



# Areas of Substantial Unemployment

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# Most Recent ASU Definition

## (No change)

**ASU Qualification Requirements:** An area must meet three requirements to be an ASU

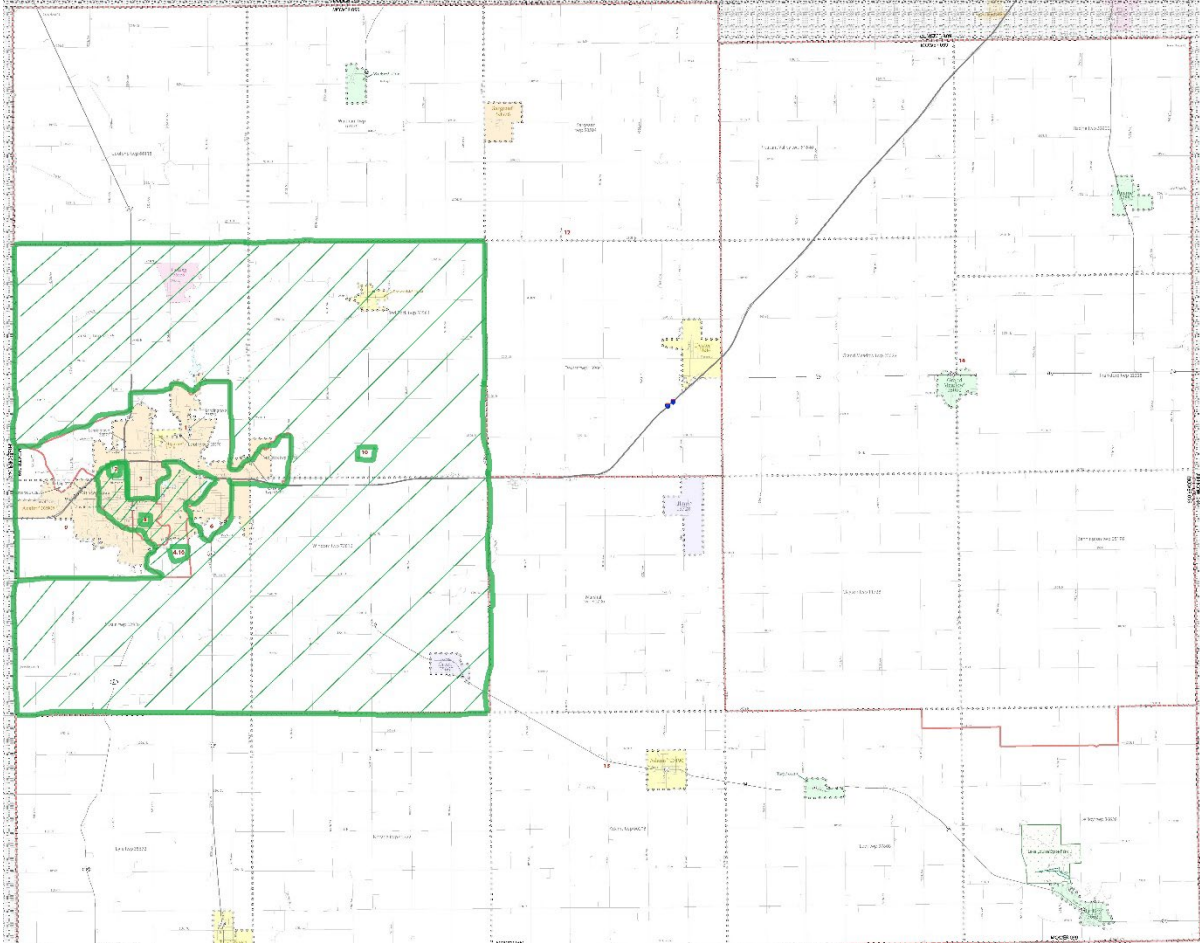
- *Unemployment rate*—the 12-month average not seasonally adjusted unemployment rate for the reference period (July 2020 benchmarked through June 2021 preliminary) must be **at least 6.5 percent**. Note that ASU *parts* do not need to meet this requirement individually—only the *whole* ASU must meet it.
- *Population*—its population must be **at least 10,000** persons based on Census Bureau figures, as described below.
- *Geography*—it must be **a contiguous geographic area** composed of any combination of counties, cities, census tracts, or other areas within a State. If two areas are separated by a body of water (for example, river, lake, ocean) they can be contiguous if the two areas are directly across the body of water from one another. Contiguity is also achieved when two areas touch at only one point, as four square counties might touch.

Source: LAUS Technical Memorandum No. S-14-22

# Estimating Census Tract Unemployment

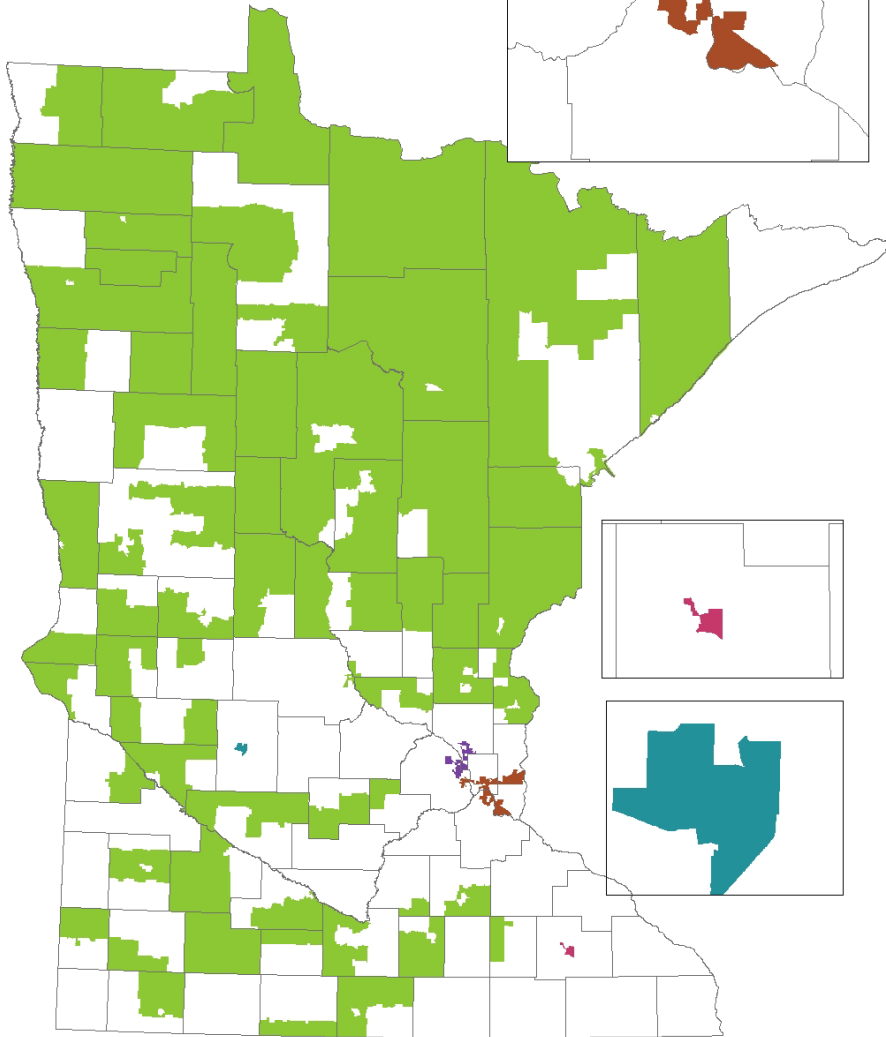
- We use the most recent American Community Survey 5-year estimates (2016-2020 for current estimates) of employment, unemployment and population.
- The ACS Census Tract-level data (tract shares of county) are used to distribute county-level LAUS employment and unemployment estimates for the reference period (most recent July to June period) across the component Census Tracts.

# Example Using Mower County Austin ASU



Census Tract	Tract Pop	ACS Emp Share	ACS Unemp Share	ASU Emp	ASU Unemp	ASU Unemp Rate
000.410	5,103	9.3%	23.8%	1,819	231	11.3%
000.800	3,847	10.7%	24.0%	2,112	233	9.9%
001.000	3,693	9.6%	10.8%	1,883	105	5.3%
000.200	2,728	7.9%	8.7%	1,560	85	5.1%
<b>ASU Austin</b>				<b>7,370</b>	<b>537</b>	<b>6.8%</b>
<i>Mower, LAUS</i>				19,750	799	3.9%

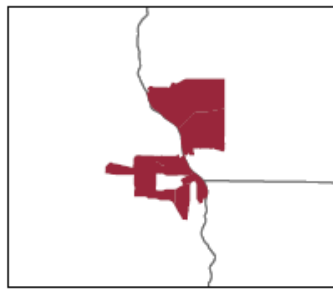
# 2018 Minnesota ASUs



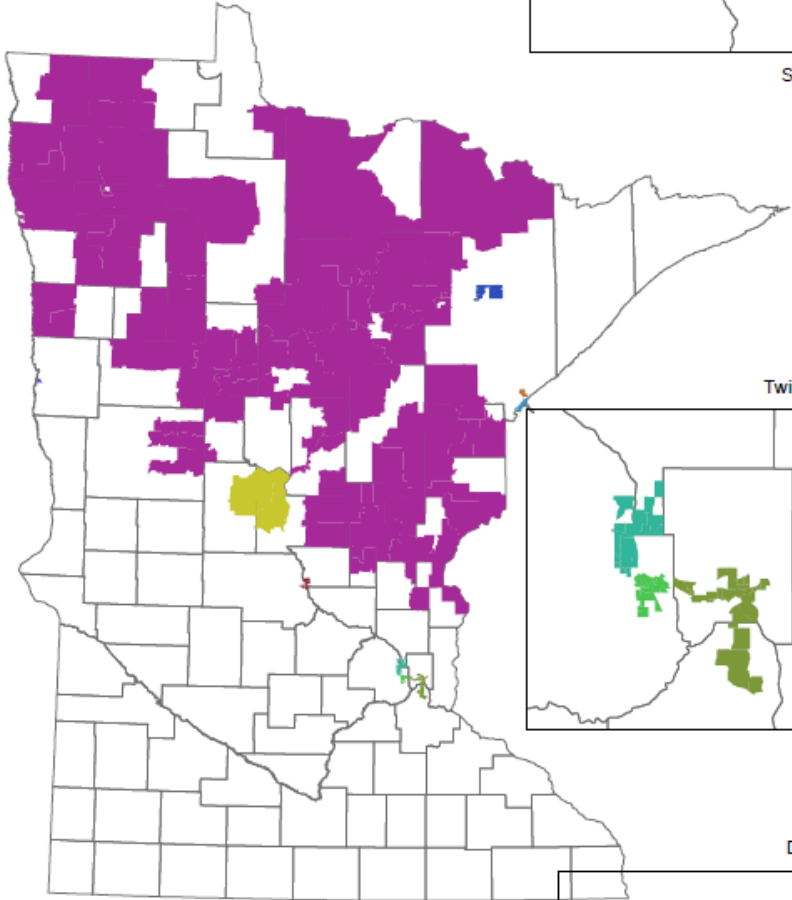
ASU Number ■ 1 ■ 2 ■ 3 ■ 4 ■ 5

FY	Total Unemployed	Total Rate	ASU Unemployed	ASU Rate
2016	117,040	3.9%	40,778	6.5%
2017	109,191	3.9%	47,726	6.5%
△	-7,849		+6,948	

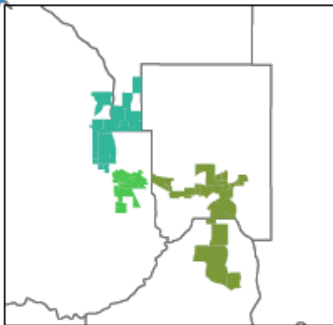
# 2019 Minnesota ASUs



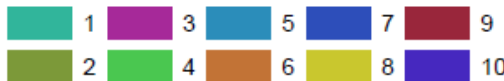
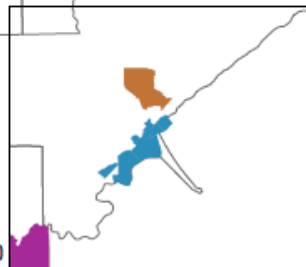
St. Cloud



Twin Cities



Duluth

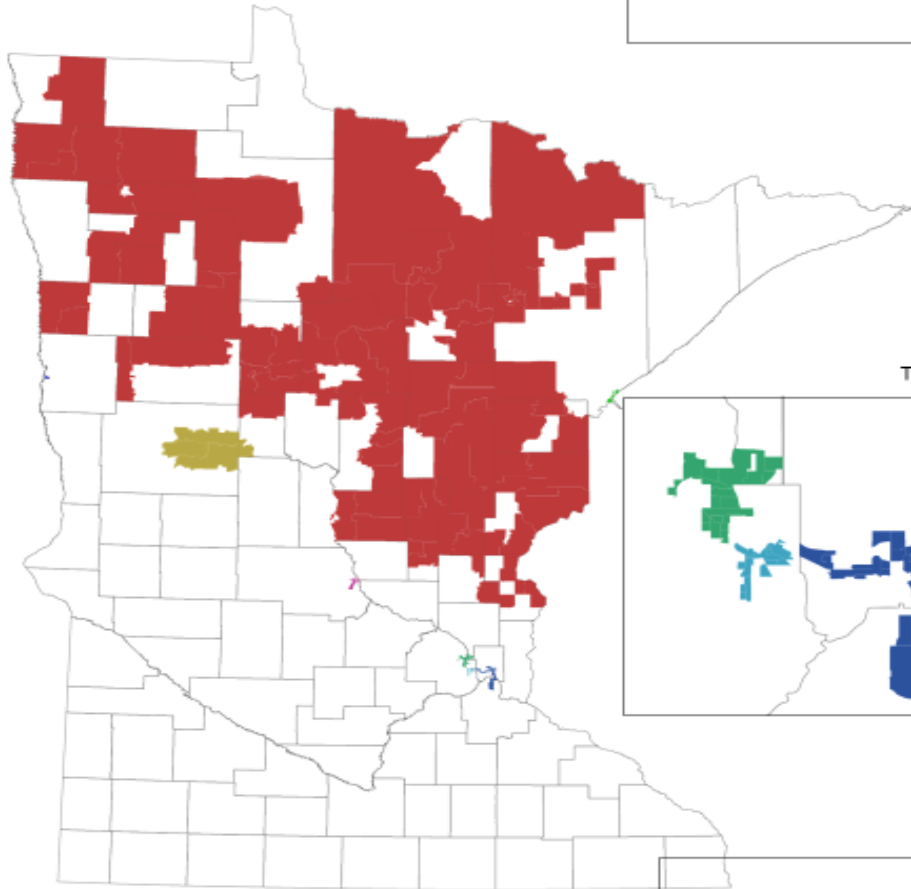


FY	Total Unemployed	Total Rate	ASU Unemployed	ASU Rate
2017	109,191	3.9%	47,726	6.5%
2018	98,709	3.2%	23,732	6.5%
△	-10,482		-23,994	

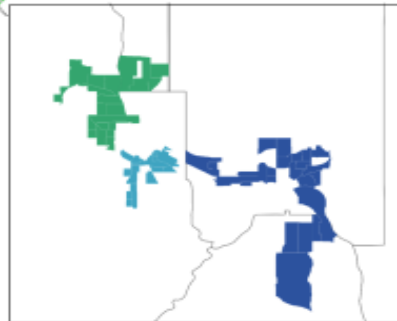
# 2020 Minnesota ASUs



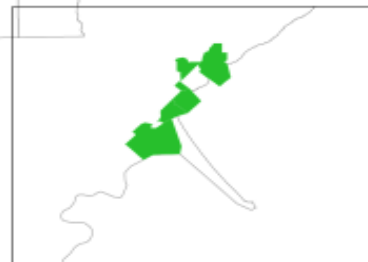
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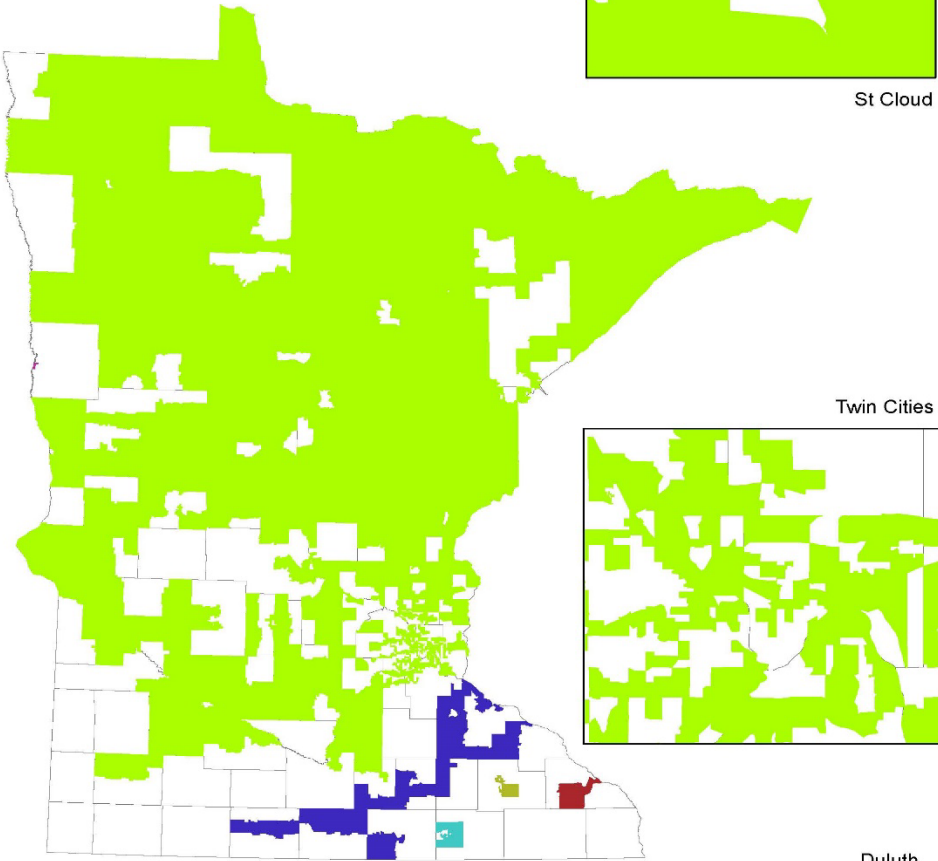


Duluth



FY	Total Unem- ployed	Total Rate	ASU Unem- ployed	ASU Rate
2018	98,709	3.2%	23,732	6.5%
2019	100,873	3.3%	24,564	6.5%
△	+2,164		+832	

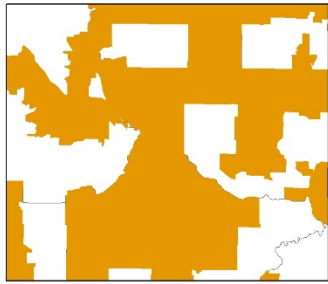
# 2021 Minnesota ASUs



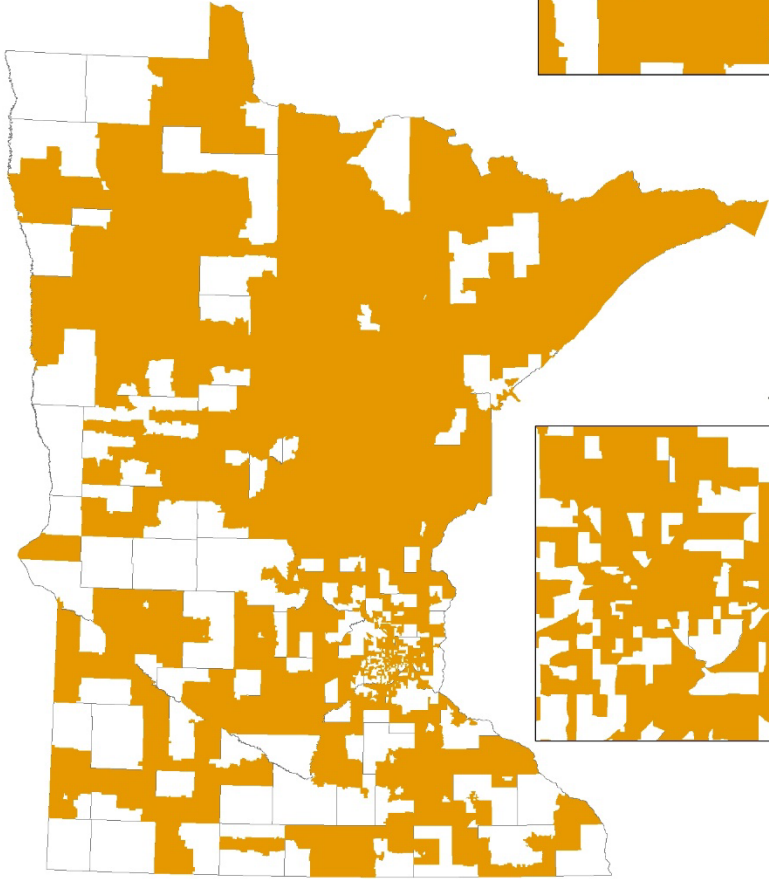
FY	Total Unemployed	Total Rate	ASU Unemployed	ASU Rate
2019	100,873	3.3%	24,564	6.5%
2020	149,689	4.8%	96,253	6.5%
△	+48,816		+71,689	



# 2022 Minnesota ASU



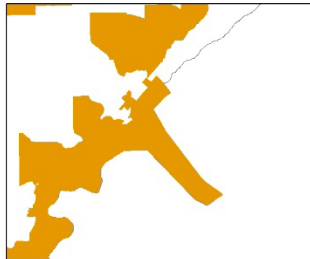
St. Cloud



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Duluth



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FY	TOTAL Unem- ployed	TOTAL Rate	ASU Unem- ployed	ASU Rate
2020	149,689	4.8%	96,253	6.5%
2021	152,192	5.0%	120,934	6.5%
△	+2,503		+24,681	

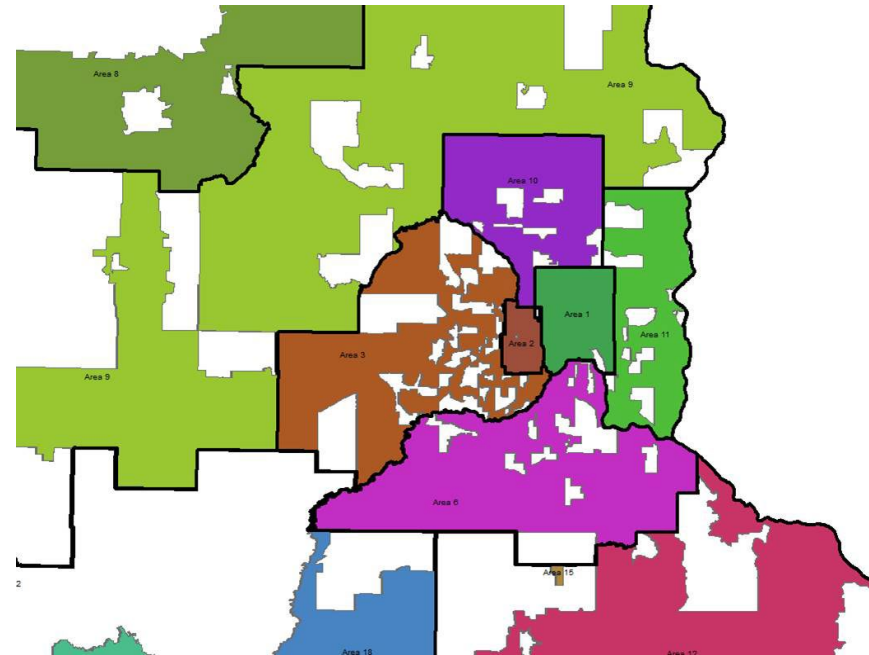
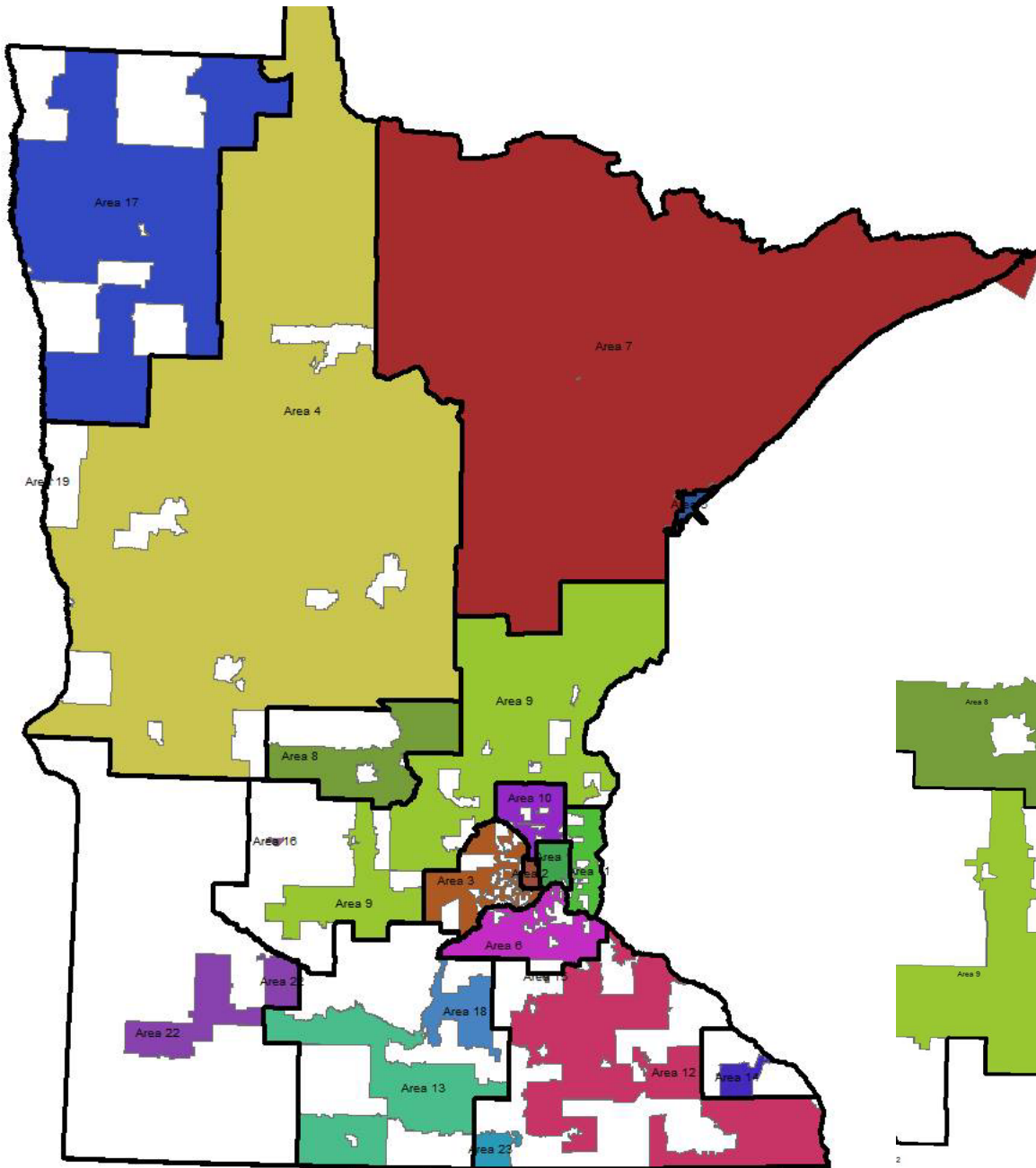
# Similar Process for WSA Allocations

- We update to most recent calendar year (now 2021) LAUS estimates (6-month forward shift)
- Again we use ACS 5-year estimates (2016-2020) to distribute most recent calendar year's LAUS county, Duluth and Minneapolis employment and unemployment estimates to Census Tracts
- Limit ASU designations to WSA geographies, subject to same (6.5% unemployment, 10,000 population, contiguous geographies) constraints.

# Last Year's ASUs

Pop = 10,000 and UR = 6.5%

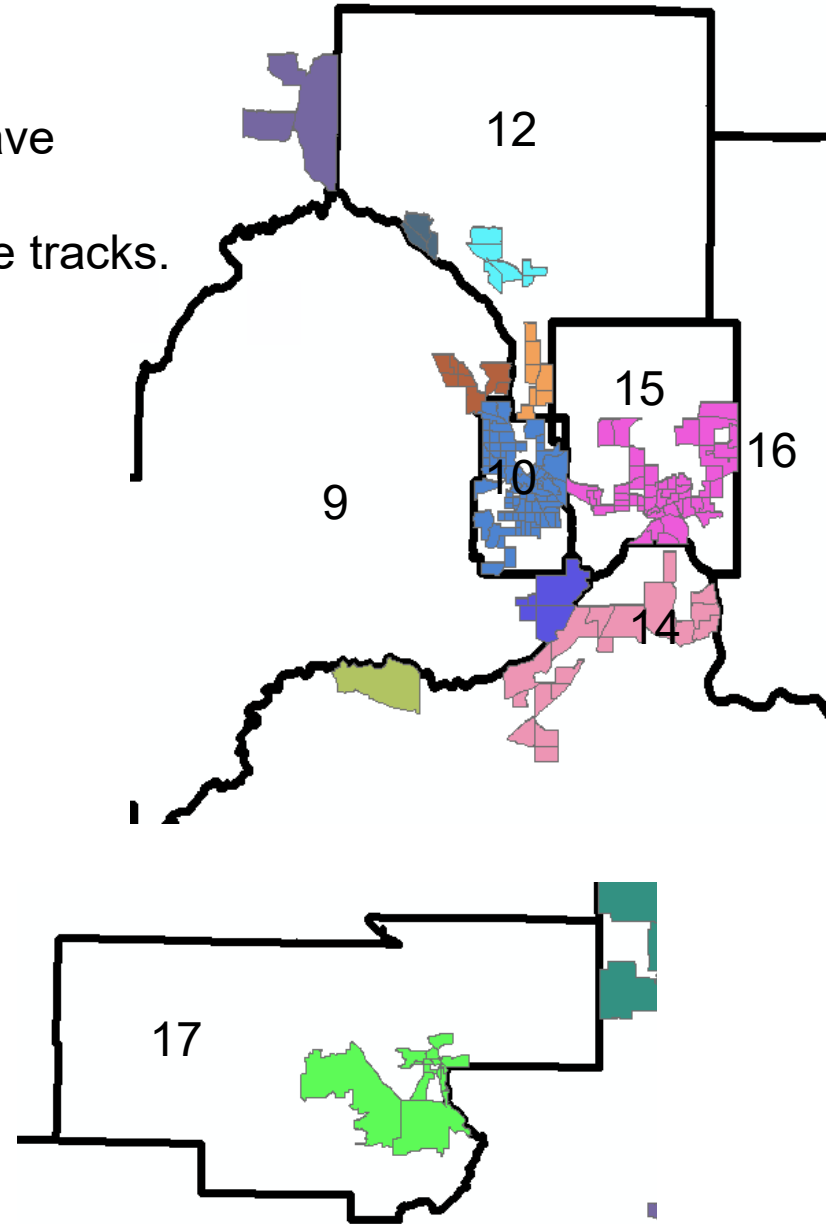
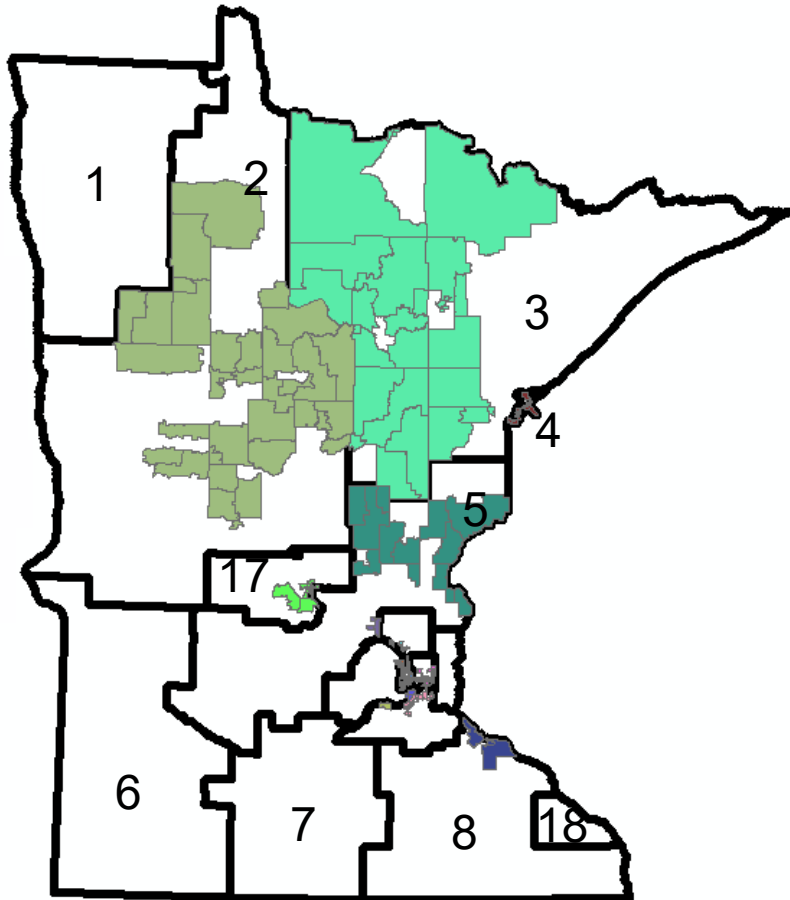
- Last year 467 or 35% census tracts had unemployment rates  $\geq$  6.5%
- Last year 11 had more than 25 tracts each at  $\geq$  6.5% unemployment rate.



# This Year's ASUs

Pop = 10,000 and Unemployment Rate = 6.5%

- 149 of 1,338 (11%) of census tracts have unemployment rates  $\geq 6.5\%$
- Only 5 WSAs have 10 or more of these tracks.
- 11 WSAs have fewer than 10 each.



# 2022 WSA-ASU Designation

ASU Number	ASU Population	ASU Employment	ASU Unemployment	ASU Unemployment Rate	Number of Tracts included	WSA Number
2	114,173	48,951	3,395	6.5	34	W02
10	88,893	38,117	2,638	6.5	27	W03
4	39,052	18,836	1,316	6.5	17	W04
13	51,658	23,471	1,633	6.5	12	W05
24	19,046	9,257	706	7.1	2	W05
19	11,240	5,464	380	6.5	2	W08
8	14,022	6,893	493	6.7	5	W09
27	38,215	17,389	1,199	6.5	8	W09
3	266,971	143,918	9,953	6.5	74	W10
5	27,341	13,771	959	6.5	6	W12
9	30,764	14,856	1,025	6.5	7	W12
18	10,524	4,774	335	6.6	3	W12
7	80,298	41,726	2,895	6.5	18	W14
54	12,440	6,727	464	6.5	1	W14
1	190,898	87,582	6,070	6.5	48	W15
6	72,906	38,019	2,629	6.5	13	W17

Based on ACS-shared 2021 annual unbenchmarked data

# Percent of Labor Force in WSA ASUs

<b>WORKFORCE SERVICE AREAS</b>	<b>Total ASU Employment</b>	<b>Total ASU Unemployment</b>	<b>Percent of Labor Force</b>
WSA 1 - Northwest Minnesota	0	0	0%
WSA 2 - Rural Minnesota CEP	48,951	3,395	20.6%
WSA 3 - Northeast Minnesota	38,117	2,638	35.6%
WSA 4 - City of Duluth	18,836	1,316	45.1%
WSA 5 - Central Minnesota	32,728	2,339	12.7%
WSA 6 - Southwest Minnesota	0	0	0%
WSA 7 - South Central Minnesota	0	0	0%
WSA 8 - Southeast Minnesota	5,464	380	2.3%
WSA 9 - Hennepin/Carver	24,282	1,692	5.1%
WSA 10 - City of Minneapolis	143,918	9,953	64.0%
WSA 12 - Anoka County	33,401	2,319	18.4%
WSA 14 - Dakota/Scott	48,453	3,359	16.3%
WSA 15 - Ramsey County	87,582	6,070	33.1%
WSA 16 - Washington County	0	0	0%
WSA 17 - Stearns/Benton	38,019	2,629	36.9%
WSA 18 - Winona County	0	0	0%

# Thank You!



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