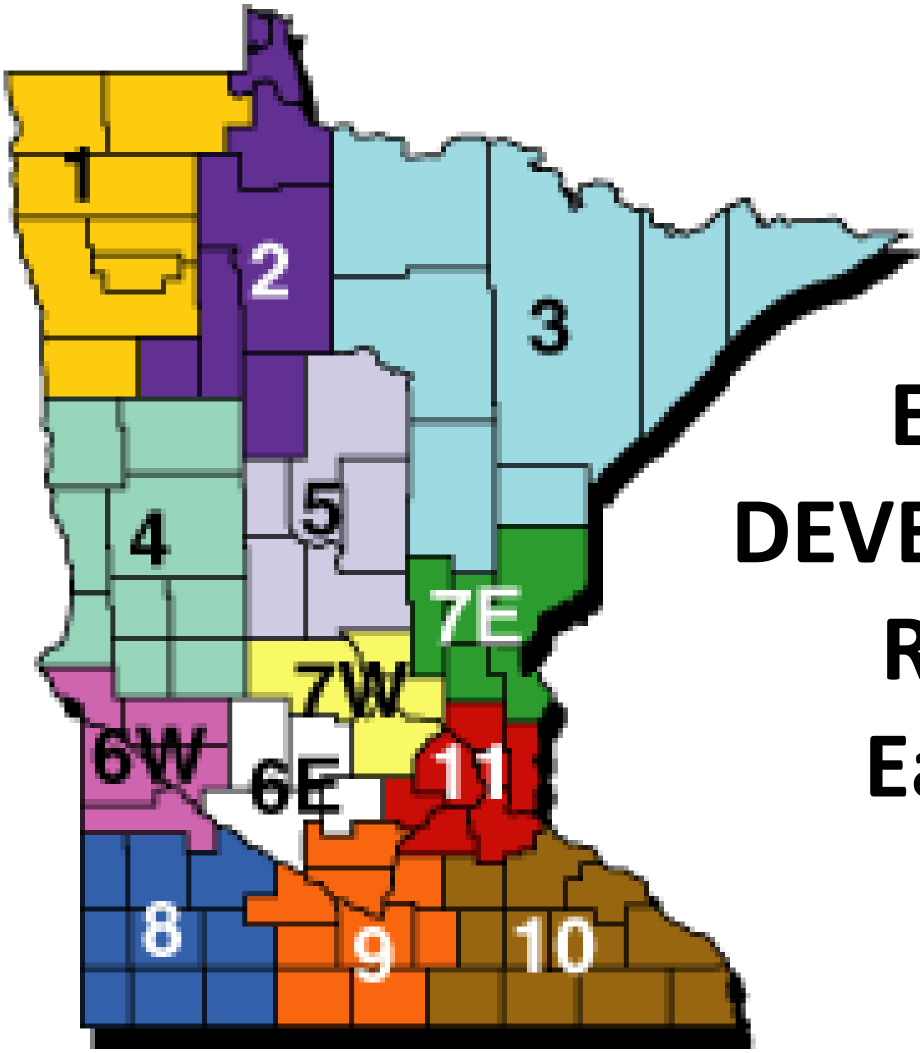

ECONOMIC DEVELOPMENT REGION 7E: East Central

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

2019 REGIONAL PROFILE

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Luke Greiner
Regional Analyst, Central & Southwest Minnesota
Minnesota Department of Employment and Economic Development
St. Cloud WorkForce Center
1542 Northway Dr. Door 2
St. Cloud, MN 56303
Office: 320-308-5378
E-mail: luke.greiner@state.mn.us
Web: http://mn.gov/deed/data/

DEMOGRAPHICS

POPULATION CHANGE

Economic Development Region 7E – East Central includes a total of 5 counties, located in the Central Minnesota planning region. Region 7E was home to 167,717 people in 2018, comprising 3.0 percent of the state's total population. The region saw a 2.4 percent population increase since 2010, making it the seventh largest of the 13 economic development regions (EDRs) in total population, and the sixth fastest growing. In comparison, the state of Minnesota saw a 5.8 percent gain from 2010 to 2018 (Table 1).

Table 1. Population Change 2010-2018

	2010 Population	2018 Estimates	*2010-2018 Change* Number	*2010-2018 Change* Percent
Region 7E	163,789	167,717	+3,928	+2.4%
Chisago Co.	53,887	55,922	+2,035	+3.8%
Isanti Co.	37,816	39,966	+2,150	+5.7%
Kanabec Co.	16,239	16,207	-32	-0.2%
Mille Lacs Co.	26,097	26,139	+42	+0.2%
Pine Co.	29,750	29,483	-267	-0.9%
Minnesota	**5,303,925**	**5,611,179**	***+307,254***	***+5.8%***

Source: U.S. Census Bureau, Population Estimates

Chisago County is the largest county in Region 7E – East Central and is the 18th largest county of 87 in the state, with just under 56,000 people in 2018. It added 2,035 people, a 3.8 percent increase, since 2010, the 23rd fastest growth rate. Isanti County experienced the largest growth in the region with an increase of 2,150 people and now has under 40,000 people. The next largest county is Pine County with 29,483 people but has declined in population since 2010 while Mille Lacs County has increased slightly and has 26,139 people and Kanabec County is the smallest county in the region with 16,207 people, the 52nd largest county in the state.

COMPONENTS OF POPULATION CHANGE

Region 7E has experienced a natural increase – more births than deaths – of 3,088 people so far this decade. The region also gained population because of net migration with an increase of 865 people with 380 additional residents because of international migration. In total, there was an increase of 3,929 people due to migration and natural increase (Table 2).

Table 2. Estimates of the Components of Population Change, 2010-2018

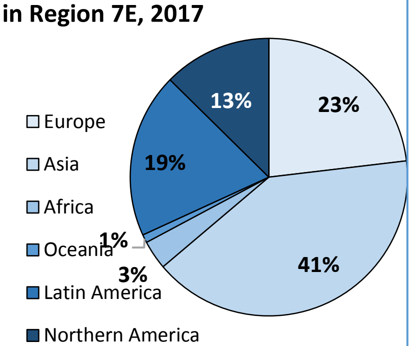
	Total Change	*Natural Increase*	Vital Events: Births	Vital Events: Deaths	Net Migration: *Total*	Net Migration: *International*	Net Migration: *Domestic*
Region 7E	*+3,929*	*+3,088*	14,694	11,606	*+865*	*+380*	*+485*
Minnesota	*+307,254*	*+228,289*	570,171	341,882	*+81,671*	*+107,830*	*-26,159*

Source: U.S. Census Bureau, Population Estimates Program

Region 7E is now home to 2,629 foreign born residents, or about 1.6 percent of the total population. The number of immigrants in the region jumped by 15 percent since 2010, less the statewide growth rate of 22.2 percent. Just under half (1,070 people) of these immigrants were from Asia, while the second largest number were from Europe, accounting for 23.1 percent of the region's immigrants. Lastly, there were 505 people from Latin America but this population has decreased since 2010.

Based on year of entry, Region 7E's foreign born population was "older" than the rest of the state. About 18 percent of the region's immigrants entered the U.S. since 2010 and another 26 percent entered between 2000 and 2009, compared to 21.5 and 33.4 percent statewide. The remaining 56 percent of immigrants in the region settled in the U.S. prior to 2000. Foreign-born residents have a younger age profile than the native born population, with 50 percent being between 25 and 54 years of age, compared to 39 percent of the total population. About 25 percent of the foreign-born population has less than a high school degree while another 28 percent is a high school graduate. Meanwhile, 20.2 percent of foreign-born people in the region have a bachelor's or higher degree.

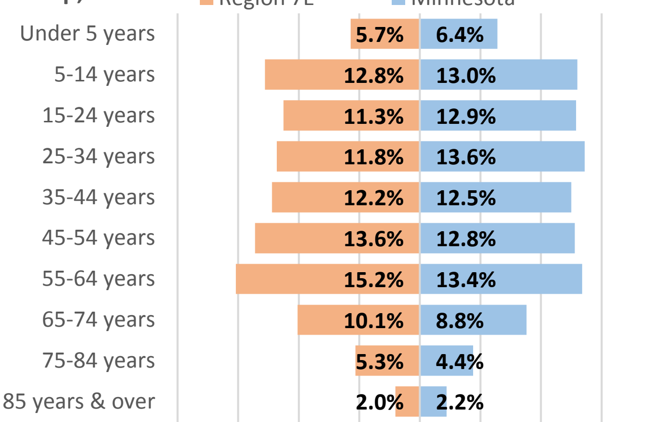
Figure 1. Place of Birth for the Foreign Born Population in Region 7E, 2017



POPULATION BY AGE GROUP

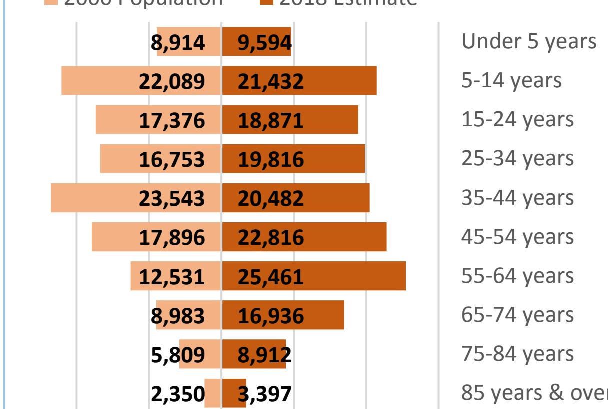
Region 7E has a much older population than the rest of the state, with 17.4 percent of residents aged 65 years and over, compared to 15.4 percent statewide. In addition, Region 7E had a much higher percentage of people in the 45 to 64 year old age group, but consequently had a lower percentage of people in the 25- to 44-year-old age group, typically considered the "prime working years". A large portion of the area's population is a part of the Baby Boom generation, which is creating a significant shift in regional demographics over time. Between 2000 and 2018, over 25,000 more residents were in the 55 years or older groups (see Figure 2 and Figure 3).

Figure 2. Percentage of Population by Age Group, 2018



Source: U.S. Census Bureau, Population Estimates

Figure 3. Region 7E Population Pyramid, 2000-2018



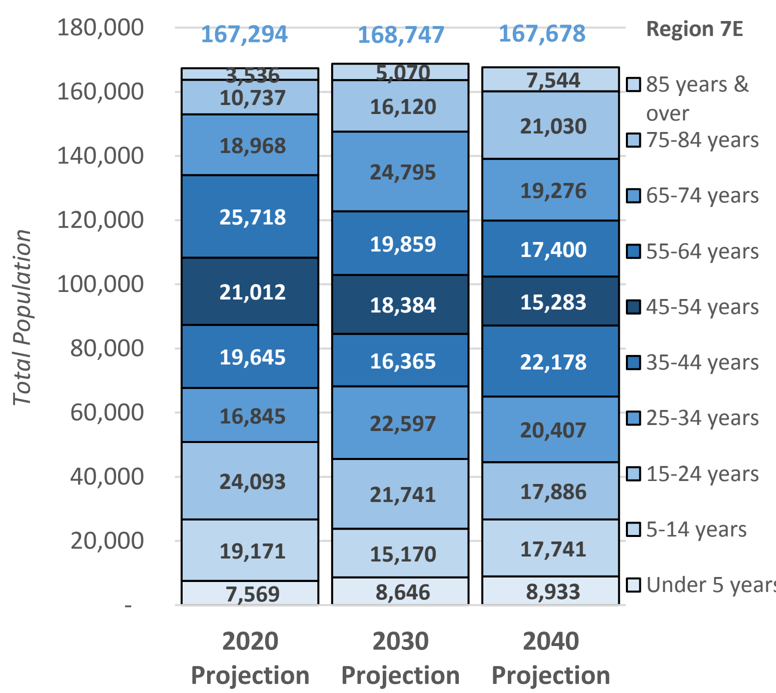
Source: U.S. Census Bureau

POPULATION PROJECTIONS BY AGE GROUP

Despite the rapid recent growth, Region 7E is projected to experience only slight population growth in the next 20 years. According to the [State Demographic Center](), Region 7E is expected to gain just 384 new residents from 2020 to 2040, a 0.2 percent increase (see Figure 4). The state of Minnesota is projected to grow 8.8 percent.

Much of this population growth is expected to happen in older age groups. Region 7E is projected to add 14,300 people aged 65 years and over, as well as about 6,000 people in the 25- to 44-year-old age group, along with a small increase in children under 5 years of age. However, Region 7E is projected to lose over 7,500 people from 5 to 24 years, and about 14,000 people in the 45 to 64 year old age group – as current Baby Boomers continue to age.

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



Source: Minnesota State Demographic Center

POPULATION BY RACE

Region 7E's population is less diverse than the state's, but is becoming more diverse over time. In 2017, 94 percent of the region's residents reported white alone as their race, compared to 84 percent of residents statewide. At 1.5 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 (Table 3).

With just over 3,400 people, the largest race group other than white is Two or More Races, which increased 167 percent from 2000 to 2017. The region saw a 17.4 percent gain in the number of white residents, but saw much faster increases in most other race groups. Three minority groups more than doubled from 2000 to 2017, including people of Hispanic or Latino origin.

Table 3. Race and Hispanic Origin, 2017	Region 7E			Minnesota	
	Number	Percent	*Change from 2000-2017*	Percent	*Change from 2000-2017*
Total	**163,521**	**100.0%**	***+20.0%***	**100.0%**	***+11.6%***
White	153,883	94.1%	*+17.4%*	83.7%	*+4.5%*
Black or African American	1,769	1.1%	*+146.7%*	6.0%	*+90.4%*
American Indian & Alaska Native	2,496	1.5%	*+11.0%*	1.0%	*+4.7%*
Asian & Other Pac. Islander	1,400	0.9%	*+120.8%*	4.7%	*+79.2%*
Some Other Race	570	0.3%	*+67.2%*	1.7%	*+45.3%*
Two or More Races	3,403	2.1%	*+166.9%*	2.8%	*+86.7%*
Hispanic or Latino	3,437	2.1%	*+121.6%*	5.2%	*+98.5%*

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

EDUCATIONAL ATTAINMENT

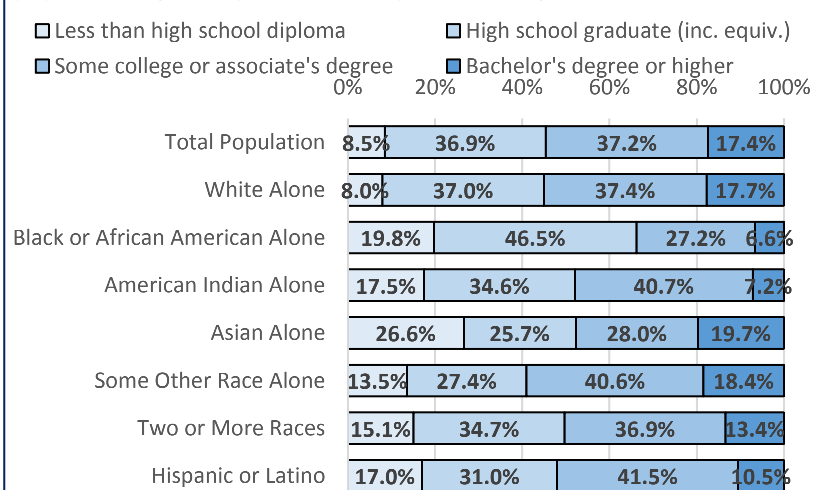
With 29 percent of adults aged 25 years and over having a college degree, Region 7E has lower educational attainment than the state, where 42.7 percent of adults have an associate, bachelor's, or advanced degree. However, 11.4 percent of adults in Region 7E have an associate degree, which outpaces the state. Another 25.9 percent have some college experience, but no degree.

Table 4. Educational Attainment for the Population Aged 25 years & Over	**Region 7E**		**Minnesota**
	Number	**Percent**	**Percent**
Total, 25 years & over	**113,506**	**100.0%**	**100.0%**
Less than high school	9,609	8.5%	7.8%
High school graduate (incl. equiv.)	41,880	36.9%	25.6%
Some college, no degree	29,368	25.9%	23.8%
Associate's degree	12,899	11.4%	10.6%
Bachelor's degree	13,847	12.2%	21.7%
Advanced degree	5,903	5.2%	10.4%

Source: 2013-2017 American Community Survey, 5-Year Estimates

Educational attainment varied significantly by race and ethnicity in Region 7E. In addition to overall educational attainment being lower in the region than the state, the percentage of people of other races with less than a high school diploma was even higher. Nearly two-thirds of Black or African American residents in the region had a high school diploma or less, as did just over 50 percent of American Indians. In contrast, a higher percentage of people of Some Other Race, Two or More Races, or Hispanic or Latino origin had attended some college, but did not earn a degree (Figure 5).

Figure 5. Region 7E Educational Attainment for the population aged 25 years & over by Race or Origin, 2017



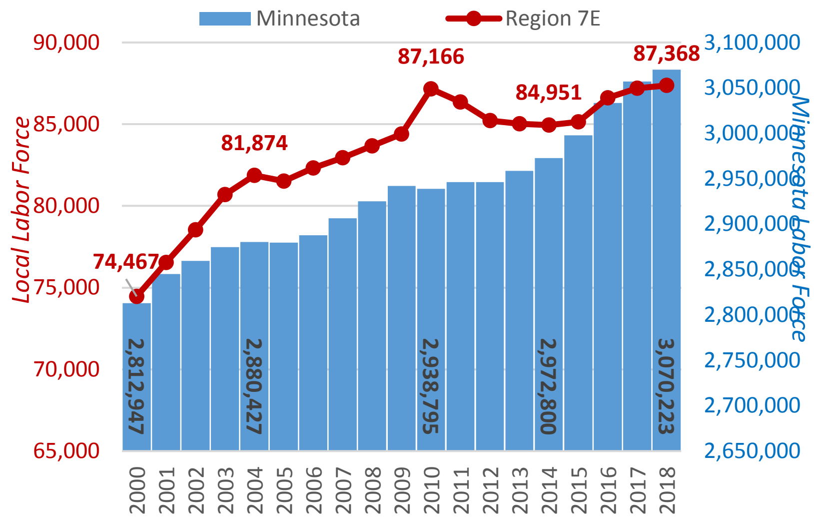
Source: 2013-2017 American Community Survey

LABOR FORCE

LABOR FORCE CHANGE

According to data from DEED's Local Area Unemployment Statistics program, Region 7E had an annual average labor force count of just over 87,000 workers through 2018. In line with the region's population increase, Region 7E has gained about 13,000 workers since 2000; a 17.3 percent increase. After rising rapidly in the early part of the century, labor force growth has slowed considerably so far this decade (Figure 6). Region 7E has almost the exact same number of available workers in 2017 as it had in 2010, despite the addition of 2,222 workers in the past three years. With low unemployment rates, the labor market in Region 7E is now extremely tight, with about 3,600 unemployed workers actively seeking work in 2018, down from a peak of 8,500 workers in 2010.

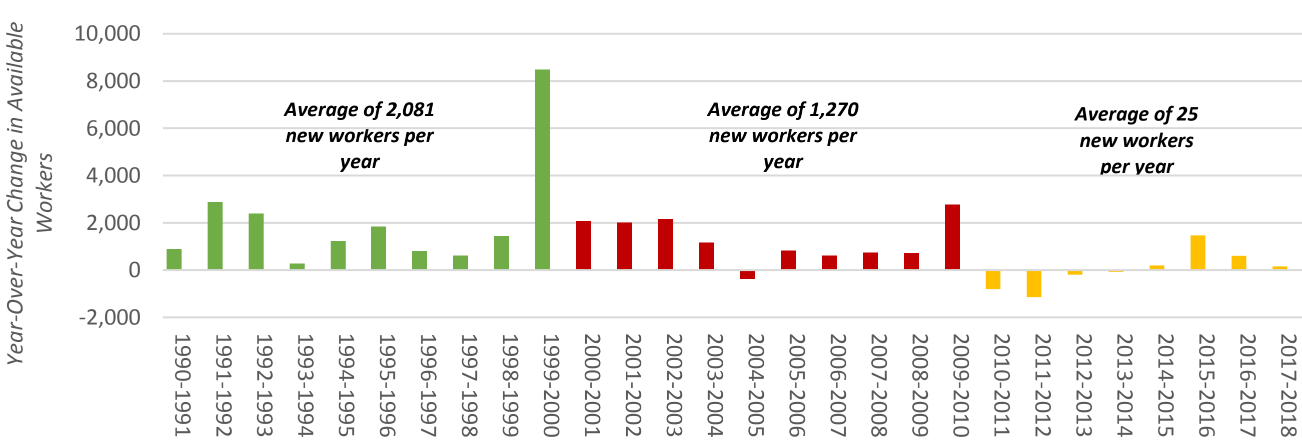
Figure 6. Annual Labor Force Estimates, 2000-2018



Source: DEED Local Area Unemployment Statistics (LAUS) program

Averaging a net gain of 2,081 additional labor force participants per year between 1990 and 2000, employers in Region 7E were able to tap into a large and growing pool of talented workers. Although the regional labor force and economy continue to grow, the rate of labor force growth is slowing down considerably, demonstrated by Region 7E adding an average of only 25 workers per year from 2010 to 2018 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in Region 7E. In the face of these constraints, it has become evident that a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and immigration has been and will continue to be a vital source of the workers that employers need to succeed. As the white, native-born workforce continues to age, younger workers of different races or from different countries will comprise the fastest growing segment of the labor force.

Figure 7. Region 7E Annual Change in Labor Force, 1990-2018



Source: DEED Local Area Unemployment Statistics (LAUS)

LABOR FORCE PROJECTIONS

In step with the region's projected population stability and decline, applying current labor force participation rates to population projections by age group, as shown in Figure 4, would lead to even larger declines in workforce numbers in Region 7E over the next decade (Table 5).

Table 5. Region 7E Labor Force Projections				
	2020 Labor Force Projection	2030 Labor Force Projection	*2020-2030 Change*	
			Numeric	*Percent*
16 to 19 years	5,100	4,042	*-1,057*	*-20.7%*
20 to 24 years	10,205	10,301	*+96*	*+0.9%*
25 to 44 years	30,591	32,664	*+2,072*	*+6.8%*
45 to 54 years	17,871	15,636	*-2,235*	*-12.5%*
55 to 64 years	17,030	13,150	*-3,880*	*-22.8%*
65 to 74 years	4,231	5,531	*+1,300*	*+30.7%*
75 years & over	779	1,156	*+377*	*+48.5%*
Total Labor Force	**85,807**	**82,481**	***-3,326***	***-3.9%***

Source: calculated from Minnesota State Demographic Center population projections and 2013-2017 American Community Survey 5-Year Estimates

Though the size of the labor force is expected to decline, 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 gains in workers aged 65 years and over against huge declines in the number of workers aged 45 to 64 years. The region may lose about 6,115 workers in the 45 to 64 year old age group as the Baby Boom generation moves through the population pyramid. The 25 to 54 year old age group will still be the largest part of the labor force, accounting for 59 percent of the total. This will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability.

EMPLOYMENT CHARACTERISTICS

With 65.2 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 (Table 6).

Likewise, the region had lower participation rates than the state in all race groups; and higher unemployment rates for all but one minority group – Some Other Race. In sum, unemployment rates were highest for young people and minorities. In addition, there were 5,640 workers with disabilities in the regional labor force. Increasing labor force participation rates and lowering unemployment rates for groups that have barriers would help grow the region's labor force.

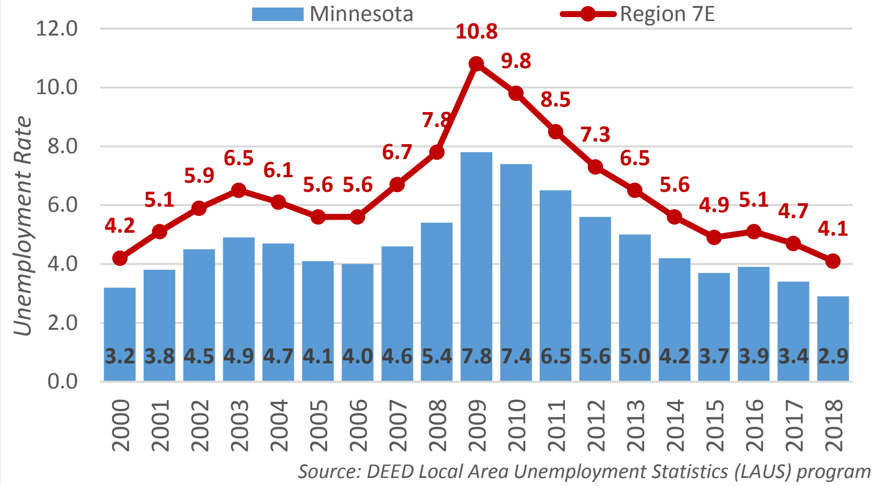
Table 6. Region 7E Employment Characteristics, 2017					
	Region 7E			Minnesota	
Age Group	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	**84,898**	**65.2%**	**5.2%**	**69.9%**	**4.3%**
16 to 19 years	4,233	53.6%	11.6%	52.6%	12.8%
20 to 24 years	7,310	83.7%	9.6%	84.2%	7.1%
25 to 44 years	32,928	83.8%	5.2%	88.4%	3.9%
45 to 54 years	21,039	85.1%	4.2%	87.2%	3.0%
55 to 64 years	15,373	66.2%	3.7%	72.5%	3.2%
65 to 74 years	3,391	22.3%	1.6%	27.4%	2.7%
75 years & over	604	5.5%	1.4%	6.1%	2.8%
Employment Characteristics by Gender					
Male	44,833	67.1%	5.9%	73.7%	4.8%
Female	40,036	63.2%	4.3%	66.1%	3.8%
Employment Characteristics by Race & Hispanic Origin					
White alone	81,286	65.8%	5.0%	69.7%	3.6%
Black or African American	400	26.0%	4.0%	69.8%	11.0%
American Indian & Alaska Native	966	52.1%	15.7%	58.6%	13.3%
Asian or Other Pacific Islanders	730	69.4%	8.9%	71.1%	5.2%
Some Other Race	258	69.2%	5.8%	77.2%	7.5%
Two or More Races	1,244	68.3%	9.1%	72.5%	9.1%
Hispanic or Latino	1,527	66.3%	9.8%	76.2%	7.2%
Employment Characteristics by Disability					
With Any Disability	5,640	50.3%	10.0%	52.3%	9.5%
Employment Characteristics by Educational Attainment					
Population 25 to 64 years	69,336	79.5%	4.7%	84.1%	3.5%
Less than H.S. Diploma	3,613	63.7%	6.1%	65.4%	4.9%
H.S. Diploma or Equivalent	22,357	74.2%	3.4%	78.7%	2.9%
Some College or Assoc. Degree	29,091	82.6%	4.1%	85.2%	3.5%
Bachelor's Degree or Higher	14,271	88.0%	2.0%	89.6%	2.1%

Source: 2013-2017 American Community Survey, 5-Year Estimates

UNEMPLOYMENT RATE

Region 7E has consistently had higher unemployment rates than the state, typically hovering around 1.5 percent above the state rate. According to DEED's Local Area Unemployment Statistics, Region 7E's 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 4.1 percent in 2018, which was still 1.2 percent above the state rate (Figure 8).

Figure 8. Unemployment Rates, 2000-2018



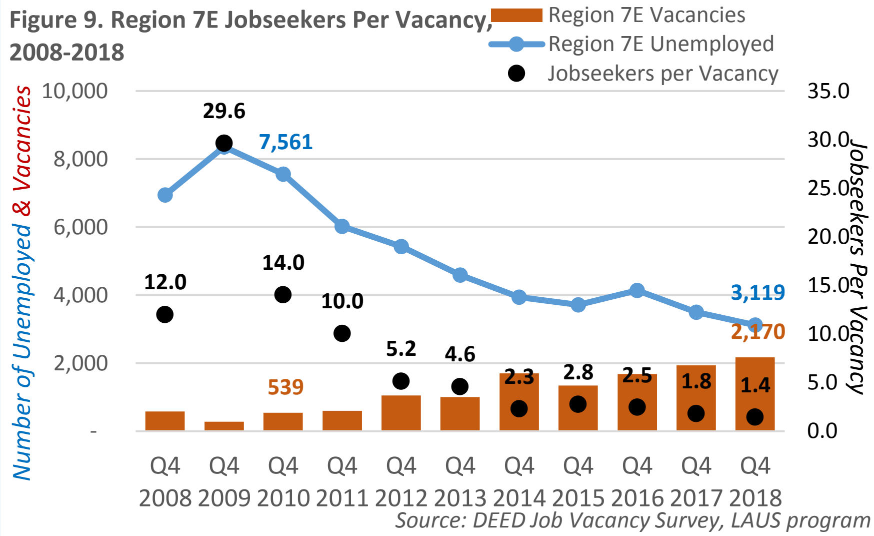
Source: DEED Local Area Unemployment Statistics (LAUS) program

JOBSEEKERS PER VACANCY

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 1.4-to-1 in 2018. (Figure 9).

According to recent Job Vacancy Survey results, there were 2,170 openings reported by employers compared to 3,119 unemployed jobseekers in the region. The ratio climbed as high as 30-to-1 during the recession.

Figure 9. Region 7E Jobseekers Per Vacancy, 2008-2018



Source: DEED Job Vacancy Survey, LAUS program

COMMUTE SHED AND LABOR SHED

According to commuting data from the Census Bureau, Region 7E is a net labor exporter, having more workers than available jobs. In sum, 32,712 workers both lived and worked in Region 7E in 2017, while 15,721 workers drove into the region from surrounding counties for work, compared to 49,227 workers who lived in the region but drove to surrounding counties for work (Table 7 and Figure 10).

Table 7. Region 7E Inflow/Outflow Job Counts (All Jobs), 2017	2017	
	Count	Share
Employed in the Selection Area	48,433	100.0%
Employed in the Selection Area but Living Outside	15,721	32.5%
Employed and Living in the Selection Area	32,712	67.5%
Living in the Selection Area	81,939	100.0%
Living in the Selection Area but Employed Outside	49,227	60.1%
Living and Employed in the Selection Area	32,712	39.9%

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 County (Figure 10).

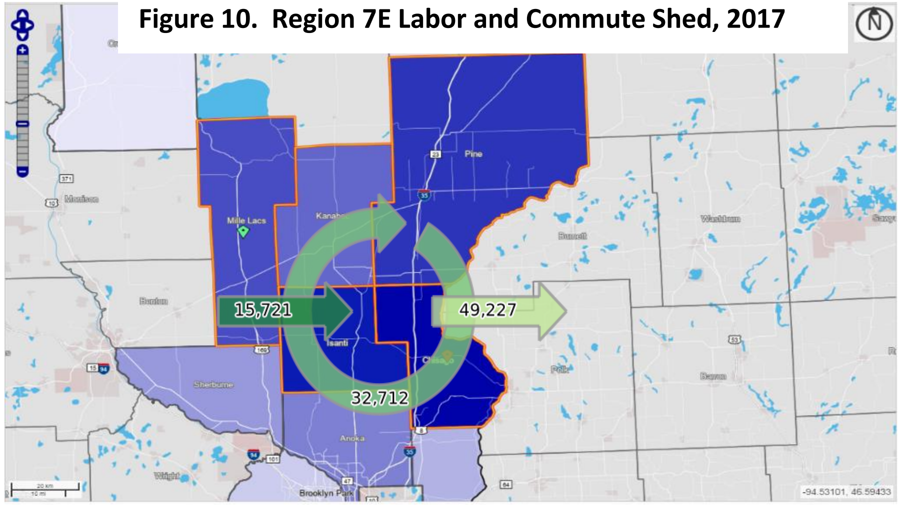


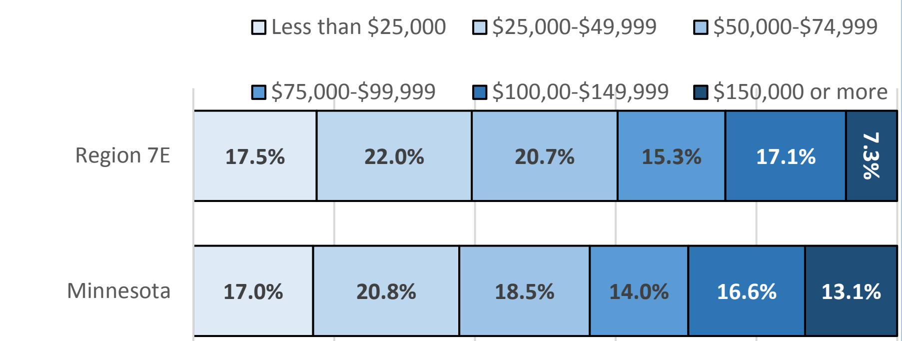
Figure 10. Region 7E Labor and Commute Shed, 2017

INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

At $62,962, household incomes were lower in Region 7E than the state, where the median income in 2017 was $65,699. Just under 40 percent of the households in the region had incomes below $50,000 in 2017, compared to 37.8 percent statewide. Similarly, only 24.4 percent of households in Region 7E earned over $100,000 per year, compared to 29.7 percent of households statewide (Figure 11).

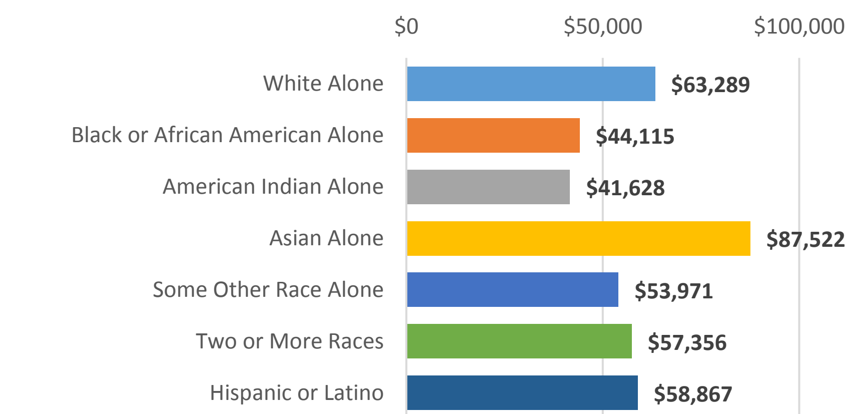
Figure 11.
Household Incomes, 2017



Source: 2013-2017 American Community Survey 5-Year Estimates

Median household incomes varied by race or origin in the region. Asian households reported the highest incomes in Region 7E, with a median income that was about $25,000 higher than for White households. In contrast, American Indian and Black or African American households reported much lower household incomes, as did households of Some Other Race Alone (Figure 12).

Figure 12. Region 7E Median Household Income by Race, 2017



Source: 2013-2017 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 $55,548 in 2018. The cost of living for a similar family in Region 7E was $57,696 – 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; but the cost of the region's child care and taxes were significantly higher than the state. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn $18.49 per hour over the course of 60 hours per work week (Table 8).

DEED's Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Region 7E would be $33,204, which would require an hourly wage of $15.96 to meet the basic needs standard of living (Table 8). That was the highest in the state.

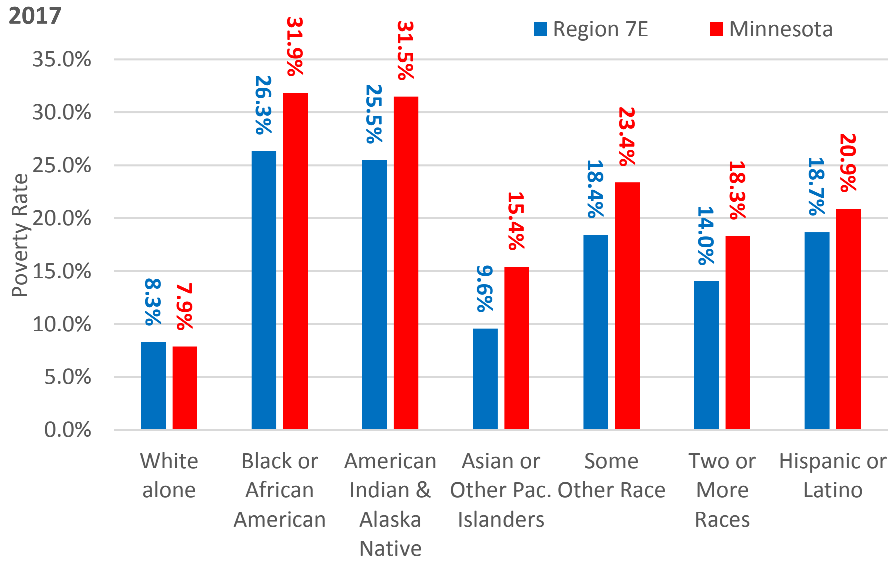
Table 8. Region 7E Cost of Living, 2018

Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Trans-portation	Other	Taxes
Region 7E										
Single, 0 children	1 FT	$33,204	$15.96	$0	$325	$137	$759	$784	$333	$429
Single, 1 child	1 FT	$54,840	$26.37	$920	$480	$322	$992	$789	$452	$615
2 parents, 1 child	**1 FT, 1 PT**	**$57,696**	**$18.49**	**$460**	**$743**	**$485**	**$992**	**$922**	**$533**	**$673**
2 parents, 2 children	2 FT	$84,780	$20.38	$1,440	$970	$493	$1,355	$975	$714	$1,118
State of Minnesota										
Single, 0 children	1 FT	$30,900	$14.86	$0	$335	$137	$759	$629	$336	$379
2 parents, 1 child	**1 FT, 1 PT**	**$55,548**	**$17.80**	**$511**	**$764**	**$484**	**$986**	**$729**	**$537**	**$618**

Source: DEED Cost of Living tool

Overall, Region 7E's poverty rate was 8.8 percent, which was just below the statewide rate of 10.5 percent. Like incomes, poverty levels varied widely by race and origin. It was estimated that over 26.3 percent of the region's Black or African American population was below the poverty level in 2017, compared to just 8.3 percent of the white population. Likewise, poverty levels hovered around 25 percent for American Indians, and 19 percent for people of Hispanic or Latino origin or some other race. About 10 percent of Asian or other Pacific Islanders also were below the poverty level in 2017 and 14 percent of Two or More Races were below the poverty level. With the exception of the higher rate for Whites, the region's poverty rate was below the statewide rates (Figure 13).

Figure 13. Percent Below the Poverty Level by Race or Origin, 2017



Source: 2013-2017 American Community Survey

WAGES AND OCCUPATIONS

According to DEED's Occupational Employment Statistics program, the median hourly wage for all occupations in Region 7E was $19.30 in the first quarter of 2019, which was the second highest wage level of the 13 EDRs in the state. Region 7E's median wage was $1.65 below the state's median hourly wage, equaling 92 percent of the statewide wage rate, and $3.48 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to $7,240 per year for a full-time worker. Region 7E had higher wages than surrounding regions like Region 7W at $19.10 and Region 3 at $18.57, but had slightly lower wages than Region 4 at $18.28, Region 9 at $18.24, but had much higher wages than Region 5 at $17.28 (Table 9).

Table 9. Occupational Employment Statistics by Region, 1st Qtr. 2019	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	$19.26	39,880
EDR 2 - Headwaters	$17.63	32,590
EDR 3 - Arrowhead	$18.57	144,430
EDR 4 - West Central	$18.28	89,170
EDR 5 - North Central	$17.28	62,180
EDR 6E - Southwest Central	$18.15	52,370
EDR 6W - Upper MN Valley	$18.01	17,080
EDR 7E - East Central	**$19.30**	**45,270**
EDR 7W - Central	$19.10	188,620
EDR 8 - Southwest	$17.66	55,840
EDR 9 - South Central	$18.24	103,510
EDR 10 - Southeast	$19.28	241,540
EDR 11 - 7-County Twin Cities	$22.78	1,793,870
State of Minnesota	**$20.95**	**2,867,700**

Source: DEED Occupational Employment Statistics

Nearly 15 percent of the jobs in Region 7E were office and administrative occupations, which had the same concentration as the state as a whole. The highest location quotient was for protective service, at 1.8. Region 7E also had a higher share of workers in education, training and library; construction and extraction; healthcare support; installation, maintenance, and repair; community and social service; and farming, fishing, and forestry occupations (Table 10).

Table 10. Region 7E Occupational Employment Statistics, 1st Qtr. 2019					**State of Minnesota**		
	Median Hourly Wage	Estimated Regional Employment	*Share of Total Employment*	*Location Quotient*	Median Hourly Wage	Estimated Employment	*Share of Total Employment*
Total, All Occupations	$19.30	45,270	*100.0%*	*1.0*	$20.95	2,867,700	*100.0%*
Office & Administrative Support	$18.50	6,250	*13.8%*	*1.0*	$19.10	405,970	*14.2%*
Sales & Related	$15.10	4,560	*10.1%*	*1.0*	$14.97	277,070	*9.7%*
Education, Training & Library	$21.49	4,050	*8.9%*	*1.5*	$24.22	166,300	*5.8%*
Production	$19.22	3,540	*7.8%*	*1.0*	$18.68	214,230	*7.5%*
Healthcare Practitioners & Technical	$34.12	3,120	*6.9%*	*1.0*	$35.79	190,720	*6.7%*
Transportation & Material Moving	$20.23	2,570	*5.7%*	*0.9*	$18.48	177,580	*6.2%*
Management	$40.90	2,390	*5.3%*	*0.9*	$51.26	171,250	*6.0%*
Personal Care & Service	$12.59	2,240	*4.9%*	*1.0*	$12.90	144,070	*5.0%*
Construction & Extraction	$25.78	2,230	*4.9%*	*1.4*	$28.07	100,510	*3.5%*
Food Preparation & Serving Related	$11.53	2,140	*4.7%*	*0.6*	$11.90	242,170	*8.4%*
Healthcare Support	$15.87	2,000	*4.4%*	*1.5*	$16.82	83,380	*2.9%*
Installation, Maintenance & Repair	$21.93	1,750	*3.9%*	*1.1*	$23.13	100,030	*3.5%*
Business & Financial Operations	$28.31	1,660	*3.7%*	*0.6*	$33.03	164,510	*5.7%*
Community & Social Service	$22.30	1,530	*3.4%*	*1.7*	$22.73	57,870	*2.0%*
Building, Grounds Cleaning & Maint.	$12.24	1,290	*2.8%*	*1.0*	$14.97	85,820	*3.0%*
Protective Service	$25.28	1,260	*2.8%*	*1.8*	$21.52	44,390	*1.5%*
Architecture & Engineering	$31.28	870	*1.9%*	*1.0*	$37.53	56,070	*2.0%*
Computer & Mathematical	$34.44	650	*1.4%*	*0.4*	$40.96	96,020	*3.3%*
Arts, Design, Entertainment & Media	$11.90	470	*1.0%*	*0.8*	$24.35	39,670	*1.4%*
Life, Physical & Social Science	$26.87	420	*0.9%*	*1.0*	$33.54	26,210	*0.9%*
Legal	$26.41	190	*0.4%*	*0.6*	$36.50	19,870	*0.7%*
Farming, Fishing & Forestry	$17.53	90	*0.2%*	*1.4*	$16.51	3,980	*0.1%*

Source: DEED Occupational Employment Statistics, Qtr. 1 2019

Not surprisingly, the lowest-paying jobs are concentrated in food prep and serving, building, grounds cleaning and maintenance, sales and related, personal care and service, and healthcare support, which tend to have lower experience and educational requirements. For the most part, the gap in pay between Region 7E and the state is also much lower in these jobs. In contrast, the highest paying jobs are found in management, legal, architecture and engineering, computer and mathematical, healthcare practitioners, business and financial operations, and life, physical, and social science occupations, which all need higher levels of education and experience, including many that require postsecondary training. The pay gaps between the region and state are much bigger in these occupations.

JOB VACANCY SURVEY

Employers in Region 7E reported 2,170 job vacancies in the fourth quarter of 2018, which was 239 more vacancies compared to one year prior, the highest 4th quarter number on record.

Overall, 44 percent of the openings were part-time, and almost one-third required postsecondary education, with a similar share requiring 1 or more years of experience. The percent of job openings requiring a college degree has been stable over time, while the percentage requiring less than a year of prior work experience has been increasing.

The median hourly wage offer for all openings was $12.98, the third highest on record for 4th quarter results. Wage offers range from under $11 for sales, food prep and personal care and service jobs to $25 per hour or more for management, healthcare practitioners, computer and mathematical, and architecture and engineering jobs. The largest number of openings were in production, sales and related, and personal care and service– those three groups accounted for one-third of the openings in the region (Table 11).

Table 11. Region 7E Job Vacancy Survey Results, 4th Qtr. 2018

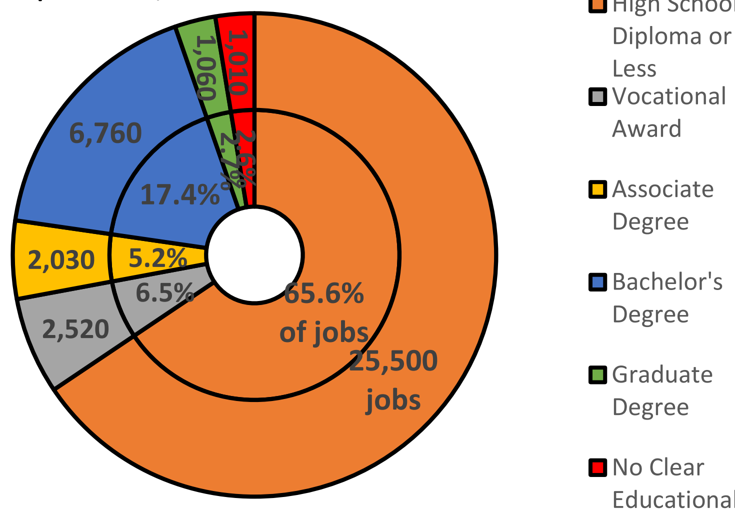
	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	**2,170**	**44%**	**32%**	**28%**	**34%**	**38%**	**$12.98**
Production	260	0%	68%	0%	0%	0%	$11.88
Sales & Related	253	62%	3%	0%	37%	1%	$9.97
Personal Care & Service	251	64%	29%	10%	8%	27%	$11.35
Transportation & Material Moving	246	55%	62%	6%	34%	74%	$18.80
Building, Grounds Cleaning & Maint.	193	74%	38%	20%	6%	24%	$13.83
Education, Training & Library	187	44%	38%	97%	75%	97%	$13.22
Food Preparation & Serving Related	131	66%	9%	4%	13%	8%	$11.45
Construction & Extraction	123	34%	99%	5%	26%	34%	$23.18
Healthcare Practitioners & Technical	114	48%	3%	90%	78%	95%	$30.07
Office & Administrative Support	95	57%	0%	13%	35%	3%	$12.59
Installation, Maintenance & Repair	89	2%	0%	63%	98%	60%	$18.16
Community & Social Service	49	26%	2%	85%	89%	67%	$22.63
Management	32	6%	9%	43%	65%	36%	$24.96
Architecture & Engineering	28	0%	4%	100%	96%	12%	$39.42
Healthcare Support	26	47%	0%	68%	12%	88%	$15.35
Protective Service	24	55%	0%	54%	16%	63%	$17.58
Business & Financial Operations	11	18%	0%	72%	100%	36%	$30.10
Computer & Mathematical	9	0%	0%	100%	100%	0%	$15.00
Arts, Design, Entertainment & Media	9	0%	0%	0%	0%	0%	$17.98
Life, Physical & Social Sciences	4	0%	0%	100%	100%	75%	$25.91

Source: DEED Job Vacancy Survey, Qtr. 4 2018

EDUCATIONAL REQUIREMENTS

Similar to Job Vacancy Survey results, data from DEED's Occupational Employment Statistics program shows that one-third of current jobs in the region require postsecondary education for entry. The other two-thirds can be started with a high school diploma or less and some amount of on-the-job training (Figure 14).

Figure 14. Region 7E Share of Jobs by Educational Requirements, 2019



Source: DEED Occupational Employment Statistics (OES)

Certain careers – such as dentists, lawyers, and teachers – require a college education, while other jobs – including cost estimators, sales representatives, and correctional officers – do not. College is an excellent way to move up career ladders and open windows of opportunity to fields that would otherwise be closed, such as nursing or engineering. Many of these occupations offer high wages and are in high demand in the marketplace. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between $14,500 and almost $50,000 per year in Minnesota. For those who go to college, choice of major matters – different programs lead to different jobs that earn different amounts of money.

EMPLOYMENT PROJECTIONS

Region 7E is a part of the larger 13-county Central planning area, which is projected to grow 8.6 percent from 2016 to 2026, a gain of 26,629 new jobs. That is the fastest of the 6 planning regions in the state. In addition, the region is also expected to need 157,485 replacement openings to fill jobs left vacant by retirements and other career changers. Personal care and service, construction and extraction, transportation and material moving, sales and related, and healthcare support and practitioners are expected to see the most new growth, but every occupational group will show some future demand either through new jobs or replacement openings (Figure 15).

Figure 15. Central Minnesota Employment Projections, 2016-2026

Source: DEED 2016-2026 Employment Outlook

OCCUPATIONS IN DEMAND

According to DEED's Occupations in Demand tool, there are many 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, retail sales workers, nurses, mechanics and truck drivers, welders, 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, 2019

Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Retail Salesperson ($25,362)	Heavy & Tractor-Trailer Truck Drivers ($48,425)	Registered Nurses ($77,526)	Elementary School Teachers ($57,806)
Personal Care Aides ($26,819)	First-Line Supervisors of Retail Sales Workers ($41,149)	Nursing Assistants ($35,265)	Secondary School Teachers ($58,086)
Combined Food Prep & Serving Workers ($23,801)	Teacher Assistants ($30,937)	LPN & Vocational Nurses ($46,876)	Software Developers, Applications ($85,496)
Cashiers ($24,482)	Carpenters ($50,024)	Automotive Service Technicians & Mechanics ($39,870)	Preschool Teachers, Except Special Education ($32,388)
Stock Clerks & Order Fillers ($25,685)	First-Line Sprvsr. of Food Prep & Serving Workers ($36,181)	Heating, Air Cond. (HVAC) & Refrig. Mechanics ($51,059)	Human Resources Specialists ($56,611)
Janitors & Cleaners ($29,692)	Welders, Cutters, Solderers, & Brazers ($46,676)	Machinists ($49,847)	Middle School Teachers ($60,055)
Laborers & Freight, Stock, & Material ($34,830)	Secretaries & Administrative Assistants ($41,947)	Hairdressers, Hairstylists, & Cosmetologists ($30,265)	Industrial Engineers ($82,415)
Home Health Aides ($28,942)	Office Clerks, General ($36,597)	Police & Sheriff's Patrol Officers ($63,297)	Market Research Analysts & Marketing Spec. ($52,743)
Cooks, Restaurant ($27,711)	Maintenance & Repair Workers, General ($43,720)	Electricians ($68,811)	Nurse Practitioners ($105,231)
Maids & Housekeeping Cleaners ($26,215)	Customer Service Representatives ($34,038)	Radiologic Technologists ($62,286)	Financial Managers ($93,620)

Source: DEED Occupations in Demand

ECONOMY

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Census of Employment & Wages (QCEW) program, Region 7E was home to 3,653 business establishments providing 48,367 covered jobs through 2018, with a total payroll of just over $1.9 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 $39,503 in the region, which was about $18,500 lower than the state's average annual wage, and the third lowest of the 13 EDRs.

Table 13. Region 7E Industry Employment Statistics, 2018

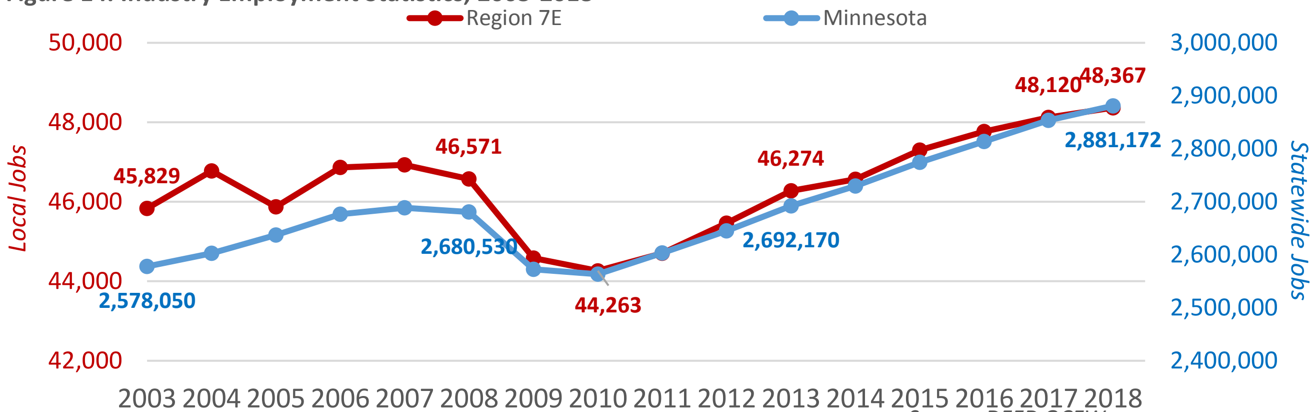
Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2013-2018 Change in Jobs	2013-2018 Percent Change	2017-2018 Change in Jobs	2017-2018 Percent Change
Region 7E	**3,653**	**48,367**	**$1,910,621,111**	**$39,503**	***+2,093***	***+4.5%***	***+247***	***+0.5%***
Chisago Co.	1,164	15,484	$689,480,735	$44,529	*+1,382*	*+9.8%*	*+74*	*+0.5%*
Isanti Co.	814	11,066	$452,353,477	$40,878	*+302*	*+2.8%*	*+244*	*+2.3%*
Kanabec Co.	322	3,834	$152,616,253	$39,806	*+151*	*+4.1%*	*-78*	*-2.0%*
Mille Lacs Co.	710	9,689	$347,652,303	$35,881	*+154*	*+1.6%*	*+48*	*+0.5%*
Pine Co.	643	8,293	$268,518,343	$32,379	*+105*	*+1.3%*	*-42*	*-0.5%*
State of Minnesota	**175,424**	**2,881,172**	**$167,122,456,472**	**$58,005**	***+189,002***	***+7.0%***	***+27,207***	***+1.0%***

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

Chisago County is the largest employment center in the region, with 15,484 jobs at 1,164 firms; accounting for 32 percent of the region's jobs. Isanti County was the next largest, with 11,066 jobs at 814 firms, followed by Mille Lacs County with 710 firms and 9,689 jobs and Pine County with 8,293 jobs at 643 firms (Table 13).

Region 67 has seen employment ups and downs over the past 15 years, but ended 2018 with about 2,540 more jobs than it had in 2003. 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 slower recovery than the rest of the state, which gained jobs at a 7.0 percent clip from 2013 to 2018, compared to a 4.5 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 (Figure 14).

Figure 14. Industry Employment Statistics, 2003-2018



Source: DEED QCEW program

With 9,798 jobs at 342 firms, health care and social assistance is the largest employing industry in Region 7E, accounting for 20.1 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 3,918 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 6,554 jobs at 297 firms, accounting for 13.6 percent of total jobs in the region. The related arts, entertainment, and recreation industry also provides 787 jobs at 79 locations, after seeing a shift of jobs between the two industries due to a classification change. Retail Trade is the third largest industry with 6,248 jobs at 467 stores. These three industries provide 28.1 percent of the region's jobs, but have relatively low wages.

Despite losing 276 jobs in the past 5 years, manufacturing is still the fourth largest industry in Region 7E, with 5,100 jobs at 246 firms. Wages in manufacturing were over $9,000 higher than in the total of all industries. Region 7E also has a high concentration of public sector jobs in educational services, with 4,829 jobs at 72 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, professional and technical services, transportation and warehousing, administrative support and waste management services, and finance and insurance. Thirteen of the 20 main industries in the region added jobs since 2013, with professional and technical services growing by more than 50 percent. Substantial growth also occurred in construction, retail trade, and health care and social assistance. In contrast, the region saw job losses in thirteen of the 20 industries in the past year, with a big drop in professional and technical services (Table 14).

Table 14. Region 7E Industry Employment Statistics, 2018								
	2018 Annual Data			Avg.	*2013-2018*		*2017-2018*	
NAICS Industry Title	Number of Firms	Number of Jobs	Total Payroll ($1,000s)	Annual Wage	*Change in Jobs*	*Percent Change*	*Change in Jobs*	*Percent Change*
Total, All Industries	**3,653**	**48,367**	**$1,910,621**	**$39,503**	***+2,093***	***+4.5%***	***+247***	***0.5%***
Health Care & Social Assistance	342	9,798	$418,612	$42,724	*+23*	*+0.2%*	*-125*	*-1.3%*
Accommodation & Food Services	297	6,554	$132,766	$20,257	*+1,481*	*+29.2%*	*+31*	*+0.5%*
Retail Trade	467	6,248	$160,284	$25,654	*+621*	*+11.0%*	*+316*	*+5.3%*
Manufacturing	246	5,100	$251,265	$49,268	*-276*	*-5.1%*	*-20*	*-0.4%*
Educational Services	72	4,829	$201,658	$41,760	*+210*	*+4.5%*	*-17*	*-0.4%*
Public Administration	155	4,055	$195,901	$48,311	*+251*	*+6.6%*	*+95*	*+2.4%*
Construction	613	2,766	$154,571	$55,883	*+686*	*+33.0%*	*+102*	*+3.8%*
Other Services	399	1,460	$35,353	$24,215	*+145*	*+11.0%*	*-9*	*-0.6%*
Professional & Technical Services	193	1,233	$102,867	$83,428	*+429*	*+53.4%*	*-93*	*-7.0%*
Transportation & Warehousing	159	1,165	$45,960	$39,451	*+142*	*+13.9%*	*+46*	*+4.1%*
Admin. Support & Waste Mgmt. Svcs.	152	995	$46,282	$46,514	*-66*	*-6.2%*	*-1*	*-0.1%*
Finance & Insurance	121	991	$50,527	$50,986	*+8*	*+0.8%*	*+10*	*+1.0%*
Arts, Entertainment, & Recreation	79	787	$11,437	$14,533	*-1,689*	*-68.2%*	*-1*	*-0.1%*
Wholesale Trade	116	718	$30,665	$42,709	*-1*	*-0.1%*	*-38*	*-5.0%*
Information	45	600	$23,224	$38,707	*+126*	*+26.6%*	*-11*	*-1.8%*
Agriculture, Forestry, Fish & Hunt	57	390	$11,933	$30,598	*-33*	*-7.8%*	*-32*	*-7.6%*
Real Estate & Rental & Leasing	106	309	$8,092	$26,186	*+40*	*+14.9%*	*+23*	*+8.0%*
Utilities	21	252	$22,171	$87,981	*-1*	*-0.4%*	*-2*	*-0.8%*
Management of Companies	8	80	$5,385	$67,314	*-4*	*-4.8%*	*-16*	*-16.7%*
Mining	6	32	$1,665	$52,026	*+0*	*+0.0%*	*-12*	*-27.3%*
								Source: DEED Quarterly Census of Employment & Wages (QCEW)

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Nearly one-quarter (23.9%) of workers in the region were 55 years or older, compared to 21.6 percent statewide and just 17.3 percent in the region one decade earlier. In contrast, the percentage of teenaged workers was falling, and while wages were going up for younger workers, the number of hours worked was going down (Table 15).

As noted above, wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-fulltime jobs in industries like retail trade and accommodation and food services, these two age groups enjoyed the fastest percentage increase in wages from 2008 to 2018. Wages were highest for workers between 45 and 64 years of age, and males worked more hours than females, though the gap was narrowing.

Table 15. Workforce Demographics by Age Group and Gender, Total of All Industries, 2008-2018								
Region 7E	**Percentage of Workers**		***Percent of Workers, Minnesota***		**Median Hourly Wage**		**Median Hours Worked (Per Qtr.)**	
	2018	**2008**	***2018***	***2008***	**2018**	**2008**	**2018**	**2008**
Total, all ages	100.0%	100.0%	100.0%	100.0%	$16.33	$13.50	336	377
19 years & under	9.4%	10.6%	5.5%	7.9%	$10.27	$7.27	122	133
20 to 24 years	9.2%	10.4%	10.1%	11.9%	$13.18	$10.45	251	288
25 to 44 years	38.3%	38.7%	43.2%	43.0%	$18.37	$15.27	401	424
45 to 54 years	19.2%	23.0%	19.6%	22.2%	$19.96	$16.02	427	463
55 to 64 years	18.1%	13.3%	16.8%	12.0%	$18.42	$15.66	414	435
65 years & over	5.8%	4.0%	4.8%	3.0%	$14.92	$11.86	180	211
Male	42.5%	43.3%	49.2%	49.2%	$18.08	$15.50	398	438
Female	57.5%	56.7%	50.8%	50.8%	$15.62	$12.33	314	343
								Source: DEED Quarterly Employment Demographics

INDUSTRY PROJECTIONS

As noted above, Central Minnesota is projected to grow 8.6 percent from 2016 to 2026, a gain of 26,629 new jobs, which would make it the fastest growing region in the state. The largest and third fastest growing industry is expected to be health care and social assistance, which may account for one-third (35.1%) of total projected growth in the region by 2026. The region is also expected to see significant employment growth in construction, manufacturing, public administration, and retail trade. Construction and professional and technical services were projected to be the fastest growing. In contrast, agriculture, information, and mining are all expected to suffer job cuts in the next decade (Table 16).

Table 16. Central Minnesota Industry Projections, 2016-2026

Industry	Estimated Employment 2016	Projected Employment 2026	*Percent Change 2016-2026*	*Numeric Change 2016-2026*
Total, All Industries	**310,433**	**337,062**	***+8.6%***	***+26,629***
Health Care & Social Assistance	47,461	56,807	*+19.7%*	*+9,346*
Manufacturing	41,361	43,677	*+5.6%*	*+2,316*
Retail Trade	35,825	37,842	*+5.6%*	*+2,017*
Educational Services	25,717	26,325	*+2.4%*	*+608*
Accommodation & Food Services	21,568	22,458	*+4.1%*	*+890*
Construction	16,522	20,503	*+24.1%*	*+3,981*
Public Administration	18,239	20,261	*+11.1%*	*+2,022*
Other Services	11,569	12,024	*+3.9%*	*+455*
Transportation & Warehousing	10,210	11,568	*+13.3%*	*+1,358*
Wholesale Trade	10,237	11,189	*+9.3%*	*+952*
Administrative & Waste Services	9,834	10,892	*+10.8%*	*+1,058*
Professional & Technical Services	6,961	8,372	*+20.3%*	*+1,411*
Finance & Insurance	7,341	7,521	*+2.5%*	*+180*
Arts, Entertainment & Recreation	5,562	5,683	*+2.2%*	*+121*
Agriculture, Forestry, Fish & Hunt	4,475	4,189	*-6.4%*	*-286*
Information	2,855	2,673	*-6.4%*	*-182*
Utilities	2,234	2,342	*+4.8%*	*+108*
Real Estate & Rental & Leasing	1,965	1,981	*+0.8%*	*+16*
Management of Companies	1,681	1,763	*+4.9%*	*+82*
Mining	336	267	*-20.5%*	*-69*

Source: DEED 2016-2026 Employment Outlook

NONEMPLOYER ESTABLISHMENTS

Region 7E was home to 10,944 self-employed businesses or "nonemployers" in 2017, 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 saw a steady decline in nonemployers over the past decade, responding to economic changes. In sum, the region lost 1,760 nonemployers from 2007 to 2017, a -13.9 percent decrease. Together, these nonemployers in Region 7E generated sales receipts of $468 million in 2017 (Table 17).

Table 17. Nonemployer Statistics, 2017

	2017		*2007-2017*	
	Number of Firms	Receipts ($1,000s)	*Change in Firms*	*Percent Change*
Region 7E	**10,944**	**$468,809**	***-1,760***	***-13.9%***
Chisago Co.	3,840	$166,379	*-455*	*-10.6%*
Isanti Co.	2,632	$118,655	*-339*	*-11.4%*
Kanabec Co.	1,008	$48,195	*-236*	*-19.0%*
Mille Lacs Co.	1,757	$66,650	*-378*	*-17.7%*
Pine Co.	1,707	$68,930	*-352*	*-17.1%*
Minnesota	**409,860**	**$19,370,490**	***+22,876***	***+5.9%***

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, including 3,780 farms producing just under $215 million in the market value of products sold in 2017 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 69th and 75th of the 87 counties in the state (Table 18). Market value of products sold has decreased by 20 percent in 2012.

Table 18. Census of Agriculture, 2017

	Number of Farms	Market Value of Products Sold	*State Rank*
Region 7E	**3,780**	**$214,252,000**	***11***
Chisago Co.	821	$52,838,000	*69*
Isanti Co.	805	$48,673,000	*70*
Kanabec Co.	624	$29,832,000	*75*
Mille Lacs Co.	707	$43,931,000	*72*
Pine Co.	823	$38,978,000	*73*
Minnesota	**68,822**	**$18,395,390,000**	

Source: 2017 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