Minnesota’s Economic Outlook

Presented by
Prof. Laura Kalambokidis
At the Federal Reserve Bank of Minneapolis
October 10, 2017
Minnesota’s diverse industry base provides resilience.

**Percent of Total Non-Farm Employment by Sector (2017)**

- Education and Health Services
- Government
- Professional and Business Services
- Retail Trade
- Leisure and Hospitality
- Manufacturing Durables
- Financial Activities
- Wholesale Trade
- Other Services
- Manufacturing Non-Durables
- Construction
- Transportation, Warehousing, Utilities
- Information
- Mining and Logging

Source: MN Department of Employment and Economic Development (DEED)
Workers are well-educated, participation is high, but labor force growth has slowed

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Minnesota</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School Diploma</td>
<td>86.7%</td>
<td>2nd</td>
</tr>
<tr>
<td>(Percent of Persons Age 25+, 2011-2015)</td>
<td>92.4%</td>
<td></td>
</tr>
<tr>
<td>Advanced Degree</td>
<td>11.6%</td>
<td>18th</td>
</tr>
<tr>
<td>(Percent of Persons Age 25+, 2010-2015)</td>
<td>11.8%</td>
<td></td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>29.8%</td>
<td>10th</td>
</tr>
<tr>
<td>(Percent of Persons Age 25+, 2011-2015)</td>
<td>33.7%</td>
<td></td>
</tr>
<tr>
<td>Poverty Rate</td>
<td>13.5%</td>
<td>3rd</td>
</tr>
<tr>
<td>(Percent of Persons, 2015)</td>
<td>10.2%</td>
<td></td>
</tr>
<tr>
<td>Labor Force Participation Rate</td>
<td>62.9%</td>
<td>2nd</td>
</tr>
<tr>
<td>(Percent of Persons, August 2017, Seasonally Adjusted)</td>
<td>70.1%</td>
<td></td>
</tr>
</tbody>
</table>

**Minnesota Labor Force Growth**

Annual, Percent Change

Source: Minnesota Demographic Center
Employment growth has been steady and broad-based.

**Minnesota Total Non-Farm Employment**
- Thousands of Jobs: Seasonally Adjusted
- Graph showing employment trends from 1998 to 2017.

**Total Employment: Over-the-year Percent Change**
- 12-months Ending August 2017
- Minnesota: +1.7%
- US: +1.5%

**Iron Ore Spot Price**
- US dollars Per Metric Ton, China 62% Fe (CFR)
- Graph showing price fluctuations from 2009 to mid-2017.

**Minnesota Employment Change by Industry**
- July 2009 to July 2017
- Graph showing employment changes in various industries.

Source: MN Department of Employment and Economic Development (DEED)
Low unemployment and high demand for workers tighten the labor market.