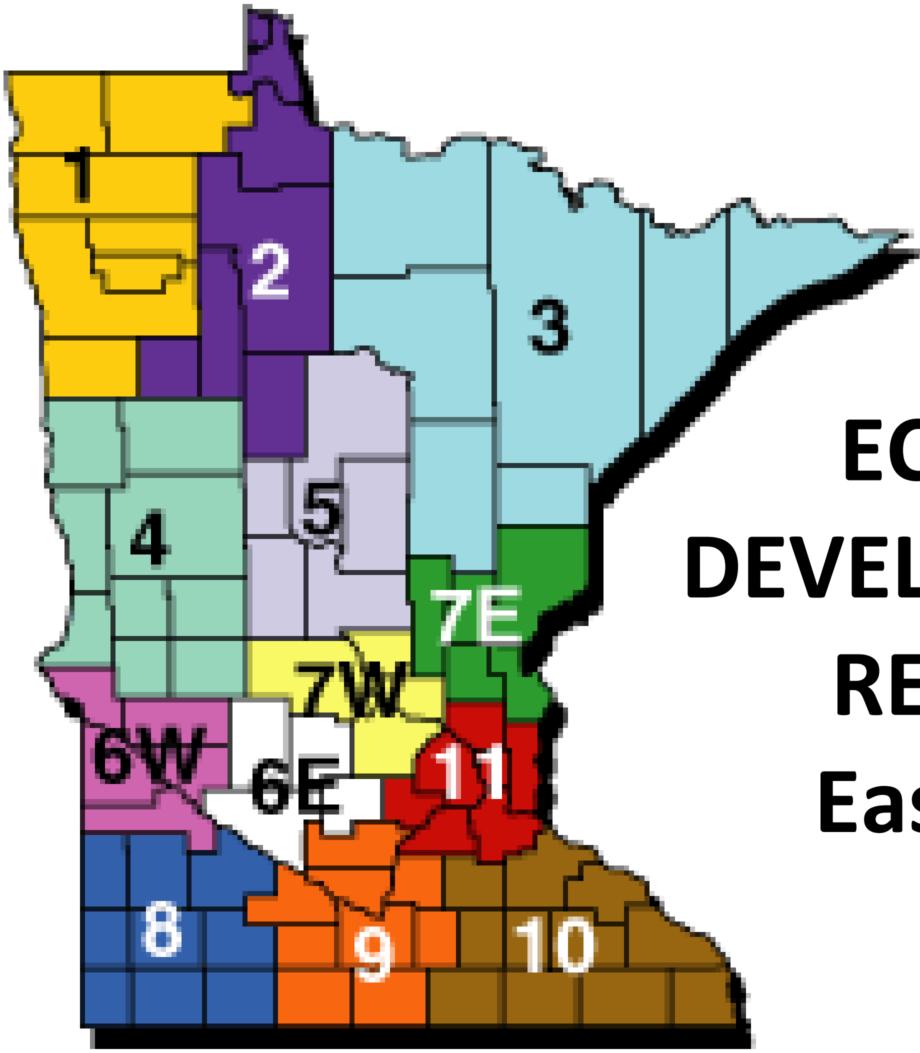

ECONOMIC DEVELOPMENT REGION 7E: East Central

Covers counties:
Chisago, Isanti, Kanabec, Mille Lacs, and Pine

2017 REGIONAL PROFILE

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DEMOGRAPHICS

POPULATION CHANGE, 2000-2016

Economic Development Region 7E – East Central includes a total of 5 counties, located in the 13-county Central Minnesota planning region. Region 7E was home to 164,343 people in 2016, comprising 3.0 percent of the state's total population. The region saw a 20.6 percent population increase since 2000, making it the second fastest growing of the 13 economic development regions (EDRs) in the state, and now the seventh largest in total population. In comparison, the state of Minnesota saw a 12.2 percent gain from 2000 to 2016 (see Table 1).

Table 1. Population Change 2000-2016

	2000 Population	2016 Estimates	*2000-2016 Change*	
			Number	*Percent*
Region 7E	**136,244**	**164,343**	***+28,099***	***+20.6%***
Chisago Co.	41,101	54,748	*+13,647*	*+33.2%*
Isanti Co.	31,287	39,025	*+7,738*	*+24.7%*
Kanabec Co.	14,996	15,830	*+834*	*+5.6%*
Mille Lacs Co.	22,330	25,866	*+3,536*	*+15.8%*
Pine Co.	26,530	28,874	*+2,344*	*+8.8%*
Minnesota	**4,919,479**	**5,519,952**	***+600,473***	***+12.2%***

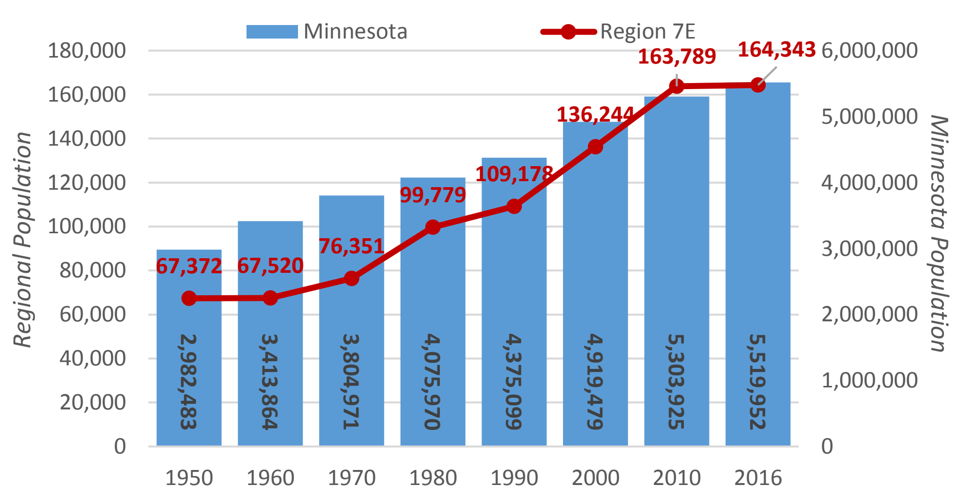
Source: U.S. Census Bureau, Population Estimates

All five counties in the region saw population gains since 2000, led by Chisago County, which is the largest county in the region and was the fifth fastest growing county in the state after welcoming 13,647 people. Isanti County gained 7,738 residents from 2000 to 2016, making it the seventh fastest growing county, while Mille Lacs added 3,536 people, and was the 17th fastest growing county. Pine was the 27th fastest growing county in the state, while Kanabec was the smallest county in the region and saw the least growth.

POPULATION CHANGE, 1950-2016

After enjoying rapid growth over the last half century, Region 7E's population growth has slowed so far this decade. After gaining almost 100,000 new residents from 1950 to 2010, the region gained just over 550 residents from 2010 to 2016. The recent slowdown may have been associated with the recession, which led to a large number of foreclosures in the region from 2008 to 2012, imposing much more sluggish growth rates (see Figure 1).

Figure 1. Population Change, 1950-2016



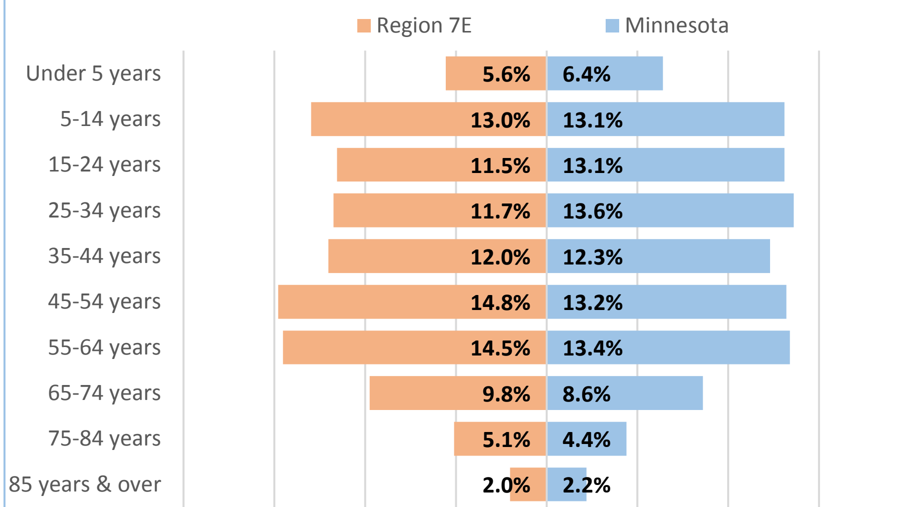
Source: U.S. Census Bureau

Still, all five counties in Region 7E saw population growth since 1950, led by Chisago and Isanti, which were the 8th and 9th fastest growing counties in the state during that timeframe, with Chisago jumping 332 percent and Isanti expanding 222 percent. Kanabec County grew 72.2 percent, making it the 24th fastest growing county, followed closely by Mille Lacs in 25th and Pine in 29th place of the 87 counties in the state. By increasing 14 percent from 1950 to 2016, Region 7E was the third fastest growing region in the state behind just Region 7W and Region 11 – the seven-county Twin Cities metro area.

POPULATION BY AGE GROUP, 2000-2016

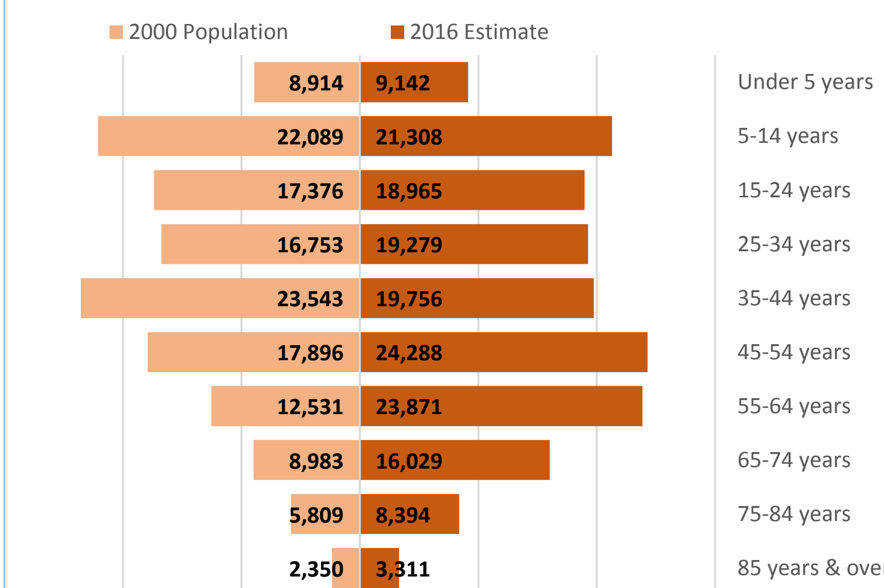
Region 7E's population is slightly older than the state's, with 16.9 percent of the population aged 65 years and over in 2016, compared to 15.2 percent statewide. At 29.3 percent, Region 7E also had a much higher percentage of people in the 45 to 64 year old age group, including the back end of the Baby Boom generation – people born between 1946 and 1964, which is creating a significant shift in the population over time. The largest portion of the population was still 25 to 54 years old, typically considered the "prime working years." Just 30.1 percent of people in Region 7E were under 25 years of age, compared to 32.6 percent in the state. While the number of younger residents was rising slowly, the number of residents aged 45 years and over was rapidly increasing (see Figure 2 and Figure 3).

Figure 2. Percentage of Population by Age Group, 2016



Source: U.S. Census Bureau, Population Estimates

Figure 3. Region 7E Population Pyramid, 2000-2016

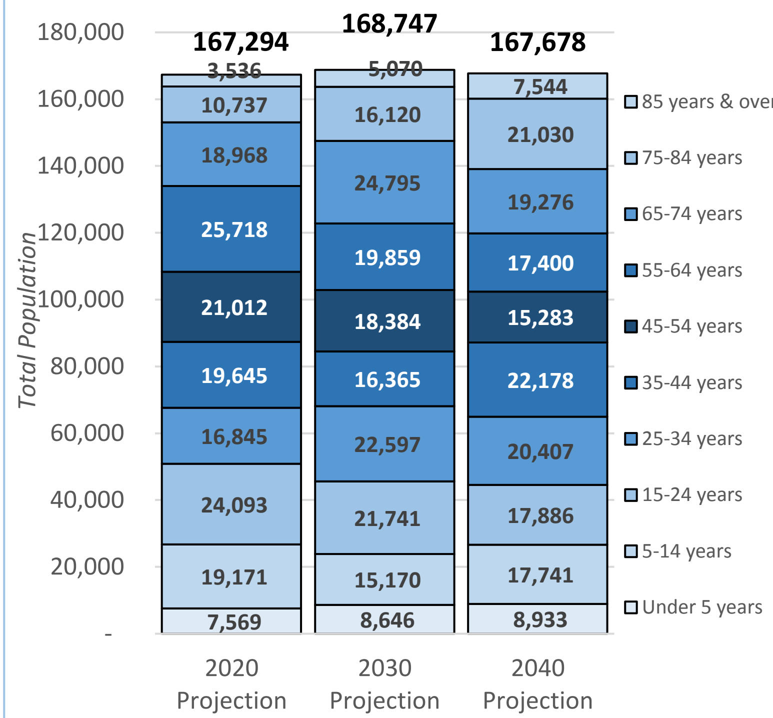


Source: U.S. Census Bureau

POPULATION PROJECTIONS BY AGE GROUP, 2020-2040

Despite the rapid recent growth, Region 7E is projected to experience only slight and uneven population growth in the next 20 years. According to population projections from the [State Demographic Center](), Region 7E is expected to gain just 1,453 net new residents from 2020 to 2030, a 0.9% percent increase (see Figure 4). The state of Minnesota is projected to grow 5 percent. But then from 2030 to 2040, the region's population is projected to shrink by just over 1,000 people, netting just 384 more residents than in 2020.

Figure 4. Region 7E Population Projections by Age Group, 2020-2040



Source: Minnesota State Demographic Center

Much of this population growth is expected to happen in the older age groups. Region 7E is projected to add 14,609 people aged 65 years and over, a 43.9 percent increase. The region is also expected to gain about 6,000 people in the 25- to 44-year-old age group, along with a measured increase in children under 5 years of age. However, Region 7E is projected to lose over 7,500 young people from 5 to 24 years, and about 14,000 people in the 45 to 64 year old age group – as the current Baby Boom generation moves through the population pyramid.

POPULATION BY RACE, 2015

Region 7E's population is less diverse than the state's, but is becoming more diverse over time. In 2015, 94.3 percent of the region's residents reported White alone as their race, compared to 84.8 percent of residents statewide. At 1.6 percent, Region 7E had a higher percentage of American Indian or Alaska Natives than the state, but otherwise had much smaller percentages of people of all other race and origin groups, especially Black or African American, Asian, and Hispanic or Latino origin (see Table 2).

The region saw a 17.4 percent gain in the number of White residents, but saw much faster increases in every other race group. Every racial subgroup – with the exception of Asian and Other Pacific Islanders and American Indian and Alaskan Natives – more than doubled from 2000 to 2015, including Hispanic or Latino origin.

Table 2. Race and Hispanic Origin, 2015	Region 7E			Minnesota	
	Number	Percent	*Change from 2000-2015*	Percent	*Change from 2000-2015*
Total	**163,160**	**100.0%**	***+19.8%***	**100.0%**	***+10.2%***
White	153,875	94.3%	*+17.4%*	84.8%	*+4.4%*
Black or African American	1,689	1.0%	*+135.6%*	5.5%	*+74.2%*
American Indian & Alaska Native	2,649	1.6%	*+17.8%*	1.0%	*+2.9%*
Asian & Other Pac. Islander	1,031	0.6%	*+62.6%*	4.5%	*+68.6%*
Some Other Race	694	0.4%	*+103.5%*	1.5%	*+24.7%*
Two or More Races	3,222	2.0%	*+152.7%*	2.7%	*+74.3%*
Hispanic or Latino	3,162	1.9%	*+103.9%*	5.0%	*+89.0%*

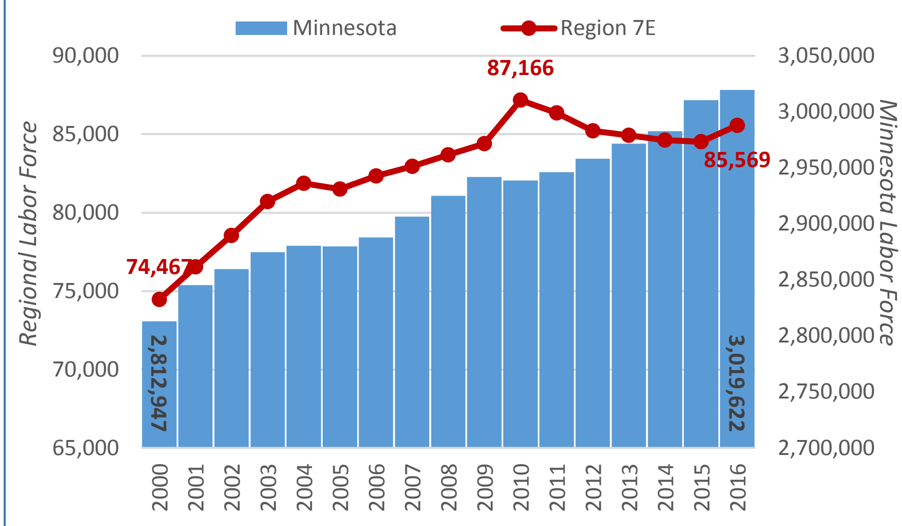
Source: U.S. Census Bureau, American Community Survey

LABOR FORCE

LABOR FORCE CHANGE, 2000-2016

According to data from DEED's Local Area Unemployment Statistics program, Region 7E has experienced uneven growth in the size of the available labor force over the last 15 years in response to changing economic conditions. As the region's population grew through 2010, so did the labor force. However, the region saw a peak of 87,166 workers in 2010, and since then, Region 7E has lost about 1,600 workers. Despite the recent drop, the region still has over 11,100 more workers than it had in 2000, climbing from 74,467 workers in 2000 to 85,569 workers in 2016. The state was also gaining workers over the past decade and a half, without the recent drop (see Figure 5). As the economy has recovered, the labor market in the region has been getting tighter, with only 3,951 unemployed workers actively seeking work in 2016.

Figure 5. Annual Labor Force Estimates



Source: DEED Local Area Unemployment Statistics (LAUS) program

LABOR FORCE PROJECTIONS, 2020-2030

Despite the region's small projected population growth, applying current labor force participation rates to future population projections by age group, as shown in Figure 4 above, would actually lead to a decline in available workforce in Region 7E over the next decade (see Table 3).

In addition to the decline, the data show that the age composition of the workforce will also see a significant shift over time, with a steady gain in the number of workers aged 20 to 44 years and big gains in workers aged 65 years and over, against a huge decline in the number of workers aged 45 to 64 years – where the region may lose about 6,000 workers from 2020 to 2030. In comparison, the region is expected to gain over 1,600 workers aged 65 years and over, and about 2,200 workers from 20 to 44 years of age, but also a lost of more than 1,000 teenagers. The 25 to 54 year old age group will still be the largest part of the labor force, accounting for 58.8 percent of the total (see Table 3). These changes will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability.

Table 3. Region 7E Labor Force Projections

	2020 Labor Force Projection	2030 Labor Force Projection	*2020-2030 Change*	
			Numeric	*Percent*
16 to 19 years	5,013	3,974	*-1,039*	*-20.7%*
20 to 24 years	10,158	10,253	*+96*	*+0.9%*
25 to 44 years	30,532	32,600	*+2,068*	*+6.8%*
45 to 54 years	17,830	15,600	*-2,230*	*-12.5%*
55 to 64 years	16,696	12,893	*-3,804*	*-22.8%*
65 to 74 years	4,321	5,648	*+1,327*	*+30.7%*
75 years & over	709	1,052	*+343*	*+48.5%*
Total Labor Force	**85,259**	**82,021**	***-3,238***	***-3.8%***

Source: calculated from Minnesota State Demographic Center population projections and 2011-2015 American Community Survey 5-Year Estimates

EMPLOYMENT CHARACTERISTICS, 2015

With 65.4 percent of people aged 16 years and over in the labor force, Region 7E had lower labor force participation rates than the state's 70 percent. The region had lower labor force participation rates than the state in all but the youngest age groups, and the overall rate was even lower because a higher percentage of Region 7E's labor force was in older age groups (see Table 4).

Likewise, the region had lower participation rates than the state in all but one race group; and also higher unemployment rate disparities for all but two minority groups – Asian and Two or More Races. In sum, unemployment rates in the region were highest for young people, minorities, workers with disabilities, and people with lower educational attainment.

Table 4. Employment Characteristics, 2015

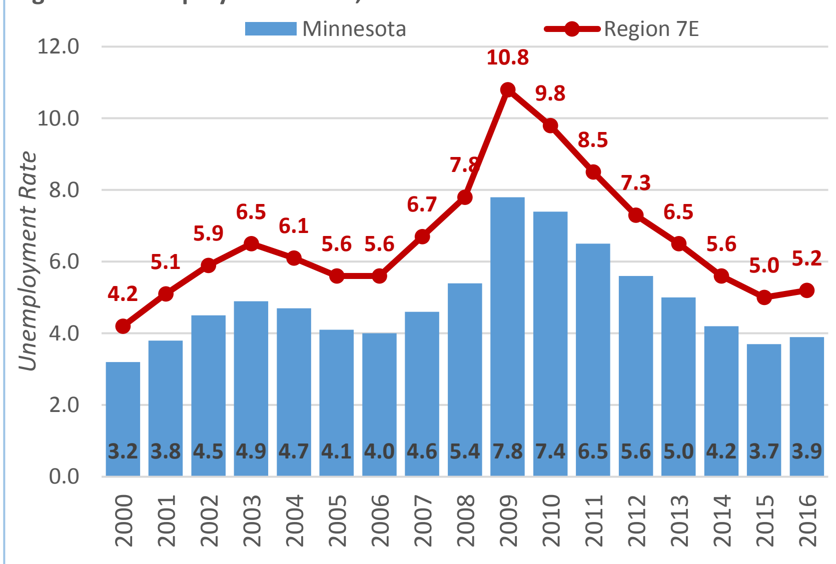
	Region 7E			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	**84,656**	**65.4%**	**7.0%**	**70.0%**	**5.6%**
16 to 19 years	4,352	52.7%	14.5%	51.9%	16.1%
20 to 24 years	7,080	83.3%	12.9%	82.8%	9.2%
25 to 44 years	33,265	83.7%	6.5%	88.1%	5.0%
45 to 54 years	21,960	84.9%	6.1%	87.2%	4.3%
55 to 64 years	14,220	64.9%	5.5%	72.1%	4.2%
65 to 74 years	3,272	22.8%	3.3%	26.9%	3.6%
75 years & over	532	5.0%	2.3%	6.0%	3.5%
Employment Characteristics by Race & Hispanic Origin					
White alone	81,246	66.0%	6.8%	70.0%	4.8%
Black or African American	379	26.5%	21.0%	68.8%	14.7%
American Indian & Alaska Native	987	49.7%	17.6%	58.6%	16.3%
Asian or Other Pac. Islanders	607	74.9%	7.1%	70.4%	6.4%
Some Other Race	277	59.2%	7.2%	77.4%	9.4%
Two or More Races	1,190	71.0%	8.5%	71.0%	11.5%
Hispanic or Latino	1,238	58.6%	11.6%	75.0%	9.1%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	4,811	72.9%	8.3%	77.6%	5.7%
Employment Characteristics by Disability					
With Any Disability	5,403	48.8%	11.7%	51.3%	12.7%
Employment Characteristics by Educational Attainment					
Population, 25 to 64 years	69,444	79.3%	6.6%	84.0%	4.6%
Less than H.S. Diploma	3,758	65.5%	8.2%	65.4%	6.5%
H.S. Diploma or Equivalent	23,049	74.3%	5.0%	78.8%	3.9%
Some College or Assoc. Degree	28,384	82.4%	6.1%	85.2%	4.7%
Bachelor's Degree or Higher	14,233	87.1%	2.4%	89.3%	2.7%

Source: 2011-2015 American Community Survey, 5-Year Estimates

UNEMPLOYMENT RATE, 2000-2016

Region 7E has consistently had among the highest unemployment rates in the state, typically hovering around 1.5 percent above the state rate. According to DEED's Local Area Unemployment Statistics, Region 7E's unemployment rate rose as high as 10.8 percent in 2009, which was the highest of the 13 EDRs, and 3 percent above the state rate. Since then, the state and region's economies have recovered and unemployment rates have dropped, with Region 7E reporting 5.2 percent in 2016, which was 1.3 percent above the state rate (see Figure 6).

Figure 6. Unemployment Rates, 2000-2016

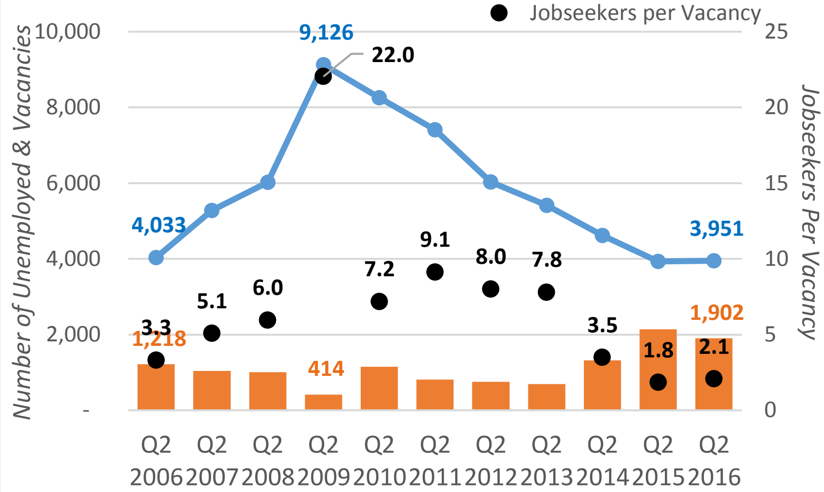


Source: DEED Local Area Unemployment Statistics (LAUS) program

JOBSEEKERS PER VACANCY, 2016

As the number of available workers has declined, the region's labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which dipped to 2.1-to-1 in the second quarter of 2016. According to recent Job Vacancy Survey results, there were 1,902 openings reported by employers compared to 3,951 unemployed jobseekers in the region. The region's ratio is also affected by the large outflow of workers to other regions for work. To that end, the ratio climbed as high as 22-to-1 during the recession (see Figure 7).

Figure 7. Jobseekers Per Vacancy, 2006-2016



Source: DEED Job Vacancy Survey, LAUS program

EDUCATIONAL ATTAINMENT BY AGE GROUP, 2015

With just 26.6 percent of adults aged 18 years and over having a college degree, Region 7E has significantly lower educational attainment than the state, where 41.3 percent of adults have an associate, bachelor's, or advanced degree. However, 25.7 percent of residents have some college experience, but no degree, compared to 24.5 percent statewide. Overall, Region 7E has lower educational attainment across all age groups, though younger people are taking advantage of new opportunities.

That is leading to changing educational attainment overall – 33.1 percent of people aged 18 to 24 years have attended some college, but hadn't earned a degree yet, and 11.5 percent already had a college degree. Region 7E also had a higher percentage of people in the 25 to 44 year old age group who had earned associate degrees, but much lower percentages of people with bachelor's degrees or higher. Region 7E has a higher percentage of residents in the oldest age groups, and they have lower educational attainment than the state and younger age groups. Nearly two-thirds of the region's oldest residents stopped with a high school diploma or less (see Table 5).

Table 5. Educational Attainment by Age Group, 2015	Region 7E		Minnesota
	Number	Percent	Percent
18 to 24 years	**12,072**	**9.7%**	**12.2%**
Less than high school	1,984	16.4%	12.7%
High school grad. (incl. equiv.)	4,700	38.9%	26.2%
Some college, no degree	3,994	33.1%	42.7%
Associate's degree	760	6.3%	6.3%
Bachelor's degree	614	5.1%	11.6%
Advanced degree	20	0.2%	0.4%
25 to 44 years	**39,756**	**31.9%**	**34.1%**
Less than high school	2,633	6.6%	6.7%
High school grad. (incl. equiv.)	12,619	31.7%	19.2%
Some college, no degree	10,679	26.9%	21.6%
Associate's degree	6,073	15.3%	13.1%
Bachelor's degree	5,771	14.5%	27.6%
Advanced degree	1,981	5.0%	11.7%
45 to 64 years	**47,782**	**38.3%**	**35.5%**
Less than high school	3,107	6.5%	5.7%
High school grad. (incl. equiv.)	18,395	38.5%	26.9%
Some college, no degree	12,517	26.2%	23.3%
Associate's degree	5,177	10.8%	11.3%
Bachelor's degree	5,767	12.1%	21.4%
Advanced degree	2,819	5.9%	11.4%
65 years & over	**25,084**	**20.1%**	**18.2%**
Less than high school	4,405	17.6%	12.8%
High school grad. (incl. equiv.)	11,690	46.6%	37.3%
Some college, no degree	4,844	19.3%	19.8%
Associate's degree	945	3.8%	5.1%
Bachelor's degree	2,079	8.3%	15.2%
Advanced degree	1,121	4.5%	9.8%

Source: 2011-2015 American Community Survey, 5-Year Estimates

COMMUTE SHED AND LABOR SHED, 2014

According to commuting data from the Census Bureau, Region 7E is a net labor exporter, having more workers than available jobs. In fact, more residents commute out of the region than stay in the region for work. In sum, 32,468 workers both lived and worked in Region 7E in 2014, while 13,903 workers drove into the region from surrounding counties for work, compared to 46,463 workers who lived in the region but drove to surrounding counties for work (see Table 6 and Figure 8).

Table 6. Region 7E Inflow/Outflow Job Counts (All Jobs), 2014	2014	
	Count	Share
Employed in the Selection Area	46,371	100.0%
Employed in the Selection Area but Living Outside	13,903	30.0%
Employed and Living in the Selection Area	32,468	70.0%
Living in the Selection Area	78,931	100.0%
Living in the Selection Area but Employed Outside	46,463	58.9%
Living and Employed in the Selection Area	32,468	41.1%

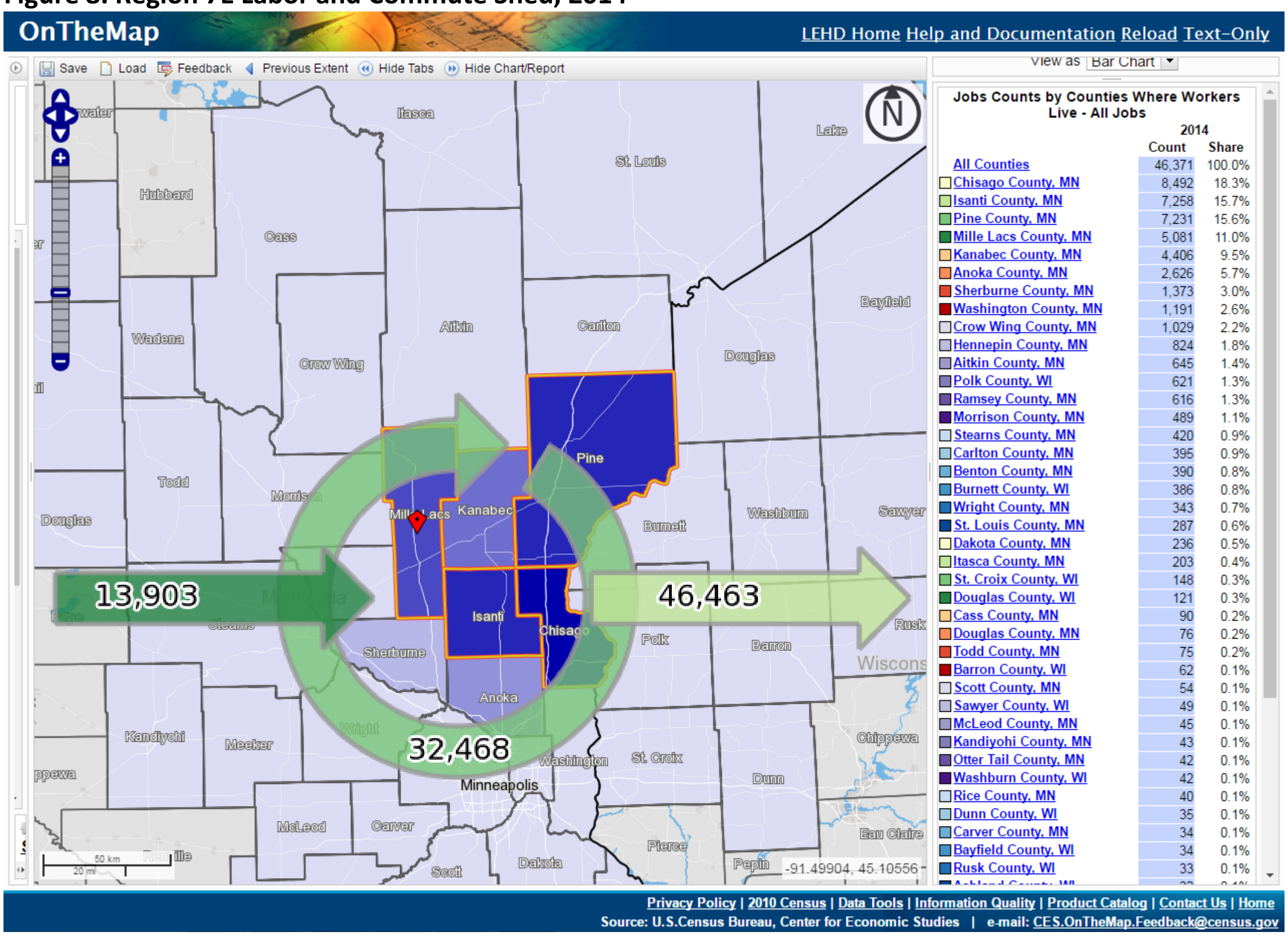
Source: U.S. Census Bureau, OnTheMap

Chisago County is the largest county and the largest employment center in the region and was the biggest draw for workers, followed by Isanti County, Pine County, Mille Lacs County, and Kanabec County is the smallest. Most workers in the region commute to the Twin Cities metro area and Hennepin County, as well as to the northern and eastern counties like Ramsey, Anoka, and Washington Count y (see Table 7 and Figure 8).

Table 7. Region 7E Commuting Patterns	
Counties outside the region that send the most workers into the region	Counties outside the region that the most workers from inside the region travel to
Anoka Co. MN	Hennepin Co. MN
Sherburne Co. MN	Ramsey Co. MN
Washington Co. MN	Anoka Co. MN
Crow Wing Co. MN	Washington Co. MN
Hennepin Co. MN	Sherburne Co. MN

Source: U.S. Census Bureau, OnTheMap

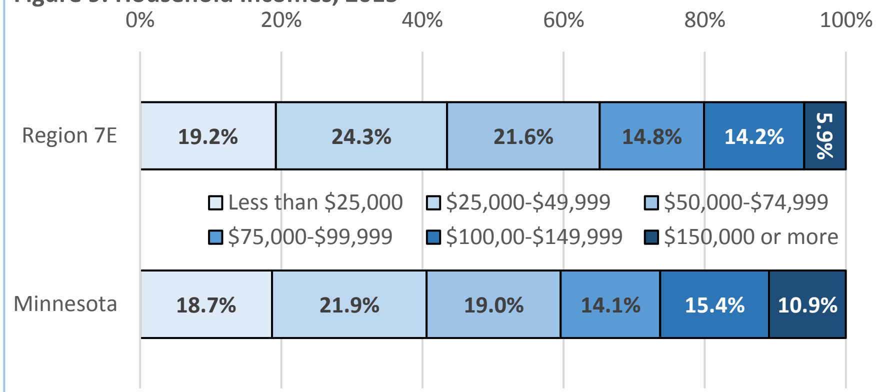
Figure 8. Region 7E Labor and Commute Shed, 2014



INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

Figure 9. Household Incomes, 2015



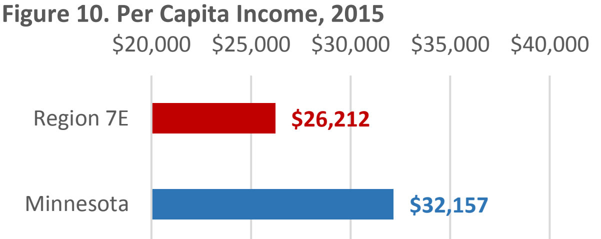
Source: 2011-2015 American Community Survey 5-Year Estimates

Household incomes were slightly lower in Region 7E than the state, where the median household income in 2015 was $61,492. In the region, median household incomes ranged from $44,549 in Pine County, which was the 7th lowest in the state, to $71,001 in Chisago County, which was the 7th highest in the state. Incomes were relatively high in Chisago and Isanti County, and relatively low in Kanabec, Mille Lacs, and Pine County. About 43.5 percent of the households in the region had incomes below $50,000 in 2015, compared to 40.6 percent statewide. Another 36.4 percent of households earned between $50,000 and $100,000 in the region. In contrast, only 20.1 percent of households in Region 7E earned over $100,000 per year, compared to 26.3 percent of households statewide (see Figure 9).

PER CAPITA INCOMES

Per capita incomes were also lower in Region 7E than the state, ranging from $22,436 in Pine County and $22,661 in Kanabec County to $29,553 in Chisago County, compared to $32,157 in Minnesota (see Figure 10). At $26,212, Region 7E had the third lowest per capita income of the 13 EDRs in the state.

Figure 10. Per Capita Income, 2015



Source: 2011-2015 American Community Survey

COST OF LIVING

According to DEED's Cost of Living tool, the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was $55,200 in 2017. The cost of living for a similar family in Region 7E was $57,924 – which was the second highest of the 13 EDRs in the state, behind only the Twin Cities metro area. The highest monthly costs were for transportation, food, and housing; and the cost of the region's housing, transportation, and taxes were significantly higher than the state (see Table 8).

In order to meet the basic cost of living for the region, the workers in the family scenario listed above would need to earn $18.57 per hour. For a single person living alone and working full-time, the estimated yearly cost in Region 7E would be $32,508, the highest cost in the state, which would require an hourly wage of $15.63 to meet the basic needs standard of living.

Table 8. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2017

Region	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs: Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Region 7E	$57,924	$18.57	$410	$742	$467	$941	$1,029	$492	$746
Minnesota	$55,200	$17.69	$468	$763	$472	$936	$788	$496	$677

Source: DEED Cost of Living tool

WAGES AND OCCUPATIONS

According to DEED's Occupational Employment Statistics program, the median hourly wage for all occupations in Region 7E was $17.78 in the first quarter of 2017, which was the third highest wage level of the 13 EDRs in the state. Region 7E's median wage was $1.84 below the state's median hourly wage, equaling 91 percent of the statewide wage rate, and $3.77 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to over $7,800 per year for a full-time worker. Region 7E had higher wages than surrounding regions like Region 3 at $17.25, Region 7W at $17.48, and Region 5 at $15.70, but lower wages than the Twin Cities at $21.55 (see Table 9).

Table 9. Occupational Employment Statistics by Region, 1st Qtr. 2017	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	$17.59	38,070
EDR 2 - Headwaters	$16.80	30,860
EDR 3 - Arrowhead	$17.25	141,910
EDR 4 - West Central	$16.94	85,410
EDR 5 - North Central	$15.70	61,170
EDR 6E - Southwest Central	$17.07	47,410
EDR 6W - Upper MN Valley	$15.93	16,600
EDR 7E - East Central	**$17.78**	**48,990**
EDR 7W - Central	$17.48	184,510
EDR 8 - Southwest	$16.17	50,360
EDR 9 - South Central	$16.99	114,470
EDR 10 - Southeast	$18.53	259,060
EDR 11 - 7-County Twin Cities	$21.55	1,751,580
State of Minnesota	**$19.62**	**2,810,400**

Source: DEED Occupational Employment Statistics

Over 8 percent of the jobs in Region 7E were education, training and library occupations, which was 1.4 times more concentrated than the state as a whole. Region 7E also had a higher share of workers in healthcare support; protective service; community and social service; production; construction and extraction; farming, fishing, and forestry; installation, maintenance, and repair; sales and related; and healthcare practitioners and technical occupations (see Table 10).

Table 10. Region 7E Occupational Employment Statistics, 1st Qtr. 2017					**State of Minnesota**		
	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*	*Location Quotient*	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*
Total, All Occupations	**$17.78**	**48,990**	***100.0%***	***1.0***	**$19.62**	**2,810,400**	***100.0%***
Office & Administrative Support	$17.77	6,980	*14.2%*	*1.0*	$18.26	404,120	*14.4%*
Sales & Related	$11.70	5,320	*10.9%*	*1.1*	$13.48	275,740	*9.8%*
Production	$17.40	4,920	*10.0%*	*1.3*	$17.46	220,570	*7.8%*
Education, Training & Library	$23.33	3,950	*8.1%*	*1.4*	$23.33	164,560	*5.9%*
Healthcare Practitioners & Technical	$32.20	3,250	*6.6%*	*1.1*	$32.85	174,230	*6.2%*
Transportation & Material Moving	$17.55	3,250	*6.6%*	*1.0*	$17.06	178,270	*6.3%*
Healthcare Support	$14.30	2,420	*4.9%*	*1.6*	$15.11	84,730	*3.0%*
Management	$37.78	2,310	*4.7%*	*0.8*	$49.20	168,370	*6.0%*
Personal Care & Service	$11.68	2,260	*4.6%*	*1.0*	$11.77	129,490	*4.6%*
Food Preparation & Serving Related	$9.92	2,200	*4.5%*	*0.5*	$10.05	236,820	*8.4%*
Construction & Extraction	$28.06	2,130	*4.3%*	*1.2*	$26.55	98,730	*3.5%*
Installation, Maintenance & Repair	$20.99	1,800	*3.7%*	*1.1*	$22.41	95,700	*3.4%*
Business & Financial Operations	$27.11	1,650	*3.4%*	*0.6*	$31.83	164,180	*5.8%*
Community & Social Service	$21.38	1,380	*2.8%*	*1.5*	$21.32	53,060	*1.9%*
Protective Service	$22.74	1,370	*2.8%*	*1.8*	$19.80	42,740	*1.5%*
Building, Grounds Cleaning & Maint.	$11.52	1,280	*2.6%*	*0.9*	$13.68	83,180	*3.0%*
Architecture & Engineering	$32.19	900	*1.8%*	*0.9*	$35.96	54,400	*1.9%*
Computer & Mathematical	$30.81	560	*1.1%*	*0.3*	$39.75	97,680	*3.5%*
Life, Physical & Social Science	$32.71	400	*0.8%*	*0.9*	$30.59	24,230	*0.9%*
Arts, Design, Entertainment & Media	$11.43	340	*0.7%*	*0.5*	$22.39	37,290	*1.3%*
Legal	$35.60	220	*0.4%*	*0.7*	$40.36	18,640	*0.7%*
Farming, Fishing & Forestry	$17.10	100	*0.2%*	*1.6*	$15.31	3,680	*0.1%*

Source: DEED Occupational Employment Statistics, Qtr. 1 2017

Not surprisingly, the lowest-paying jobs are in food preparation and serving, personal care and service, arts, design, and entertainment, and sales and related jobs, which tend to have lower educational and training requirements. For the most part, the gap in pay between Region 7E and the state is also lower in these jobs. In contrast, the highest paying jobs are found in management, healthcare practitioners, computer, architecture and engineering, life, physical, and social science, construction, and business and financial operations, which tend to need higher levels of education and experience. The pay gaps between the region and state are much bigger in these occupations.

JOB VACANCY SURVEY

Employers in Region 7E reported 1,678 job vacancies in the fourth quarter of 2016, the second highest number ever for a fourth quarter. Job vacancies in the region peaked at 1,704 in 2014, but are still almost 6 times higher than the recession low in 2009. Overall, almost half of the openings were part-time, 27 percent required postsecondary education, and 36 percent needed 1 or more years of experience. The median hourly wage offer for all occupations was $13.20, ranging from under $11 per hour for personal care and service and food prep jobs to $26.67 for life, physical and social sciences jobs (see Table 11).

Table 11. Region 7E Job Vacancy Survey Results, Qtr. 4 2016

Region 7E	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Work Exp.	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	**1,678**	**48%**	**14%**	**27%**	**36%**	**25%**	**$13.20**
Sales & Related	319	44%	0%	1%	52%	1%	$11.74
Personal Care & Service	211	48%	1%	3%	37%	5%	$10.92
Food Preparation & Serving Related	206	77%	24%	0%	6%	1%	$10.56
Education, Training & Library	163	60%	23%	90%	19%	45%	$14.83
Office & Administrative Support	153	51%	4%	6%	32%	1%	$14.53
Healthcare Practitioners & Technical	126	48%	5%	93%	53%	98%	$24.78
Installation, Maintenance & Repair	83	4%	0%	88%	91%	7%	$18.68
Building, Grounds Cleaning & Maint.	75	57%	68%	0%	2%	69%	$14.64
Healthcare Support	61	54%	2%	28%	10%	54%	$11.43
Community & Social Service	52	54%	2%	35%	94%	27%	$14.69
Business & Financial Operations	34	11%	24%	97%	96%	86%	$20.36
Arts, Design, Entertainment & Media	33	N/A	N/A	N/A	N/A	N/A	$15.01
Transportation & Material Moving	30	71%	51%	2%	3%	68%	$13.57
Life, Physical & Social Sciences	4	0%	1%	100%	100%	77%	$26.67

Source: DEED Job Vacancy Survey, Qtr. 4 2016

OCCUPATIONS IN DEMAND

According to DEED's Occupations in Demand tool, there are over 200 of occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. Many of the occupations in demand in the region require a high school diploma or less. These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, personal care aides and home health aides, janitors and cleaners, retail sales workers, truck drivers, teachers, nurses, and healthcare practitioners are all occupations in demand based on the consistent need for these workers (see Table 12).

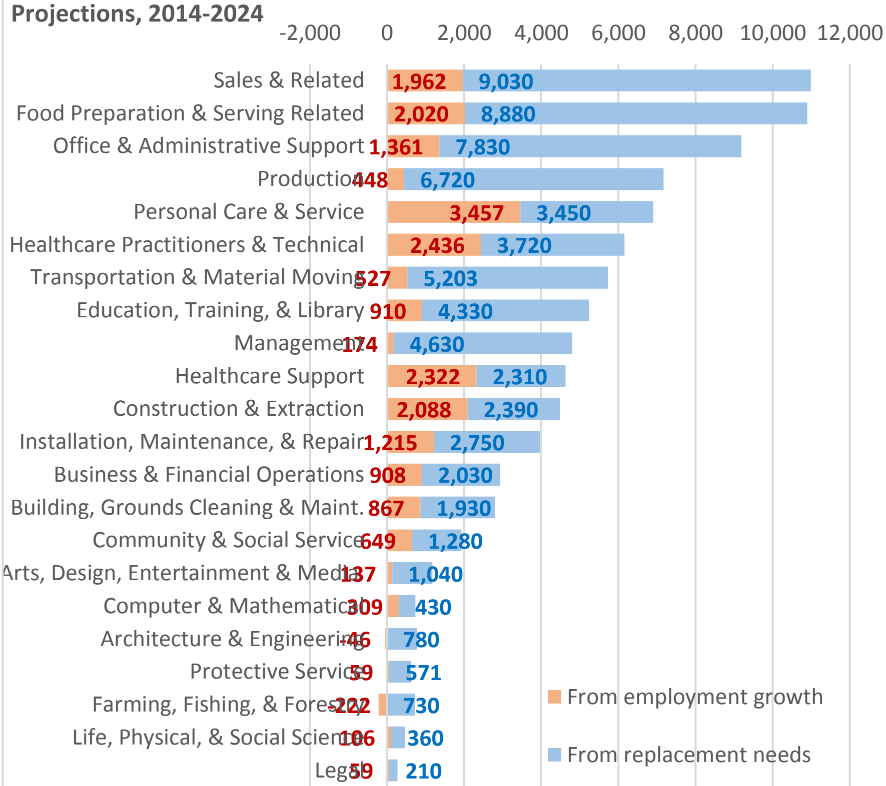
Table 12. Region 7E Occupations in Demand by Education Level, 2016			
Less than High School	**High School or Equivalent**	**Some College or Assoc. Degree**	**Bachelor's Degree or Higher**
Cashiers ($18,947)	Cabinetmakers & Bench Carpenters ($39,466)	Nursing Assistants ($29,620)	Elementary & Secondary School Teachers ($62,228)
Food Prep & Serving Workers ($18,656)	Maintenance & Repair Workers, General ($39,297)	Registered Nurses ($74,024)	Accountants & Auditors ($49,652)
Personal Care Aides ($23,672)	Secretaries & Admin. Assistants ($36,362)	Licensed Practical & Voc. Nurses ($43,533)	Medical & Health Services Managers ($91,972)
Retail Salespersons ($23,298)	Bus Drivers, School or Special Client ($34,183)	Heavy & Tractor-Trailer Truck Drivers ($45,023)	Education Administrators, Elem. & Secondary ($96,032)
Stock Clerks & Order Fillers ($24,946)	Office Clerks, General ($31,196)	Hairdressers, Hairstylists, & Cosmetologists ($23,853)	Child, Family, & School Social Workers ($53,872)
Janitors & Cleaners ($27,899)	Social & Human Service Assistants ($29,236)	Emergency Medical Techs. & Paramedics ($37,793)	Nurse Practitioners ($95,829)
Home Health Aides ($24,216)	Driver/Sales Workers ($24,245)	Medical Assistants ($35,705)	Physical Therapists ($76,982)
Landscaping & Grounds-keeping Workers ($25,859)	Sales Representatives, Wholesale & Mfg. ($66,055)	Teacher Assistants ($31,672)	Financial Managers ($80,072)
Cooks, Restaurant ($26,090)	Police & Sheriff's Patrol Officers ($49,691)	Industrial Engineering Technicians ($50,967)	Human Resources Specialists ($48,967)
Laborers & Freight, Stock & Mat'l. Movers ($28,679)	Postal Service Mail Carriers ($49,170)	Radiologic Technologists ($58,199)	Civil Engineers ($75,528)

Source: *DEED Occupations in Demand*

EMPLOYMENT PROJECTIONS

The Central Minnesota planning area is projected to grow 7.7 percent from 2014 to 2024, a gain of over 23,300 new jobs. In addition, the region is also expected to need to fill 70,740 replacement openings left vacant by retirements and other career changes. The number of replacement openings is expected to dwarf the number of new jobs in most occupational groups, though the region will see rapid growth for personal care, healthcare, construction, food prep, and sales jobs in the next decade. In contrast, seven occupational groups are expected to see a decline in jobs through 2024, but will still have replacement openings (see Figure 11).

Figure 11. Central Minnesota Regional Employment Projections, 2014-2024

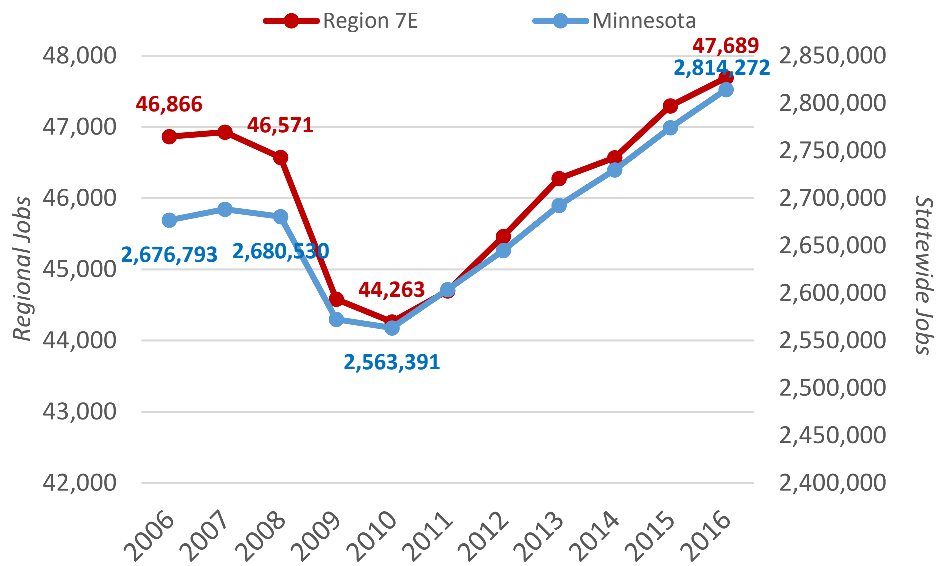


Source: DEED 2014-2024 Employment Outlook

ECONOMY

INDUSTRY EMPLOYMENT

Figure 12. Industry Employment Statistics, 2006-2016



Source: DEED QCEW program

Region 7E has seen employment ups and downs over the past decade, but ended 2016 with 823 more jobs than it had in 2006. The region was hit harder during the recession than the state, experiencing severe job declines from 2007 to 2010. Since then, Region 7E has seen a steady but slightly slower recovery than the rest of the state, which gained jobs at an 8.1 percent clip from 2011 to 2016, compared to a 6.7 percent increase in the region. Region 7E finally regained all of the jobs lost during the recession in 2015, while the state reached breakeven in 2013 (see Figure 12).

According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Region 7E was home to 3,375 business establishments providing 47,689 covered jobs through 2016, with a total payroll of just under $1.8 billion. That was about 1.7 percent of total employment in the state of Minnesota, making it the fourth smallest of the 13 EDRs in the state. Average annual wages were $37,150 in the region, which was about $17,000 lower than the state's average annual wage, and the third lowest of the 13 EDRs.

Chisago County is the largest employment center in the region, with 15,311 jobs at 1,068 firms; accounting for 32 percent of the region's jobs. Isanti County was the next largest, with 10,854 jobs at 750 firms, followed by Mille Lacs County with 665 firms and 9,419 jobs and Pine County with 8,206 jobs at 596 firms. Kanabec County was the smallest economy in the region, with 297 firms and 3,898 jobs. Though all five counties added jobs, the region recovered more slowly than the state over the past five years; with Chisago, Isanti and Kanabec County seeing the biggest gains. In contrast, Isanti and Mille Lacs County shed jobs over the last year, although they remain positive over 2011 to 2016. Kanabec and Chisago County grew more than 3 percent from 2015 to 2016, which was much faster than the rest of the state (see Table 13).

Table 13. Region 7E Industry Employment Statistics, 2016				Average Annual Wage	*2011-2016*		*2015-2016*	
Geography	Number of Firms	Number of Jobs	Total Payroll		*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
Region 7E	**3,375**	**47,689**	**$1,771,634,587**	**$37,150**	***+2,989***	***+6.7%***	***+394***	***+0.8%***
Chisago Co.	1,068	15,311	$641,945,129	$41,927	*+1,699*	*+12.5%*	*+464*	*+3.1%*
Isanti Co.	750	10,854	$418,069,460	$38,518	*+622*	*+6.1%*	*-128*	*-1.2%*
Kanabec Co.	297	3,898	$141,868,492	$36,395	*+301*	*+8.4%*	*+155*	*+4.1%*
Mille Lacs Co.	665	9,419	$319,424,410	$33,913	*+335*	*+3.7%*	*-136*	*-1.4%*
Pine Co.	596	8,206	$250,327,096	$30,505	*+31*	*+0.4%*	*+39*	*+0.5%*
State of Minnesota	**161,520**	**2,814,272**	**$152,795,190,643**	**$54,293**	***+210,746***	***+8.1%***	***+39,864***	***+1.4%***

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

With 9,872 jobs at 291 firms, health care and social assistance is the largest employing industry in Region 7E, accounting for 20.7 percent of total jobs in the region. Due to the region's older population, the largest sector was nursing and residential care facilities, which had 4,072 jobs. However, the region's fastest growing health care sector was ambulatory health care services, including clinics and offices of doctors, dentists, and other health care practitioners; as well as home health care services.

Accommodation and food services is the next largest industry in Region 7E, with 6,510 jobs at 271 firms, accounting for 13.7 percent of total jobs in the region. The related arts, entertainment, and recreation industry also provides 734 jobs at 76 locations, after seeing a shift of jobs due to a classification change. Retail Trade is the third largest industry with 5,986 jobs at 449 stores. These three industries provide almost 28 percent of the region's jobs, but have relatively low wages.

After losing 504 jobs, manufacturing is still the fourth largest industry in Region 7E, with 5,354 jobs at 242 firms. Wages in manufacturing were nearly $9,000 higher than in the total of all industries. Region 7E also has a high concentration of jobs in educational services, with 4,829 jobs at 71 institutions – primarily at elementary and secondary schools, but also at junior colleges – and in public administration.

Other important industries in Region 7E include construction, other services, transportation and warehousing, administrative support and waste management services, and finance and insurance. Fifteen of the 20 main industries in the region added jobs since 2011, with the huge gains in manufacturing accounting for over 34 percent of the growth and professional and technical services growing by more than 50 percent. Substantial growth also occurred in construction and retail trade. In contrast, the region saw job losses in arts, entertainment and recreation (due to the classification switch), finance and insurance, wholesale trade, and administrative support and waste management (see Table 14).

Table 14. Region 7E Industry Employment Statistics, 2016

	2016 Annual Data				Avg.	*2011-2016*		*2015-2016*	
NAICS Industry Title	Number of Firms	Number of Jobs	*Percent of Jobs*	Total Payroll ($1000s)	Annual Wage	*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
Total, All Industries	**3,375**	**47,689**	***100.0%***	**$1,771,635**	**$37,150**	***+2,989***	***+6.7%***	***+394***	***+0.8%***
Health Care & Social Assistance	291	9,872	*20.7%*	$393,817	$39,892	*+288*	*+3.0%*	*+253*	*+2.6%*
Accommodation & Food Services	271	6,510	*13.7%*	$123,839	$19,023	*+2,678*	*+69.9%*	*-103*	*-1.6%*
Retail Trade	449	5,986	*12.6%*	$146,458	$24,467	*+569*	*+10.5%*	*+4*	*+0.1%*
Manufacturing	242	5,354	*11.2%*	$246,683	$46,075	*+1,028*	*+23.8%*	*-504*	*-8.6%*
Educational Services	71	4,829	*10.1%*	$194,542	$40,286	*+186*	*+4.0%*	*+56*	*+1.2%*
Public Administration	151	3,908	*8.2%*	$176,913	$45,269	*+203*	*+5.5%*	*-36*	*-0.9%*
Construction	553	2,504	*5.3%*	$139,472	$55,700	*+592*	*+31.0%*	*+181*	*+7.8%*
Other Services	346	1,450	*3.0%*	$32,518	$22,426	*+103*	*+7.6%*	*+12*	*+0.8%*
Professional & Technical Services	176	1,267	*2.7%*	$87,192	$68,818	*+463*	*+57.6%*	*+547*	*+76.0%*
Transportation & Warehousing	149	1,102	*2.3%*	$40,814	$37,036	*+134*	*+13.8%*	*+40*	*+3.8%*
Admin. Support & Waste Mgmt. Svcs.	140	972	*2.0%*	$40,871	$42,048	*-137*	*-12.4%*	*-41*	*-4.0%*
Finance & Insurance	122	960	*2.0%*	$45,292	$47,179	*-109*	*-10.2%*	*8*	*0.8%*
Arts, Entertainment, & Recreation	76	734	*1.5%*	$10,231	$13,938	*-2,848*	*-79.5%*	*-20*	*-2.7%*
Wholesale Trade	110	675	*1.4%*	$27,016	$40,023	*-134*	*-16.6%*	*+12*	*+1.8%*
Information	42	466	*1.0%*	$17,158	$36,820	*N/A*	*N/A*	*+5*	*+1.1%*
Agriculture, Forestry, Fish & Hunt	53	430	*0.9%*	$12,967	$30,156	*+33*	*+8.3%*	*+14*	*+3.4%*
Real Estate & Rental & Leasing	102	269	*0.6%*	$6,607	$24,563	*+10*	*+3.9%*	*-12*	*-4.3%*
Utilities	21	258	*0.5%*	$21,167	$82,044	*+31*	*+13.7%*	*+6*	*+2.4%*
Management of Companies	7	95	*0.2%*	$5,926	$62,376	*+12*	*+14.5%*	*-29*	*-23.4%*
Mining	6	42	*0.1%*	$2,150	$51,185	*+3*	*+7.7%*	*+1*	*+2.4%*

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

DISTINGUISHING INDUSTRIES

Region 7E stands out in the state for its higher share of employment in forestry and logging, and accommodation, but also has strengths in unexpected areas like transportation equipment and plastics and rubber product manufacturing; executive, legislative, and general government support; and furniture and related product and fabricated metal product manufacturing. As noted above, the region also has a higher concentration of jobs in nursing and residential care facilities (see Table 15).

Table 15. Region 7E Distinguishing Industries, 2016						
NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Location Quotient
Total, All Industries	**0**	**3,375**	**47,689**	**$1,771,634,587**	**$37,150**	**1.0**
Forestry & Logging	113	14	115	$5,478,330	$47,476	6.7
Accommodation	721	39	2,828	$73,694,553	$26,000	5.0
Transportation Equipment Manufacturing	336	10	806	$38,108,287	$47,268	4.3
Plastics & Rubber Products Manufacturing	326	13	946	$39,501,359	$41,756	3.6
Gasoline Stations	447	84	938	$18,160,618	$19,344	2.2
Executive, Legislative, & General Gov. Support	921	79	2,608	$106,471,953	$40,768	2.2
Nursing & Residential Care Facilities	623	72	4,072	$138,048,021	$33,852	2.2
Waste Management & Remediation Service	562	28	217	$7,689,998	$35,464	2.0
Furniture & Related Product Manufacturing	337	22	293	$13,692,434	$46,696	1.8
Fabricated Metal Product Manufacturing	332	77	1,274	$62,787,717	$49,348	1.8
Source: DEED Quarterly Census of Employment & Wages (QCEW)						

INDUSTRY PROJECTIONS

As noted above, the Central Minnesota Planning Area is projected to grow 7.7 percent from 2014 to 2024, a gain of 23,338 new jobs, making it the fastest growing region of the state. The largest and fastest growing industry is expected to be health care and social assistance, which may account for nearly 45 percent of total projected growth in the region. Central Minnesota is also expected to see significant job growth in construction, retail trade, accommodation and food services, and administrative support; with growth spread across 17 of the 21 sectors. In contrast, the region is expected to see declines in agriculture, manufacturing, and educational services (see Table 16).

Table 16. Central Minnesota Industry Projections, 2014-2024				
Industry	Estimated Employment 2014	Projected Employment 2024	*Percent Change 2014-2024*	*Numeric Change 2014-2024*
Total, All Industries	**302,055**	**325,393**	***+7.7%***	***+23,338***
Health Care & Social Assistance	44,510	54,997	*+23.5%*	*+10,487*
Public Administration	42,845	43,330	*+1.1%*	*+485*
Manufacturing	40,606	40,278	*-0.8%*	*-328*
Retail Trade	34,974	37,382	*+6.8%*	*+2,408*
Self-Employed & Family Workers	26,730	26,915	*+0.6%*	*+185*
Accommodation & Food Services	20,886	22,484	*+7.6%*	*+1,598*
Construction	15,214	18,007	*+18.3%*	*+2,793*
Other Services	12,075	12,620	*+4.5%*	*+545*
Admin. Supp. & Waste Mgmt Svcs.	10,401	11,909	*+14.4%*	*+1,508*
Wholesale Trade	10,324	11,421	*+10.6%*	*+1,097*
Transportation & Warehousing	8,368	9,211	*+10.0%*	*+843*
Finance & Insurance	6,740	7,178	*+6.4%*	*+438*
Professional & Technical Services	5,913	6,641	*+12.3%*	*+728*
Arts, Entertainment & Recreation	5,676	5,936	*+4.5%*	*+260*
Agriculture, Forestry, Fish & Hunt	4,594	4,187	*-8.8%*	*-407*
Information	2,992	3,109	*+3.9%*	*+117*
Educational Services	2,915	2,866	*-1.6%*	*-49*
Utilities	2,396	2,707	*+12.9%*	*+311*
Real Estate, Rental & Leasing	2,112	2,341	*+10.8%*	*+229*
Management of Companies	1,505	1,625	*+7.9%*	*+120*
Mining	279	249	*-10.7%*	*-30*
Source: DEED 2014-2024 Employment Outlook				

EMPLOYERS BY SIZE CLASS

The vast majority of businesses in Region 7E are small businesses, with 58 percent of businesses reporting 1 to 4 employees in 2015, according to County Business Patterns from the U.S. Census Bureau. Another 31.8 percent had between 5 and 19 employees; and 8.7 percent had between 20 and 99 employees. Only 1.3 percent had 100 to 499 employees, compared to 2.4 percent of businesses in the state. Just 6 businesses in the region had more than 500 employees, which is the Small Business Administration's official cut off for a "small business". Obviously then, small businesses are vital to the region's economy (see Table 17).

Table 17. Employers by Size Class, 2015

	Region 7E		Minnesota
Number of Employees	Number of Firms	Percent of Firms	Percent of Firms
1-4	2,106	58.0%	53.7%
5-9	706	19.4%	17.7%
10-19	449	12.4%	13.3%
20-49	259	7.1%	9.3%
50-99	58	1.6%	3.2%
100-249	40	1.1%	1.9%
250-499	8	0.2%	0.5%
500 or more	6	0.2%	0.3%
Total Firms	**3,632**	**100.0%**	**100.0%**

Source: U.S. Census, County Business Patterns

NONEMPLOYER ESTABLISHMENTS

Before growing, the basic building block of most small businesses is a self-employed business. Region 7E was home to 10,864 self-employed businesses or "nonemployers" in 2015, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Unlike covered employment, Region 7E has suffered a significant decline in the number of nonemployers over the past decade, responding to economic changes. In sum, the region lost 1,595 nonemployers from 2005 to 2015, a staggering -12.8 percent decrease. The largest amount of nonemployers is in Chisago County, while Isanti has the second most and saw the smallest decline in self-employment in the region. Together, these nonemployers generated sales receipts of $456 million in 2015 (see Table 18).

Table 18. Nonemployer Statistics, 2015

	2015		*2005-2015*	
	Number of Firms	Receipts ($1,000s)	*Change in Firms*	*Percent Change*
Region 7E	**10,864**	**$456,134**	***-1,595***	***-12.8%***
Chisago Co.	3,756	$156,673	*-325*	*-8.0%*
Isanti Co.	2,653	$113,471	*-227*	*-7.9%*
Kanabec Co.	975	$45,836	*-326*	*-25.1%*
Mille Lacs Co.	1,798	$68,985	*-520*	*-22.4%*
Pine Co.	1,682	$71,169	*-197*	*-10.5%*
State of Minnesota	**397,378**	**$18,435,244**	***+23,959***	***+6.4%***

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Unlike other parts of Greater Minnesota, agriculture is not a key industry in Region 7E, but there are 3,925 farms producing just under $268 million in the market value of products sold in 2012 according to the U.S. Department of Agriculture. All of the counties in the planning region rank near the bottom in Minnesota in regards to the market value of products sold, with all five counties ranked between 66th and 76th of the 87 counties in the state. However, the region experienced a 70.5 percent increase in the market value of products sold since 2007 (see Table 19).

Table 19. Census of Agriculture, 2012

	Number of Farms	Market Value of Products Sold	*State Rank*	*Change in Market Value, 2007-2012*
Region 7E	**3,925**	**$267,943,000**		***+70.5%***
Chisago Co.	832	$56,530,000	*70*	*+69.2%*
Isanti Co.	844	$61,026,000	*68*	*+125.1%*
Kanabec Co.	648	$31,963,000	*76*	*+62.3%*
Mille Lacs Co.	731	$52,980,000	*71*	*+94.2%*
Pine Co.	870	$65,444,000	*66*	*+31.7%*
State of Minnesota	**74,542**	**$21,280,184,000**		***+61.5%***

Source: 2012 Census of Agriculture

Upon request, this information can be made available in alternate formats for people with disabilities by contacting Luke Greiner at 320-308-5378 or at luke.greiner@state.mn.us.