



Minnesota Economic Update

September 18, 2015

Summary

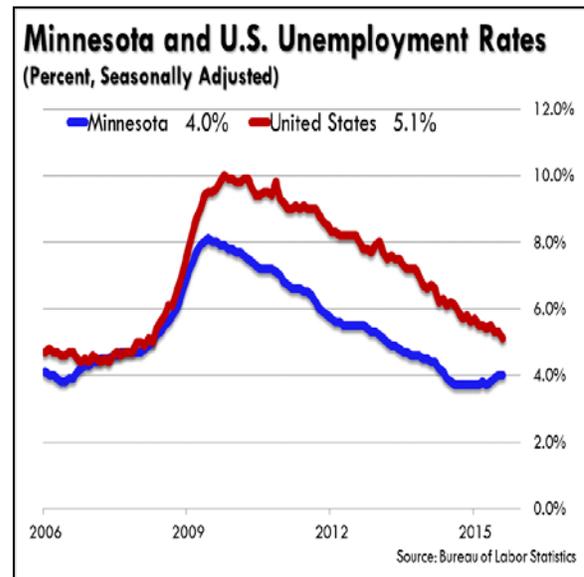
Nonfarm payroll employment in Minnesota increased by 7,300 jobs and the unemployment rate was unchanged at 4.0 percent in August according to data released by the Bureau of Labor Statistics (BLS).

Minnesota Unemployment Rate

During August, the unemployment rate in Minnesota was unchanged at 4.0 percent. The number of people counted as unemployed fell by 1,420 in August to 118,715, while the labor force fell by 12,861 to 3,003,833. Among the 50 states and the District of Columbia, 8 posted lower unemployment rates for the month than Minnesota. A year earlier, the unemployment rate in Minnesota stood at 3.7 percent.

The 10 year peak for the unemployment rate in Minnesota was 8.1 percent in June 2009. The series high for the unemployment rate in Minnesota occurred in January 1983 when the unemployment rate reached 8.9 percent. The 10 year low for the unemployment rate in Minnesota was 3.7 percent in April 2015. The series low for the unemployment rate in Minnesota occurred in March 1999 when the unemployment rate reached 2.5 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.2 percentage point to 5.1 percent in August. August's unemployment rate was 1.0 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Minnesota Payroll Employment

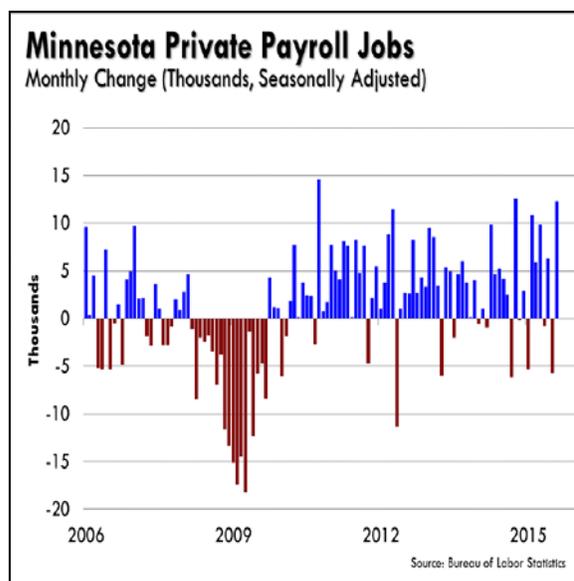
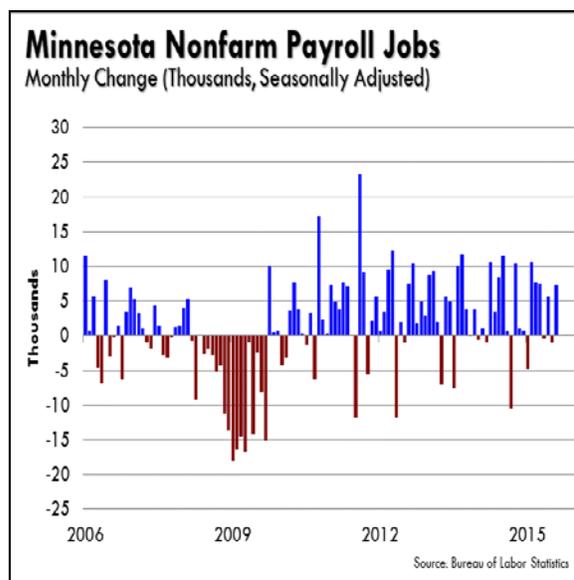
Minnesota nonfarm payrolls increased by 7,300 jobs, or 0.26 percent, on a seasonally adjusted basis during August. In the prior month, nonfarm payrolls declined by 1,100. Over the past 12 months nonfarm payrolls in Minnesota increased by 33,600, or 1.19 percent. Minnesota nonfarm payroll employment has increased in 8 of the past 12 months.

Nationally nonfarm payrolls increased by 173,000 jobs in August, or 0.12 percent. Over the 12 month period ending in August 2015 nonfarm payrolls grew by 2,919,000 jobs, or 2.09 percent. Minnesota ranks 32nd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During August, Minnesota private sector payrolls increased by 12,300, or 0.51 percent. Private sector payrolls declined by 5,700 jobs in the prior month. Over the past 12 months, private sector payrolls in Minnesota increased by 42,400, or 1.76 percent. Minnesota private sector payroll employment has increased in 7 of the past 12 months.

Nationally private-sector payroll jobs increased by 140,000 jobs in August, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,789,000 jobs in the private sector, an increase of 2.37 percent. Minnesota ranks 28th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During August, total government payroll employment in Minnesota declined by 5,000, or 1.18 percent. Federal government payroll employment declined by 100, or 0.32 percent. State government payroll employment increased by 200, or 0.20 percent, while local government payroll employment declined by 5,100, or 1.77 percent.



Over the past year, total government payroll employment declined by 8,800, or 2.07 percent. State government payroll employment declined by 2,600, or 2.48 percent. Local government payroll employment declined by 6,500, or 2.24 percent.

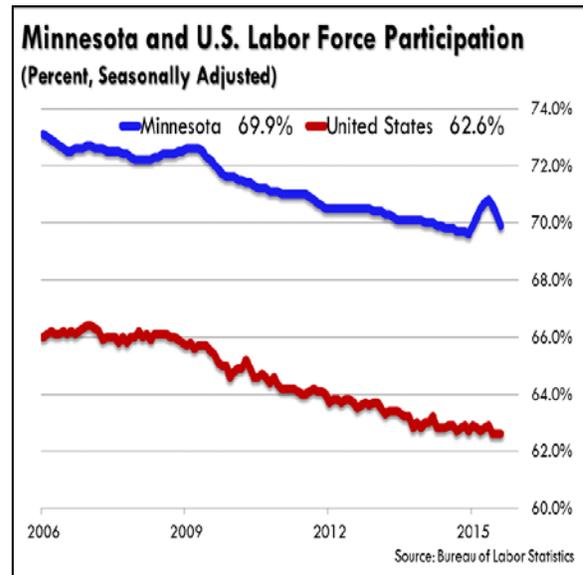
The best performing sectors on a seasonally adjusted basis during August were Leisure & Hospitality (+4,600) and Professional & Business Services (+4,600). The poorest performing sectors during the month were Total Government (-5,000) and Manufacturing (-1,000).



The best performing sectors during the last twelve months were Educational & Health Services (+16,700) and Professional & Business Services (+10,800). The poorest performing sectors for the year were Total Government (-8,800) and Construction (-1,000).

Other Minnesota Labor Force Statistics

The labor force participation rate in Minnesota declined to 69.9 percent in August from 70.3 percent the prior month. At 69.9 percent, Minnesota has one of the five highest labor force participation rates in the nation. The labor force participation rate in Minnesota is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10 year high for the labor force participation rate in Minnesota was 73.1 percent in January 2006. The series high for the labor force participation rate in Minnesota occurred in February 2001 when the labor force participation rate hit 75.6 percent. The 10 year low for the labor force participation rate was 69.6 percent in December 2014. The series low for the labor force participation rate occurred in April 1976 when the labor force participation rate hit 65.5 percent.

The national labor force participation rate was unchanged at 62.6 percent in August. That rate was 0.3 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate is at its lowest level since October 1977.

The employment-to-population ratio, or the percentage of the Minnesota civilian noninstitutionalized population 16 years and older counted as employed, declined to 67.2 percent in August from 67.5 percent the prior month. At 67.2 percent, Minnesota has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in Minnesota is unchanged from a year earlier.

The 10 year high for the employment-to-population ratio in Minnesota was 70.2 percent in September 2005. The series high for the employment-to-population ratio in Minnesota occurred in April 2000 when the

employment-to-population ratio hit 73.1 percent. The 10 year low for the employment-to-population ratio was 66.0 percent in October 2010. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 61.4 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.4 percent in August. That rate was 0.4 percentage point higher than a year earlier. The employment-to-population ratio stood at 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for September is scheduled for release on Tuesday, October 20. The national employment situation report for September will be released on Friday, October 2.

