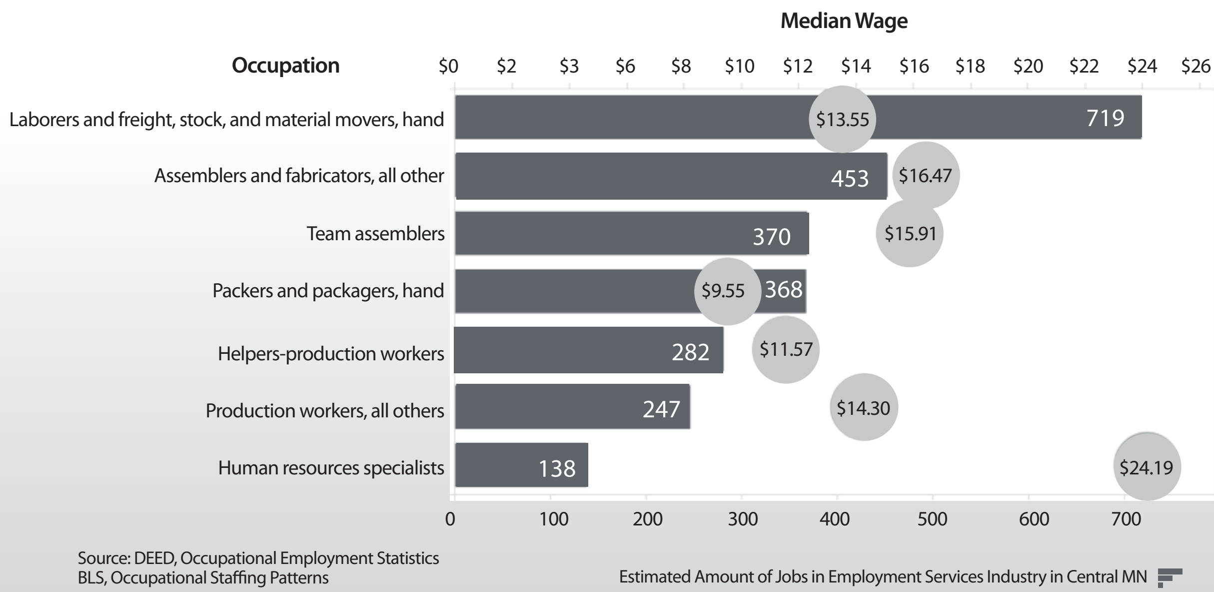
Production occupations are commonly found in the Employment Services industry as manufacturers are inclined to utilize staffing agencies and temporary help businesses to mitigate fluctuating demand for goods. Roughly a third of assemblers and fabricators, metal and plastic workers, and all other production worker jobs are found in the Employment Services industry. However, the most numerous occupation in the employment services industry is the laborers and freight, stock, and material movers, hand. Nearly one-in-five material, freight, and stock movers are found in the employment services industry providing roughly 700 jobs in central Minnesota of 3,630 material, freight, and stock mover jobs in the region.

The median wage hourly for all occupations in Central Minnesota is $16.90 but the most common occupations in Employment Services have median wages below that. The largest occupation in the industry with a higher wage was Human Rsesource Specialist, however, with a median hourly wage of $24.19, well above the median for all occupations in the region.

It is no coincidence that the occupations in Figure 4 represent some of the most in-demand jobs in Central Minnesota, especially the laborers and freight, stock, and material movers. Hard-to-fill jobs align well with the function of many employment services firms. Companies with hard-to-fill job vacancies often contract with employment services firms to augment internal hiring activities and maintain desired employment levels.

The intertwined global economy increases the necessity for businesses to respond rapidly to changing markets, while the effects touch nearly every business, whether they are a global company or a small mom-and-pop shop. Employment Staffing is projected to continue growing in Central Minnesota faster than average. By 2022 employment should top 3,100 jobs in the region although it will likely continue to experience ups and downs with the wide range of industries it serves.

Figure 4: Employment and Median Wage in Central Minnesota for Typical Occupations in Employment Services Industry



Source: DEED, Occupational Employment Statistics
BLS, Occupational Staffing Patterns

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Regional Spotlight CENTRAL MINNESOTA

Broader Access to Broadband

Five years ago our State Legislature set a goal to place Minnesota in the top five states in the nation for broadband access and speed. To develop policies that would promote the expansion of broadband, the state established the Governor's Task Force on Broadband, the Governor's Broadband Subcabinet, and the Office of Broadband Development, which is housed at DEED.

According to the 2015 Annual Report released by the Governor's Task Force on Broadband in January of 2016, data showed that 91.5 percent of Minnesota households had broadband access at a speed of at least 10 Megabits per second (Mbps) download and 5 Mbps upload. While the report shows that the state has made progress toward reaching its broadband speed goals, it has not yet achieved universal access. Only 80 percent of rural Minnesota households have a broadband connection that meets these speeds.

The Task Force is working to implement "an action plan for identifying and correcting disparities in access and adoption of broadband in all Minnesota communities - urban, rural, and suburban - helping to ensure that homes, schools, hospitals, and businesses have access to the technology and information resources they need to grow and thrive."

To that end, the Office of Broadband Development has a wide range of information and resources available on DEED's website (https://mn.gov/deed/programs-services/broadband/index.jsp) to help Minnesota residents understand the broadband options available. The office provides planning resources and tips for communities, opportunities for financial assistance to help pay for broadband services, and information on the Border-to-Border Broadband Development Grant program which included about $10.6 million in funds for unserved and underserved regions across Minnesota in 2016.

The site also includes a wide list of maps and data, including maps of the state's broadband service inventory, percentage of households served by broadband services, density of broadband providers, broadband growth, and maximum residential upload and download speed. DEED also offers an interactive available broadband service map for Minnesota, where users can type in their location and see a list of available providers.

Technologies and broadband applications have changed quickly over the past five years and will continue to change, which will require higher speeds moving forward. In response the Task Force is encouraging the legislature to update Minnesota's statutory broadband speed goals in 2016, helping the state seize the opportunity to stay on the leading edge of this transformative technology

by Cameron Macht

Labor Force Estimates

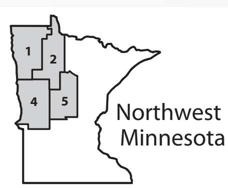
County/Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Apr 2016	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015
United States ('000s)												
(Seasonally adjusted)	158,924	159,286	157,072	151,004	151,320	148,523	7,920	7,966	8,549	5.0%	5.0%	5.4%
(Unadjusted)	158,488	158,854	156,554	151,075	150,738	148,587	7,413	8,116	7,966	4.7	5.1	5.1
Minnesota												
(Seasonally adjusted)	3,069,528	3,067,828	3,004,218	2,953,782	2,952,766	2,895,996	115,746	115,062	108,222	3.8	3.8	3.6
(Unadjusted)	3,041,732	3,055,192	2,997,380	2,927,093	2,915,166	2,888,935	114,639	140,026	108,445	3.8	4.6	3.6
Metropolitan Statistical Areas (MSA)*												
Mpls.-St. Paul MSA	1,966,192	1,968,110	1,931,998	1,899,867	1,889,915	1,867,601	66,325	78,195	64,397	3.4	4.0	3.3
Duluth-Superior MSA	143,450	143,826	143,024	134,518	133,571	136,107	8,932	10,255	6,917	6.2	7.1	4.8
Rochester MSA	120,196	120,703	117,533	116,552	116,001	113,734	3,644	4,702	3,799	3.0	3.9	3.2
St. Cloud MSA	112,212	113,597	110,210	108,107	108,127	106,184	4,105	5,470	4,026	3.7	4.8	3.7
Mankato-N Mankato MSA	60,232	60,739	59,330	58,497	58,570	57,711	1,735	2,169	1,619	2.9	3.6	2.7
Fargo-Moorhead MSA	135,863	135,413	129942	132,525	131,074	126794	3,338	4,339	3148	2.5	3.2	2.4
Grand Forks MSA	55,887	56,553	54769	54,137	54,489	53065	1,750	2,064	1704	3.1	3.6	3.1
Region One	**48,991**	**50,128**	**48,968**	**46,049**	**46,489**	**46,400**	**2,942**	**3,639**	**2,568**	**6.0**	**7.3**	**5.2**
Kittson	2,456	2,505	2,430	2,340	2,359	2,327	116	146	103	4.7	5.8	4.2
Marshall	5,749	5,911	5,716	5,258	5,286	5,259	491	625	457	8.5	10.6	8.0
Norman	3,376	3,444	3,401	3,212	3,222	3,247	164	222	154	4.9	6.4	4.5
Pennington	9,323	9,387	9,210	8,577	8,597	8,550	746	790	660	8.0	8.4	7.2
Polk	17,387	17,815	17,389	16,583	16,862	16,644	804	953	745	4.6	5.3	4.3
Red Lake	2,360	2,412	2,342	2,171	2,159	2,206	189	253	136	8.0	10.5	5.8
Roseau	8,340	8,654	8,480	7,908	8,004	8,167	432	650	313	5.2	7.5	3.7
Region Two	**43,417**	**43,902**	**42,462**	**40,617**	**40,492**	**39,931**	**2,800**	**3,410**	**2,531**	**6.4**	**7.8**	**6.0**
Beltrami	24,274	24,371	23,672	22,953	22,792	22,491	1,321	1,579	1,181	5.4	6.5	5.0
Clearwater	4,798	4,978	4,612	4,223	4,255	4,121	575	723	491	12.0	14.5	10.6
Hubbard	9,448	9,434	9,420	8,806	8,608	8,819	642	826	601	6.8	8.8	6.4
Lake of the Woods	2,399	2,595	2,340	2,271	2,482	2,211	128	113	129	5.3	4.4	5.5
Mahnomen	2,498	2,524	2,418	2,364	2,355	2,289	134	169	129	5.4	6.7	5.3
Region Three	**165,042**	**166,109**	**163,443**	**153,722**	**153,107**	**154,768**	**11,320**	**13,002**	**8,675**	**6.9**	**7.8**	**5.3**
Aitkin	6,823	6,933	6,805	6,330	6,318	6,365	493	615	440	7.2	8.9	6.5
Carlton	17,554	17,639	17,643	16,517	16,418	16,720	1,037	1,221	923	5.9	6.9	5.2
Cook	3,107	3,042	3,064	2,931	2,867	2,894	176	175	170	5.7	5.8	5.5
Itasca	23,336	23,659	22,081	21,207	21,266	20,643	2,129	2,393	1,438	9.1	10.1	6.5
Koochiching	6,217	6,278	6,280	5,589	5,683	5,702	628	595	578	10.1	9.5	9.2
Lake	5,519	5,756	5,450	5,124	5,154	5,184	395	602	266	7.2	10.5	4.9
St. Louis	102,486	102,802	102,120	96,024	95,401	97,260	6,462	7,401	4,860	6.3	7.2	4.8
City of Duluth	45,210	45,051	45,659	43,357	43,076	43,915	1,853	1,975	1,744	4.1	4.4	3.8
Balance of St. Louis County	57,276	57,751	56,461	52,667	52,325	53,345	4,609	5,426	3,116	8.0	9.4	5.5
Region Four	**127,361**	**128,476**	**125,713**	**122,707**	**121,863**	**121,283**	**4,654**	**6,613**	**4,430**	**3.7**	**5.1**	**3.5**
Becker	18,744	18,893	18,332	17,892	17,677	17,529	852	1,216	803	4.5	6.4	4.4
Clay	36,460	36,851	35,634	35,294	35,258	34,614	1,166	1,593	1,020	3.2	4.3	2.9
Douglas	20,022	20,118	19,864	19,364	19,216	19,192	658	902	672	3.3	4.5	3.4
Grant	3,330	3,379	3,382	3,175	3,143	3,222	155	236	160	4.7	7.0	4.7
Otter Tail	30,994	31,286	30,872	29,682	29,354	29,641	1,312	1,932	1,231	4.2	6.2	4.0
Pope	6,557	6,593	6,495	6,368	6,305	6,284	189	288	211	2.9	4.4	3.2
Stevens	5,735	5,731	5,647	5,582	5,538	5,508	153	193	139	2.7	3.4	2.5
Traverse	1,801	1,853	1,800	1,741	1,756	1,727	60	97	73	3.3	5.2	4.1
Wilkin	3,718	3,772	3,687	3,609	3,616	3,566	109	156	121	2.9	4.1	3.3
Region Five	**82,644**	**83,375**	**82,405**	**77,984**	**76,889**	**77,907**	**4,660**	**6,486**	**4,498**	**5.6**	**7.8**	**5.5**
Cass	13,797	13,754	13,821	12,790	12,394	12,876	1,007	1,360	945	7.3	9.9	6.8
Crow Wing	31,465	31,335	31,440	29,816	29,065	29,786	1,649	2,270	1,654	5.2	7.2	5.3
Morrison	17,871	18,317	17,773	16,880	16,841	16,805	991	1,476	968	5.5	8.1	5.4
Todd	13,098	13,371	13,027	12,477	12,543	12,466	621	828	561	4.7	6.2	4.3
Wadena	6,413	6,598	6,344	6,021	6,046	5,974	392	552	370	6.1	8.4	5.8
Region Six East	**66,229**	**67,089**	**65,798**	**63,469**	**63,378**	**63,173**	**2,760**	**3,711**	**2,625**	**4.2**	**5.5**	**4.0**
Kandiyohi	24,058	24,338	23,965	23,168	23,068	23,110	890	1,270	855	3.7	5.2	3.6
McLeod	20,242	20,409	20,015	19,414	19,343	19,235	828	1,066	780	4.1	5.2	3.9
Meeker	13,453	13,654	13,373	12,847	12,813	12,810	606	841	563	4.5	6.2	4.2
Renville	8,476	8,688	8,445	8,040	8,154	8,018	436	534	427	5.1	6.1	5.1

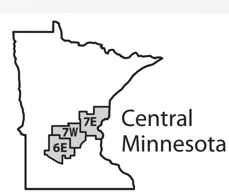
*Minneapolis-St. Paul Metropolitan Statistical Area (MSA) now includes Sherburne County in Minnesota and Pierce County in Wisconsin. St. Cloud MSA is now comprised of Benton and Stearns counties.

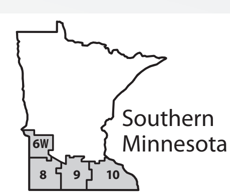
Labor Force Estimates

Numbers are unadjusted unless otherwise labeled.
Source: Department of Employment and Economic Development, Local Area Unemployment Statistics, and North Dakota Job Service, 2016.

County/ Area	Labor Force			Employment			Unemployment			Rate of Unemployment		
	Apr 2016	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015
Region Six West	**24,003**	**24,505**	**23,934**	**22,947**	**23,071**	**22,977**	**1,056**	**1,434**	**957**	**4.4%**	**5.9%**	**4.0%**
Big Stone	2,663	2,752	2,628	2,534	2,554	2,521	129	198	107	4.8	7.2	4.1
Chippewa	6,863	7,010	6,924	6,571	6,615	6,659	292	395	265	4.3	5.6	3.8
Lac Qui Parle	3,761	3,835	3,746	3,614	3,640	3,603	147	195	143	3.9	5.1	3.8
Swift	5,146	5,254	5,057	4,873	4,891	4,804	273	363	253	5.3	6.9	5.0
Yellow Medicine	5,570	5,654	5,579	5,355	5,371	5,390	215	283	189	3.9	5.0	3.4
Region Seven East	**87,093**	**88,210**	**85,638**	**82,435**	**82,075**	**81,365**	**4,658**	**6,135**	**4,273**	**5.3**	**7.0**	**5.0**
Chisago	29,368	29,631	28,850	28,148	28,020	27,672	1,220	1,611	1,178	4.2	5.4	4.1
Isanti	20,839	21,041	20,356	19,854	19,765	19,516	985	1,276	840	4.7	6.1	4.1
Kanabec	8,878	9,040	8,846	8,175	8,123	8,209	703	917	637	7.9	10.1	7.2
Mille Lacs	13,066	13,305	12,794	12,245	12,197	12,034	821	1,108	760	6.3	8.3	5.9
Pine	14,942	15,193	14,792	14,013	13,970	13,934	929	1,223	858	6.2	8.0	5.8
Region Seven West	**236,036**	**238,285**	**231,649**	**227,095**	**226,572**	**223,148**	**8,941**	**11,713**	**8,501**	**3.8**	**4.9**	**3.7**
Benton	22,202	22,549	21,832	21,246	21,239	20,873	956	1,310	959	4.3	5.8	4.4
Sherburne	50,550	50,899	49,594	48,508	48,280	47,683	2,042	2,619	1,911	4.0	5.1	3.9
Stearns	90,010	91,048	88,378	86,861	86,888	85,311	3,149	4,160	3,067	3.5	4.6	3.5
Wright	73,274	73,789	71,845	70,480	70,165	69,281	2,794	3,624	2,564	3.8	4.9	3.6
Region Eight	**66,778**	**67,861**	**66,127**	**64,336**	**64,572**	**63,985**	**2,442**	**3,289**	**2,142**	**3.7**	**4.8**	**3.2**
Cottonwood	5,918	6,047	5,815	5,653	5,703	5,606	265	344	209	4.5	5.7	3.6
Jackson	6,258	6,425	6,228	6,034	6,132	5,982	224	293	246	3.6	4.6	3.9
Lincoln	3,376	3,436	3,329	3,244	3,251	3,208	132	185	121	3.9	5.4	3.6
Lyon	15,347	15,464	15,318	14,790	14,762	14,867	557	702	451	3.6	4.5	2.9
Murray	5,178	5,226	5,100	4,932	4,859	4,894	246	367	206	4.8	7.0	4.0
Nobles	11,589	11,797	11,399	11,215	11,305	11,047	374	492	352	3.2	4.2	3.1
Pipestone	5,011	5,058	4,964	4,816	4,783	4,823	195	275	141	3.9	5.4	2.8
Redwood	8,155	8,377	8,165	7,840	7,918	7,866	315	459	299	3.9	5.5	3.7
Rock	5,946	6,031	5,809	5,812	5,859	5,692	134	172	117	2.3	2.9	2.0
Region Nine	**133,244**	**134,906**	**131,634**	**128,245**	**128,508**	**126,883**	**4,999**	**6,398**	**4,751**	**3.8**	**4.7**	**3.6**
Blue Earth	39,779	40,102	39,181	38,585	38,624	38,069	1,194	1,478	1,112	3.0	3.7	2.8
Brown	14,609	14,778	14,571	13,986	13,970	13,970	623	808	601	4.3	5.5	4.1
Faribault	7,385	7,497	7,353	7,053	7,101	7,037	332	396	316	4.5	5.3	4.3
Le Sueur	16,024	16,248	15,727	15,214	15,177	14,946	810	1,071	781	5.1	6.6	5.0
Martin	10,403	10,581	10,328	10,002	10,066	9,907	401	515	421	3.9	4.9	4.1
Nicollet	20,453	20,637	20,149	19,912	19,946	19,642	541	691	507	2.6	3.3	2.5
Sibley	8,702	8,850	8,509	8,319	8,355	8,156	383	495	353	4.4	5.6	4.1
Waseca	9,616	9,767	9,614	9,213	9,221	9,225	403	546	389	4.2	5.6	4.0
Watonwan	6,273	6,446	6,202	5,961	6,048	5,931	312	398	271	5.0	6.2	4.4
Region Ten	**280,846**	**282,496**	**277,829**	**271,782**	**270,959**	**268,714**	**9,064**	**11,537**	**9,115**	**3.2**	**4.1**	**3.3**
Dodge	11,575	11,781	11,339	11,205	11,179	10,929	370	602	410	3.2	5.1	3.6
Fillmore	11,481	11,681	11,235	11,049	11,063	10,772	432	618	463	3.8	5.3	4.1
Freeborn	16,200	16,413	16,355	15,603	15,690	15,746	597	723	609	3.7	4.4	3.7
Goodhue	27,001	27,335	26,982	26,050	26,115	26,074	951	1,220	908	3.5	4.5	3.4
Houston	10,632	10,774	10,540	10,245	10,224	10,166	387	550	374	3.6	5.1	3.5
Mower	20,613	20,808	20,306	19,968	20,010	19,638	645	798	668	3.1	3.8	3.3
Olmsted	84,945	84,920	83,039	82,532	81,991	80,558	2,413	2,929	2,481	2.8	3.4	3.0
City of Rochester	62,147	62,032	60,976	60,591	60,193	59,141	1,556	1,839	1,835	2.5	3.0	3.0
Rice	36,058	36,112	35,538	34,855	34,598	34,368	1,203	1,514	1,170	3.3	4.2	3.3
Steele	20,444	20,665	20,848	19,747	19,773	20,171	697	892	677	3.4	4.3	3.2
Wabasha	12,195	12,321	11,920	11,766	11,768	11,475	429	553	445	3.5	4.5	3.7
Winona	29,702	29,686	29,727	28,762	28,548	28,817	940	1,138	910	3.2	3.8	3.1
Region Eleven	**1,680,047**	**1,679,852**	**1,651,776**	**1,625,704**	**1,617,193**	**1,598,401**	**54,343**	**62,659**	**53,375**	**3.2**	**3.7**	**3.2**
Anoka	193,793	194,170	190,534	186,941	185,981	183,788	6,852	8,189	6,746	3.5	4.2	3.5
Carver	55,879	55,993	54,881	54,099	53,873	53,173	1,780	2,120	1,708	3.2	3.8	3.1
Dakota	237,408	237,593	233,245	229,814	228,628	225,937	7,594	8,965	7,308	3.2	3.8	3.1
Hennepin	688,785	687,891	677,692	667,199	663,575	656,063	21,586	24,316	21,629	3.1	3.5	3.2
City of Bloomington	47,283	47,278	46,628	45,812	45,563	45,047	1,471	1,715	1,581	3.1	3.6	3.4
City of Minneapolis	235,239	234,814	231,573	227,953	226,715	224,148	7,286	8,099	7,425	3.1	3.4	3.2
Ramsey	284,264	284,061	279,483	274,583	273,133	269,978	9,681	10,928	9,505	3.4	3.8	3.4
City of St. Paul	155,710	155,584	153,306	150,356	149,562	147,835	5,354	6,022	5,471	3.4	3.9	3.6
Scott	80,200	80,324	78,808	77,750	77,352	76,438	2,450	2,972	2,370	3.1	3.7	3.0
Washington	139,718	139,820	137,133	135,318	134,651	133,024	4,400	5,169	4,109	3.1	3.7	3.0







Industrial Analysis

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

Overview

Minnesota added a seasonally adjusted 15,600 jobs (0.5 percent) in April. The increases were the largest for the state since September of 2013. The increase of 0.5 percent also represented the largest proportional growth of any state in the country. Increases were spread across a number of supersectors, with the largest coming in Professional and Business Services (6,700, 1.9 percent). Over the year the state added 31,527 jobs (1.1 percent). All of the gains came from the private sector (up 32,498 or 1.3 percent) as Government employers lost 971 jobs (0.2 percent). Good Producers added 2,964 jobs (0.7 percent) on the year, while Service Providers added 28,563 (1.2 percent).

Mining and Logging

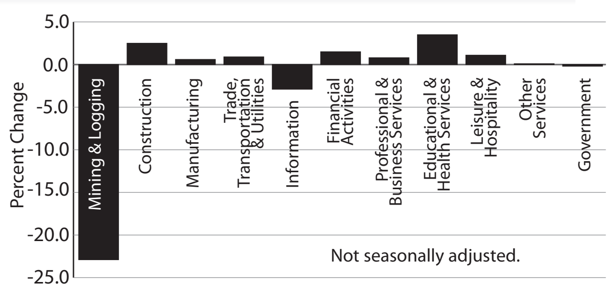
Employment in the Mining and Logging supersector saw some improvement again in April, adding 100 seasonally-adjusted jobs (1.7 percent). This was the second straight month of job growth for the troubled industry group. Annually, the supersector is still in a significant hole, down 1,618 jobs (22.9 percent) from April of 2015. However, as some mining operations are scheduled to start running again later in the coming months, there may be additional improvement to the situation on the horizon.

Construction

Employment in Construction was up by 1,200 (1 percent) in April. Annually, the supersector added 2,701 jobs (2.5 percent). Specialty Trade Contractors once again led the way, adding 2,616 jobs (3.7 percent) on the year, while Construction of Buildings was up 76 (0.3 percent), and Heavy and Civil Engineering added just 9 jobs (0.1 percent).

MN Employment Growth

April 2015 to April 2016



Source: Department of Employment and Economic Development, Current Employment Statistics, 2016.

Manufacturing

Manufacturers added 1,900 jobs (0.6 percent) in April. Non-Durable Goods Manufacturing actually shed jobs, off by 300 (0.3 percent) from March estimates, which left Durable Goods Manufacturing (up 2,200 or 1.1 percent) to supply all of the supersector's growth. Over the year Manufacturing added 1,881 jobs (0.6 percent). While initial estimates had Manufacturing in the black last month as well, those estimates were revised downward, and April became the first time since 2015 that the supersector saw annual growth. Both Durable and Non-Durable Goods Manufacturers contributed to the growth, adding 868 jobs (0.4 percent) and 1,013 jobs (0.9 percent) respectively. Food Manufacturing was the primary driver of growth among Non-Durable Goods Manufacturers, as the sector added 2,127 jobs (4.7 percent) over April 2015 estimates.

Trade, Transportation, and Utilities

Employment in Trade, Transportation, and Utilities was up by 2,800 (0.5 percent) in April. Retail Trade showed the most growth, adding 2,300 jobs (0.8 percent) while Transportation, Warehousing, and Utilities added just 600 jobs (0.6 percent), and Wholesale Trade employment dipped slightly, losing 100 jobs (0.1 percent). Since April of 2015, the supersector added 4,820 jobs (0.9 percent). Almost all of that growth came from Retail Trade, which added 7,421 jobs (2.6 percent), with Food and Beverage Stores growing by 1,448 (2.9 percent). Wholesale Trade lost 2,616 jobs (2 percent), and Transportation, Warehousing, and Utilities employment was flat, adding just 15 jobs (0 percent).

Information

The Information supersector lost 400 jobs (0.8 percent) in April. Over the year, employment in the supersector was off by 1,481 (2.9 percent). Only about 400 of the jobs included in that loss are among the published component sectors, with Publishing Industries (except Internet) down by 302 jobs (1.5 percent) and Telecommunications down by 154 (1.2 percent). Unpublished component subsectors include Motion Picture and Sound Recording Industries, Broadcasting (except Internet), and Data Processing, Hosting, and Related Services.

*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

The Financial Activities supersector added 300 jobs (0.2 percent) in April. Finance and Insurance added 200 jobs (0.1 percent) while Real Estate and Rental and Leasing chipped in an additional 100 (0.2 percent). Over the year the supersector added 2,638 jobs (1.5 percent). Finance and Insurance added 1,226 (0.9 percent), with Insurance Carriers driving that increase (up 1,629, 3.7 percent). The other component sector, Real Estate and Rental and Leasing, added 1,412 jobs or 3.7 percent.

Professional and Business Services

Professional and Business Services was the big growth driver this month, as the supersector added 6,700 jobs (1.9 percent) over March estimates. The lion's share of those jobs were in Administrative and Support and Waste Management and Remediation Services, a wide-ranging sector that includes temporary help services, facilities management, travel arrangement, and waste management services, among others. The sector added 6,000 jobs in April, a change of 4.6 percent from March estimates. Annually, the Professional and Business Services supersector added just 2,686 jobs (0.8 percent), which is still a large improvement over March's over-the-year growth of 0.1 percent. April's growth comes entirely from Professional, Scientific, and Technical Services, which added 5,224 jobs (3.6 percent), while Management of Companies and Enterprises and Administrative and Support and Waste Management and Remediation Services both lost jobs on the year.

Educational and Health Services

April employment in Educational and Health Services was up by 1,300 jobs (0.2 percent), with Health Care and Social Assistance accounting for all of the gains (up 1,600 or 0.4 percent), while Educational Services shed 300 jobs (0.4 percent). Over the year the supersector added 17,801 jobs (3.5 percent), with growth in both major component sectors. Educational Services added 5,008 jobs (7.1 percent), while Health Care and Social Assistance, buoyed by the addition of 10,879 jobs in Ambulatory Health Care Services, added 12,793 jobs (2.9 percent).

Leisure and Hospitality

Leisure and Hospitality added 1,500 jobs (0.6 percent) in April, as Accommodation and Food Services employment swelled with an additional 2,100 jobs, a change of 1 percent over March estimates. Annually, the supersector added 2,907 jobs (1.1 percent), with the growth again coming from Accommodation and Food Services (up 3,751 or 1.8 percent) as Arts, Entertainment, and Recreation contracted (down 844 jobs or 2.2 percent).

Other Services

Employment in the Other Services supersector was up by 500 (0.4 percent) in April, breaking a streak of three straight months with job losses. Over the year Other Services added a paltry 163 jobs (0.1 percent), as gains in Repair and Maintenance and Religious, Grantmaking, Civic, Professional, and Similar Organizations were enough to offset small job loss in Personal and Laundry Services.

Government

Government employment was off by 300 jobs (0.1 percent) in April, primarily from a loss of 300 (0.9 percent) in Federal Government. Annually, Government employers lost 971 jobs (0.2 percent). State Government was responsible for most of that loss, down 1,483 jobs (1.4 percent) thanks to a loss of 2,260 (3.4 percent) in State Government Educational Services.

by Nick Dobbins

Seasonally Adjusted Nonfarm Employment

In 1,000's

Industry	April 2016	March 2016	February 2016
Total Nonagricultural	**2,891.8**	**2,876.2**	**2,879.4**
Goods-Producing	**447.3**	**444.1**	**443.9**
Mining and Logging	6.1	6.0	5.8
Construction	122.4	121.2	121.7
Manufacturing	318.8	316.9	316.4
Service-Providing	**2,444.5**	**2,432.1**	**2,435.5**
Trade, Transportation, and Utilities	529.2	526.4	525.5
Information	49.7	50.1	50.2
Financial Activities	184.5	184.2	183.9
Professional and Business Services	362.3	355.6	354.0
Educational and Health Services	523.3	522.0	522.8
Leisure and Hospitality	261.5	260.0	263.5
Other Services	114.8	114.3	115.4
Government	419.2	419.5	420.2

Source: Department of Employment and Economic Development Current Employment Statistics, 2016.

Regional Analysis

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

Employment in the Minneapolis-St. Paul MSA increased by 29,663 (1.5 percent) in April. This represented the largest monthly increase in metro area employment since one year prior, in April of 2015, when 33,748 jobs (1.8 percent) were added. Given the highly seasonal nature of many industries in the area, it is not uncommon for the biggest unadjusted growth to occur during spring months. April's growth was widespread, but industries with notable additions included Mining, Logging, and Construction (up 5,713 or 8.3 percent), Leisure and Hospitality (up 7,101, 4.1 percent), and Professional and Business Services (up 8,455, 2.9 percent), which saw most of its growth in the component sector Administrative and Support and Waste Management and Remediation Services (up 8,751, 9 percent). Annually, employment in the metro area was up by 28,784 (1.5 percent). Every industry in the area, save the long-declining Information supersector (down 169 or 0.4 percent), saw over-the-year employment gains. Educational and Health Services added the most jobs of any supersector, up 11,620 (3.7 percent) on the year. While both of its component sectors had significant over-the-year growth, most of the jobs came from Health Care and Social Assistance (up 8,924, 3.3 percent), which growth was in turn driven by the Ambulatory Health Services subsector (up 6,835 or 7.9 percent).

Duluth -Superior MSA

The Duluth-Superior MSA added 2,251 jobs (1.7 percent) in April. Unsurprisingly, Leisure and Hospitality led all supersectors in the area for monthly growth, adding 952 jobs (7.8 percent). Trade, Transportation, and Utilities (up 793 or 3.2 percent) also had notable gains on the month, with component sector Retail Trade (up 605 jobs or 3.9 percent) driving a large part of that growth. Over the year, employment in Duluth remained down in April, off 2,270 (1.7 percent) from a year prior. It marked the ninth straight month of annual employment losses for Duluth. The area continued to struggle with the effects of a recently down mining industry, as the Mining, Logging, and Construction supersector was off 761 jobs (8.7 percent) for the year. Manufacturing, the other large goods producing supersector, was also down for the year, shedding 685 jobs (9.3 percent) since April of 2015.

Rochester MSA

Employment in the Rochester MSA was up by 2,052 jobs (1.8 percent) on the month. The gains were widespread, with Other Services (down 30 jobs or 0.8 percent) and Government (down 39, 0.3 percent) the only supersectors to lose jobs from March estimates. The two supersectors with the fastest over-the-month growth were Mining, Logging, and Construction (up 363 or 9.4 percent) and Professional and Business Services (up 516, 9.4 percent). Annually, employment in the Rochester MSA was up by 2,608 jobs (2.3 percent). Educational and Health Services was by far the biggest driver of that growth, as the supersector added 1,965 jobs (4.3 percent) on the year. The steepest annual decline came in the Leisure and Hospitality supersector, which shed 377 jobs (3.7 percent). The only other annual declines were minor, with Government employers losing 6 jobs (0.2 percent) and Financial Activities dropping 7 (0.3 percent).

St. Cloud MSA

The St. Cloud MSA added 1,333 jobs (1.2 percent) in April. Mining, Logging, and Construction saw notable growth, adding 497 jobs (8.5 percent). Trade, Transportation, and Utilities also contributed to the effort, supporting 464 new jobs (2.2 percent) for the month. Over the year the area added 1,622 jobs (1.5 percent). Across industries growth was mixed, with six supersectors adding employment while five lost it. The most dramatic annual changes came in Leisure and Hospitality, which lost 457 jobs (5.3 percent), and Professional and Business Services, which added 444 jobs (5.2 percent).

Mankato-North Mankato MSA

Employment in the Mankato-North Mankato MSA was up in April as the area added 631 jobs (1.1 percent) over March estimates. The growth was entirely concentrated in the private sector (up 693 or 1.5 percent) as Government employers shed 62 jobs (0.7 percent). Both Goods Producing (up 268 or 2.8 percent) and Service Providing (up 363, 0.8 percent) industries added jobs. Annually, Mankato added 569 jobs (1 percent). This growth was driven completely by Private Service-Providing employers, who added 835 jobs (2.3 percent) while the public sector lost 46 jobs (0.5 percent) and Goods Producers dropped 220 jobs (2.2 percent).

Fargo-Moorhead MSA

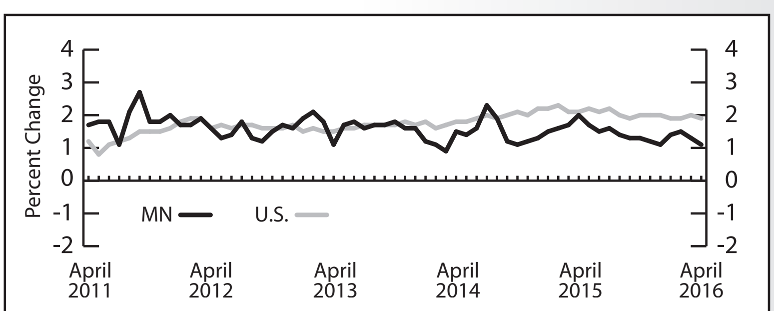
Employment in the Fargo-Moorhead MSA was up by 1,861 jobs (1.3 percent) in April. Mining, Logging, and Construction had the fastest growth and added the most jobs, up by 794 (9.6 percent) over March estimates. Somewhat surprisingly, the largest over-the-month decline came in Leisure and Hospitality, which lost 128 jobs (0.9 percent). Annually, the area added 2,349 jobs (1.7 percent). That growth was concentrated most heavily in Professional and Business services, which added 1,047 jobs (6.7 percent).

Grand Forks-East Grand Forks MSA

Employment in the Grand Forks-East Grand Forks MSA shrank in April, as total nonfarm employment was off by 186 (0.3 percent) from March estimates. It was the only MSA in Minnesota that lost employment for the month. The loss was part of a shared effort by the Manufacturing (down 228 or 6.1 percent) and Leisure and Hospitality (down 202 or 3.2 percent) supersectors. Employment was also down over the year, as the area lost 692 jobs (1.2 percent) from April of 2015. The single supersector to lose the most jobs was Government, which was down by 338 (2.3 percent).

by Nick Dobbins

Source: Department of Employment and Economic Development, Current Employment Statistics, 2016; Bureau of Labor Statistics, U.S. Department of Labor, Current Employment Statistics, 2016.



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 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015	Apr 2016	Apr 2015	Apr 2016	Apr 2015	Apr 2016	Apr 2015
TOTAL NONFARM WAGE AND SALARY	**2,875.1**	**2,828.2**	**2,843.6**	**1.7%**	**1.1%**	—	—	—	—	—	—
						—	—	—	—	—	—
GOODS-PRODUCING	**434.4**	**421.2**	**431.4**	**3.1**	**0.7**	—	—	—	—	—	—
Mining, Logging, and Construction	**118.1**	**108.2**	**117.0**	**9.1**	**0.9**	—	—	—	—	—	—
Mining and Logging	**5.5**	**5.6**	**7.1**	**-2.4**	**-22.9**	—	—	—	—	—	—
Construction	**112.6**	**102.7**	**109.9**	**9.7**	**2.5**						
Specialty Trade Contractors	72.8	67.6	70.2	7.8	3.7	$1,178.80	$1,122.40	38.7	36.8	$30.46	$30.50
Manufacturing	**316.3**	**313.0**	**314.4**	**1.1**	**0.6**	**815.90**	**798.39**	**41.0**	**39.8**	**19.90**	**20.06**
Durable Goods	202.0	198.9	201.1	1.6	0.4	822.89	797.59	40.2	40.1	20.47	19.89
Wood Product Manufacturing	10.8	10.5	10.7	2.5	0.0	—	—	—	—	—	—
Fabricated Metal Production	42.2	42.3	42.7	-0.3	-1.3	—	—	—	—	—	—
Machinery Manufacturing	32.8	32.8	32.8	-0.1	-0.1	—	—	—	—	—	—
Computer and Electronic Product	46.1	46.2	45.5	-0.1	1.4	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	25.8	25.8	25.4	0.1	1.7	—	—	—	—	—	—
Transportation Equipment	11.2	11.2	11.6	0.4	-3.0	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	15.9	15.9	15.5	0.1	2.9						
Nondurable Goods	114.3	114.1	113.3	0.2	0.9	805.18	797.72	42.4	39.2	18.99	20.35
Food Manufacturing	47.2	46.8	45.1	0.9	4.7	—	—	—	—	—	—
Paper Manufacturing	31.6	31.8	32.6	-0.8	-3.0	—	—	—	—	—	—
Printing and Related	22.3	22.4	23.1	-0.5	-3.4						
						—	—	—	—	—	—
SERVICE-PROVIDING	**2,440.7**	**2,406.9**	**2,412.1**	**1.4**	**1.2**						
						—	—	—	—	—	—
Trade, Transportation, and Utilities	**524.2**	**516.0**	**519.4**	**1.6**	**0.9**						
Wholesale Trade	130.1	129.4	132.7	0.5	-2.0	886.92	932.95	38.0	39.7	23.34	23.50
Retail Trade	295.2	288.1	287.8	2.5	2.6	412.36	403.24	27.9	27.6	14.78	14.61
Motor Vehicle and Parts	34.5	34.3	34.0	0.7	1.5	—	—	—	—	—	—
Building Material and Garden Equipment	26.6	24.8	26.5	7.4	0.4	—	—	—	—	—	—
Food and Beverage Stores	51.7	51.0	50.2	1.3	2.9	—	—	—	—	—	—
Gasoline Stations	24.8	24.5	24.5	1.2	1.4						
General Merchandise Stores	58.6	58.4	58.6	0.4	0.0	329.16	300.02	28.4	27.2	11.59	11.03
Transportation,Warehouse, Utilities	98.9	98.5	98.9	0.4	0.0						
Transportation and Warehousing	86.1	85.8	85.7	0.4	0.5	697.34	672.75	34.2	34.5	20.39	19.50
Information	**49.7**	**50.2**	**51.2**	**-1.1**	**-2.9**	**1,020.83**	**836.72**	**36.8**	**36.3**	**27.74**	**23.05**
Publishing Industries	19.6	19.6	19.9	0.0	-1.5	—	—	—	—	—	—
Telecommunications	12.3	12.3	12.5	0.4	-1.2	—	—	—	—	—	—
Financial Activities	**182.6**	**182.4**	**179.9**	**0.1**	**1.5**						
Finance and Insurance	142.6	142.9	141.4	-0.1	0.9	1,029.07	866.22	36.7	34.9	28.04	24.82
Credit Intermediation	54.4	54.6	55.0	-0.3	-1.1	772.43	687.08	35.4	34.2	21.82	20.09
Securities, Commodity Contracts, and Other	19.6	19.4	19.0	0.7	2.8	—	—	—	—	—	—
Insurance Carriers and Related	67.7	67.8	66.3	-0.1	2.1	—	—	—	—	—	—
Real Estate and Rental and Leasing	39.9	39.5	38.5	1.1	3.7	—	—	—	—	—	—
Professional and Business Services	**359.1**	**347.9**	**356.4**	**3.2**	**0.8**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	150.7	149.4	145.5	0.9	3.6	—	—	—	—	—	—
Legal Services	17.9	17.8	18.1	0.3	-1.1	—	—	—	—	—	—
Accounting, Tax Preparation	18.9	18.8	18.6	0.6	1.9	—	—	—	—	—	—
Computer Systems Design	36.3	36.8	35.8	-1.6	1.4	—	—	—	—	—	—
Management of Companies and Enterprises	77.5	77.1	79.3	0.5	-2.3	—	—	—	—	—	—
Administrative and Support Services	130.9	121.5	131.6	7.8	-0.5	—	—	—	—	—	—
Educational and Health Services	**527.5**	**524.0**	**509.7**	**0.7**	**3.5**	—	—	—	—	—	—
Educational Services	75.1	73.1	70.1	2.8	7.1	—	—	—	—	—	—
Health Care and Social Assistance	452.4	451.0	439.6	0.3	2.9						
Ambulatory Health Care	152.8	150.8	141.9	1.3	7.7	1,297.80	1,254.79	36.1	35.8	35.95	35.05
Offices of Physicians	70.0	69.8	67.2	0.3	4.3	—	—	—	—	—	—
Hospitals	106.3	106.0	104.5	0.2	1.7						
Nursing and Residential Care Facilities	106.5	107.0	106.1	-0.5	0.4	461.65	431.94	29.2	28.7	15.81	15.05
Social Assistance	86.8	87.1	87.1	-0.3	-0.3	—	—	—	—	—	—
Leisure and Hospitality	**256.2**	**246.0**	**253.3**	**4.1**	**1.1**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	38.4	36.5	39.2	5.1	-2.2	—	—	—	—	—	—
Accommodation and Food Services	217.8	209.5	214.0	4.0	1.8						
Food Services and Drinking Places	193.0	186.2	189.3	3.6	2.0	265.12	253.59	20.3	20.6	13.06	12.31
Other Services	**114.5**	**114.5**	**114.3**	**0.0**	**0.1**	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	63.7	64.4	63.6	-1.1	0.2	—	—	—	—	—	—
Government	**427.0**	**425.9**	**427.9**	**0.2**	**-0.2**	—	—	—	—	—	—
Federal Government	31.4	31.4	31.5	-0.2	-0.3	—	—	—	—	—	—
State Government	104.1	103.1	105.6	1.0	-1.4	—	—	—	—	—	—
State Government Education	65.0	64.3	67.3	1.1	-3.4	—	—	—	—	—	—
Local Government	291.5	291.4	290.8	0.0	0.2	—	—	—	—	—	—
Local Government Education	149.2	150.2	147.7	-0.6	1.0						

Source: Department of Employment and Economic Development, Current Employment Statistics, 2016.

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 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015	Apr 2016	Apr 2015	Apr 2016	Apr 2015	Apr 2016	Apr 2015
TOTAL NONFARM WAGE AND SALARY	**1,949.9**	**1,920.2**	**1,921.1**	**1.5%**	**1.5%**	—	—	—	—	—	—
GOODS-PRODUCING	**268.3**	**262.0**	**266.9**	**2.4**	**0.5**	—	—	—	—	—	—
Mining, Logging, and Construction	**74.2**	**68.4**	**74.0**	**8.3**	**0.2**	—	—	—	—	—	—
Construction of Buildings	16.3	16.1	16.2	1.4	0.8	—	—	—	—	—	—
Specialty Trade Contractors	51.5	47.7	48.9	7.9	5.3	$1,266.82	$1,187.63	38.8	37.3	$32.65	$31.84
Manufacturing	**194.1**	**193.6**	**193.0**	**0.3**	**0.6**	**870.70**	**843.20**	**41.7**	**40.0**	**20.88**	**21.08**
Durable Goods	133.2	132.4	132.0	0.6	1.0	860.29	831.49	41.4	40.6	20.78	20.48
Fabricated Metal Production	29.5	29.5	29.6	-0.1	-0.3	—	—	—	—	—	—
Machinery Manufacturing	19.9	19.9	19.7	0.1	0.8	—	—	—	—	—	—
Computer and Electronic Product	37.0	37.0	36.6	-0.1	1.1	—	—	—	—	—	—
Navigational, Measuring, Electromedical and Control	23.9	23.9	23.7	0.0	1.0	—	—	—	—	—	—
Medical Equipment and Supplies Manufacturing	14.6	14.5	14.1	0.3	3.3	—	—	—	—	—	—
Nondurable Goods	60.9	61.2	61.0	-0.4	-0.1	889.58	868.25	42.2	38.9	21.08	22.32
Food Manufacturing	14.8	14.8	14.6	0.5	1.3	—	—	—	—	—	—
Printing and Related	14.7	14.8	15.3	-0.9	-3.7	—	—	—	—	—	—
SERVICE-PROVIDING	**1,681.6**	**1,658.1**	**1,654.1**	**1.4**	**1.7**	—	—	—	—	—	—
Trade, Transportation, and Utilities	**347.7**	**344.2**	**345.1**	**1.0**	**0.7**	—	—	—	—	—	—
Wholesale Trade	96.6	96.7	96.4	0.0	0.2	874.31	931.00	37.8	39.2	23.13	23.75
Merchant Wholesalers - Durable Goods	48.0	47.9	47.6	0.2	0.9	—	—	—	—	—	—
Merchant Wholesalers - Nondurable Goods	27.4	27.2	27.4	0.9	0.1	—	—	—	—	—	—
Retail Trade	185.7	181.8	181.3	2.1	2.4	441.87	438.48	28.6	29.0	15.45	15.12
Food and Beverage Stores	31.4	31.0	29.8	1.2	5.5	—	—	—	—	—	—
General Merchandise Stores	36.7	36.7	36.4	0.0	0.9	334.02	313.22	29.3	28.5	11.40	10.99
Transportation, Warehouse, Utilities	65.3	65.7	67.3	-0.6	-3.0	—	—	—	—	—	—
Utilities	7.6	7.6	8.0	0.1	-4.6	—	—	—	—	—	—
Transportation and Warehousing	57.7	58.1	59.3	-0.6	-2.8	734.26	762.80	35.8	37.8	20.51	20.18
Information	**38.4**	**38.5**	**38.6**	**-0.1**	**-0.4**						
Publishing Industries	15.8	15.8	15.9	0.2	-0.4	—	—	—	—	—	—
Telecommunications	9.0	9.0	9.0	0.6	-0.1	—	—	—	—	—	—
Financial Activities	**148.8**	**149.4**	**146.9**	**-0.4**	**1.3**	—	—	—	—	—	—
Finance and Insurance	115.6	116.3	114.8	-0.6	0.7	1,029.96	860.27	36.0	33.1	28.61	25.99
Credit Intermediation	39.4	39.5	39.4	-0.4	-0.1	—	—	—	—	—	—
Securities, Commodity Contracts, and Other	17.5	17.4	17.2	0.5	1.9	—	—	—	—	—	—
Insurance Carriers and Related	58.1	58.2	57.2	-0.2	1.5	—	—	—	—	—	—
Real Estate and Rental and Leasing	33.3	33.1	32.1	0.4	3.5	—	—	—	—	—	—
Professional and Business Services	**304.8**	**296.4**	**302.3**	**2.9**	**0.8**	—	—	—	—	—	—
Professional, Scientific, and Technical Services	129.2	129.8	125.4	-0.5	3.0	—	—	—	—	—	—
Legal Services	15.3	15.2	15.4	0.1	-0.9	—	—	—	—	—	—
Architectural, Engineering, and Related	17.2	17.1	16.9	1.0	2.0	—	—	—	—	—	—
Computer Systems Design	33.6	33.6	33.1	0.2	1.7	—	—	—	—	—	—
Management of Companies and Enterprises	70.1	69.8	72.1	0.4	-2.8	—	—	—	—	—	—
Administrative and Support Services	105.5	96.8	104.8	9.0	0.7	—	—	—	—	—	—
Employment Services	46.7	45.9	48.8	1.7	-4.3	—	—	—	—	—	—
Educational and Health Services	**326.5**	**324.3**	**314.8**	**0.7**	**3.7**	—	—	—	—	—	—
Educational Services	49.1	48.0	46.4	2.2	5.8	—	—	—	—	—	—
Health Care and Social Assistance	277.4	276.2	268.5	0.4	3.3	—	—	—	—	—	—
Ambulatory Health Care	93.0	91.3	86.2	1.9	7.9	—	—	—	—	—	—
Hospitals	62.8	62.7	61.3	0.3	2.5	—	—	—	—	—	—
Nursing and Residential Care Facilities	58.4	58.8	58.9	-0.7	-0.8	—	—	—	—	—	—
Social Assistance	63.2	63.4	62.1	-0.4	1.6	—	—	—	—	—	—
Leisure and Hospitality	**180.7**	**173.6**	**175.0**	**4.1**	**3.2**	—	—	—	—	—	—
Arts, Entertainment, and Recreation	31.6	29.8	31.0	5.9	1.7	—	—	—	—	—	—
Accommodation and Food Services	149.1	143.8	144.0	3.7	3.6	291.29	272.44	21.2	21.9	13.74	12.44
Food Services and Drinking Places	137.6	132.8	130.9	3.6	5.1	274.50	267.12	20.5	21.2	13.39	12.60
Other Services	**80.6**	**79.8**	**79.0**	**0.9**	**2.0**	—	—	—	—	—	—
Repair and Maintenance	15.4	15.1	14.9	1.6	3.3	—	—	—	—	—	—
Religious, Grantmaking, Civic, Professional Organizations	42.3	42.1	41.9	0.5	1.1	—	—	—	—	—	—
Government	**254.1**	**252.0**	**252.4**	**0.8**	**0.7**						
Federal Government	20.9	20.9	20.7	-0.1	1.0						
State Government	70.3	69.3	70.7	1.4	-0.6						
State Government Education	44.1	43.2	45.0	2.1	-2.1						
Local Government	162.9	161.8	161.0	0.7	1.2						
Local Government Education	94.1	93.9	91.8	0.2	2.5						

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

* Totals may not add because of rounding.

** Percent change based on unrounded numbers.

Source: Department of Employment and Economic Development, Current Employment Statistics, 2016.

Employer Survey

Industry	Duluth-Superior MSA					Rochester MSA				
	Jobs			% Chg. From		Jobs			% Chg. From	
	Apr 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015
TOTAL NONFARM WAGE AND SALARY	**132,824**	**130,573**	**135,094**	**1.7%**	**-1.7%**	**117,580**	**115,528**	**114,972**	**1.8%**	**2.3%**
GOODS-PRODUCING	**14,675**	**14,364**	**16,121**	**2.2**	**-9.0**	**15,216**	**14,504**	**14,805**	**4.9**	**2.8**
Mining, Logging, and Construction	7,974	7,659	8,735	4.1	-8.7	4,242	3,879	4,145	9.4	2.3
Manufacturing	6,701	6,705	7,386	-0.1	-9.3	10,974	10,625	10,660	3.3	2.9
SERVICE-PROVIDING	**118,149**	**116,209**	**118,973**	**1.7**	**-0.7**	**102,364**	**101,024**	**100,167**	**1.3**	**2.2**
Trade, Transportation, and Utilities	25,440	24,647	25,326	3.2	0.5	18,109	17,969	17,725	0.8	2.2
Wholesale Trade	3,230	3,154	3,363	2.4	-4.0	2,995	2,966	2,778	1.0	7.8
Retail Trade	15,971	15,366	15,610	3.9	2.3	12,383	12,292	12,059	0.7	2.7
Transportation, Warehouse, Utilities	6,239	6,127	6,353	1.8	-1.8	2,731	2,711	2,888	0.7	-5.4
Information	1,445	1,473	1,384	-1.9	4.4	1,993	1,965	1,988	1.4	0.3
Financial Activities	5,644	5,627	5,525	0.3	2.2	2,668	2,661	2,675	0.3	-0.3
Professional and Business Services	7,872	7,903	8,493	-0.4	-7.3	5,979	5,463	5,943	9.4	0.6
Educational and Health Services	31,935	31,803	31,891	0.4	0.1	47,465	47,221	45,500	0.5	4.3
Leisure and Hospitality	13,150	12,198	13,362	7.8	-1.6	9,825	9,351	10,202	5.1	-3.7
Other Services	6,025	6,018	5,974	0.1	0.9	3,714	3,744	3,720	-0.8	-0.2
Government	26,638	26,540	27,018	0.4	-1.4	12,611	12,650	12,414	-0.3	1.6

Employer Survey

Industry	St. Cloud MSA					Mankato MSA				
	Jobs			% Chg. From		Jobs			% Chg. From	
	Apr 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015
TOTAL NONFARM WAGE AND SALARY	**108,912**	**107,579**	**107,290**	**1.2%**	**1.5%**	**56,648**	**56,017**	**56,079**	**1.1%**	**1.0%**
GOODS-PRODUCING	**21,263**	**20,579**	**21,046**	**3.3**	**1.0**	**9,700**	**9,432**	**9,920**	**2.8**	**-2.2**
Mining, Logging, and Construction	6,351	5,854	5,936	8.5	7.0	--	--	--	--	--
Manufacturing	14,912	14,725	15,110	1.3	-1.3	--	--	--	--	--
						--	--	--	--	--
SERVICE-PROVIDING	**87,649**	**87,000**	**86,244**	**0.7**	**1.6**	**46,948**	**46,585**	**46,159**	**0.8**	**1.7**
Trade, Transportation, and Utilities	22,036	21,572	21,512	2.2	2.4	--	--	--	--	--
Wholesale Trade	4,688	4,674	4,732	0.3	-0.9	--	--	--	--	--
Retail Trade	13,219	12,778	12,861	3.5	2.8	--	--	--	--	--
Transportation, Warehouse, Utilities	4,129	4,120	3,919	0.2	5.4	--	--	--	--	--
Information	1,624	1,624	1,658	0.0	-2.1	--	--	--	--	--
Financial Activities	4,949	4,938	4,914	0.2	0.7	--	--	--	--	--
Professional and Business Services	8,928	8,744	8,484	2.1	5.2	--	--	--	--	--
Educational and Health Services	22,135	21,982	21,385	0.7	3.5	--	--	--	--	--
Leisure and Hospitality	8,208	8,392	8,665	-2.2	-5.3	--	--	--	--	--
Other Services	3,664	3,639	3,730	0.7	-1.8	--	--	--	--	--
Government	16,105	16,109	15,896	0.0	1.3	9,365	9,427	9,411	-0.7	-0.5

Employer Survey

Industry	Fargo-Moorhead MSA					Grand Forks-East Grand Forks MSA				
	Jobs			% Chg. From		Jobs			% Chg. From	
	Apr 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015	Apr 2016	Mar 2016	Apr 2015	Mar 2016	Apr 2015
TOTAL NONFARM WAGE AND SALARY	**140,894**	**139,033**	**138,545**	**1.3%**	**1.7%**	**56,308**	**56,494**	**57,000**	**-0.3%**	**-1.2%**
GOODS-PRODUCING	**18,662**	**17,877**	**19,042**	**4.4**	**-2.0**	**6,578**	**6,711**	**6,879**	**-2.0**	**-4.4**
Mining, Logging, and Construction	9,050	8,256	9,002	9.6	0.5	3,058	2,963	3,071	3.2	-0.4
Manufacturing	9,612	9,621	10,040	-0.1	-4.3	3,520	3,748	3,808	-6.1	-7.6
SERVICE-PROVIDING	**122,232**	**121,156**	**119,503**	**0.9**	**2.3**	**49,730**	**49,783**	**50,121**	**-0.1**	**-0.8**
Trade, Transportation, and Utilities	30,780	30,328	30,529	1.5	0.8	12,249	12,157	12,356	0.8	-0.9
Wholesale Trade	9,122	9,036	9,152	1.0	-0.3	1,915	1,874	2,006	2.2	-4.5
Retail Trade	16,282	15,945	15,972	2.1	1.9	8,054	7,992	8,228	0.8	-2.1
Transportation, Warehouse, Utilities	5,376	5,347	5,405	0.5	-0.5	2,280	2,291	2,122	-0.5	7.5
Information	3,161	3,158	3,102	0.1	1.9	604	609	591	-0.8	2.2
Financial Activities	10,914	10,827	10,670	0.8	2.3	1,795	1,815	1,743	-1.1	3.0
Professional and Business Services	16,785	16,494	15,738	1.8	6.7	3,011	2,997	2,900	0.5	3.8
Educational and Health Services	22,801	22,651	22,054	0.7	3.4	9,577	9,456	9,569	1.3	0.1
Leisure and Hospitality	13,984	14,112	13,862	-0.9	0.9	6,027	6,229	6,222	-3.2	-3.1
Other Services	5,276	5,225	5,332	1.0	-1.1	2,181	2,156	2,116	1.2	3.1
Government	18,531	18,361	18,216	0.9	1.7	14,286	14,364	14,624	-0.5	-2.3

Source: Department of Employment and Economic Development, Current Employment Statistics, and North Dakota Job Service, 2016.

Minnesota Economic Indicators

Highlights

The **Minnesota Index**, after advancing only 0.1 percent in March, surged in April by 0.4 percent. The April jump was the highest since March 2015. The 0.5 percent spike in nonfarm wage and salary employment was behind the index's advance. Minnesota's monthly change has averaged 0.3 percent over the last five years, so the 0.4 percent suggests that Minnesota's economy has accelerated.

The **U.S. index** increased 0.3 percent in April and is up 3.1 percent from a year ago. The Minnesota index is up 2.6 from last April. Year-over-year growth by the Minnesota index has lagged behind U.S. index growth for 12 straight months.

Adjusted **Wage and Salary Employment** skyrocketed by 15,600 jobs in April, the largest monthly gain since September 2013 when payrolls increased by 15,700. All of the employment increase was in the private sector as public payrolls dipped by 300 jobs. The 15,900 private sector job increase was the highest private sector gain since April 2005.

The only other supersector besides Government with declining payroll numbers was Information. Job creation was highest in Professional and Business Services, Trade, Transportation, and Utilities, and Manufacturing. Manufacturing firms added 1,900 workers in April, the highest monthly gain since July 2011.

Minnesota's unadjusted over-the-year job growth, however, slipped to 1.1 percent in April, the lowest over-the-year gain in five months. Minnesota's over-the-year increase fell short of the U.S. pace again in April as the U.S. annual increase was 1.9 percent. Minnesota's unadjusted over-the-year job growth has trailed the U.S. growth rate for 29 of the last 30 months.

Online Help-Wanted Ads dipped for the third month in a row in April, tailing off to 138,600, the lowest level since last December. Online job advertising was down 1.8 percent in Minnesota in April while up 0.8 nationally. Minnesota's 2.7 percent share of online help-wanted ads remains well above the state's 2.0 percent of wage and salary employment, indicating that demand for workers in the state continues to be strong.

Minnesota's **Purchasing Managers' Index (PMI)**, unlike most of the other indicators, continues to signal a weak economy in Minnesota as the index fell below the growth neutral 50 reading to 49.8 in April. April's reading was the fourth time over the last seven months that the state's PMI was below 50. Minnesota's reading was slightly lower than the nine-state Mid-America Business Index (50.0) and the U.S. ISM (50.8). All three industry indices point towards lackluster performances by manufacturers across most of the nation. The 1,900 manufacturing jobs added by Minnesota manufacturers in April is inconsistent with the low Minnesota PMI. Either manufacturing job numbers will be revised downward next month or the state's PMI should head upward over the next few months.

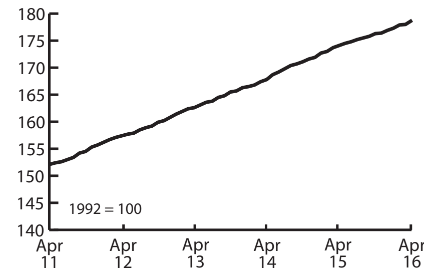
April's adjusted **Manufacturing Hours** were virtually unchanged from March, coming in at 41.0 hours. The factory workweek has averaged 41.0 hours per week over the first four months of 2016 which is up from the 40.6 hours averaged in 2015 but still significantly lower than the 41.7 hours averaged in 2014. The uptick in hours may be an indicator that Minnesota's manufacturing sector is starting to pick up. Average weekly Manufacturing Earnings dipped slightly in April to $814.97. Despite the decline, April's factory paycheck was the first real over-the-year increase in 19 months.

Adjusted **Residential Building Permits** bounced back in April, jumping to 2,050. Building permits are up 3.7 percent through the first four months of 2016 compared to last year, suggesting that Minnesota's home building market continues to gain ground gradually.

Adjusted **Initial Claims for Unemployment Benefits (UB)** barely changed in April, inching down from 17,195 in March to 17,188. Initial claims remain close to record low levels indicating that Minnesota employers are more interested in hiring than in laying off workers. April was the 69th month in a row in which Minnesota's payroll employment recorded growth over the year. That is the third longest stretch of over-the-year job growth for the state with data going back to 1951. The record setting stretch of 216 months was set between 1983 and 2001. The second longest streak of robust job growth was 107 months between 1961 and 1970. Job growth after the 2001 recession was positive over the year for only 49 straight months, between 2004 and 2008, before the Great Recession hit.

by Dave Senf

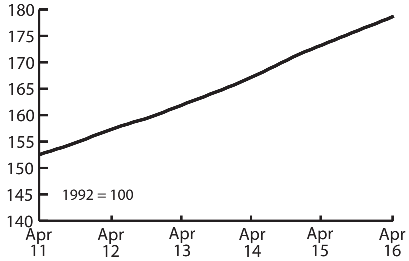
Minnesota Index



2015	Apr	174.1
	May	174.5
	Jun	174.8
	Jul	175.2
	Aug	175.5
	Sep	175.8
	Oct	176.3
	Nov	176.4
	Dec	176.9
2016	Jan	177.3
	Feb	177.9
	Mar	178.0
	Apr	178.7
% Chg From		
	Month Ago	0.4
	Year Ago	2.6

Source: The Federal Reserve Bank of Philadelphia, 2016

United States Index



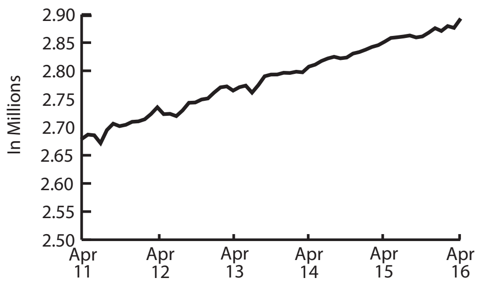
2015	Apr	173.3
	May	173.8
	Jun	174.2
	Jul	174.7
	Aug	175.1
	Sep	175.6
	Oct	176.0
	Nov	176.5
	Dec	176.9
2016	Jan	177.3
	Feb	177.8
	Mar	178.2
	Apr	178.7
% Chg From		
	Month Ago	0.3
	Year Ago	3.1

Source: The Federal Reserve Bank of Philadelphia, 2016

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

Minnesota Economic Indicators

Wage and Salary Employment



seasonally adjusted

2015	Nov	2,867.8
	Dec	2,875.7
2016	Jan	2,870.7
	Feb	2,879.4
	Mar	2,876.2
	Apr	2,891.8

% Chg From Month Ago 0.5

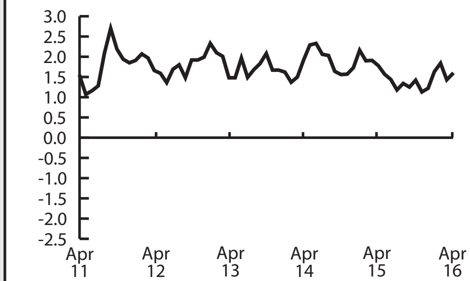
unadjusted

2015	Apr	2,843.6
2016	Apr	2,875.1

% Chg From Year Ago 1.1%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2016

Minnesota Leading Index

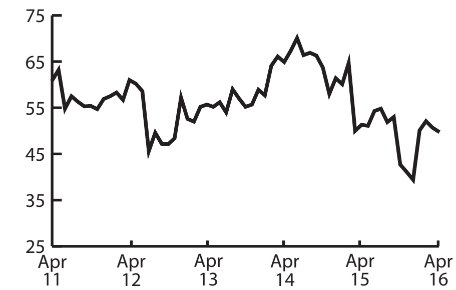


2015	Apr	1.78
	May	1.57
	Jun	1.44
	Jul	1.18
	Aug	1.34
	Sep	1.25
	Oct	1.42
	Nov	1.13
	Dec	1.22
2016	Jan	1.63
	Feb	1.84
	Mar	1.43
	Apr	1.59

% Chg From Month Ago 11.3
Year Ago -10.6

Source: The Federal Reserve Bank of Philadelphia, 2016

Purchasing Managers' Index

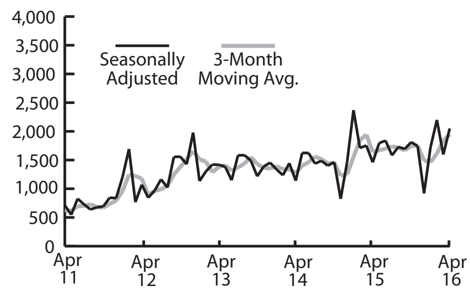


2015	Apr	51.3
	May	51.1
	Jun	54.3
	Jul	54.8
	Aug	51.9
	Sep	53.0
	Oct	42.7
	Nov	41.1
	Dec	39.4
2016	Jan	50.1
	Feb	52.1
	Mar	50.7
	Apr	49.8

% Chg From Month Ago -1.8
Year Ago -2.9

Source: Creighton University, Mid-America Survey of Business Conditions, 2016

Residential Building Permits



seasonally adjusted

2015	Nov	1,743
	Dec	920
2016	Jan	1,719
	Feb	2,199
	Mar	1,596
	Apr	2,050

% Chg From Month Ago 28.4

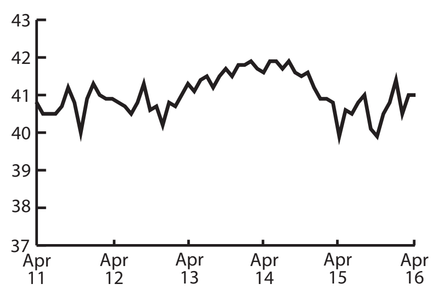
unadjusted

2015	Apr	1,324
2016	Apr	1,855

% Chg From Year Ago 40.1%

Source: Residential Building Permits, Census Bureau, U.S. Department of Commerce, 2016

Average Weekly Manufacturing Hours



seasonally adjusted

2015	Nov	40.5
	Dec	40.8
2016	Jan	41.4
	Feb	40.5
	Mar	41.0
	Apr	41.0

% Chg From Month Ago -0.1

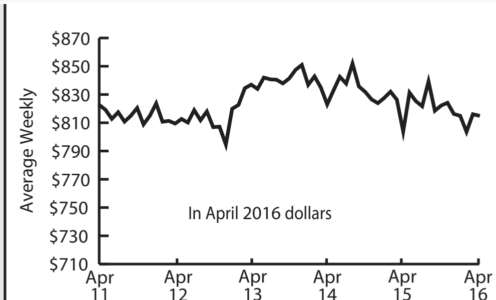
unadjusted

2015	Apr	39.8
2016	Apr	41.0

% Chg From Year Ago 3.0%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2016

Manufacturing Earnings



seasonally adjusted

2015	Nov	824.13
	Dec	816.21
2016	Jan	814.93
	Feb	803.60
	Mar	816.04
	Apr	814.97

% Chg From Month Ago -0.1

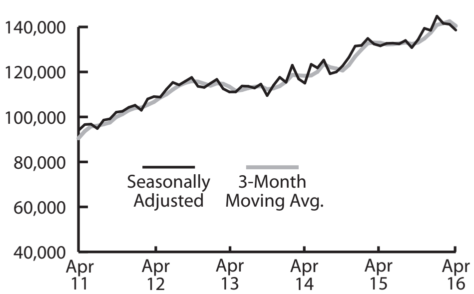
unadjusted

2015	Apr	804.69
2016	Apr	815.90

% Chg From Year Ago 1.4%

Source: Department of Employment and Economic Development, Current Employment Statistics Program, 2016

Online Help-Wanted Advertising

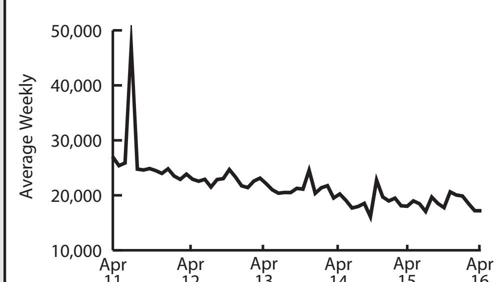


2015	Apr	131,600
	May	132,700
	Jun	132,800
	Jul	132,500
	Aug	134,000
	Sep	130,800
	Oct	134,400
	Nov	139,400
	Dec	138,500
2016	Jan	144,800
	Feb	141,600
	Mar	141,200
	Apr	138,600

% Chg From Month Ago -1.8
Year Ago 5.3

Source: The Conference Board Inc., 2016

Initial UB Claimants



seasonally adjusted

2015	Nov	20,625
	Dec	20,051
2016	Jan	19,871
	Feb	18,486
	Mar	17,195
	Apr	17,188

% Chg From Month Ago 0.0

unadjusted

2015	Apr	15,376
2016	Apr	13,609

% Chg From Year Ago -11.5%

Source: Department of Employment and Economic Development, Unemployment Insurance Program, 2016

Minnesota Employment Review

MINNESOTA WORKFORCE CENTER

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mn.gov/deed/lmi

Labor Market Information Help Line:
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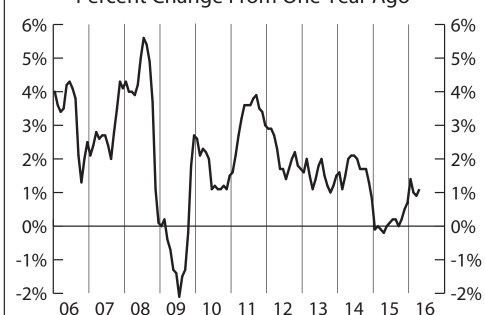
U.S. Consumer Price Index
for All Urban Consumers (CPI-U)

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.4 percent in April on a seasonally adjusted basis the U.S. Bureau of Labor Statistics reported today. The increase was broad-based, with the indices for food, energy, and all items less food and energy all rising. The food index rose 0.2 percent after declining in March, with the food at home index increasing slightly. The index for energy increased 3.4 percent, with the gasoline index rising 8.1 percent, and the indices for fuel oil and natural gas also advancing.



The all items index rose 1.1 percent for the 12 months ending April, a larger increase than the 0.9-percent increase for the 12 months ending March.

www.bls.gov/news.release/pdf/cpi.pdf

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

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

What's Going On?

Braille and Talking Books Available Through Faribault

Books broadcast on the Minnesota Radio Talking Book Network are available through the Minnesota Braille and Talking Book Library in Faribault. Reach them at 1-800-722-0550 from 9 a.m. to 4 p.m., Monday through Friday, or you can access the catalog at www.mnbtbl.org. Select the link *Search the Library Catalog*.

Listen to the Minnesota Radio Talking Book, either live or archived programs from the last week at www.mnssb.org/rtb. Call the staff at the Radio Talking Book for your password to the site.

MINNESOTA EMPLOYMENT AND ECONOMIC DEVELOPMENT

Concentration of Grocery Stores

Grocery stores are anchors of communities, but also are businesses that are dependent on market forces. As population shifts or larger chain stores begin to pull customers from a surrounding region, the number and dispersal of grocery stores will shift as well. Unfortunately, groceries are not a consumer good that can easily be foregone, so perhaps more than any other type of retail the availability of grocery stores will affect commutes, location decisions, and lifestyle choices.

Methodology

The discussion of the availability of full grocery stores is often wrapped up with the concept of "food deserts" or areas where residents may not have access to healthy food choices. In Greater Minnesota everything is more disperse than in metros and the discussion has to assume residents have access to a car. However, distances still matter. In most cases this article assumes that a grocery store is available if it's within 15 miles. Roads weren't taken into account so some areas may be more isolated, but this mostly limits distances to about 30 minutes by car.

Another feature of this article is that it only uses full grocery stores – NAICS 445110. There may be general stores or convenience stores or farm stands nearer to residents that could meet a fairly large share of their need for groceries, but they are not included in the analysis.

In border counties the nearest grocery stores may be out of state. Minnesota does not have access to individual firm data from the Quarterly Census of Employment and Wages (QCEW) for other states and looking at the state in isolation would suggest that grocery stores in border counties are unusually isolated. The only available alternative is from the Employer Database, information from a private company. Methodology for the two data sources is very different and no time series is available for the private data. Because of those limitations, Employer Database data from neighboring states is used only for mapping purposes and in nearest neighbor calculations. All county and regional aggregates use only the more reliable Minnesota data.

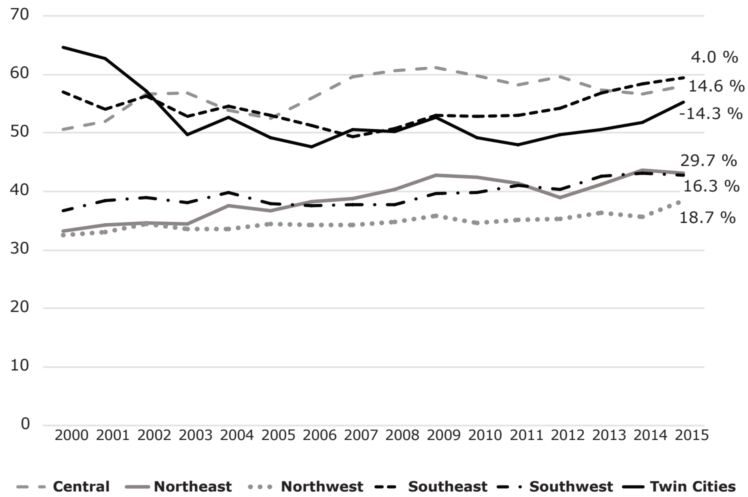
Population and Proximity

In most parts of the state grocery stores are getting bigger. The average grocery store has more employees than it did in 2000. The exception is in the Twin Cities metro. However, metro grocery stores had 65 Employees on average in 2000 while no other region averaged more than the mid-50s at that time. Twin Cities stores still average higher employment than three regions, and it's increasing again. The overall decline from 2000 may also reflect the greater prevalence of specialty and ethnic stores in the larger market.

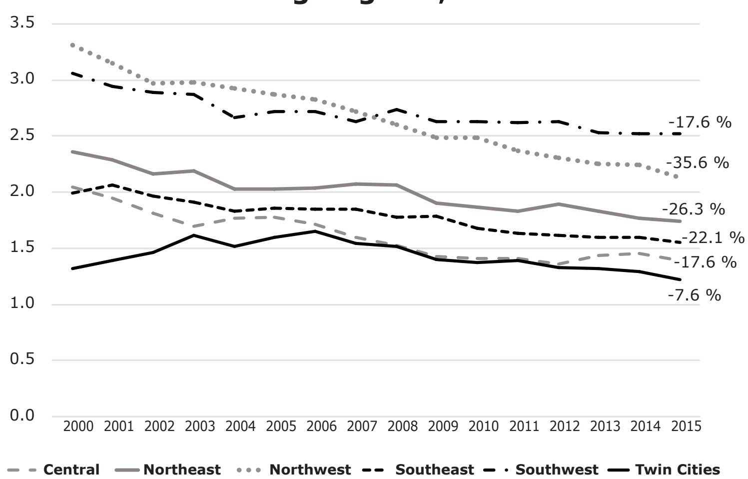
Larger stores require larger customer bases to keep them afloat. Either population growth is primarily in existing population centers and greater density supports larger stores or people are more willing to travel longer distances for groceries – either because their local store closed or because of amenities like product selection or low prices that a large store can offer attract them.

Grocery stores are not just getting larger, there are fewer stores than there were even 15 years ago. Across all planning regions, the number of grocery stores per capita is declining.

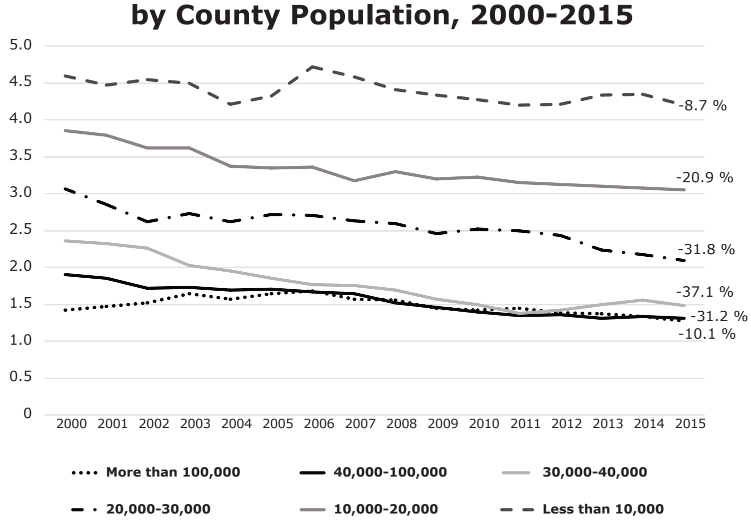
Average Number of Employees Per Grocery Store by Planning Region, 2000-2015



Grocery Stores per 10,000 Residents in Planning Regions, 2000-2015



Grocery Stores per 10,000 Residents by County Population, 2000-2015



Source: DEED Quarterly Census of Employment and Wages

Again, the Twin Cities region is the outlier. Not only is it the only region where grocery stores per capita peaked mid-decade instead of at the beginning of the series in 2000, but it also has the lowest overall number of stores per capita and the smallest decline in per capita stores (7.6 percent). While the other regions range in their declines from 17.7 percent to 35.6 percent, the Twin Cities' very low per capita number of stores likely reflects the greater population density of the metro area. The stores are not only larger than in many parts of the state, but they're also closer to many more people.

The Northwest region is at the opposite extreme – in 2000 there were nearly 3.5 stores per 10,000 people and it has dropped steadily to only about two stores per 10,000. It is no longer the region with the most stores relative to population. For most other regions the pattern was consistent: steady declines through the decade.

When we group counties by population rather than geographic region we get a slightly different story. The largest counties have the same trend as the Twin Cities Metro counties, probably because there is significant overlap in the two groups. Although the smallest counties are outliers, overall they have much higher per capita stores – from over 4.5 per 10,000 in 2000 to more than 4 per 10,000 in 2015. Interestingly, in this category the decline was lower than any other size, including the largest – only 8.7 percent less than in 2000. In contrast, the mid-sized counties (population 20,000-100,000) all declined in excess of 30 percent in per capita grocery stores since 2000.

It's interesting that the largest counties all started with different numbers of grocery stores per 10,000 residents but all converged at about 1.5 – the level at which the largest counties have been hovering for most of the decade. This suggests an ideal ratio of population to retail outlets that areas with sufficient density move to rather than unchecked consolidation to larger and larger destination outlets. If the ratio goes above this it becomes difficult for stores to profit, and if it goes lower more stores will step in to poach customers. In metros the trade-off is between the cost of space, the lower prices borne of competition, and the intangibles like services offered or product selection. In smaller counties stores can't rely on economies of scale to keep prices low and may not need to distinguish themselves by offering extra services. Instead they have to win customers by being nearby as customers make more decisions trading the cost of gas and time of travel against the possibly higher prices in smaller stores. The fact that smaller counties have much higher ratios further supports this notion – people will travel farther for a larger store, but only up to a point. While consolidation is occurring, it seems to happen faster in moderately dense areas where people may have options about where they shop. Although they serve smaller numbers of people in truly isolated communities, grocery stores exist and are continuing to exist.

Market Competition and Food Security

When a grocery store is isolated and has no nearby competitors it means the residents in the region are similarly isolated from alternative stores. Should something happen to their only accessible store – the owner retires or passes away or the business folds, for example – the customers are left without the amenity. Competition in the market serves a useful purpose. Even beyond the theoretical free market benefits of lower prices or a broader selection, multiple providers of goods and services in an area contribute security and continuity for the people in the area.

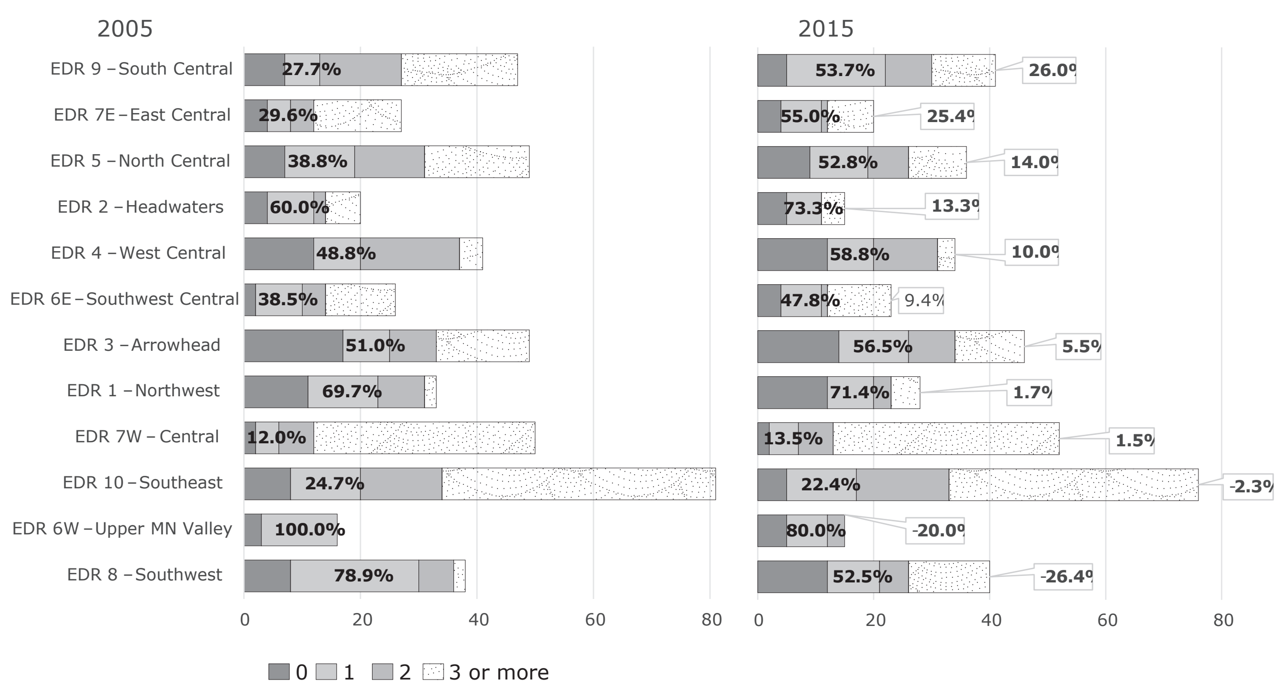
For large swathes of Minnesota, however, that security doesn't exist in grocery stores. There are simply too few people to support more than one grocery store. These single-source food supply areas are prevalent, particularly in the northern half of the state. Statewide the average distance to the next nearest store was only three miles in 2000, but in 2015 that had increased to 3.3 miles. The number of stores that aren't within 10 miles of another increased from 76 to 89.

In some regions grocery stores are becoming more isolated at a faster pace. In the chart above (Number of Neighboring Grocery Stores by Region, 2005 and 2015), the percentage on the bar indicates the share of grocery stores that are already single-sources and have no neighbors within 10 miles or that are teetering on the precipice and have only one neighbor within 10 miles. The callout boxes on the 2015 chart indicate the change in that share between 2005 and 2015. The Twin Cities is excluded from the chart because all of its grocery stores have three or more neighbors, but of the displayed regions nine saw an increase in the number of grocery stores that are the single source or are part of a dual source for some of their customers. Of the other three regions EDR 10 was nearly stable, EDR 6W is very small and a large percentage change is not very substantial numerically, and only EDR 8 has seen any meaningful increase in the diversity of residents' grocery options. However, while the three or more category has increased, so has the number of single-source stores, while the number of dual-source stores declined. Some areas are seeing improvements while others are definitely not.

Statewide Grocery Store Concentration 2000-2015

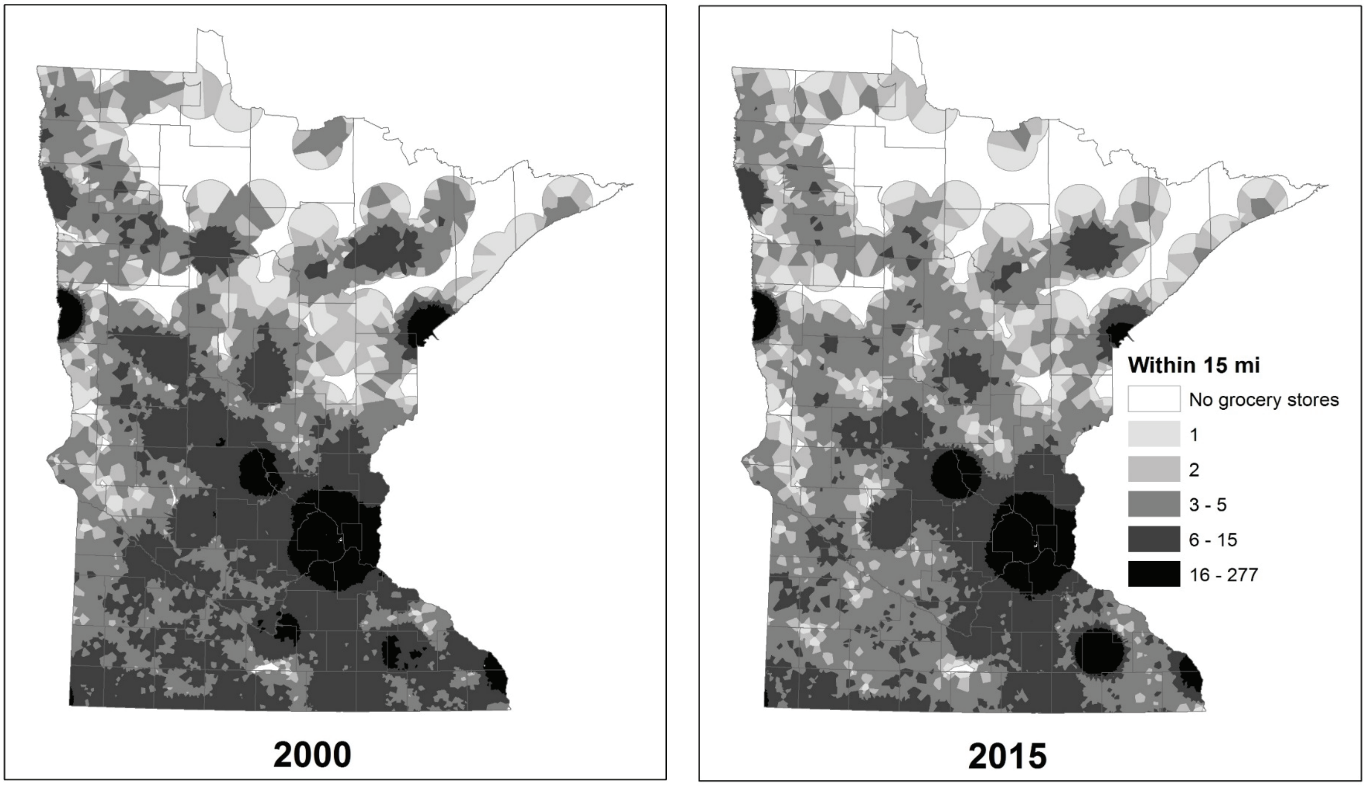
Source: DEED Quarterly Census of Employment and Wages

Number of Neighboring Grocery Stores by Region, 2005 and 2015



Source: DEED Quarterly Census of Employment and Wages

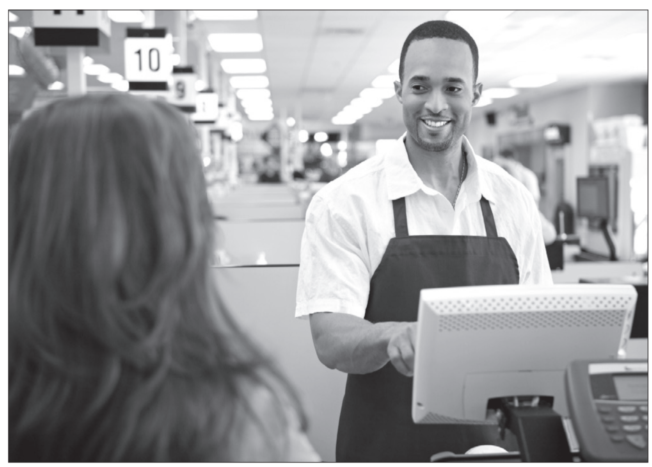
Number of Grocery Stores Within 15 Miles, Residence Location 2000 and 2015



Source: DEED Quarterly Census of Employment and Wages, InfoUSA

In the maps above (Number of Grocery Stores within 15 miles, residence location 2000 and 2015) these changes are visible. In both 2000 and 2015 population centers have a plethora of options. Rochester and St. Cloud have seen growth in the area that can access a real abundance of stores. Duluth and Mankato have seen declines in the size of the area that's within reach of the 16 or more stores, but their entire areas can still access six or more stores.

The Western half of the state is notably lighter in 2015 than in 2000. Where there were 6-15 stores available in 2000, there are now only three to five. Where there were three to five, there are now only one or two.



Conclusion

Although stories of communities that lose their grocery store and suffer accordingly attract attention, in most places the process is more gradual and less dire. Grocery stores are very much distributed in the state according to population. Although some land area is without accessible markets, all of that territory is sparsely populated.

More common is the consolidation of stores - communities with two local markets may be seeing the closure of one or people may have to travel one town further to get to a store, but still within a near distance. The effect that pattern has on a community may be much greater than the statistics suggest – in real life, one store can mean a lot more than it does as a single data point.

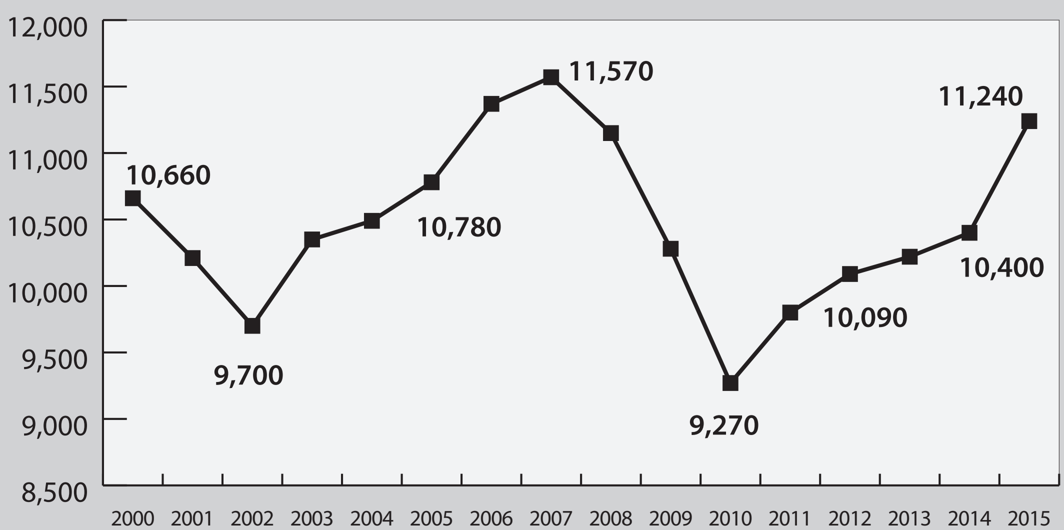
by Amanda Rohrer
Labor Market Information Office
Minnesota Department of Employment
and Economic Development

E is for Electrician

The number of electricians in Minnesota has rebounded as the state has recovered from the 2007-2008 recession. With the downturn of new housing and commercial construction that followed from the market crash, there was less demand for this occupation, and perhaps, but hopefully not, people resorted to saving money by performing their own electrical work and not hiring licensed professionals. There are currently 11,240 electricians in the state which is near the pre-recession peak employment and over a 20 percent increase since 2010 with close to 2,000 new electricians.

Electricians perform essential work as all modern amenities rely on harnessing and utilizing electricity. They install, maintain, and repair electrical wiring, equipment, and fixtures, while ensuring that work is in accordance with relevant codes. While on the job, electricians connect wires to circuit breakers, plan the layout and installation of electrical wiring based on specifications, inspect electrical systems to ensure safety and compliance with codes, and use a variety of tools and equipment to perform the various tasks.

Number of Electricians in Minnesota, 2000-2015



Source: DEED, Occupational Employment Statistics

While electricians typically need only a high school diploma or equivalent, there is considerable on-the-job training that is achieved through apprenticeships, coursework, and testing. Formal training is done through an electrician apprenticeship program where classroom courses and worksite experience is offered. Vocational schools offer programs for aspiring electricians too, but one still needs to participate in an apprenticeship program to get the on-the-job skills that are required. In the Arrowhead region, for example, Lake Superior College and Hibbing Community College offer A.A. programs for prospective electricians, while Fond du Lac Tribal Community College offers an Electrical Utility Technology program for those interested in a career in installing electrical power lines.

After a year or so of training and classes, assigned work is offered under the close supervision of a journeyman electrician, and it takes at a minimum of 48 months of experience for an apprentice electrician to graduate into a journeyman electrician and 60 months to become a master electrician. When apprentices meet the experience requirements, they next have to apply for and pass the appropriate exam in order to become officially licensed and allowed to work on their own.

The median wage for electricians is $29.17 or a little more than $60,000 a year. Those that are still in an apprenticeship program can expect to make less than the median wage, but still make $16-$20 an hour, a good wage for entry level work. Higher wages are out there for those who skill up in the trade, and electricians may also benefit from prevailing wages set for those electricians who work on a state-funded project. Prevailing wages are set by the state's Department of Labor and Industry and are determined by the average pay in the area for the particular service where the project is located so there will be geographic differences in wages offered. For example, an electrician working on a new building for the University of Minnesota Duluth campus would have a basic pay rate of $35.01 while electricians that worked on a publically finance sports stadium in Minneapolis would earn the prevailing rate of $39.81, neither rate including the fringe benefit rate that is also part of prevailing wages.

Not only are the wages good in this trade, there are also plenty of opportunities for employment. DEED's most recent Job Vacancy Survey for 4th Quarter, 2015, reported 504 job vacancies for this occupation statewide. The current market for electricians is charged with hiring activity and the future outlook remains positive too.

According to DEED's Employment Outlook data program, the number of electricians in Minnesota is expected to increase by 10 percent from 2014 to 2024. This would result in a gain of more than 1,100 new electricians during this time frame. Along with new electricians, there will also be a need to replace those that leave the occupation for retirement or other reasons, and taken altogether there will be close to 3,000 total openings for future electricians.

Wage Range for Electricians in Minnesota, 1st Quarter 2016

		Percentiles				
	Mean	10th	25th	Median	75th	90th
Minnesota	$28.52/hr	$15.69/hr	$19.52/hr	$29.17/hr	$35.98/hr	$41.79/hr

Source: DEED Occupational Employment Statistics

Electrician Employment Projections, 2014-2024

Estimated Employment 2014	Projected Employment 2024	Percent Change 2014 - 2024	Numeric Change 2014 - 2024	2014 - 2024 Replacement Openings	2014 - 2024 Total Openings
11,081	12,257	10.60%	1,176	1,690	2,870

Source: DEED Employment Outlook

by Erik White
Regional Analyst, Northeast Minnesota
Minnesota Department of Employment and Economic Development

EMPLOYMENT AND ECONOMIC DEVELOPMENT
MINNESOTA

F is for Financial Analyst

A Forecast for Growth

Although financial analysts are forced to deal with economic uncertainty every day in their forecasts, their own economic future seems very secure. Highly valued for their expertise in providing information and intelligence for decision making, financial analysts are in high demand across both the public and private sectors and are projected to stay that way in the future.

Data from DEED's Occupational Employment Statistics program show there are now more than 6,000 people employed as financial analysts in Minnesota, a 34 percent increase compared to just 10 years ago. Wages have also increased greatly for these occupations over time, climbing to a median wage just over $39 per hour in 2016 or more than $80,000 per year (see Table 1).

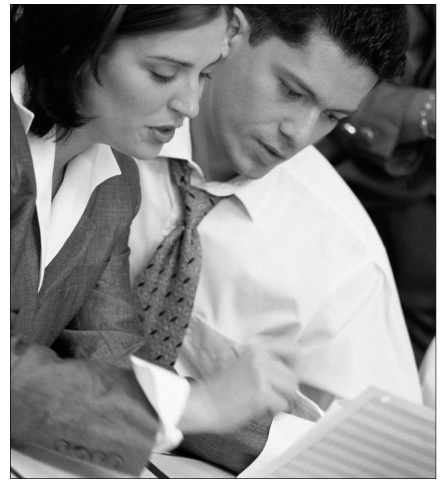
Over 90 percent of the state's financial analysts are employed in the seven-county Twin Cities metro area, with smaller numbers of jobs and lower wages spread across the other regions in Greater Minnesota. While Southeast and Central had the next highest wages and number of jobs, wages were lowest in Northwest, and Northeast had the smallest number of jobs.

As access to data improves, more and more institutions are relying on the work of financial analysts for successful decision making. According to employment projections, the state is expected to gain over 300 new financial analysts in the next decade, a 5 percent increase. In addition, there will be more than 1,200 replacement openings available caused by retirements and other career changes, with the greatest number of both new jobs and replacements available in the Twin Cities metro area.

Bank on It

Though somewhat self-explanatory, financial analysts are expected to analyze financial information in order to monitor and forecast industry and economic conditions to help both public and private sector organizations and clients make informed investment decisions. They must be able to communicate highly technical information through reports, visualizations, and presentations that make it easy for decision makers to understand the implications of their choices.

In addition to math and accounting skills, financial analysts must also have excellent written and oral comprehension and communication



abilities. The ability to combine pieces of information to form general rules, find relationships among seemingly unrelated events, draw conclusions, and find solutions is vital. Much of the work requires face-to-face discussions and teamwork, but the work is also unstructured and provides freedom to guide and to make decisions.

More than 75 percent of financial analysts in Minnesota are employed in either the Professional and Business Services or Financial Activities industries, and more specifically in five sectors that

Table 1: Employment and Wages for Financial Analysts in Minnesota, 1st Qtr. 2016

	Estimated Regional Employment	Median Hourly Wage	Median Annual Salary
State of Minnesota	**6,020**	**$39.05**	**$81,224**
Twin Cities Metro Area	5,440	$39.52	$82,202
Southeast Minnesota	270	$36.27	$75,442
Central Minnesota	160	$37.47	$77,938
Northwest Minnesota	80	$29.99	$62,379
Southwest Minnesota	70	$30.74	$63,939
Northeast Minnesota	50	$35.61	$74,069

Source DEED Occupational Employment Statistics

Employment and Economic Development Minnesota are more strongly concentrated in the state than the nation. In comparison to the U.S., Minnesota reported a location quotient of 1.3 in Financial Investment Activities, Management of Companies, Securities and Commodities Contracts Intermediation, Depository Credit Intermediation, and Management, Scientific, and Technical Consulting Services, where financial analysts are the most likely to be employed (see Table 2).

The distribution of this occupation among leading economic sectors demonstrates the value of quantitative analysis in successful decision making for public and private entities throughout Minnesota's economy. Financial analysts put in long hours researching various subjects, with attention to detail essential in the reports they produce. With this grind come great rewards, however, as financial analysts are compensated with high wages and held in high esteem by the decision makers that utilize them.

Off the Street

With 90 percent of current job holders having a Bachelor's degree or higher, job seekers can't just walk in off the street and become a financial analyst, unless maybe it was Wall Street. The typical education required is a Bachelor's degree, but nearly as many financial analysts have a Master's, PH.D, or professional degree as have Bachelor's degrees (see Chart 1).

Common courses include accounting, banking and financial support services, credit management, economics, investments and securities, financial planning and services, and international and public finance. Mastering technical skills in spreadsheets, data warehousing, and statistical analysis through appropriate software is a must in this competitive field as well.

There are dozens of certifications for financial analysts from dozens of certifying organizations, ranging from Chartered Financial Analyst from the CFA Institute to Qualified Plan Financial Consultant from the American Society of Pension Professionals and Actuaries. These certifications typically require on-the-job experience and passing a series of exams and may also require fees and continuing education.

Because of the wide range of uses for financial analysis, a wide range of alternative job titles for these skillsets includes: banking analyst, bond analyst, budget analyst, commodity analyst, corporate financial analyst, credit products officer, equity research analyst, financial advisor, investment analyst, operational risk analyst, real estate analyst, and securities analyst, among many others. These jobs are in high demand and are expected to stay that way in the future.

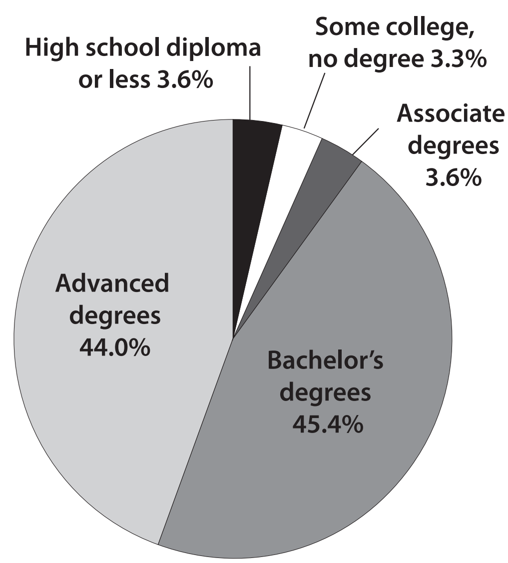
by Erik White
Regional Analyst, Northeast Minnesota
Minnesota Department of Employment and Economic Development

Table 2: Leading Industries for Financial Analysts

Industry	Estimated Employment	Median Wage
Professional and Business Services	2,370	$40.35
Financial Activities	2,280	$37.34
Manufacturing	450	$41.16
Education and Health Services	420	$38.88
Trade, Transportation, and Utilities	280	$37.14
Information	90	$41.50
Public Administration	80	$39.07
Other Services	20	$31.02

Source DEED Occupational Employment Statistics

Chart 1: Educational Attainment for Financial Analysts in Minnesota



Source: DEED Career Profile Tool