



The State of Minnesota's Economy & Labor Force: Trends, Shifts & Signals

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<https://mn.gov/deed/data/regional-lmi/>

Labor Market Information office

- Each state produces employment and economic statistics in cooperation with the U.S. Department of Labor's Bureau of Labor Statistics
- LMI includes employment statistics, unemployment rates, wages and salaries, job projections and more
- LMI is the foundation for informed, market-responsive planning
- <https://mn.gov/deed/data/data-tools/>



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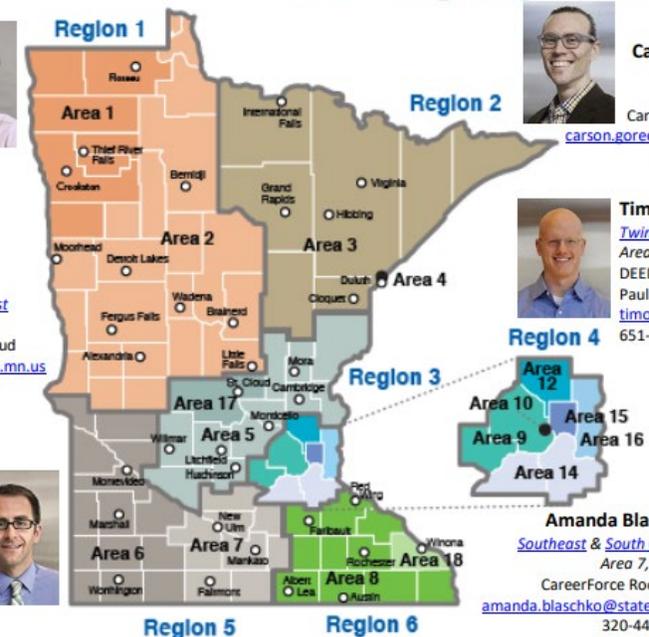
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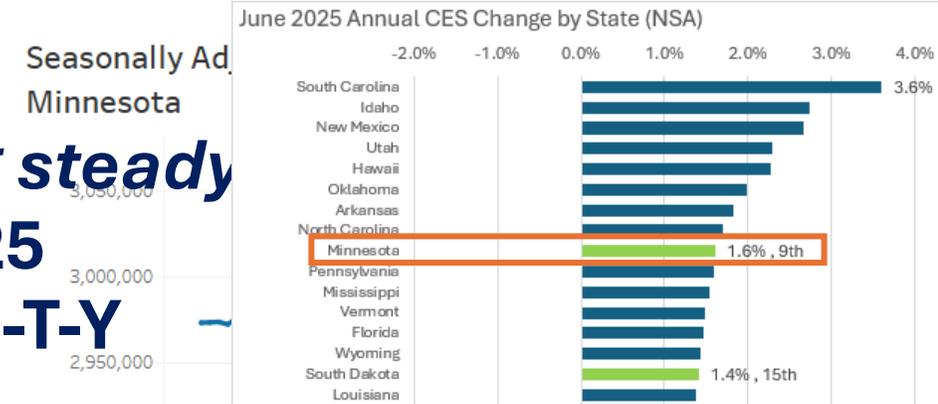


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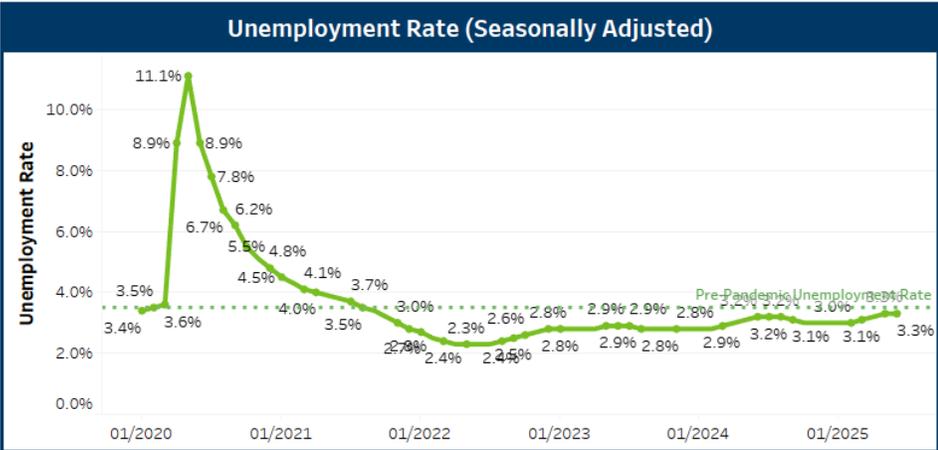


Perception Equals Reality...

- **How is Minnesota's economy doing?**
 - *Are we adding jobs, losing jobs or holding steady?*
 - **We are growing! 3,064,931 jobs in July 2025**
 - **Minnesota ranked 9th fastest in the U.S. O-T-Y**
- **How is Minnesota's labor force doing?**
 - *Are we adding workers, losing workers, or holding steady?*
 - **We had been gaining workers every month up to 3,155,587 workers in July 2025**
 - **Surpassed the pre-pandemic level last summer**
 - **Unemp. rate = 3.5% in July 2025**
 - **Minnesota tied for 12th lowest rate in the U.S.**



Labor Market Information Key Measures	
	June 2025
Unemployment Rate	3.3%
Unemployment Rate compared to last month	+0.0%
Unemployment compared to last year	+0.1%



Data Seasonally Adjusted. For more information see <https://apps.deed.state.mn.us/im/laus/detail.aspx?geoq=270100000&adjust=1&graph=1>

Where are the workers?

“NOBODY WANTS TO WORK ANY MORE!”

2022

According to a new survey released by TinyPulse, 1 in 5 executive leaders agree with this statement: “No one wants to work”. These same leaders cite a “lack of response to job

2014

What has happened to the work ethic in America? Nobody wants to work anymore. It has not always been that way. When I first started to work as a teenager, I saw people work hard.

2006

like nobody wants to work anymore and when they do

1999

“Nobody wants to work anymore,” Cecil said. “They all want to work in front of a computer and make lots of

1981

off this land last week. But they just fooled around. They didn’t want to work. Nobody wants to work anymore.

1979

“Nobody wants to work anymore.”

— **disgusted businessman**

1969

called “Nobody Wants to Work Anymore.” Talking about un-

1952

everybody was getting too darned lazy and nobody wants to work anymore. That’s the truth if I ever heard it.

1940

trouble is everybody is on relief or a pension — nobody wants to work anymore.”

1937

ams counties are complaining that “Nobody wants to work anymore.” There is work, it is reported, for 15

1922

it is because nobody wants to work any more unless they can

1916

he answered, “the reason for food scarcity is that nobody wants to work as hard as they used to. I asked a

1905

unreliable. None want to work for wages.

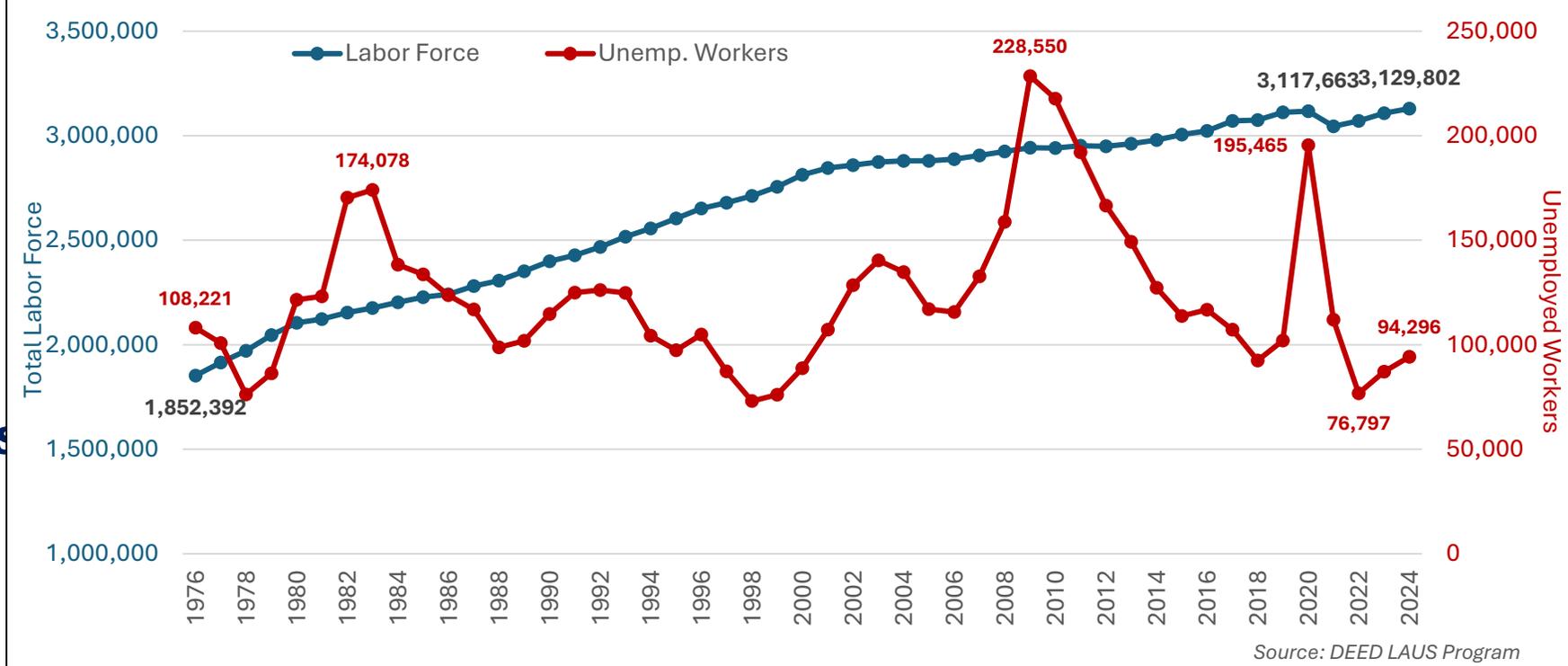
1894

next winter? It is becoming apparent that nobody wants to work these hard times.

Minnesota's Job Engine

- From 1976 to 2019, Minnesota added 1,259,281 workers
 - From 1,852,392 workers to 3,111,673 workers
 - But Minnesota had -6,220 fewer unemployed workers!!!
 - From 108,221 unemp. workers to 102,001 unemp. workers
- From 2019 to 2021, Minnesota lost -66,386 workers
- From 2021 to 2024, Minnesota added +84,515 workers
 - *Back to just 94,296 unemployed workers*

Figure 1. Minnesota's Labor Force Changes, 1976-2024



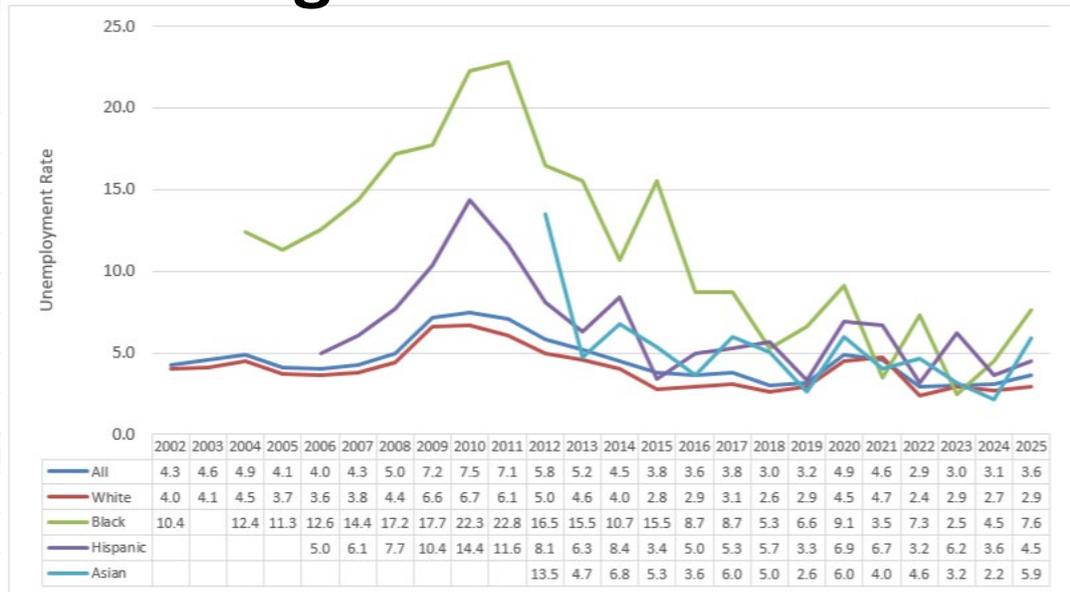
Labor Force Participation

- **80.0% of the state's labor force is white** (down from 88.7% in 2012)
 - The state's white labor force declined from 2013 to 2023 (due to aging population, self-reporting)
- **Labor force participation rates were higher for every other race group except American Indians, and had been increasing since 2013**

- Black or African American labor force increased by +68,800 workers (+49.5%)
- Asian labor force grew by +52,950 workers (+43.1%)
- Labor Force of some other race grew +47,500 (+105.4%)
- Two or more races grew by +140,165 workers (+277.5%)
- Hispanic or Latino grew by +67,000 workers (+52.1%)

Table 10. Unemployment Rates by Race, 2002 to 2025

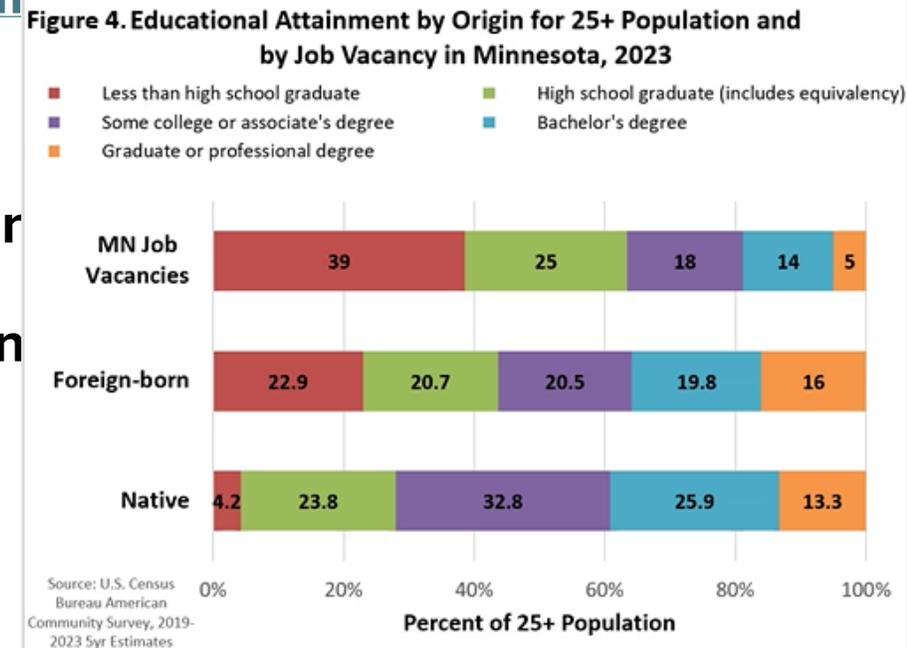
Age Group	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Total Labor Force	4.3	4.6	4.9	4.1	4.0	4.3	5.0	7.2	7.5	7.1	5.8	5.2	4.5	3.8	3.6	3.8	3.0	3.2	4.9	4.6	2.9	3.0	3.1	3.6	
16 to 19 years																									
20 to 24 years																									
25 to 44 years																									
45 to 54 years																									
55 to 64 years																									
65 to 74 years																									
75 years & over																									
Employment Characteristics by Race																									
White alone	4.0	4.1	4.5	3.7	3.6	3.8	4.4	6.6	6.7	6.1	5.0	4.6	4.0	2.8	2.9	3.1	2.6	2.9	4.5	4.7	2.4	2.9	2.7	2.9	
Black or African American	10.4		12.4	11.3	12.6	14.4	17.2	17.7	22.3	22.8	16.5	15.5	10.7	15.5	8.7	8.7	5.3	6.6	9.1	3.5	7.3	2.5	4.5	7.6	
Hispanic					5.0	6.1	7.7	10.4	14.4	11.6	8.1	6.3	8.4	3.4	5.0	5.3	5.7	3.3	6.9	6.7	3.2	6.2	3.6	4.5	
American Indian & Alaska Native											13.5	4.7	6.8	5.3	3.6	6.0	5.0	2.6	6.0	4.0	4.6	3.2	2.2	5.9	



- **After converging at around 3.0% in 2023; unemp. rates have been climbing for workers of other races – Minnesota has disparities that have persisted**

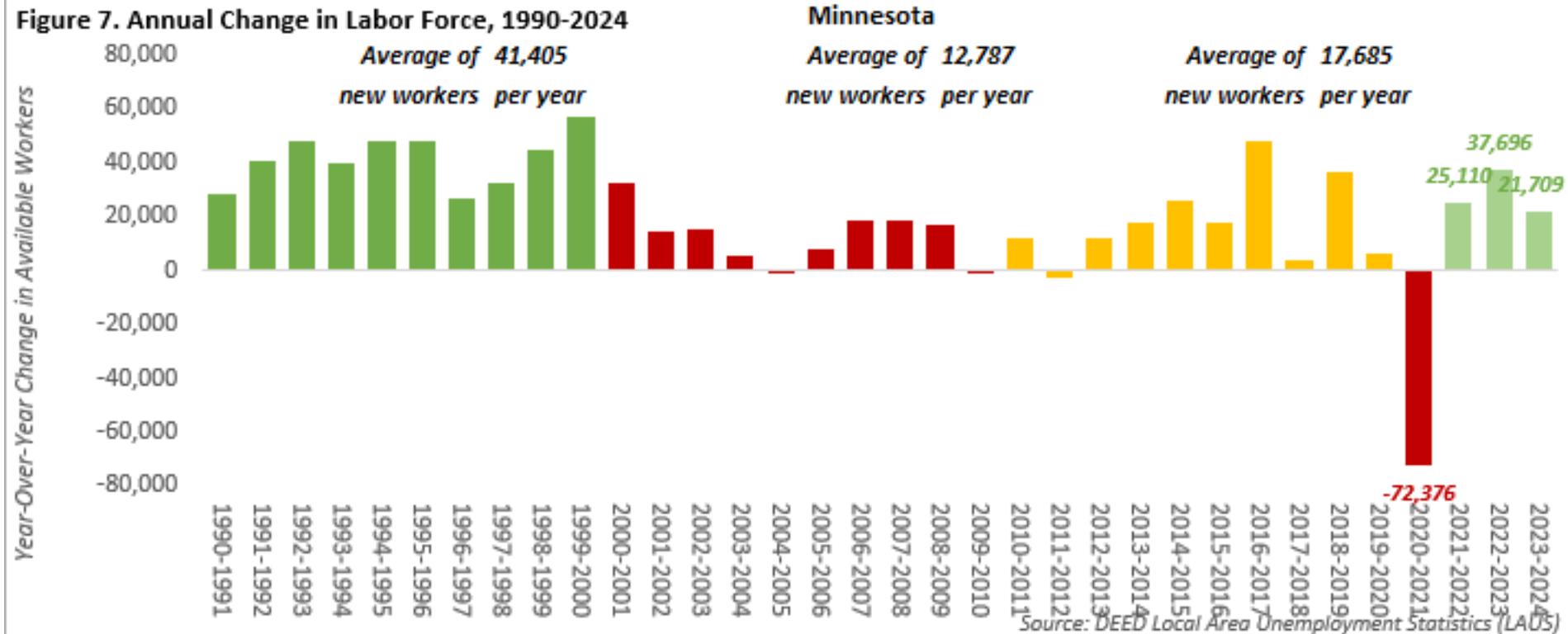
Labor Force Participation

- Minnesota's foreign-born population has grown significantly over the past decade, reaching 490,000 residents in 2023 and comprising 8.6% of the state's population
 - 24.7% increase from 2013, highlighting the state's growing population and the important role immigrants play in Minnesota's demographic makeup
 - Below the national share of 13.9%, but MN has seen more rapid growth in immigrant population
- <https://mn.gov/deed/newscenter/publications/trends/mar-2024>
- Minnesota has 344,000 Foreign-born workers – up +74,450 since 2013 (+27.6%)
 - 74.4% labor force participation rate (up from 70.4% in 2010)
 - 6.0% higher than the statewide labor force participation rate, which itself was the 6th highest among all states
 - Foreign-born workers bring valuable skills and experience that align with the state's diverse labor market needs
 - Their participation is becoming increasingly crucial in industries facing persistent labor shortages



Labor Force Trends

- The state's labor force growth has slowed down
 - From an average of more than 41,405 new workers per year (1990s)
 - To an average of 17,685 new workers per year (2010s)
 - Averaging just +3,035 new workers per years in the 2020s (*but pandemic is included*)
- *Northeast & Southwest have already switched to labor force declines (2010-on)*



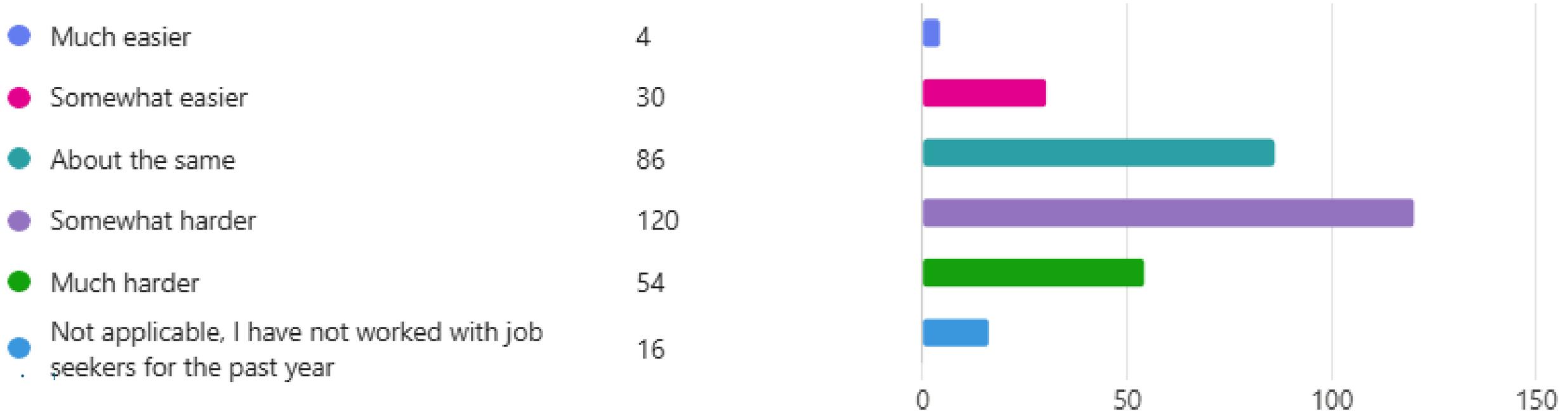
Labor Force Projections

- Projected to slow down to about 9,500 new workers per year over the next decade (+3.0%)
 - Immigrants accounted for half of the state's labor force growth from 2013-2023
 - *Might be 60% over the next decade*
- Just over half of the state's labor force growth is projected to occur in the Twin Cities metro area (+2.8% ; +50,685)
 - Central = +5.9% (+24,131)
 - Southeast = +3.6% (+10,164)
 - Northwest = +3.5% (+10,235)
 - Southwest = +1.1% (+2,325)
 - Northeast = -1.4% (-2,216)

Table 15. Labor Force Projections, 2025-2035				
Minnesota	2025 Labor Force Projection	2035 Labor Force Projection	2025-2035 Change	
			Numeric	Percent
16 to 19 years	159,211	152,913	-6,298	-4.0%
20 to 24 years	318,651	327,393	8,743	2.7%
25 to 44 years	1,352,489	1,391,793	39,303	2.9%
45 to 54 years	598,668	686,134	87,466	14.6%
55 to 64 years	510,809	470,754	-40,054	-7.8%
65 to 74 years	172,918	167,598	-5,320	-3.1%
75 years & over	30,435	41,236	10,801	35.5%
Total Labor Force	3,143,180	3,237,821	94,641	3.0%
<p><i>Source: calculated from Minnesota State Demographic Center population projections and 2019-2023 American Community Survey 5-Year Estimates</i></p>				

Job Search Experience Survey

On average compared to 1 year ago, how would you rate the ease with which your job seeking clients are finding employment?



- **56% say jobseeking is harder than 1 year ago**
- **Completed by 310 LWDA, DEED, and partner staff in July 2025**
- ***Tableau tool allows you to view results by LWDA***
- **Next survey goes live in January 2026**

Job Search Experience Survey

Ease of which job seekers are finding employment compared to 1 year ago

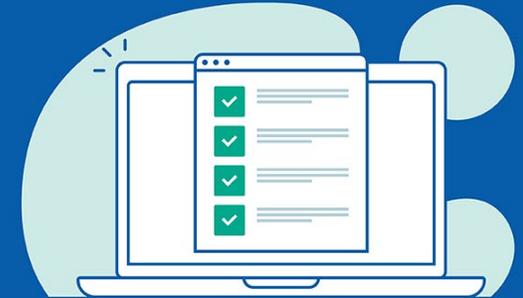
Considerably harder:

- IT and Math Experts
- Creative Professionals and Media Workers
- Managers and Leaders

Considerably easier:

- Healthcare Support Workers
- Food Service Workers
- Cleaning and Maintenance Workers

CareerForceTM
Minnesota's Career Resource



Job Search Experience Survey

CareerForce Staff and Partners are *the* Minnesota job search experts

CareerForce.MN.gov

Figure 3: Job Vacancies by Occupation Group, Minnesota, 2024

Job Vacancy

- How many job vacancies are there in Minne
 - 157,000 job openings in June 2025
 - Peaked at 253,000 in Mar. 2022

- <https://mn.gov/deed/data/data-tools/job-v>

- 120,500 vacancies in 2024!

- 0.8 jobseekers per vacancy

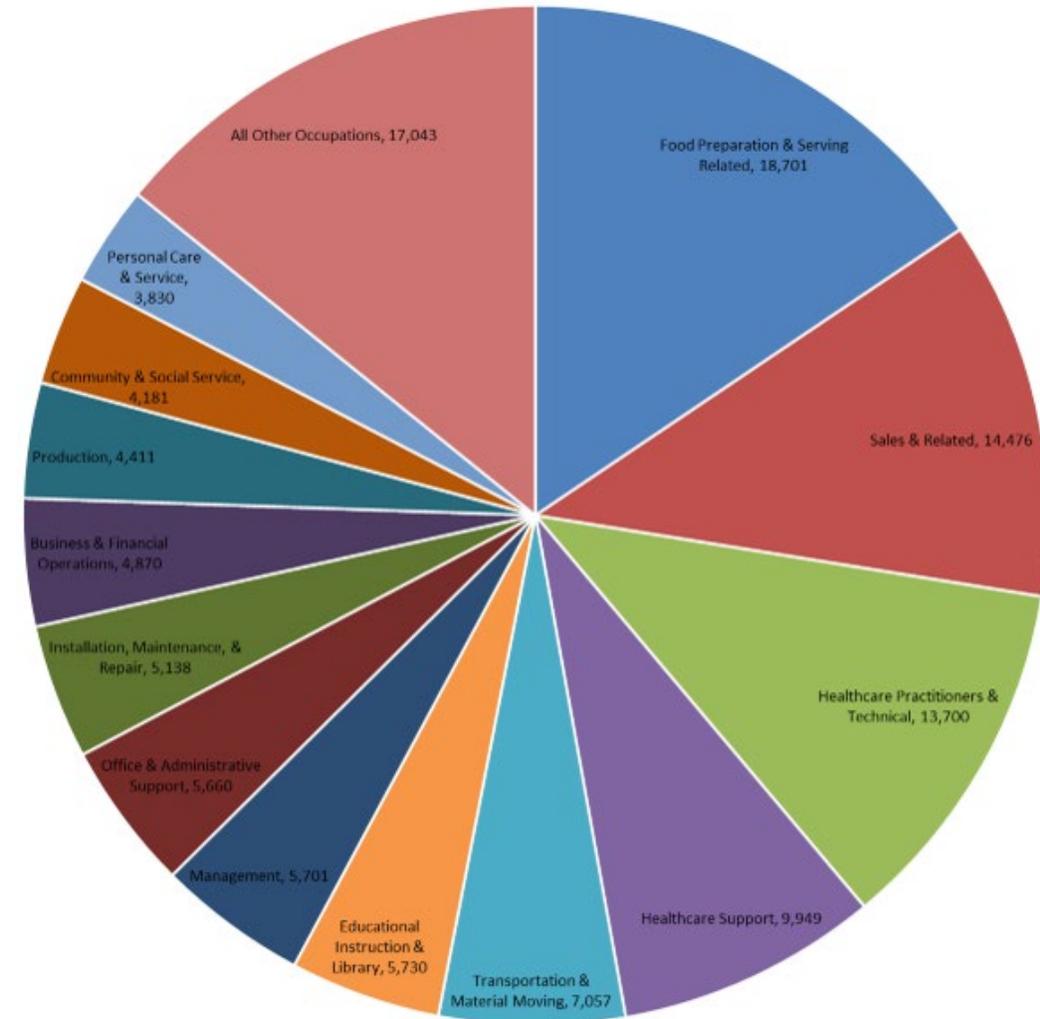
- Industries

- Health Care & Social Assistance
- Accommodation & Food Services
- Retail Trade
- Educational Services
- Manufacturing

- Occupations

- Food Prep & Serving
- Sales & Related
- Healthcare Practitioners
- Healthcare Support
- Transportation & Material Moving

Figure



Job Vacancy Survey

- **Every region saw a decline in job vacancies; but the biggest declines were in Southeast and the Twin Cities**
 - Central, Southwest, and Northeast all declined less than -5.0% over the year
 - Biggest declines over the year for Retail Trade, Health Care & Social Assistance, Manufacturing, Finance & Insurance, Accommodation & Food Services & Admin. Support & Waste Mgmt. Svcs. (Temp Help)
 - Huge gain for Arts, Entertainment & Recreation, smaller gains in Professional & Technical Services, Construction, and Utilities
 - Median hourly wage offer increased by \$0.99 over the year
 - Big wage gains for Professional & Technical Services, Real Estate, Management of Companies and Construction
 - Slight declines for Public Administration, Finance & Insurance
- **Still, Drive for 5 industries are in demand:**
 - Health Care & Social Assistance = 31,700 vacs., \$23.07 wage offer
 - Educational Services = 8,680 vacs., \$22.38
 - Manufacturing = 7,750 vacs., \$24.97
 - Professional & Technical Services = 6,350 vacs., \$40.68
 - Construction = 4,700 vacs., \$28.61

	2024 Vacancies	2023 Vacancies	Change 2023-2024
Central	13,827	14,320	-3.4%
Northeast	8,587	8,963	-4.2%
Northwest	12,718	14,193	-10.4%
Southeast	9,737	13,711	-29.0%
Southwest	9,168	9,546	-4.0%
Twin Cities	66,411	78,325	-15.2%
Minnesota	120,448	139,058	-13.4%

Source: DEED Job Vacancy Survey

Employment Changes

- Recent growth has been strong, but not consistently shared across sectors
- From January 2024 to June 2025:
 - Education & Health Services added 32,900 jobs
 - Government gained 16,200 jobs (*seasonal*)
 - Trade, Transportation & Utilities added 5,600 jobs
 - Construction built up by 4,500 jobs
 - Other Services and Leisure & Hospitality both gained about 2,500 jobs
 - Financial Activities is down -3,100 jobs
 - Information is down -400 jobs
 - Manufacturing, Mining & Logging, and Professional & Business Services are down

Industry	Jan-24	Jun-25	Actual Change	Percent Change
Total Nonfarm	2,995,700	3,054,900	59,200	2.0%
Total Private	2,570,600	2,613,600	43,000	1.7%
Goods-Producing	466,000	470,000	4,000	0.9%
Mining & Logging	6,500	6,400	-100	-1.5%
Construction	136,400	140,900	4,500	3.3%
Manufacturing	323,100	322,700	-400	-0.1%
Service-Providing	2,529,700	2,584,900	55,200	2.2%
Private Service Providing	2,104,600	2,143,600	39,000	1.9%
Trade, Transportation & Utilities	535,800	541,400	5,600	1.0%
Information	43,900	42,700	-1,200	-2.7%
Financial Activities	189,500	186,400	-3,100	-1.6%
Professional & Business Services	375,600	375,500	-100	0.0%
Education & Health Services	575,800	608,700	32,900	5.7%
Leisure & Hospitality	269,900	272,300	2,400	0.9%
Other Services	114,100	116,600	2,500	2.2%
Government	425,100	441,300	16,200	3.8%

Source: Current Employment Statistics (CES)

Employment Changes

- **13 of 20 industries added jobs over the past year**
 - 17 of 20 have added jobs since 2020
 - But half of the industries have not recovered full employment compared to Q1 2020
- **Health Care & Social Assistance is now up to 535,000 jobs! (18.2%)**
 - Up 21,000 jobs in 2024; and up 46,000 jobs from 2020-2024
- **Manufacturing fell to 320,000 jobs**
 - Lost -5,700 jobs in 2024; but up 11,000 jobs from 2020-2024
- **Retail Trade hung on with 285,000 jobs**
- **Leisure & Hospitality has 285,000 jobs**
 - Regained 70,000 jobs from 2020 to 2024; but down -5,000 jobs from Q1 2020-2025
- **Educational Services has 235,000 jobs**

Table 37. Industry Employment Statistics, 2024

Minnesota	2024 Annual Data				2023-2024		2020-2024	
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)	Avg. Annual Wage	Change in Jobs	Percent Change	Change in Jobs	Percent Change
NAICS Industry Title								
Total, All Industries	212,756	2,931,419	\$217,596,492	\$74,229	23,696	0.8%	223,598	8.3%
Agriculture, Forestry, Fish & Hunt	3,295	23,446	\$1,220,138	\$52,040	55	0.2%	589	2.6%
Mining	253	5,803	\$649,734	\$111,965	70	1.2%	329	6.0%
Construction	18,605	145,047	\$12,801,250	\$88,256	1,835	1.3%	13,930	10.6%
Manufacturing	8,573	320,253	\$26,671,060	\$83,281	-5,694	-1.7%	11,216	3.6%
Utilities	560	14,655	\$1,909,868	\$130,322	212	1.5%	1,308	9.8%
Wholesale Trade	15,855	134,030	\$14,256,524	\$106,368	402	0.3%	9,214	7.4%
Retail Trade	18,053	285,244	\$11,222,392	\$39,343	1,276	0.4%	8,625	3.1%
Transportation & Warehousing	6,338	116,545	\$8,030,614	\$68,906	1,674	1.5%	12,046	11.5%
Information	7,407	46,715	\$5,329,522	\$114,086	-1,663	-3.4%	-165	-0.4%
Finance & Insurance	11,300	138,236	\$18,824,755	\$136,178	-2,689	-1.9%	-8,948	-6.1%
Real Estate & Rental & Leasing	7,071	35,853	\$2,470,390	\$68,903	-29	-0.1%	1,914	5.6%
Professional & Technical Services	30,181	167,468	\$20,423,898	\$121,957	-1,158	-0.7%	12,462	8.0%
Management of Companies	2,537	86,680	\$12,598,881	\$145,349	-2,823	-3.2%	-302	-0.3%
Admin. Support & Waste Mgmt. Svcs.	10,433	123,346	\$6,927,305	\$56,162	-7,159	-5.5%	1,576	1.3%
Educational Services	5,392	234,549	\$14,559,634	\$62,075	4,119	1.8%	16,612	7.6%
Health Care & Social Assistance	25,901	532,896	\$35,703,542	\$66,999	21,184	4.1%	46,397	9.5%
Arts, Entertainment, & Recreation	3,997	54,524	\$2,497,136	\$45,799	2,438	4.7%	17,776	48.4%
Accommodation & Food Services	12,900	229,453	\$6,265,199	\$27,305	2,976	1.3%	51,751	29.1%
Other Services	20,724	91,777	\$4,369,368	\$47,609	1,176	1.3%	14,326	18.5%
Public Administration	3,383	144,893	\$10,865,283	\$74,988	7,494	5.5%	12,732	9.6%

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

Employment Changes

- **Northeast (1.4%) saw the fastest gain in 2024; Southwest was slowest (0.0%)**
 - **Twin Cities is home to 62.2% of statewide employment**
- **All 6 regions have been adding jobs since 2020**
 - **Northwest and Central have seen the fastest recoveries**
 - **Southeast and Southwest have seen more modest job growth**

	2024 Annual Data		Average Annual Wage	2023-2024 Change		2020-2024 Change	
	Number of Firms	Number of Jobs		Numeric	Percent	Numeric	Percent
Central	20,371	283,086	\$56,940	3,478	1.2%	19,659	7.5%
Northeast	9,428	140,490	\$58,500	1,873	1.4%	8,580	6.5%
Northwest	18,414	227,200	\$53,404	2,114	0.9%	16,204	7.7%
Twin Cities Metro	94,931	1,764,363	\$81,016	6,930	0.4%	119,511	7.3%
Southeast	13,740	247,153	\$66,560	3,088	1.3%	14,032	6.0%
Southwest	13,029	173,102	\$54,132	16	0.0%	5,915	3.5%

Source: DEED Quarterly Census of Employment & Wages

Employment Projections

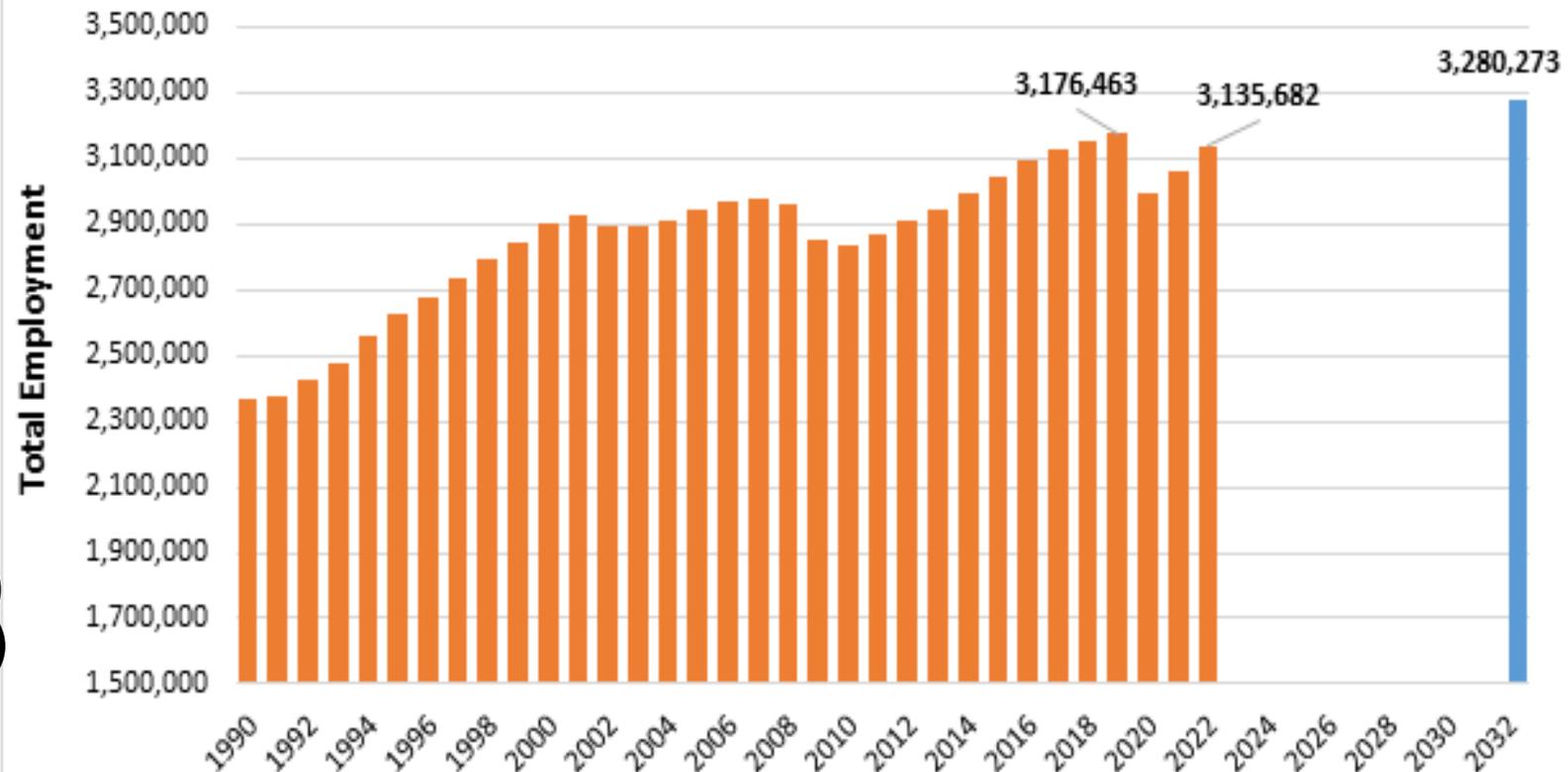
- DEED's most recent round of ten-year employment projections estimates the addition of nearly 145,000 new jobs between 2022 and 2032, a 4.6% growth rate

- Created every 2 years, looking forward 10 years
- Based on national trends, as well as local knowledge

- **Regions**

- Central = +16,302 jobs (+5.2%)
- Northeast = +5,157 jobs (+3.3%)
- Northwest = +10,326 jobs (+3.9%)
- Twin Cities = +94,877 jobs (+4.9%)
- Southeast = +12,280 jobs (+4.5%)
- Southwest = +5,664 jobs (+2.8%)

Figure 1. Minnesota Actual and Projected Total Employment, 1990-2032



Source: DEED Employment Outlook

Employment Projections by Industry

- <https://mn.gov/deed/data/data-tools/employment-outlook/>
- Professional & Technical Services and Arts, Entertainment & Recreation are projected to grow more than 10%
- Health Care & Social Assistance is projected to add 41,275 net new jobs
 - Manufacturing, Accommodation & Food Services and Construction also projected to add more than 10,000 jobs
 - Retail Trade is projected to cut over 3,000 jobs

Table 1. Minnesota Employment Projections by Industry Sector, 2022-2032				
Sector	Actual 2022 Employment	Projected 2032 Employment	Projected Percent Change	Projected Numeric Change
Professional, Scientific & Technical Services	166,480	183,334	+10.1%	+16,854
Arts, Entertainment & Recreation	52,793	58,123	+10.1%	+5,330
Health Care & Social Assistance	482,631	523,906	+8.6%	+41,275
Transportation & Warehousing	101,547	109,602	+7.9%	+8,055
Construction	133,130	143,291	+7.6%	+10,161
Wholesale Trade	131,627	141,239	+7.3%	+9,612
Management of Companies	87,198	93,580	+7.3%	+6,382
Information	45,517	48,292	+6.1%	+2,775
Accommodation & Food Services	211,568	222,473	+5.2%	+10,905
Total, All Industries	3,135,681	3,280,273	+4.6%	+144,592
Mining	5,648	5,891	+4.3%	+243
Finance & Insurance	156,293	162,063	+3.7%	+5,770
Other Services	112,983	116,906	+3.5%	+3,923
Agriculture, Forestry, Fishing & Hunting	24,620	25,450	+3.4%	+830
Manufacturing	323,919	334,924	+3.4%	+11,005
Real Estate & Rental & Leasing	35,160	36,276	+3.2%	+1,116
Administrative Support & Waste Mgmt. Svcs	133,432	137,662	+3.2%	+4,230
Educational Services	236,349	242,662	+2.7%	+6,313
Government	196,782	200,737	+2.0%	+3,955
Utilities	12,332	12,284	-0.4%	-48
Self-Employed & Unpaid Family Workers	204,312	203,332	-0.5%	-980
Retail Trade	281,360	278,246	-1.1%	-3,114

Source: DEED Employment Outlook

Employment Projections by Occupation

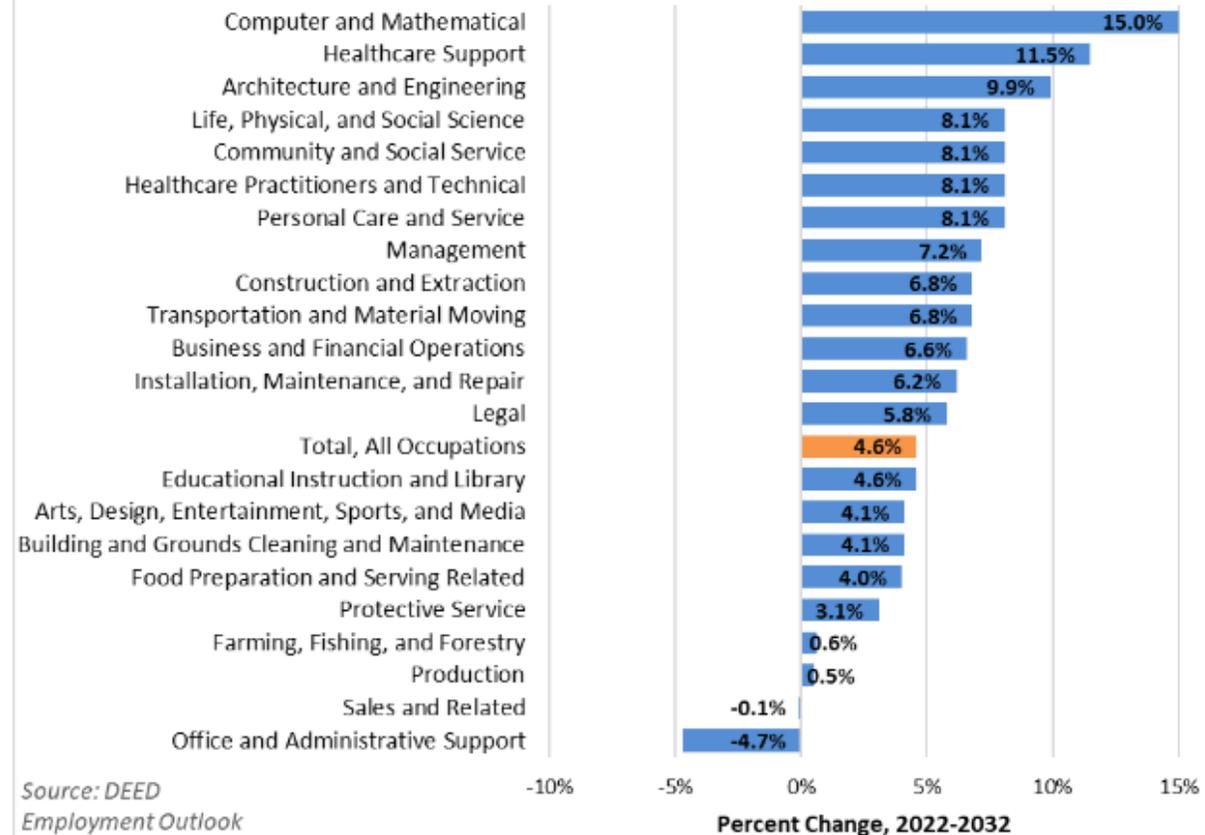
- **Computer & Mathematical occupations are projected to grow 15%**
 - Nearly 20,000 Healthcare Support occupation additions
 - Management, Transportation & Material Moving, Healthcare Practitioners, and Computer & Mathematical all expected to gain over 15,000 jobs

- **Occupations**

- Wind Turbine Service Technicians (+51.5%)
- Nurse Practitioners (+43.8%)
- Data Scientists (+34.0%)
- Statisticians (+31.2%)
- Information Security Analysts (+28.0%)
- Physician Assistants (+28.0%)

- **Also includes Labor Market Exit Openings & Transfers**

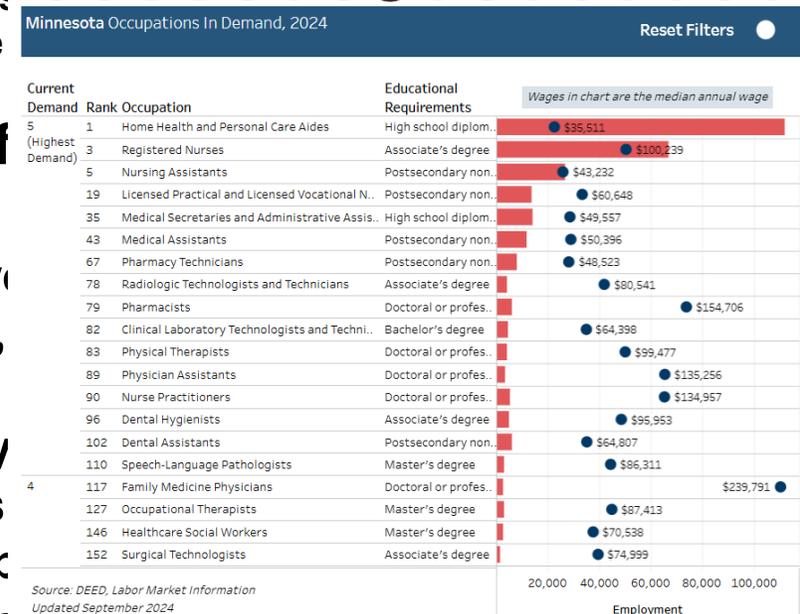
Figure 2. Minnesota Projected Percent Employment Change by Occupational Group, 2022-2023



Drive for 5: Caring Professions (Health Care & Soc. Asst)

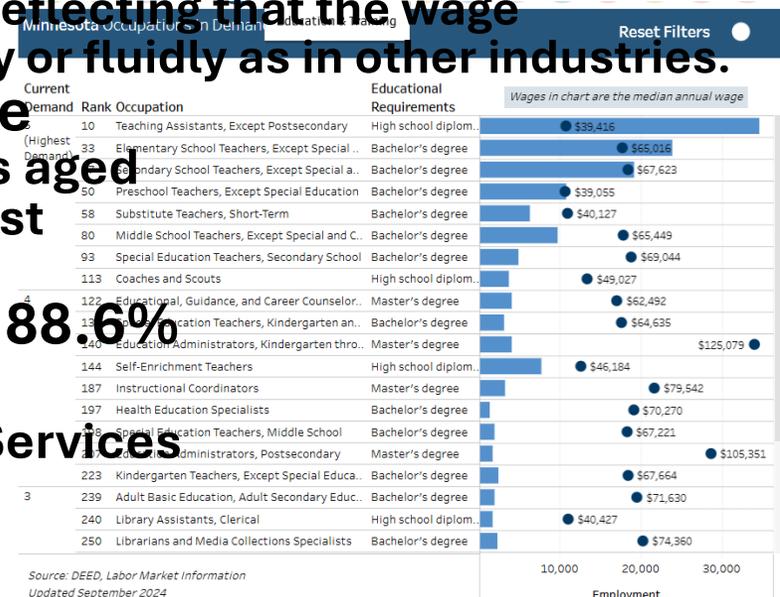
- Health Care & Social Assistance is easily the largest employing industry in the state
 - Largest and one of the fastest growing industries in the state; projections expect that to continue
- Above 45,000 vacancies in 2021 and 2022; down to 31,700 in 2024 (still 26% of total)
 - Demographics are very different within the four subsectors, with Nursing & Residential Care Facilities and Social Assistance hiring a much younger workforce than Ambulatory Healthcare Services and Hospitals, which tend to rely on a more middle-aged labor force
 - In 2022, about 8% of the workforce in both Ambulatory Health Care Services and Hospitals were under 25 years of age, compared to about 17% of the Social Assistance and nearly 21% of the workforce

- One of the more racially diverse industries, with 76.4% of holders reporting white as their race (84.2% overall)
 - Health Care & Social Assistance has higher concentrations of workers who are Black or African American and Asian or Pacific Islander, smaller concentrations of workers of Hispanic or Latino origin
 - Ambulatory Health Care Services and Hospitals are less racially diverse and Nursing & Residential Care Facilities and Social Assistance are more diverse, and also increasing in diversity much more rapidly



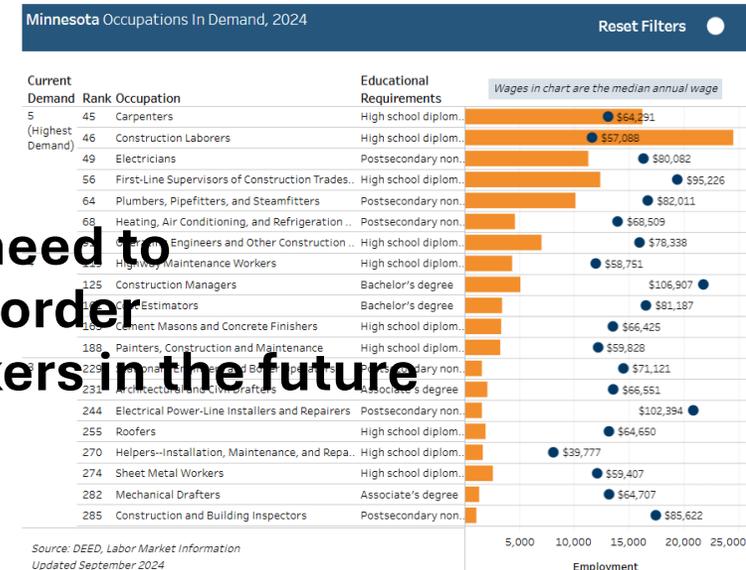
Drive for 5: Educational Services

- **Elementary & Secondary Schools have about 157,000 jobs; and 60,000 jobs at postsecondary institutions – about 235,000 jobs total (up +5,000 jobs from 2023, new record high)**
 - Had been steadily growing until COVID; then dropped significantly; and has steadily worked its way back
- **Most teaching jobs require a bachelor’s degree to start, while most educational support jobs can be started with a high school diploma**
 - Teaching Assistants, Secretaries & Admin. Assistants, Janitors & Cleaners, Office Clerks, and Bus Drivers
- **Job vacancies are at historically high levels**
 - Despite extreme demand, wages are lowest for Childcare Workers, reflecting that the wage structure in the industry does not react to market changes as quickly or fluidly as in other industries.
- **New graduates will be vital in filling the workforce pipeline**
 - The Educational Services industry relies more heavily on workers aged 45 years and older, with nearly half (49.8%) of workers in the oldest age groups, compared to 42.9% across all industries
- **Has become more racially diverse over time, but still just 88.6% of jobholders report white as their race**
 - Despite having a more diverse student population, Educational Services has lower concentrations of workers of every race group
- **Females hold more than two-thirds (68.4%) of total jobs**



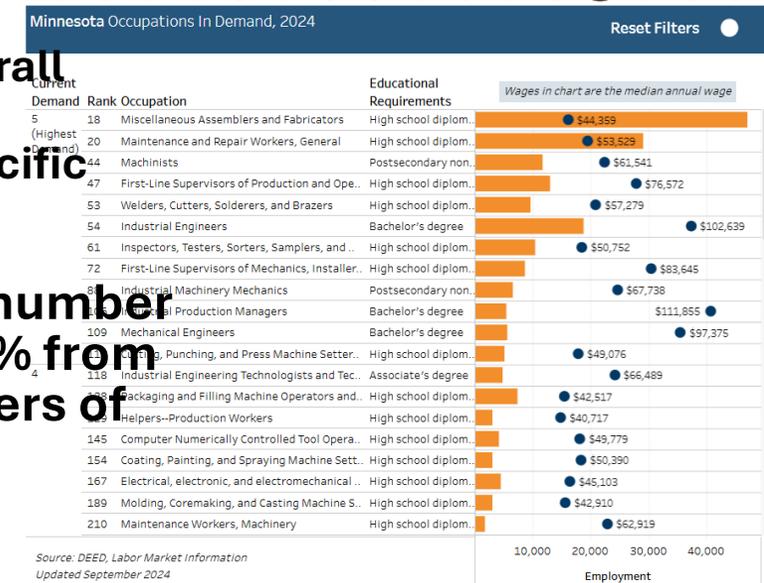
Drive for 5: Trades (Construction)

- Construction has been adding jobs rapidly since 2020 (+14,000 jobs)
 - Strong growth in Specialty Trade Contractors, Const. of Buildings, and Heavy & Civil Engineering Const.
- Job vacancies are up slightly in 2024 compared to 2023, but down from peaks in 2021-2022
 - Highest demand for Construction Laborers, Carpenters, Construction Equipment Operators, First-Line Supervisors, Construction Managers, Plumbers, Electricians, Sheet Metal Workers, Highway Maint. Workers
- Not surprisingly, Construction relies heavily on younger workers, with 79.2% of workers between 19 and 54 years of age, compared to 72.4% across all industries
- However, Construction is relatively nondiverse with 94.1% of workers reporting white, but has become more racially diverse over time. Construction has a similar concentration of Hispanic or Latino workers
- Males hold nearly 85% of total jobs, compared to a nearly 50-50 split overall
- In the face of tight labor markets, Construction employers will need to continue to tap into new labor pools by age, race, and gender in order to attract the talent they need to grow and replace existing workers in the future



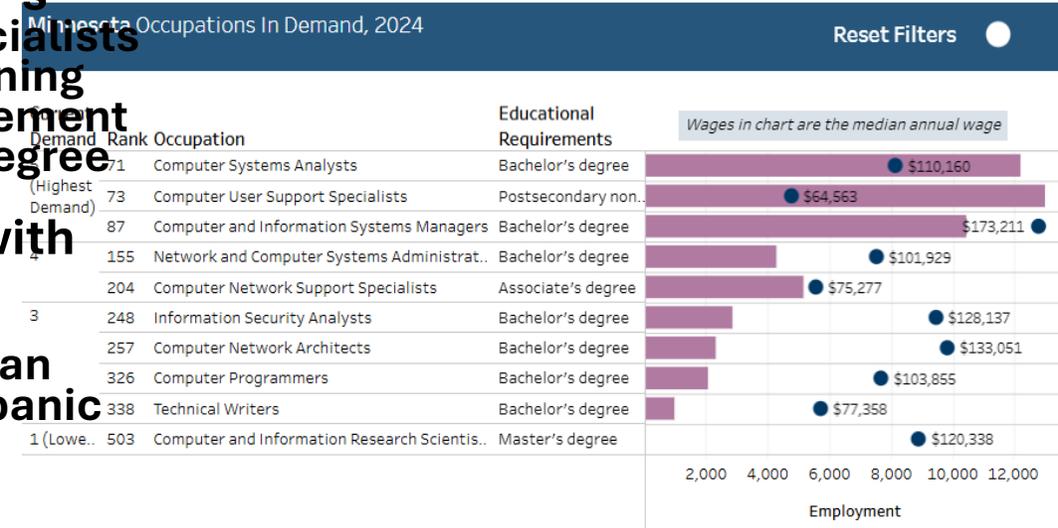
Drive for 5: Manufacturing

- Manufacturing is still the 2nd largest employing industry in the state (over 320,000 jobs)
 - Unlike most other industries, Manufacturing fared relatively well during the pandemic recession; but it varies by specialty; and seems to have additional pressure now
- Most of the occupations in demand in manufacturing can be started with a high school diploma and some amount of on-the-job training, though employers prefer postsecondary training for some occupations
 - Machinists, Welders, Industrial Machinery Mechanics, CNC Machine Tool Programmers, and more
 - Professional occupations such as Industrial Engineers, Industrial Production Managers, and Mechanical Engineers require a bachelor's degree
- Job vacancies peaked in 2022 after new records in 2021, have been cut in half by 2024
- The Manufacturing workforce have been aging over the past decade
 - Over 27% of the workforce was 55 or older, well above the 23.6% rate overall
- 82.7% of the Manufacturing workforce report white as their race
 - Manufacturing has higher concentrations of workers who are Asian or Pacific Islanders and of Hispanic or Latino origin, but smaller concentrations of Black or African American and American Indian workers
- The racial diversity of the workforce has changed over time, with the number of Manufacturing workers identifying as white alone declining by -3.0% from 2012 to 2022, compared to a 48.4% increase in the number of jobholders of other race or other ethnic groups
- Males held more than two-thirds (69.6%) of total jobs



Drive for 5: Information Technology

- Sometimes confused for an industry, the IT field is actually better classified as a set of occupations - while focused more heavily in certain sectors, IT employment is spread across every industry - there are around 110,000 IT jobs in Minnesota
 - IT occupations are more concentrated in Minnesota than the nation
 - Important to note that about 85% of IT jobs in the state are located in the 7-County Twin Cities metro area
- Wages for IT occupations are relatively high - the median hourly wage for Computer & Mathematical Occupations was \$50.02, which was nearly double the median across all occupations (\$26.22)
 - Over the course of a full-time, year-round work schedule, the median annual wage for computer & mathematical occupations would be \$104,042, which would be about \$50,000 higher than the total of all occupations
- IT Job vacancies peaked in 2021, have steadily receded, now even slightly below pre-pandemic levels
- The vast majority of IT occupations require at least some postsecondary education, with most requiring a bachelor's
 - Computer User Support & Computer Network Support Specialists & Web Designers, where about half required vocational training or an associate degree, making that the most typical requirement
 - The rest of the IT positions typically required a bachelor's degree or higher
- IT has traditionally been a male-dominated career field, with males holding about 73% of total jobs (Census data)
 - However, the IT field is actually more racially diverse, with just 77% reporting white as their race, compared to 13% Asian or Pacific Islander, 4.2% Black or African American, 4% Hispanic or Latino, and 4% of Two or More Races



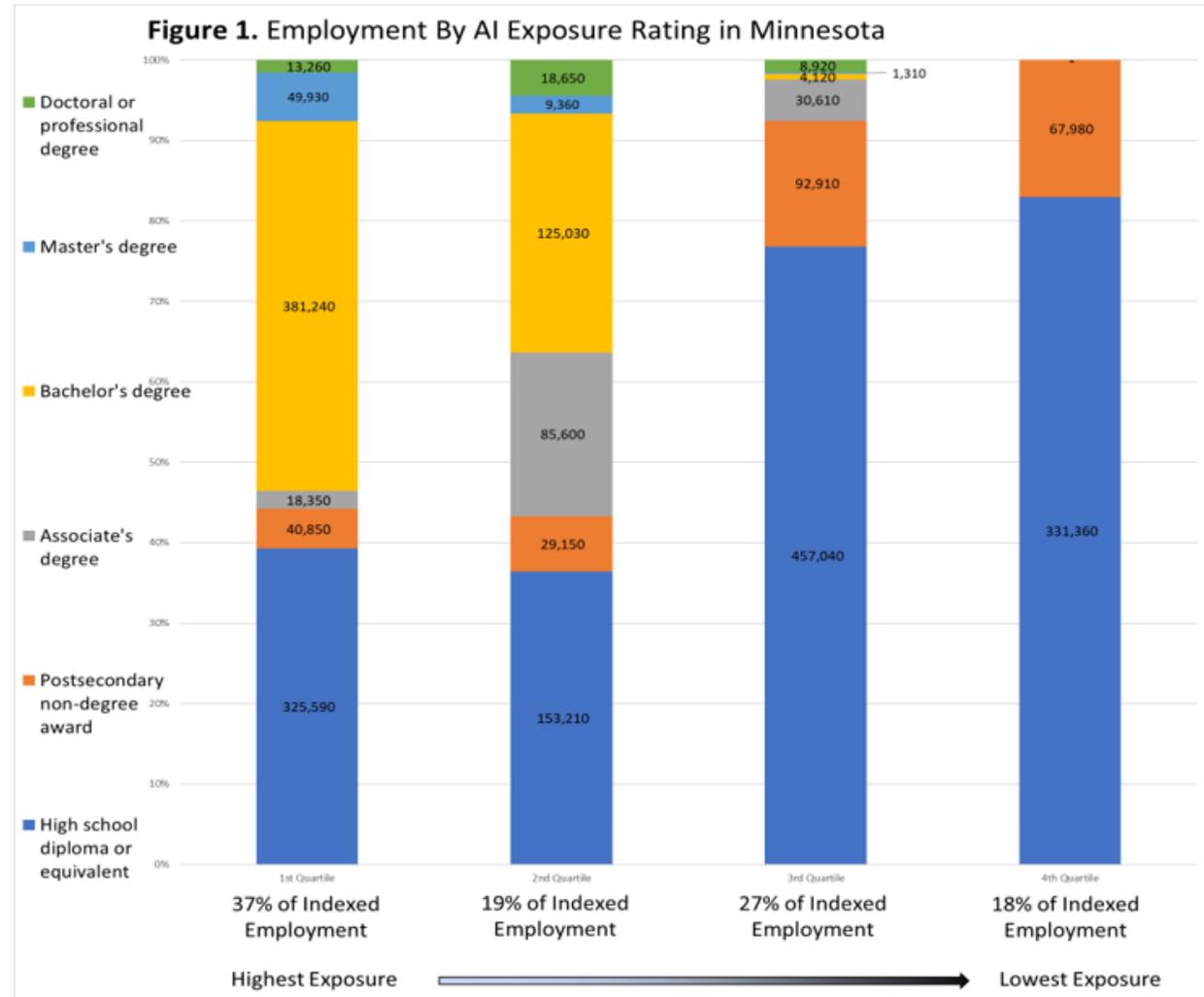
AI: Artificial Intelligence

- **Artificial intelligence (AI) is a set of technologies that allow computers to perform complex tasks. AI uses machine learning and other techniques to analyze data, understand language, and make decisions**
 - **Artificial intelligence (AI) makes it possible for machines to learn from experience, adjust to new inputs and perform human-like tasks. Most AI examples that you hear about today – from chess-playing computers to self-driving cars – rely heavily on deep learning and natural language processing**
- **ChatGPT**
- **Perplexity**
- **Claude**
- **Julius**
- **Gemini**
- **Grammarly**
- **Microsoft Copilot**



Northern Exposure: Measuring Artificial Intelligence in Minnesota's Economy

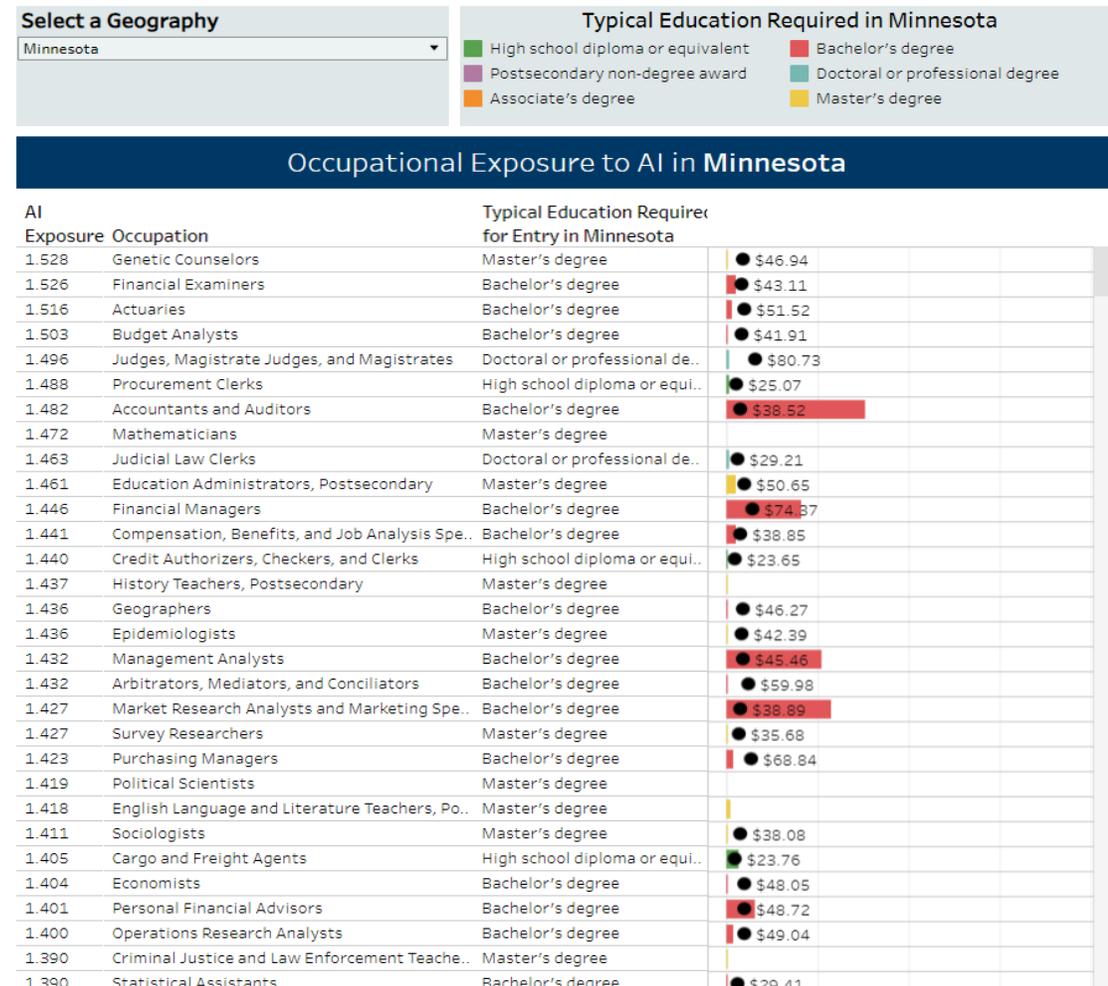
- <https://mn.gov/deed/newscenter/publications/trends/september-2024/exposure.jsp>
- Artificial Intelligence (AI) is a rapidly improving technology that will impact businesses and workers in Minnesota, enhancing some jobs, disrupting others, and creating new ones
 - Rapid improvements
 - Lots of uncertainty
- With more than 1.6 million jobs in occupations that are highly exposed to AI, Minnesota has a high concentration of employment that will be impacted



Exposure to Artificial Intelligence

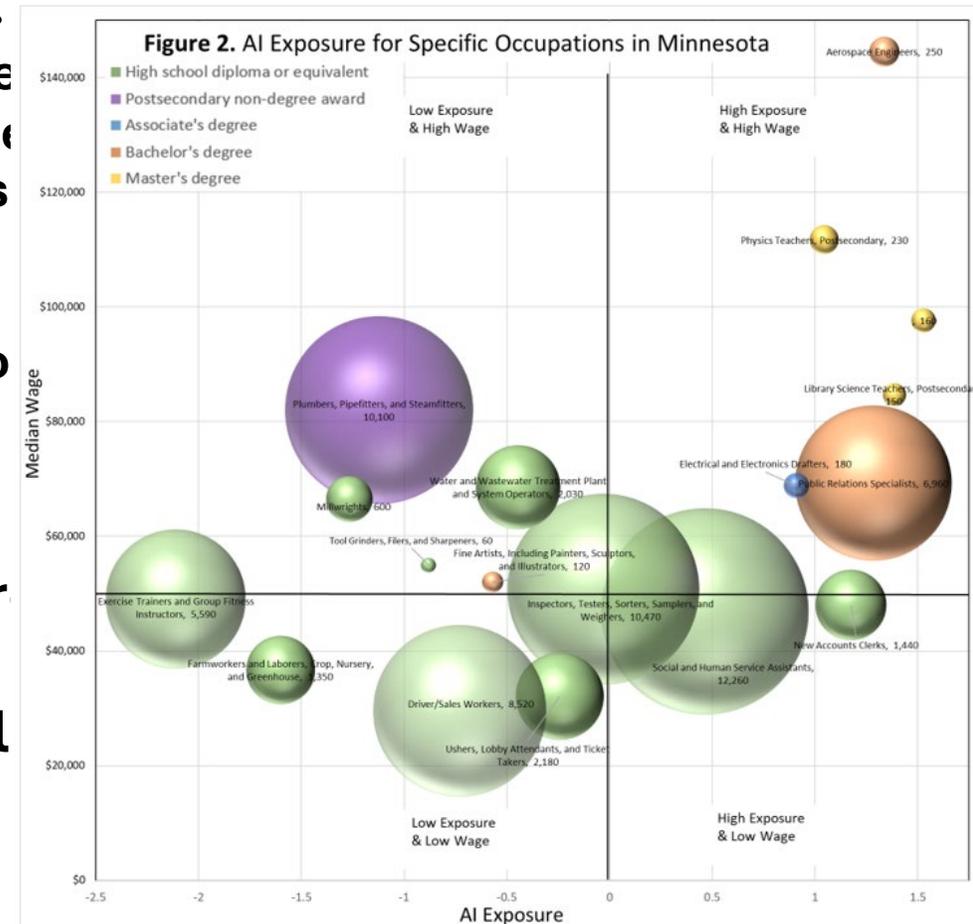
- AI technologies continue to evolve and their influence on our state's economy will become increasingly significant
 - *Anthropic CEO = 50% of entry level jobs!!!*
- Unlike most past waves of technology and automation that have primarily affected blue-collar work, research shows that white-collar work is most susceptible to changes due to AI
- These occupations tend to have higher educational requirements and higher wages
- *70% of employment in occupations with the highest exposure to AI have a median wage higher than \$60,000 per year, and over 75% of occupations that typically require a bachelor degree or higher are in the high exposure group*

Figure 3. Occupational Exposure to AI in Minnesota



Exposure to Artificial Intelligence

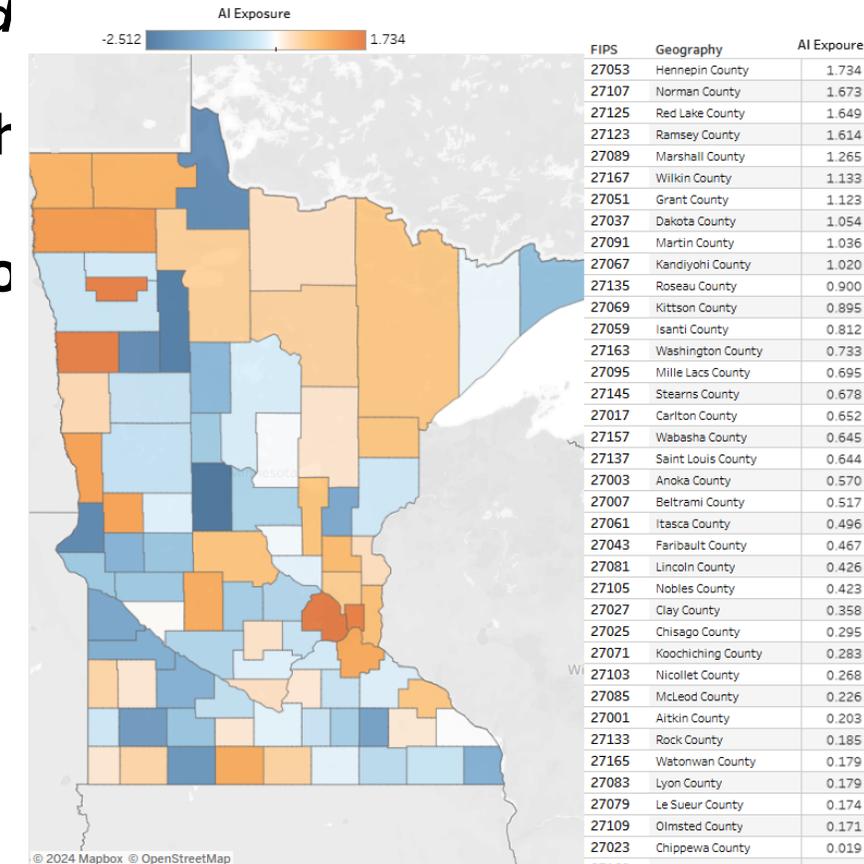
- **Genetic Counselors:** can leverage AI for tasks like patient onboarding, initial consultations, and data analysis, particularly for less complex cases. AI can assist in organizing patient information and interpreting genetic data, making the process more efficient. *This is an occupation where almost all required skills and abilities would benefit from AI.*
- **Exercise Trainers & Group Fitness Instructors:** are less exposed to AI due to the hands-on nature of their work. These professionals require direct physical interaction with clients and must adjust in real-time based on feedback and provide motivation and encouragement on the spot. Much of the feedback during a session is based on qualitative observation and conversations, rather than analyzing large datasets or summarizing research. *As of now, AI is not as well-suited to benefit workers in this occupation.*
- “AI will NOT replace most jobs any time soon. There is a significant misunderstanding of the difference between AI passing a test vs. doing a task vs. fulfilling a job. ... [but] One thing is sure, those [workers] with AI will beat those without...” ~ Charles Fadel



Exposure to Artificial Intelligence

- Industries that are more highly exposed to AI include Professional & Technical Services, Finance & Insurance, Information, Administrative Support Services, Management of Companies, Manufacturing, and Health Care & Social Assistance
- Educational Services is not only highly exposed to AI at all levels, *educators themselves will also be responsible for equipping students with the necessary skills to compete in the labor market*
- Driven by unique industrial mix, geographies will also have different exposure to AI
- In general, metropolitan counties will have higher exposure than more rural counties, because they have a higher percentage of people employed in high-exposure occupations and industries
- Hennepin Co. has the highest exposure rating while Todd Co. was lowest

Figure 5. AI Exposure by County



Exposure to Artificial Intelligence

- **While AI can boost efficiency, innovation, and job creation, it also raises concerns about job displacement and economic inequality**
- **Understanding Minnesota's AI exposure is essential for workforce development, economic planning, and policy to prepare for AI's future impacts**
- **Key Minnesota industries - Management of Companies, Manufacturing, Finance & Insurance, and Health Care - stand to benefit from AI but also face risks of disruption, particularly in white-collar roles**
- **Preparing workers through education, retraining, and support systems is crucial to ensure AI's benefits are shared and risks minimized**
- **Equipping Minnesota's workforce with AI-adaptive skills and coordinating with government, business, and community leaders is essential for optimizing AI's economic benefits**

Labor Market Information office

- Each state produces employment and economic statistics in cooperation with the U.S. Department of Labor's Bureau of Labor Statistics
- LMI includes employment statistics, unemployment rates, wages and salaries, job projections and more
- LMI is the foundation for informed, market-responsive planning
- <https://mn.gov/deed/data/data-tools/>



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