



Areas of Substantial Unemployment

Oriane Casale | *Interim Director*

Labor Market Information Office | <http://mn.gov/deed/data>

Most Recent ASU Definition

(No change)

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

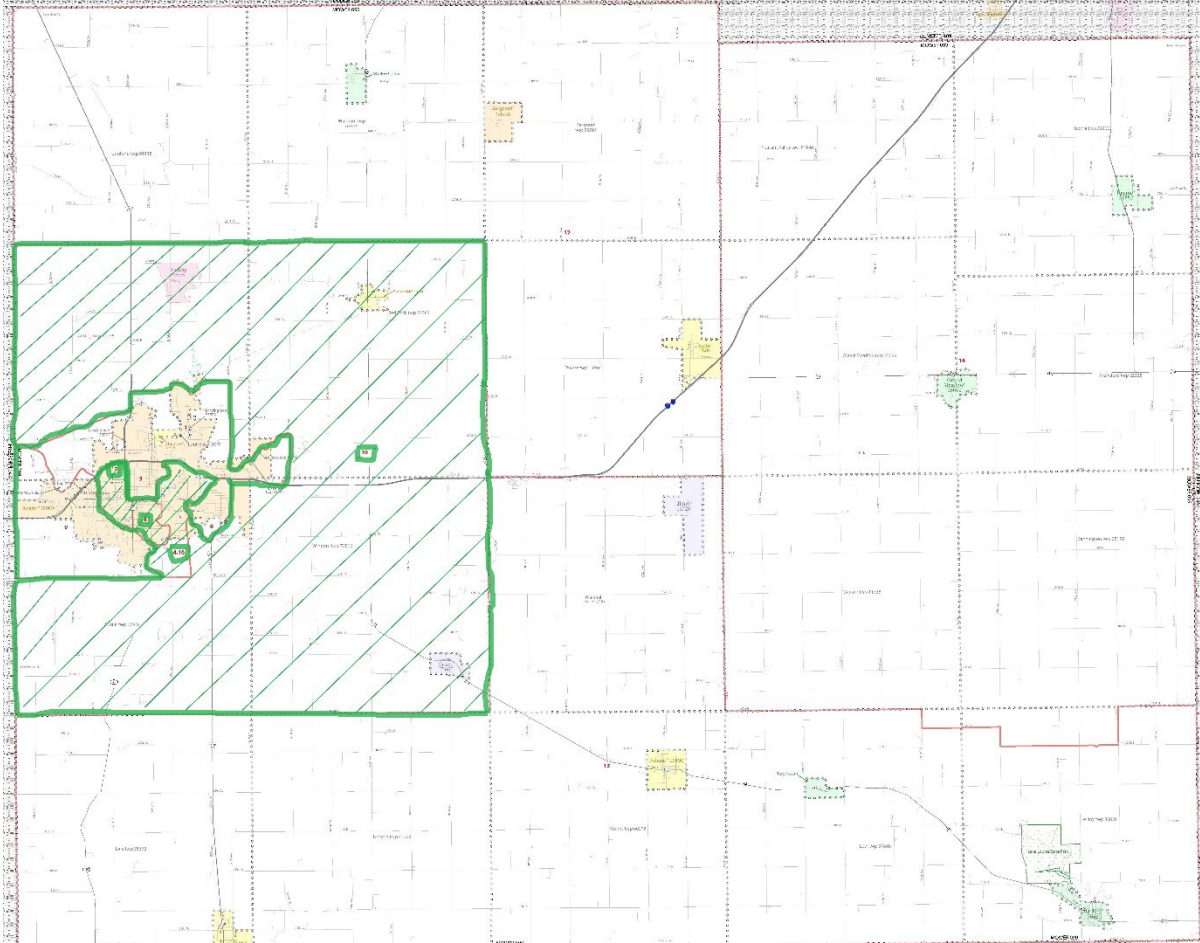
- *Unemployment rate*—the 12-month average not seasonally adjusted unemployment rate for the reference period (July 2021 benchmarked through June 2022 preliminary) must be **at least 6.5 percent**. Note that ASU *parts* do not need to meet this requirement individually—only the *whole* ASU must meet 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

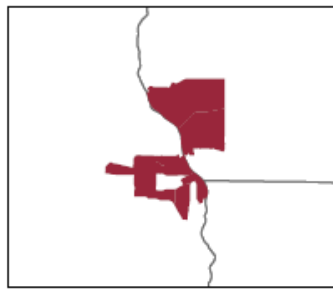
- We use the most recent American Community Survey 5-year estimates (2016-2020 for current estimates) of employment, unemployment and population.
- The ACS Census Tract-level data (tract shares of county) are used to distribute county-level LAUS employment and unemployment estimates for the reference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

Example Using Mower County Austin ASU

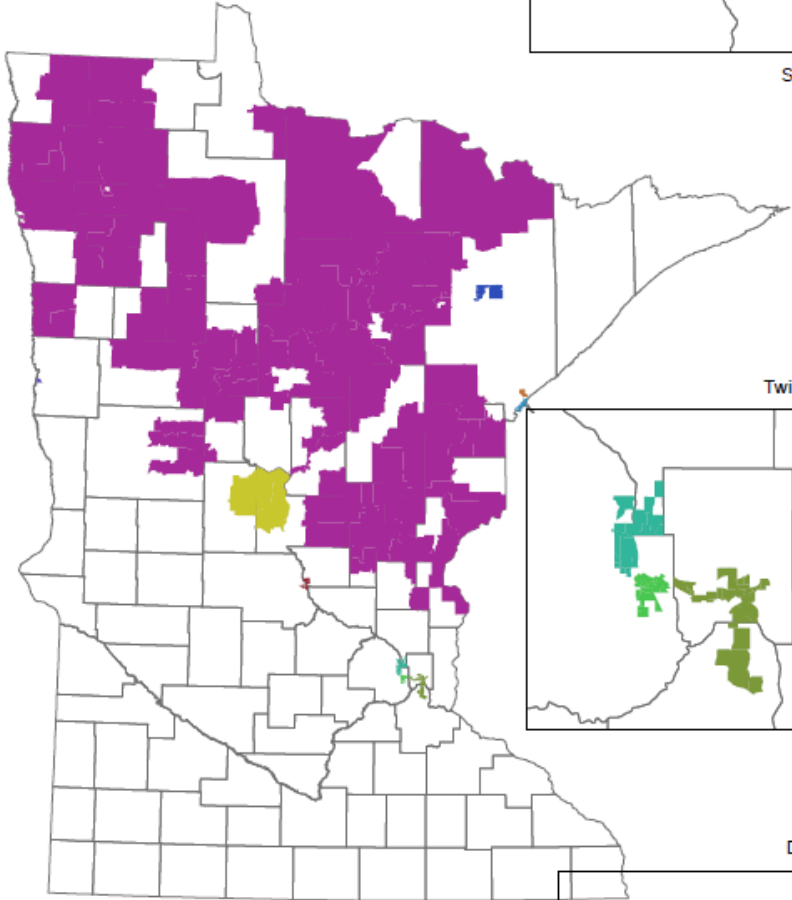


Census Tract	Tract Pop	ACS Emp Share	ACS Unemp Share	ASU Emp	ASU Unemp	ASU Unemp Rate
000.410	5,103	9.3%	23.8%	1,819	231	11.3%
000.800	3,847	10.7%	24.0%	2,112	233	9.9%
001.000	3,693	9.6%	10.8%	1,883	105	5.3%
000.200	2,728	7.9%	8.7%	1,560	85	5.1%
ASU Austin				7,370	537	6.8%
<i>Mower, LAUS</i>				19,750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

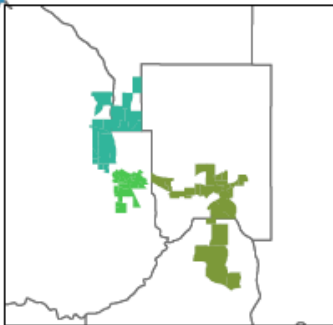
2019 Minnesota ASUs



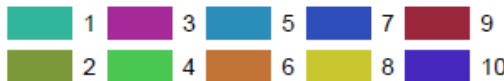
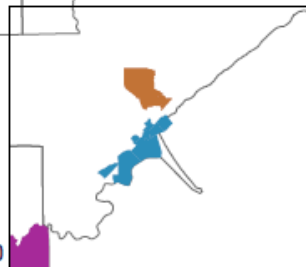
St. Cloud



Twin Cities



Duluth

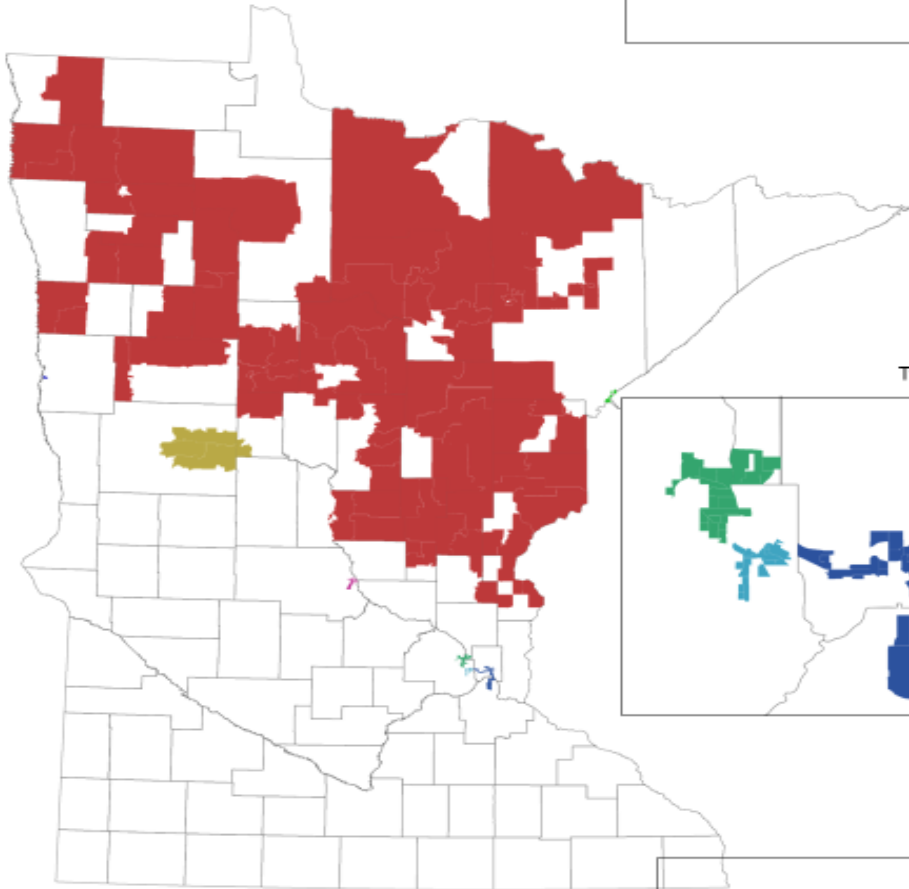


PY	Total Unemployed	Total Rate	ASU Unemployed	ASU Rate
2018	109,191	3.9%	64,611	6.5%
2019	98,709	3.2%	23,732	6.5%
△	-10,482			

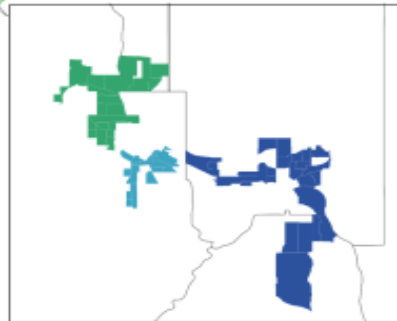
2020 Minnesota ASUs



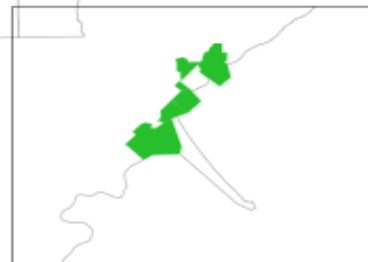
St. Cloud



Twin Cities

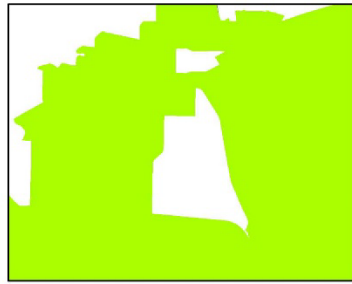


Duluth

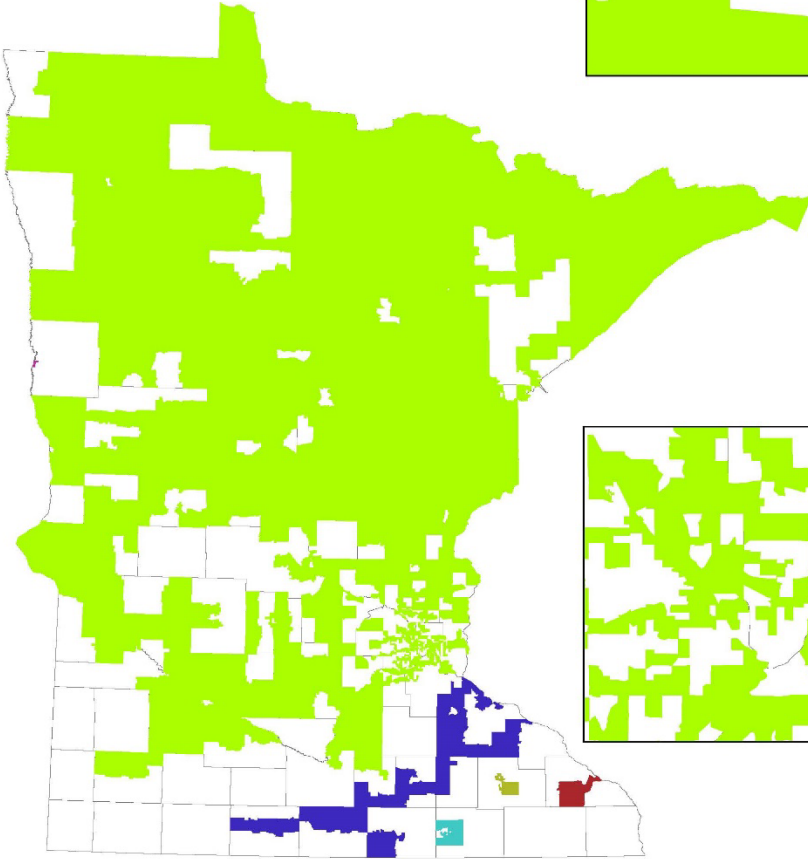


PY	Total Unem- ployed	Total Rate	ASU Unem- ployed	ASU Rate
2019	98,709	3.2%	23,732	6.5%
2020	100,873	3.3%	24,564	6.5%
△	+2,164			

2021 Minnesota ASUs



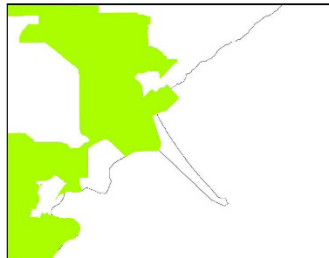
St. Cloud



Twin Cities

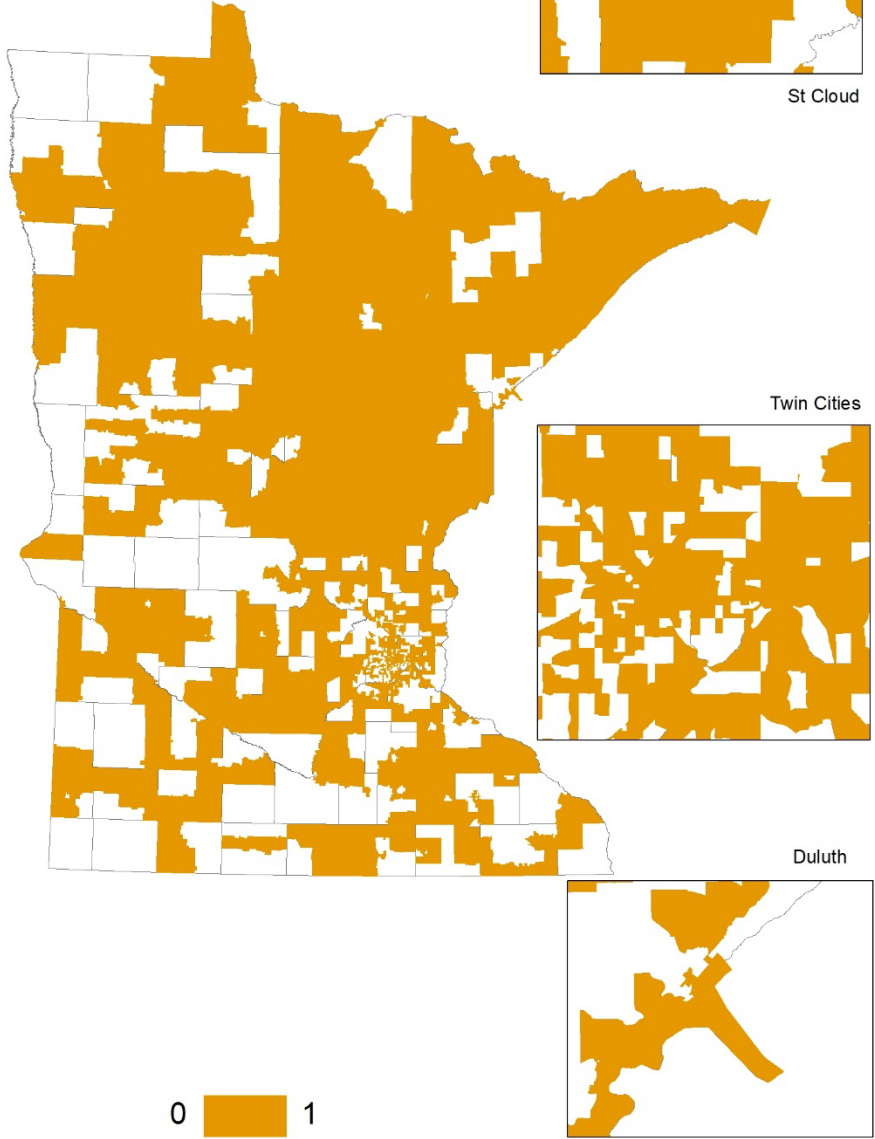


Duluth



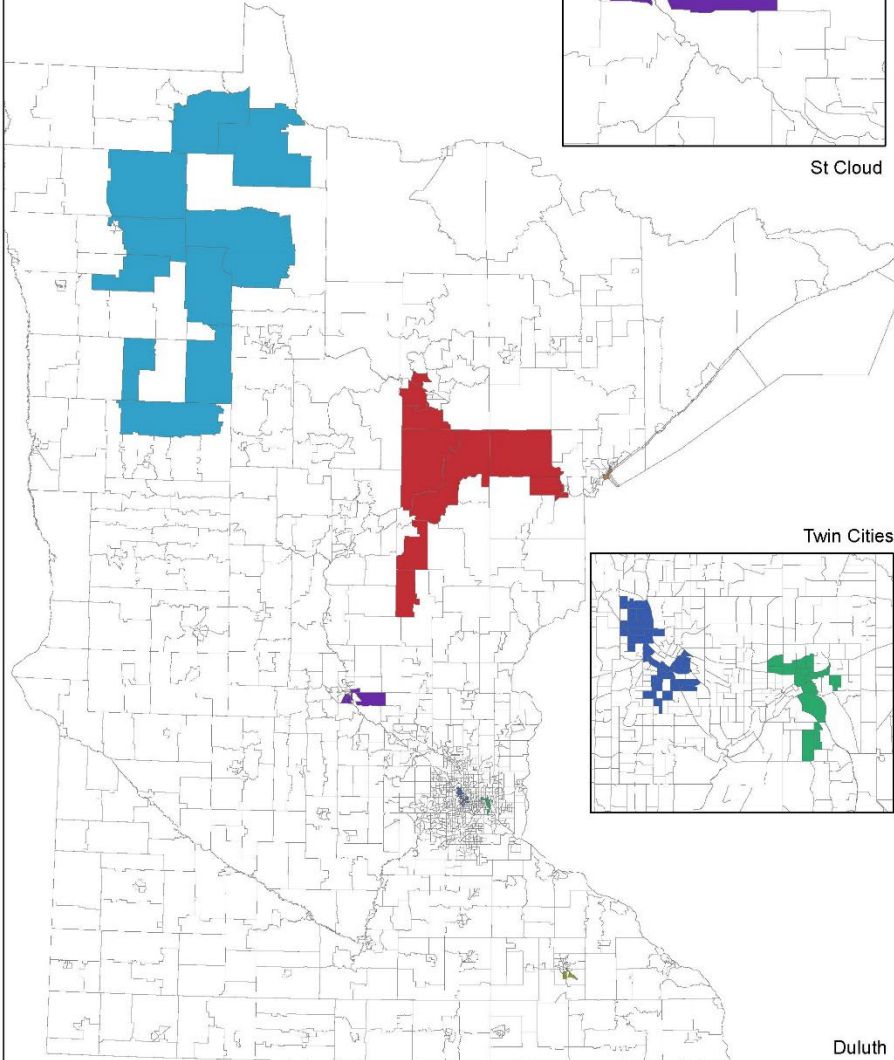
PY	Total Unem-ployed	Total Rate	ASU Unem-ployed	ASU Rate
2020	100,873	3.3%	24,564	6.5%
2021	149,689	4.8%	80,619	6.5%
△	+48,816			

2022 Minnesota ASU



PY	TOTAL Unem- ployed	TOTAL Rate	ASU Unem- ployed	ASU Rate
2021	149,689	4.8%	80,619	6.5%
2022	152,192	5.0%	88,034	6.5%
△	+2,503			

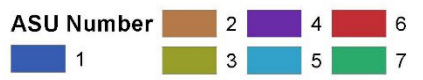
2023 Minnesota ASU



St Cloud

Twin Cities

Duluth



PY	TOTAL Unem- ployed	TOTAL Rate	ASU Unem- ployed	ASU Rate
2022	152,192	5.0%	88,034	6.5%
2023	84,024	2.8%	14,962	6.5%
△	-68,168			

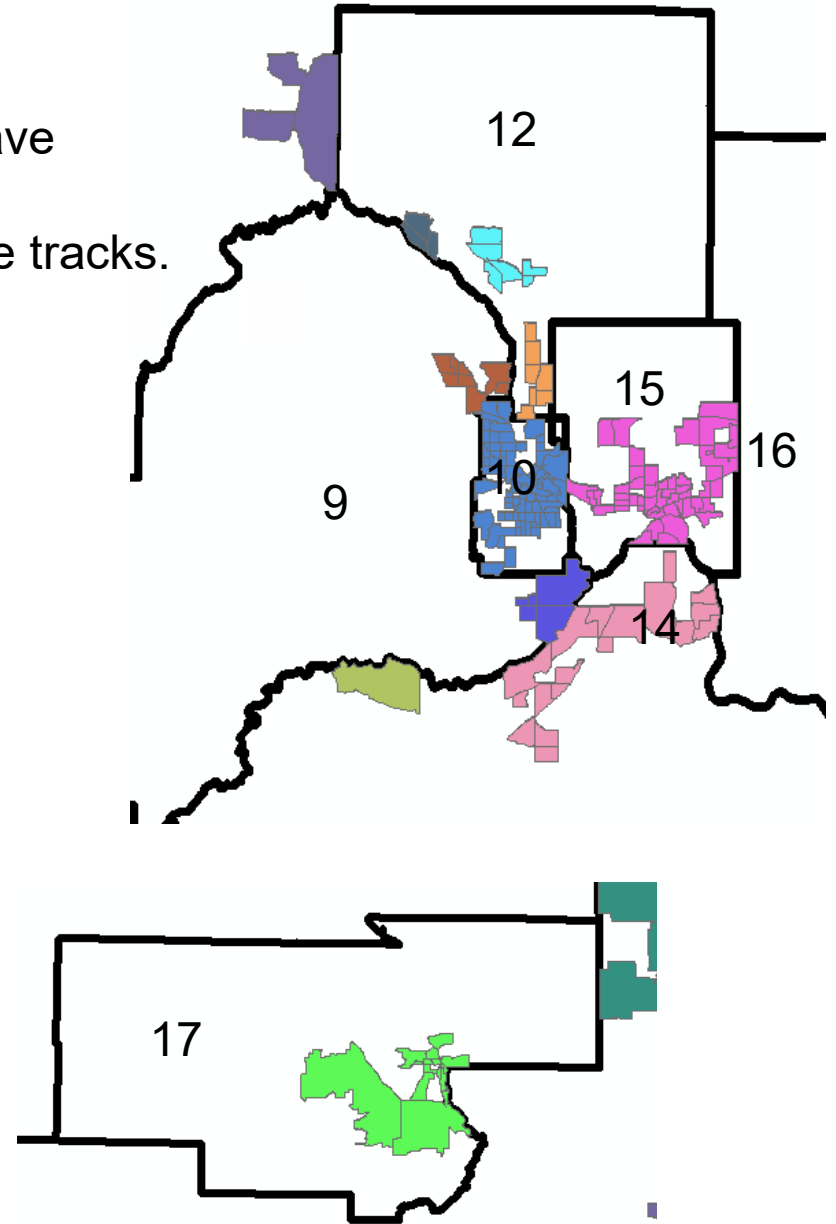
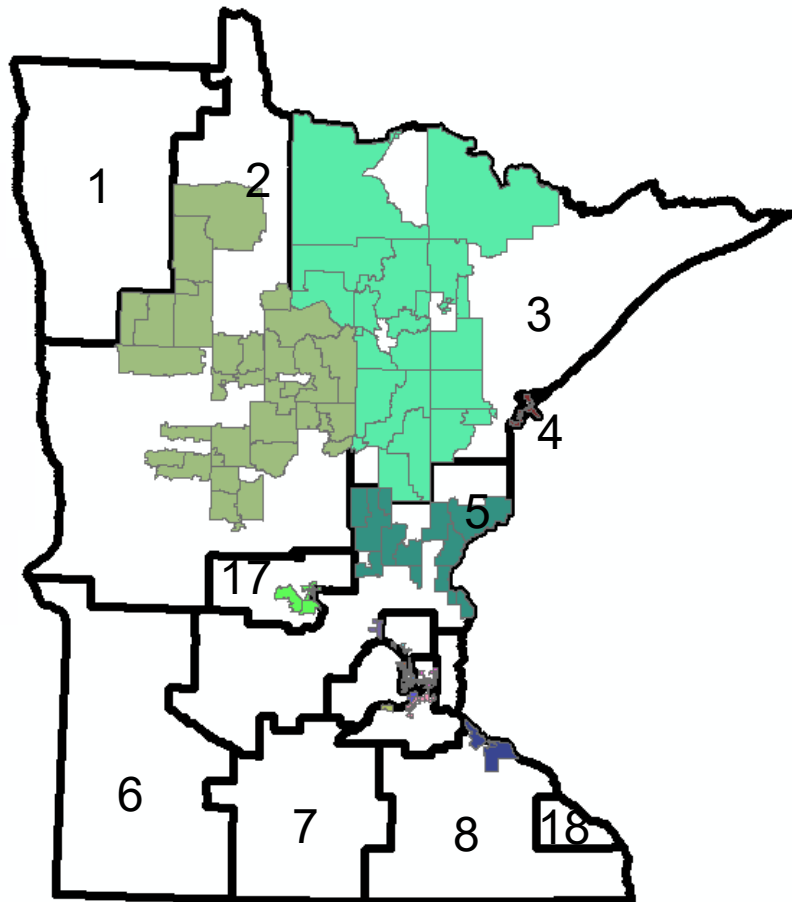
Similar Process for WSA Allocations

- We update to most recent calendar year (now 2022) 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 WSA 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.

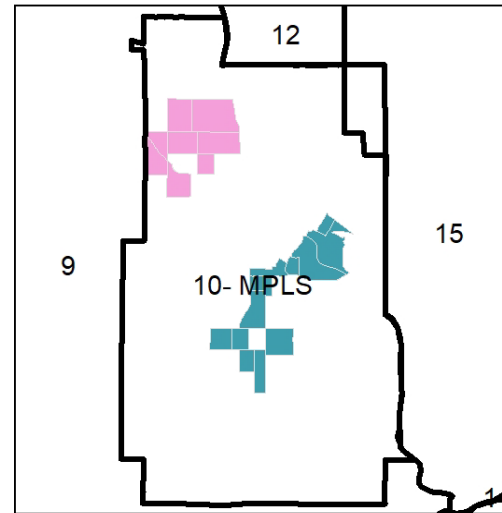
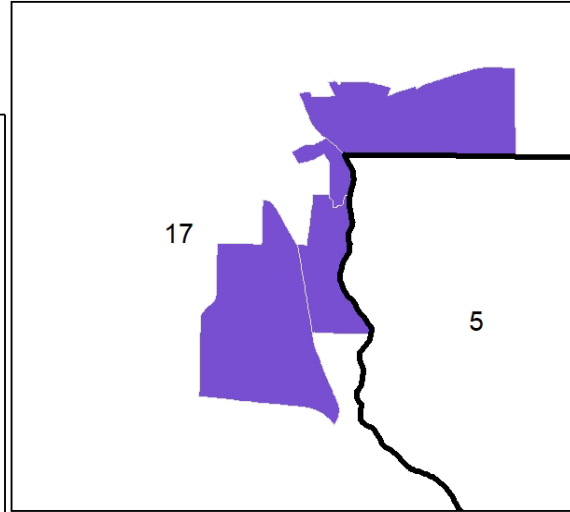
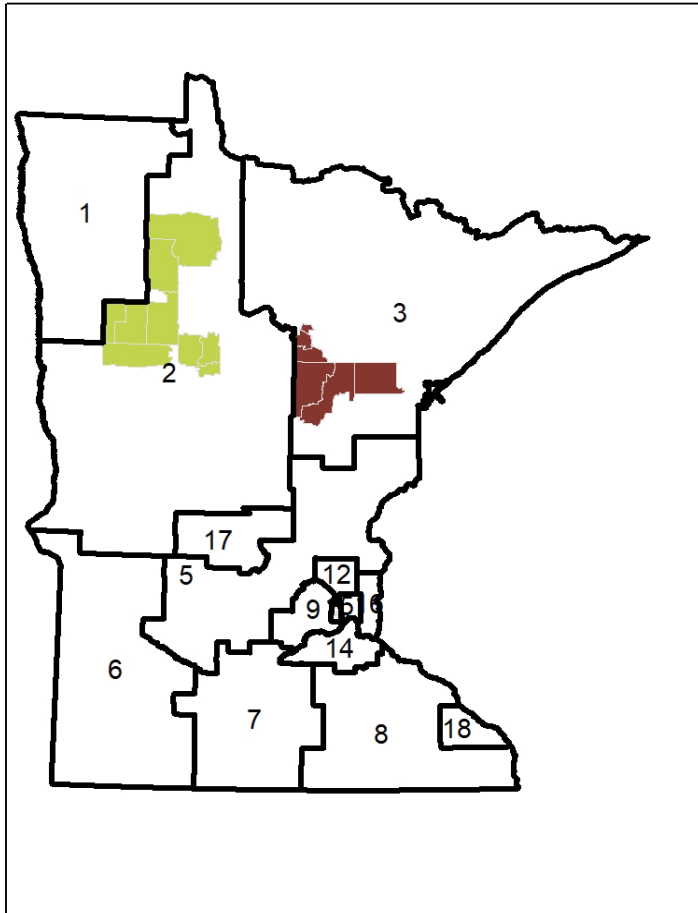


This Year's WSA ASUs

*48 of 1,505 (3%) census tracts have unemployment rates $\geq 6.5\%$

*11 of 16 WSAs have tracks with unemployment $\geq 6.5\%$

*8 of 16 WSAs have population over 10,000 in tracks with high unemployment



Pop = 10,000
Unemployment
Rate = 6.5%

2023 WSA-ASU Designations

ASU Population	ASU Employment	ASU Unemployment	ASU Unemployment Rate	Number of Tracts included	WSA Number
46,971	22,598	1,572	6.5%	12	W10
24,860	10,929	775	6.6%	8	W10
28,149	11,554	832	6.7%	9	W02
20,261	10,817	784	6.8%	4	W17
14,257	6,132	423	6.5%	6	W03

Based on ACS-shared 2022 annual unbenchmarked data

Percent of Labor Force in WSA ASUs

Workforce Service Area	ASU Population	Total ASU Employment	Total ASU Unemployment
WSA 1 - Northwest Minnesota	0	0	0
WSA 2 - Rural Minnesota CEP	28,149	11,554	832
WSA 3 - Northeast Minnesota	14,257	6,132	423
WSA 4 - City of Duluth	0	0	0
WSA 5 - Central Minnesota	0	0	0
WSA 6 - Southwest Minnesota	0	0	0
WSA 7 - South Central Minnesota	0	0	0
WSA 8 - Southeast Minnesota	0	0	0
WSA 9 - Hennepin/Carver	0	0	0
WSA 10 - City of Minneapolis	71,831	33,527	2,347
WSA 12 - Anoka County	0	0	0
WSA 14 - Dakota/Scott	0	0	0
WSA 15 - Ramsey County	0	0	0
WSA 16 - Washington County	0	0	0
WSA 17 - Stearns/Benton	20,261	10,817	784
WSA 18 - Winona County	0	0	0

Thank You!



Oriane Casale

Interim Director

Labor Market Information Office

Oriane.Casale@state.mn.us