

# ECONOMIC DEVELOPMENT REGION 7E: East Central

***Covers counties:***

Chisago, Isanti, Kanabec,  
Mille Lacs, and Pine

## 2016 REGIONAL PROFILE

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## DEMOGRAPHICS

### POPULATION CHANGE, 2000-2015

Economic Development Region 7E – East Central includes a total of 5 counties, located in the Central Minnesota planning region. Region 7E was home to 163,416 people in 2015, comprising 3.0 percent of the state’s total population. The region saw a 19.9 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 an 11.6 percent gain from 2000 to 2015 (see Table 1).

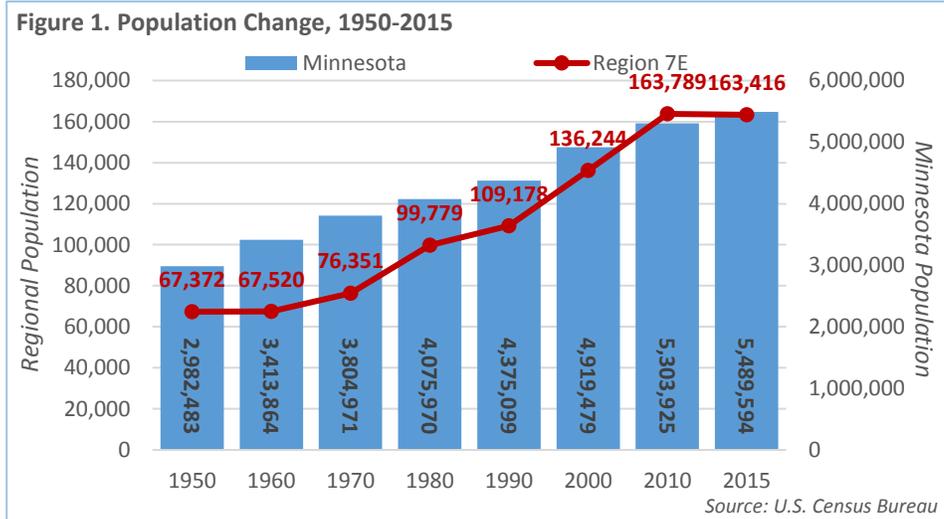
|                  | 2000 Population  | 2015 Estimates   | 2000-2015 Change |               |
|------------------|------------------|------------------|------------------|---------------|
|                  |                  |                  | Number           | Percent       |
| <b>Region 7E</b> | <b>136,244</b>   | <b>163,416</b>   | <b>+27,172</b>   | <b>+19.9%</b> |
| Chisago Co.      | 41,101           | 54,293           | +13,192          | +32.1%        |
| Isanti Co.       | 31,287           | 38,429           | +7,142           | +22.8%        |
| Kanabec Co.      | 14,996           | 15,837           | +841             | +5.6%         |
| Mille Lacs Co.   | 22,330           | 25,788           | +3,458           | +15.5%        |
| Pine Co.         | 26,530           | 29,069           | +2,539           | +9.6%         |
| <b>Minnesota</b> | <b>4,919,479</b> | <b>5,489,594</b> | <b>+570,115</b>  | <b>+11.6%</b> |

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 13,192 people. Isanti County gained 7,142 residents from 2000 to 2015, making it the seventh fastest growing county, while Mille Lacs grew by 3,458 people, and was the 14<sup>th</sup> fastest growing county. Pine was the 26<sup>th</sup> fastest growing county in the state, while Kanabec was the smallest county in the region and saw the least growth.

### POPULATION CHANGE, 1950-2015

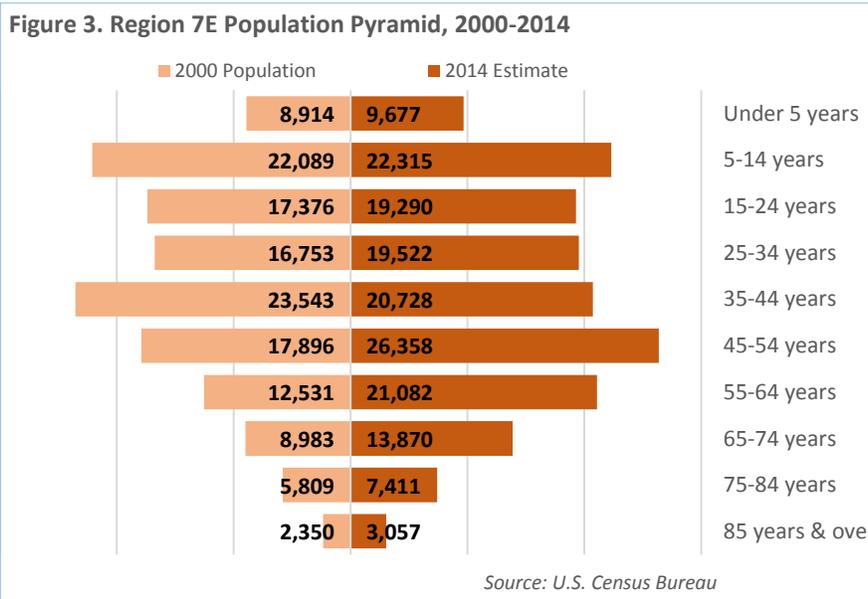
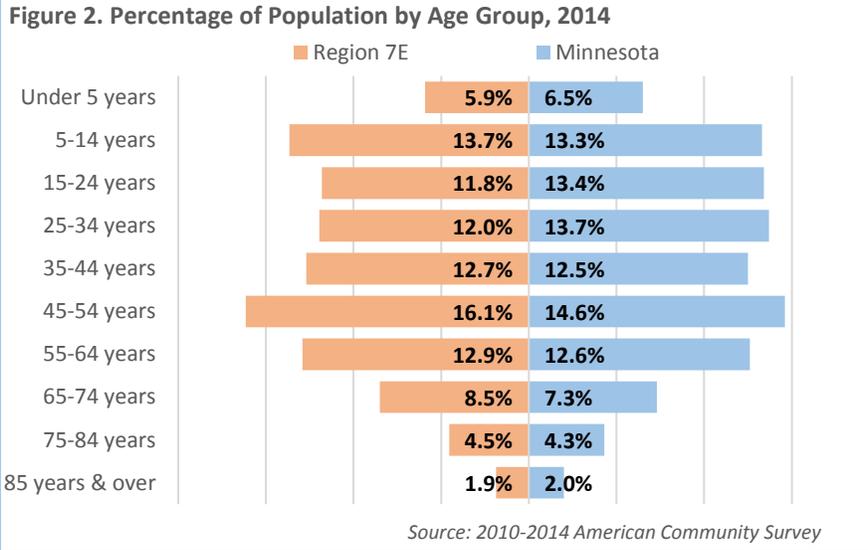
After enjoying rapid growth over the last half century, Region 7E’s population growth has slowed so far this decade. After gaining almost 100,000 new residents from 1950 to 2010, the region lost just over 300 residents from 2010 to 2015. The recent slowdown may have been associated with the recession, which led to a large number of foreclosures from 2008 to 2012, leading to population declines (see Figure 1).



All five counties in Region 7E saw population growth since 1950, led by Chisago and Isanti, which were the 8<sup>th</sup> and 9<sup>th</sup> fastest growing counties in the state, with Chisago jumping nearly 330 percent and Isanti expanding 217 percent. Kanabec County grew 72.3 percent, making it the 22<sup>nd</sup> fastest growing county, followed closely by Mille Lacs in 24<sup>th</sup> and Pine in 27<sup>th</sup> place of the 87 counties in the state. By increasing 143 percent, 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, 2000-2014

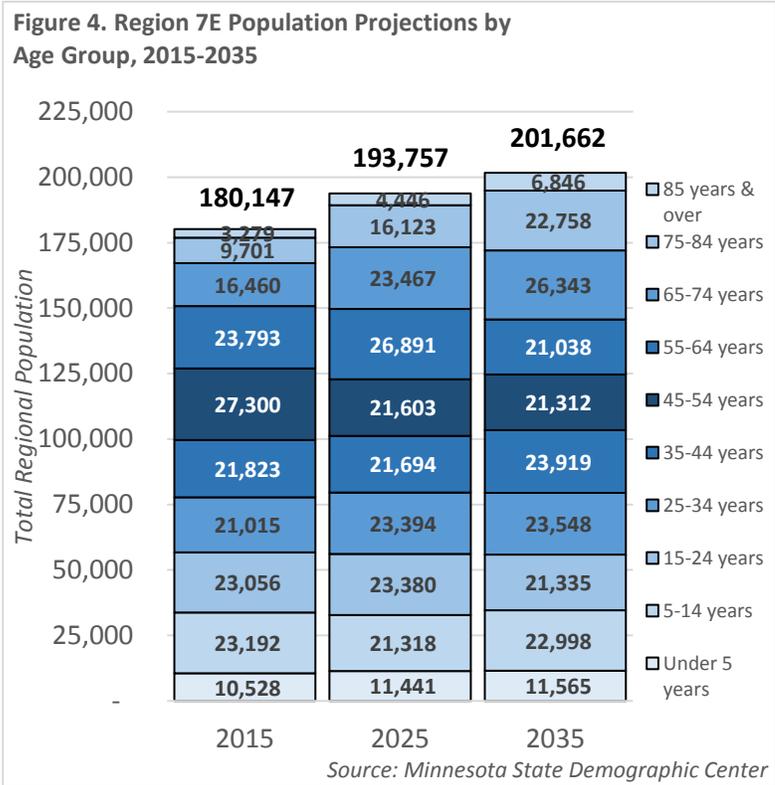
Region 7E’s population is slightly older than the state’s, with 14.9 percent of the population aged 65 years and over in 2014, compared to 13.6 percent statewide. At 29 percent, Region 7E also had a much higher percentage of people in the 45 to 64 year old age group, including the back end of the Baby 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 31.4 percent of people in Region 7E were under 25 years of age, compared to 33.2 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).



**POPULATION PROJECTIONS BY AGE GROUP, 2015-2035**

Region 7E is projected to enjoy continued population growth in the next 20 years as well. Though the 2015 projection is starting higher than 2014 estimates, according to population projections from the [State Demographic Center](#), Region 7E is expected to gain about 21,500 net new residents from 2015 to 2035, an 11.9 percent increase (see Figure 4). The state of Minnesota is projected to grow 10.8 percent.

However, much of this population growth is expected to be in the older age groups. Region 7E is projected to add 26,507 people aged 65 years and over, a 90 percent increase. The region is also expected to gain about 4,600 people in the 25- to 44-year-old age group, as well as a corresponding increase of about 1,000 more school-aged children. In contrast, Region 7E is expected to lose over 1,700 young people from 15 to 24 years, and about 8,750 people from 45 to 64 years of age – as the current Baby Boom generation moves through the population pyramid.



**POPULATION BY RACE, 2014**

Region 7E’s population is less diverse than the state’s, but is becoming more diverse over time. In 2014, 94.4 percent of the region’s residents reported White alone as their race, compared to 85.2 percent of residents statewide. At 1.7 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 (see Table 2).

The region saw a 17.7 percent gain in the number of White residents, then saw much faster increases in every other race group. The number of Black or African American residents and people of Two or More Races more than doubled, while people of Hispanic or Latino origin increased about 96 percent from 2000 to 2014. The number of Asian residents and people of Some Other Race also expanded rapidly in the region over the decade, while American Indians increased 26 percent.

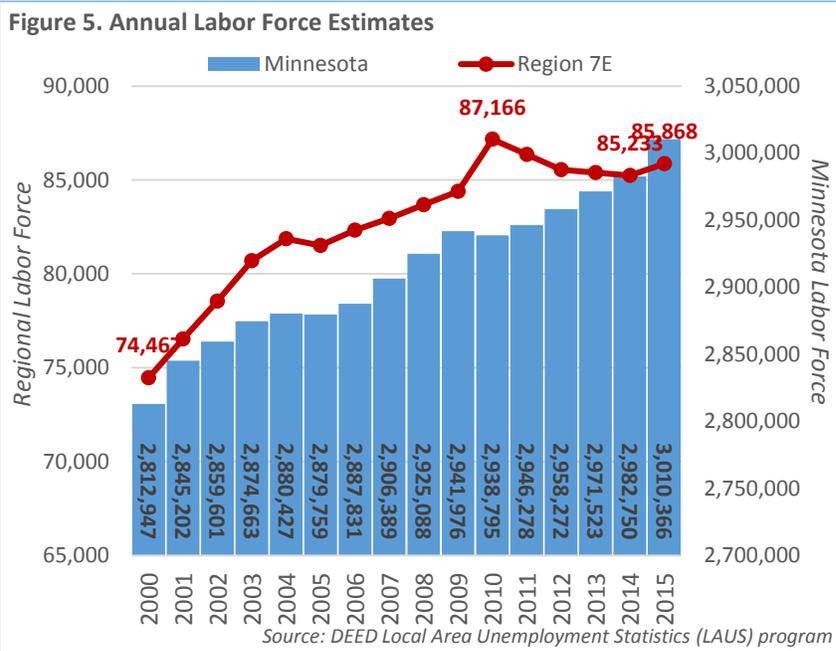
| Table 2. Race and Hispanic Origin, 2014 | Region 7E      |               |                       | Minnesota     |                       |
|---|----------------|---------------|-----------------------|---------------|-----------------------|
|   | Number         | Percent       | Change from 2000-2014 | Percent       | Change from 2000-2014 |
| <b>Total</b>                            | <b>163,310</b> | <b>100.0%</b> | <b>+19.9%</b>         | <b>100.0%</b> | <b>+9.4%</b>          |
| White                                   | 154,192        | 94.4%         | +17.7%                | 85.2%         | +4.2%                 |
| Black or African American               | 1,707          | 1.0%          | +138.1%               | 5.4%          | +69.2%                |
| American Indian & Alaska Native         | 2,835          | 1.7%          | +26.1%                | 1.0%          | +2.8%                 |
| Asian & Other Pac. Islander             | 1,042          | 0.6%          | +64.4%                | 4.3%          | +61.8%                |
| Some Other Race                         | 597            | 0.4%          | +75.1%                | 1.5%          | +19.8%                |
| Two or More Races                       | 2,937          | 1.8%          | +130.4%               | 2.6%          | +68.0%                |
| Hispanic or Latino                      | 3,043          | 1.9%          | +96.2%                | 4.9%          | +84.3%                |

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

## LABOR FORCE

### LABOR FORCE CHANGE, 2000-2015

According to data from DEED’s [Local Area Unemployment Statistics](#) program, Region 7E has experienced steady 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 1,300 workers. Despite the recent drop, the region still has over 11,000 more workers than it had in 2000, climbing from 74,467 workers in 2000 to 85,868 workers in 2015. 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 about 4,250 unemployed workers actively seeking work in 2015.

### LABOR FORCE PROJECTIONS, 2015-2025

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

Though the total labor force numbers are artificially high due to the population projections, the data show that the age composition of the workforce will 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 55 years and over, against a huge decline in the number of workers aged 45 to 54 years - the region may lose about 4,900 workers in the 45 to 54 year old age group. The region is expected to gain almost 4,000 workers aged 55 years and over. The 25 to 54 year old age group will still be the largest part of the labor force, accounting for 59.4 percent of the total (see Table 3). This will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability.

|                          | 2015<br>Labor Force<br>Projection | 2025<br>Labor Force<br>Projection | 2015-2025 Change |              |
|--------------------------|-----------------------------------|-----------------------------------|------------------|--------------|
|                          |                                   |                                   | Numeric          | Percent      |
| 16 to 19 years           | 5,601                             | 5,121                             | -480             | -8.6%        |
| 20 to 24 years           | 7,830                             | 9,046                             | +1,216           | +15.5%       |
| 25 to 44 years           | 35,959                            | 37,848                            | +1,889           | +5.3%        |
| 45 to 54 years           | 23,305                            | 18,442                            | -4,863           | -20.9%       |
| 55 to 64 years           | 15,636                            | 17,672                            | +2,036           | +13.0%       |
| 65 to 74 years           | 3,897                             | 5,556                             | +1,659           | +42.6%       |
| 75 years & over          | 686                               | 1,087                             | +401             | +58.5%       |
| <b>Total Labor Force</b> | <b>92,915</b>                     | <b>94,772</b>                     | <b>+1,857</b>    | <b>+2.0%</b> |

*Source: calculated from [Minnesota State Demographic Center population projections](#) and [2010-2014 American Community Survey 5-Year Estimates](#).*

**EMPLOYMENT CHARACTERISTICS, 2014**

With 66.2 percent of people aged 16 years and over in the labor force, Region 7E had lower labor force participation rates than the state’s 70.1 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).

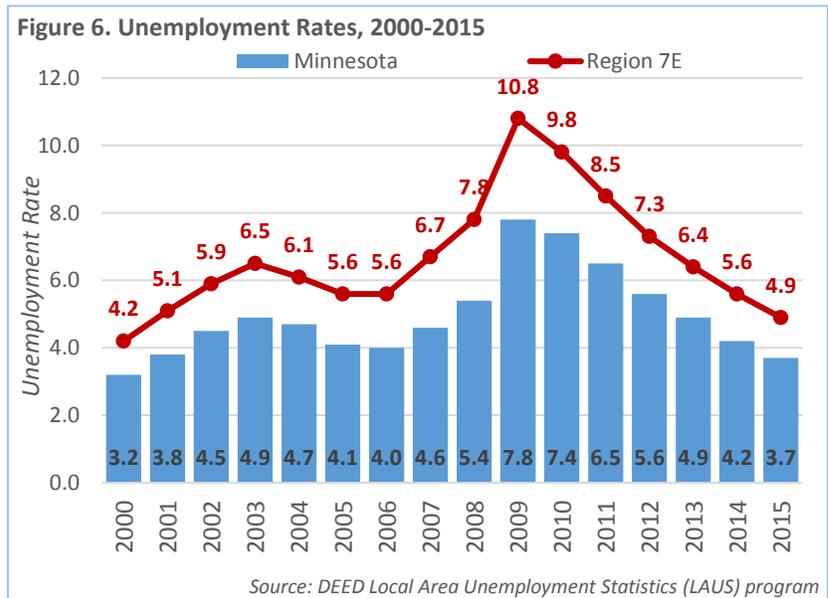
Likewise, the region had lower participation rates than the state in all but one race group; and also had big unemployment rate disparities for all but one minority group – the exception being Asian workers. Region 7E had about 5,700 veterans and 4,975 workers with disabilities in the labor force, though they also had higher unemployment rates. In sum, unemployment rates in the region were highest for young people, minorities, workers with disabilities, and people with lower educational attainment.

|   | Region 7E      |                          |             | Minnesota                |             |
|---|----------------|--------------------------|-------------|--------------------------|-------------|
|   | In Labor Force | Labor Force Partic. Rate | Unemp. Rate | Labor Force Partic. Rate | Unemp. Rate |
| <b>Total Labor Force</b>  | <b>85,269</b>  | <b>66.2%</b>             | <b>7.8%</b> | <b>70.1%</b>             | <b>6.5%</b> |
| 16 to 19 years  | 4,301          | 51.8%                    | 15.6%       | 51.1%                    | 18.7%       |
| 20 to 24 years  | 6,954          | 82.0%                    | 13.4%       | 81.8%                    | 10.2%       |
| 25 to 44 years  | 33,786         | 83.9%                    | 7.4%        | 88.1%                    | 5.8%        |
| 45 to 54 years  | 22,501         | 85.4%                    | 6.9%        | 87.3%                    | 5.0%        |
| 55 to 64 years  | 13,855         | 65.7%                    | 5.9%        | 71.8%                    | 4.9%        |
| 65 to 74 years  | 3,284          | 23.7%                    | 4.6%        | 26.6%                    | 4.1%        |
| 75 years & over   | 553            | 5.3%                     | 1.2%        | 5.9%                     | 3.5%        |
| <b>Employment Characteristics by Race &amp; Hispanic Origin</b> |                |                          |             |                          |             |
| White alone   | 82,017         | 66.9%                    | 7.5%        | 70.2%                    | 5.6%        |
| Black or African American                                       | 336            | 23.5%                    | 24.7%       | 68.0%                    | 16.4%       |
| American Indian & Alaska Native                                 | 1,063          | 51.6%                    | 15.8%       | 59.4%                    | 17.4%       |
| Asian or Other Pac. Islanders                                   | 593            | 72.6%                    | 6.0%        | 70.6%                    | 7.2%        |
| Some Other Race   | 255            | 62.4%                    | 7.5%        | 76.2%                    | 11.0%       |
| Two or More Races   | 966            | 66.0%                    | 11.3%       | 69.5%                    | 13.2%       |
| Hispanic or Latino  | 1,189          | 59.3%                    | 13.4%       | 75.0%                    | 10.1%       |
| <b>Employment Characteristics by Veteran Status</b>             |                |                          |             |                          |             |
| Veterans, 18 to 64 years  | 5,711          | 79.2%                    | 12.0%       | 82.9%                    | 6.9%        |
| <b>Employment Characteristics by Disability</b>                 |                |                          |             |                          |             |
| With Any Disability   | 4,975          | 47.7%                    | 12.6%       | 51.0%                    | 14.0%       |
| <b>Employment Characteristics by Educational Attainment</b>     |                |                          |             |                          |             |
| Population, 25 to 64 years                                      | 70,146         | 80.0%                    | 6.9%        | 84.0%                    | 5.4%        |
| Less than H.S. Diploma  | 3,861          | 67.3%                    | 11.9%       | 65.8%                    | 13.1%       |
| H.S. Diploma or Equivalent                                      | 23,368         | 75.4%                    | 8.9%        | 79.1%                    | 7.3%        |
| Some College or Assoc. Degree                                   | 28,722         | 82.5%                    | 6.7%        | 85.3%                    | 5.6%        |
| Bachelor’s Degree or Higher                                     | 14,200         | 88.1%                    | 2.8%        | 89.2%                    | 3.1%        |

Source: 2009-2013 American Community Survey, 5-Year Estimates

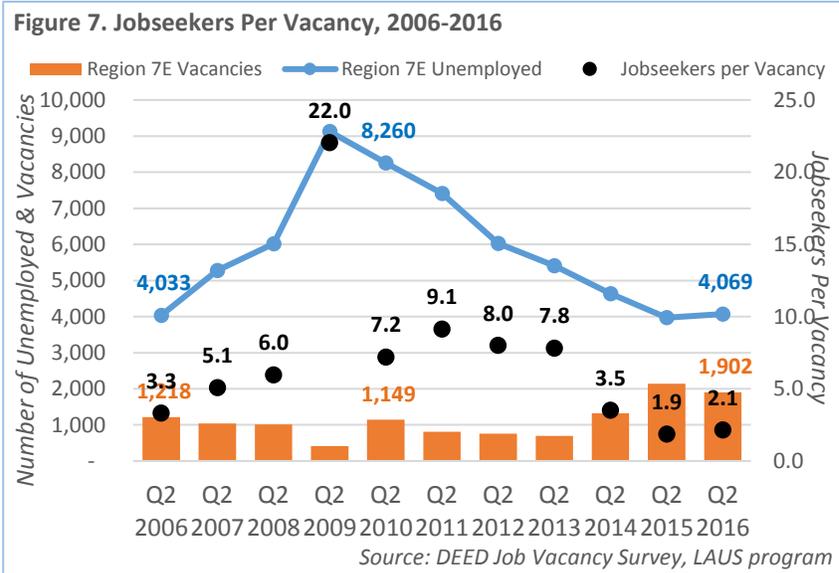
**UNEMPLOYMENT RATE, 2000-2015**

Region 7E has consistently had among the highest unemployment rates in the state, typically hovering at least 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 4.9 percent in 2015, which was 1.2 percent above the state rate (see Figure 6).



**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 4,069 unemployed jobseekers in the region. The region’s ratio is also affected by the large outflow of workers to other regions for work. The ratio climbed as high as 22-to-1 during the recession (see Figure 7).



**EDUCATIONAL ATTAINMENT BY AGE GROUP, 2014**

With just 26 percent of adults aged 18 years and over having a college degree, Region 7E has lower educational attainment than the state, where 40.5 percent of adults have an associate, bachelor’s, or advanced degree. However, 26 percent of residents have some college experience, but no degree, compared to 24.8 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 – 32.8 percent of people aged 18 to 24 years have attended some college, but hadn’t earned a degree yet, and 10.2 percent already had a college degree. Region 7E had a much 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 the population in the oldest age groups, and those residents have much lower educational attainment than the rest of the state, and those in 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, 2014 | Region 7E     |              | Minnesota    |
|--|---------------|--------------|--------------|
|  | Number        | Percent      | Percent      |
| <b>18 to 24 years</b>                              | <b>12,180</b> | <b>9.8%</b>  | <b>12.3%</b> |
| Less than high school                              | 2,116         | 17.4%        | 12.8%        |
| High school grad. (incl. equiv.)                   | 4,816         | 39.5%        | 26.0%        |
| Some college, no degree                            | 3,997         | 32.8%        | 43.4%        |
| Associate's degree                                 | 671           | 5.5%         | 6.1%         |
| Bachelor's degree                                  | 562           | 4.6%         | 11.3%        |
| Advanced degree                                    | 18            | 0.1%         | 0.5%         |
| <b>25 to 44 years</b>                              | <b>40,250</b> | <b>32.4%</b> | <b>34.3%</b> |
| Less than high school                              | 2,571         | 6.4%         | 6.7%         |
| High school grad. (incl. equiv.)                   | 12,704        | 31.6%        | 19.5%        |
| Some college, no degree                            | 11,275        | 28.0%        | 22.0%        |
| Associate's degree                                 | 5,927         | 14.7%        | 12.9%        |
| Bachelor's degree                                  | 5,801         | 14.4%        | 27.5%        |
| Advanced degree                                    | 1,972         | 4.9%         | 11.4%        |
| <b>45 to 64 years</b>                              | <b>47,440</b> | <b>38.2%</b> | <b>35.6%</b> |
| Less than high school                              | 3,168         | 6.7%         | 5.6%         |
| High school grad. (incl. equiv.)                   | 18,300        | 38.6%        | 27.3%        |
| Some college, no degree                            | 12,524        | 26.4%        | 23.7%        |
| Associate's degree                                 | 5,109         | 10.8%        | 11.1%        |
| Bachelor's degree                                  | 5,581         | 11.8%        | 21.1%        |
| Advanced degree                                    | 2,758         | 5.8%         | 11.2%        |
| <b>65 years &amp; over</b>                         | <b>24,338</b> | <b>19.6%</b> | <b>17.8%</b> |
| Less than high school                              | 4,609         | 18.9%        | 13.8%        |
| High school grad. (incl. equiv.)                   | 11,431        | 47.0%        | 38.1%        |
| Some college, no degree                            | 4,483         | 18.4%        | 19.5%        |
| Associate's degree                                 | 836           | 3.4%         | 4.7%         |
| Bachelor's degree                                  | 1,971         | 8.1%         | 14.6%        |
| Advanced degree                                    | 1,008         | 4.1%         | 9.3%         |

Source: 2010-2014 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 Map 1).

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 (see Table 7 and Map 1).

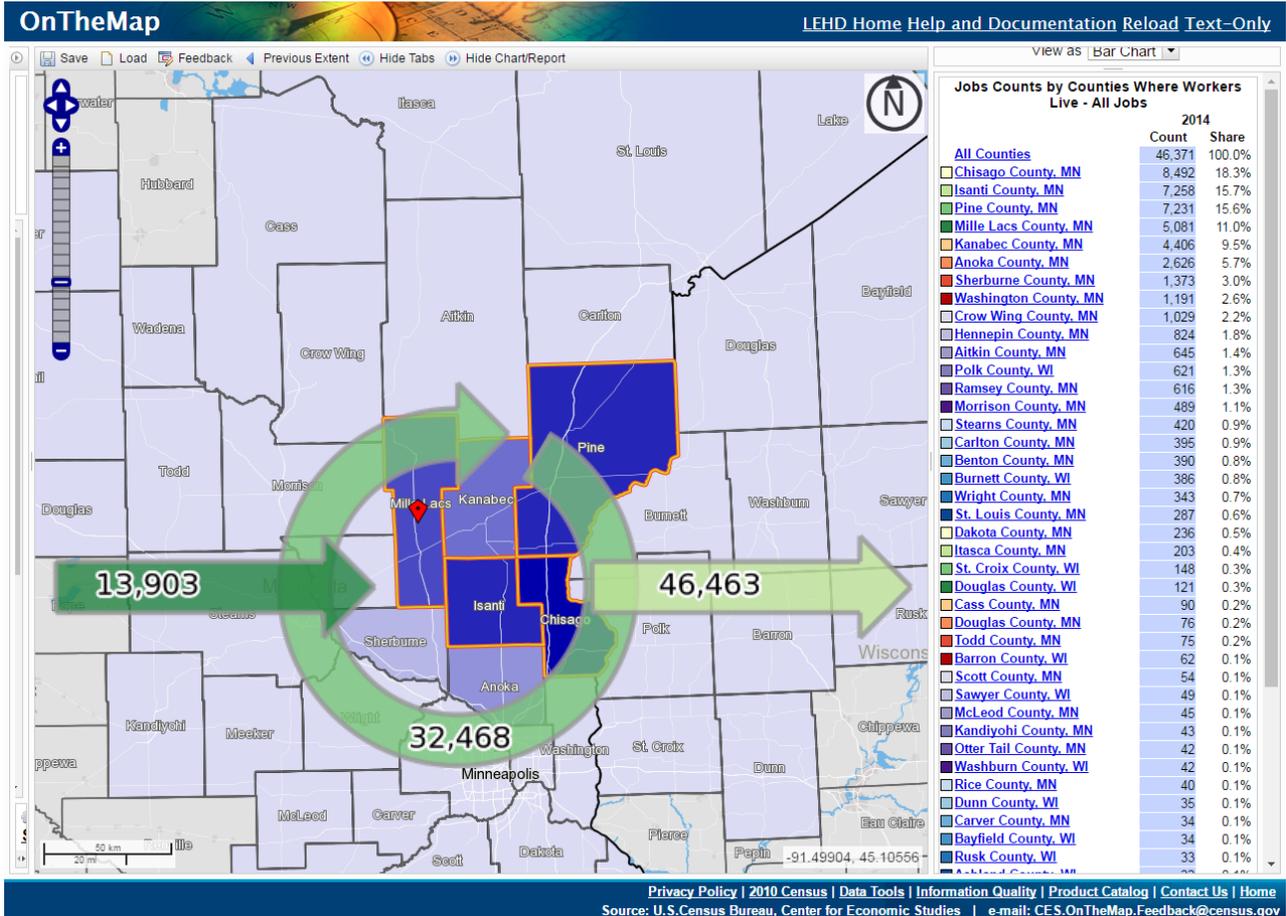
| Table 6. Region 7E Inflow/Outflow<br>Job Counts (All Jobs), 2014 | 2014   |        |
|--|--------|--------|
|  | Count  | Share  |
| Employed in the Selection Area                                   | 46,371 | 100.0% |
| Employed in the Selection Area but Living Outside                | 13,903 | 30.0%  |
| Employed and Living in the Selection Area                        | 32,468 | 70.0%  |
| <hr/>  |        |        |
| 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](#)

| 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](#)

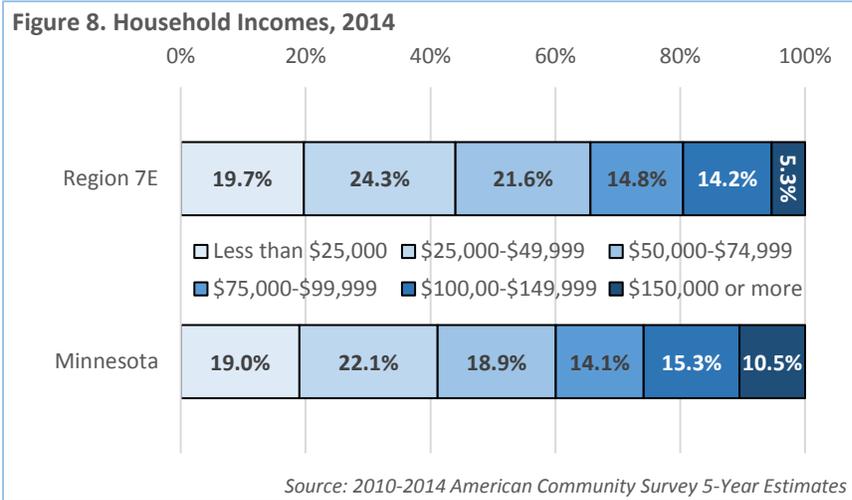
**Map 1. Region 7E Labor and Commute Shed, 2014**



## INCOMES, WAGES AND OCCUPATIONS

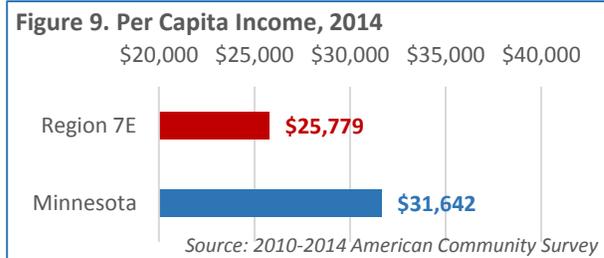
### HOUSEHOLD INCOMES

Household incomes were slightly lower in Region 7E than the state, where the median household income in 2014 was \$60,828. In the region, median household incomes ranged from \$44,680 in Pine County, which was the 6<sup>th</sup> lowest in the state, to \$70,223 in Chisago County, which was the 8<sup>th</sup> highest in the state. Incomes were relatively high in Chisago and Isanti County, and relatively low in Kanabec, Mille Lacs, and Pine County. Forty-four percent of the households in the region had incomes below \$50,000 in 2014, compared to 41.1 percent statewide. Another 36.4 percent of households earned between \$50,000 and \$100,000 in the region. In contrast, only 19.5 percent of households in Region 7E earned over \$100,000 per year, compared to 25.8 percent of households statewide (see Figure 8).



### PER CAPITA INCOMES

Per capita incomes were also lower in Region 7E than the state, ranging from \$22,129 in Pine County and \$22,705 in Kanabec County to \$29,293 in Chisago County, compared to \$31,642 in Minnesota. At \$25,779, Region 7E had the third lowest per capita income of the 13 EDRs in the state (see Figure 8).



### 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 \$54,804 in 2016. The cost of living for a similar family in Region 7E was \$57,588 – 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 \$18.46 per hour. For a single person living alone and working full-time, the estimated yearly cost in Region 7E would be \$32,856, the highest cost in the state, which would require an hourly wage of \$15.80 to meet the basic needs standard of living.

| Region    | Family Yearly Cost of Living | Hourly Wage Required | Monthly Costs |       |             |         |                |       |       |
|-----------|------------------------------|----------------------|---------------|-------|-------------|---------|----------------|-------|-------|
|           |                              |                      | Child Care    | Food  | Health Care | Housing | Transportation | Other | Taxes |
| Region 7E | \$57,588                     | \$18.46              | \$394         | \$749 | \$408       | \$921   | \$1,058        | \$523 | \$746 |
| Minnesota | \$54,804                     | \$17.57              | \$462         | \$771 | \$408       | \$916   | \$805          | \$528 | \$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 \$17.00 in the first quarter of 2016, which was the third highest wage level of the 13 EDRs in the state. Region 7E's median wage was \$1.88 below the state's median hourly wage, equaling 90 percent of the statewide wage rate, and \$3.79 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to nearly \$8,000 per year for a full-time worker. Region 7E had higher wages than surrounding regions like Region 3 at \$16.61, Region 7W at \$16.92, and Region 5 at \$15.07, but lower wages than the Twin Cities at \$20.49 (see Table 9).

Over 12 percent of the jobs in Region 7E were education, training and library occupations, which was twice as concentrated as in the state as a whole. Region 7E also had a higher share of workers in healthcare support; community and social services; farming, fishing and forestry; installation, maintenance, and repair; production; and healthcare practitioners and technical occupations (see Table 10).

|                               | Median Hourly Wage | Estimated Regional Employment |
|-------------------------------|--------------------|-------------------------------|
| EDR 1 - Northwest             | \$16.48            | 38,910                        |
| EDR 2 - Headwaters            | \$16.19            | 31,570                        |
| EDR 3 - Arrowhead             | \$16.61            | 142,870                       |
| EDR 4 - West Central          | \$16.03            | 82,910                        |
| EDR 5 - North Central         | \$15.07            | 60,260                        |
| EDR 6E - Southwest Central    | \$16.78            | 48,890                        |
| EDR 6W - Upper MN Valley      | \$15.52            | 16,200                        |
| <b>EDR 7E - East Central</b>  | <b>\$17.00</b>     | <b>54,650</b>                 |
| EDR 7W - Central              | \$16.92            | 182,330                       |
| EDR 8 - Southwest             | \$15.48            | 52,940                        |
| EDR 9 - South Central         | \$16.39            | 107,390                       |
| EDR 10 - Southeast            | \$17.77            | 228,960                       |
| EDR 11 - 7-County Twin Cities | \$20.79            | 1,719,000                     |
| <b>State of Minnesota</b>     | <b>\$18.88</b>     | <b>2,772,240</b>              |

Source: [DEED Occupational Employment Statistics](#).

|                                      | Region 7E          |                               |                           |                   | 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 |
| <b>Total, All Occupations</b>        | <b>\$17.00</b>     | <b>54,650</b>                 | <b>100.0%</b>             | <b>1.4</b>        | <b>\$18.88</b>     | <b>2,772,240</b>              | <b>100.0%</b>             |
| Office & Administrative Support      | \$16.77            | 7,360                         | 13.5%                     | 1.3               | \$17.65            | 403,870                       | 14.6%                     |
| Education, Training, & Library       | \$22.92            | 6,660                         | 12.2%                     | 2.9               | \$22.59            | 162,330                       | 5.9%                      |
| Sales & Related                      | \$11.07            | 5,540                         | 10.1%                     | 1.4               | \$13.03            | 274,960                       | 9.9%                      |
| Production                           | \$17.10            | 4,940                         | 9.0%                      | 1.6               | \$16.80            | 219,390                       | 7.9%                      |
| Healthcare Practitioners & Technical | \$31.14            | 3,600                         | 6.6%                      | 1.5               | \$31.65            | 167,800                       | 6.1%                      |
| Transportation & Material Moving     | \$16.35            | 3,430                         | 6.3%                      | 1.4               | \$16.35            | 174,150                       | 6.3%                      |
| Food Preparation & Serving Related   | \$9.39             | 3,430                         | 6.3%                      | 1.1               | \$9.39             | 232,550                       | 8.4%                      |
| Healthcare Support                   | \$13.06            | 2,790                         | 5.1%                      | 2.3               | \$13.96            | 87,470                        | 3.2%                      |
| Management                           | \$36.43            | 2,460                         | 4.5%                      | 1.0               | \$48.47            | 167,820                       | 6.1%                      |
| Personal Care & Service              | \$11.15            | 2,310                         | 4.2%                      | 1.3               | \$11.29            | 125,520                       | 4.5%                      |
| Installation, Maintenance, & Repair  | \$20.96            | 2,280                         | 4.2%                      | 1.7               | \$21.96            | 94,280                        | 3.4%                      |
| Construction & Extraction            | \$24.58            | 1,750                         | 3.2%                      | 1.3               | \$25.36            | 95,560                        | 3.4%                      |
| Business & Financial Operations      | \$25.41            | 1,660                         | 3.0%                      | 0.7               | \$31.06            | 162,610                       | 5.9%                      |
| Building, Grounds Cleaning & Maint.  | \$12.55            | 1,460                         | 2.7%                      | 1.3               | \$12.25            | 82,220                        | 3.0%                      |
| Community & Social Service           | \$20.69            | 1,460                         | 2.7%                      | 2.1               | \$20.99            | 50,160                        | 1.8%                      |
| Protective Service                   | \$19.85            | 840                           | 1.5%                      | 1.4               | \$19.85            | 42,440                        | 1.5%                      |
| Architecture & Engineering           | \$29.27            | 700                           | 1.3%                      | 0.9               | \$35.14            | 52,680                        | 1.9%                      |
| Computer & Mathematical              | \$29.57            | 520                           | 1.0%                      | 0.4               | \$38.93            | 94,470                        | 3.4%                      |
| Life, Physical, & Social Science     | \$25.86            | 460                           | 0.8%                      | 1.3               | \$29.94            | 24,380                        | 0.9%                      |
| Arts, Design, Entertainment & Media  | \$11.51            | 440                           | 0.8%                      | 0.9               | \$22.49            | 35,510                        | 1.3%                      |
| Legal                                | \$22.78            | 220                           | 0.4%                      | 0.8               | \$38.40            | 18,450                        | 0.7%                      |
| Farming, Fishing, & Forestry         | \$15.91            | 90                            | 0.2%                      | 1.8               | \$14.86            | 3,610                         | 0.1%                      |

Source: [DEED Occupational Employment Statistics, Qtr. 1 2016](#)

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 1,902 job vacancies in the second quarter of 2016, the second highest number ever recorded. Job vacancies in the region peaked at 2,138 the previous year, but are still over 400 percent higher than the recession low point in 2009. Overall, almost 60 percent of the openings were part-time, 27 percent required postsecondary education, and 38 percent needed 1 or more years of experience. The median hourly wage offer for all occupations was \$11.79, ranging from under \$10.00 for personal care and service, sales and related, and food prep jobs to \$30.00 for management jobs (see Table 11).

|                                      | 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 |
|--------------------------------------|---------------------------|-------------------|-------------------------------|------------------------------------|---|----------------------------------|--------------------------|
| <b>Total, All Occupations</b>        | <b>1,902</b>              | <b>59%</b>        | <b>32%</b>                    | <b>27%</b>                         | <b>38%</b>                              | <b>27%</b>                       | <b>\$11.79</b>           |
| Personal Care & Service              | 354                       | 88%               | 62%                           | 2%                                 | 5%                                      | 2%                               | \$9.88                   |
| Food Preparation & Serving Related   | 301                       | 75%               | 28%                           | 0%                                 | 30%                                     | 23%                              | \$9.96                   |
| Education, Training & Library        | 207                       | 50%               | 9%                            | 81%                                | 72%                                     | 77%                              | \$16.87                  |
| Sales & Related                      | 188                       | 94%               | 30%                           | 6%                                 | 6%                                      | 0%                               | \$9.92                   |
| Construction & Extraction            | 164                       | 1%                | 83%                           | 1%                                 | 83%                                     | 2%                               | \$17.92                  |
| Healthcare Practitioners & Technical | 162                       | 49%               | 6%                            | 91%                                | 59%                                     | 97%                              | \$24.50                  |
| Production                           | 149                       | 1%                | 0%                            | 32%                                | 39%                                     | 1%                               | \$12.68                  |
| Office & Administrative Support      | 102                       | 67%               | 11%                           | 7%                                 | 56%                                     | 3%                               | \$10.44                  |
| Building, Grounds Cleaning & Maint.  | 48                        | 70%               | 55%                           | 24%                                | 29%                                     | 14%                              | \$9.71                   |
| Arts, Design, Entertainment & Media  | 45                        | 90%               | 33%                           | 9%                                 | 53%                                     | 30%                              | \$12.33                  |
| Healthcare Support                   | 45                        | 69%               | 1%                            | 61%                                | 14%                                     | 75%                              | \$12.10                  |
| Transportation & Material Moving     | 44                        | 86%               | 25%                           | 2%                                 | 7%                                      | 73%                              | \$11.38                  |
| Business & Financial Operations      | 17                        | 0%                | 0%                            | 43%                                | 99%                                     | 6%                               | \$12.72                  |
| Community & Social Service           | 17                        | 7%                | 0%                            | 87%                                | 73%                                     | 63%                              | \$15.70                  |
| Internships                          | 17                        | 18%               | 68%                           | 100%                               | 1%                                      | 13%                              | \$13.15                  |
| Management                           | 14                        | 9%                | 0%                            | 99%                                | 100%                                    | 60%                              | \$29.42                  |
| Installation, Maintenance & Repair   | 14                        | 8%                | 1%                            | 46%                                | 52%                                     | 20%                              | \$11.55                  |
| Protective Service                   | 7                         | 57%               | 15%                           | 52%                                | 33%                                     | 71%                              | \$16.09                  |

Source: [DEED Job Vacancy Survey, Qtr. 2 2015](#)

### OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are hundreds 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).

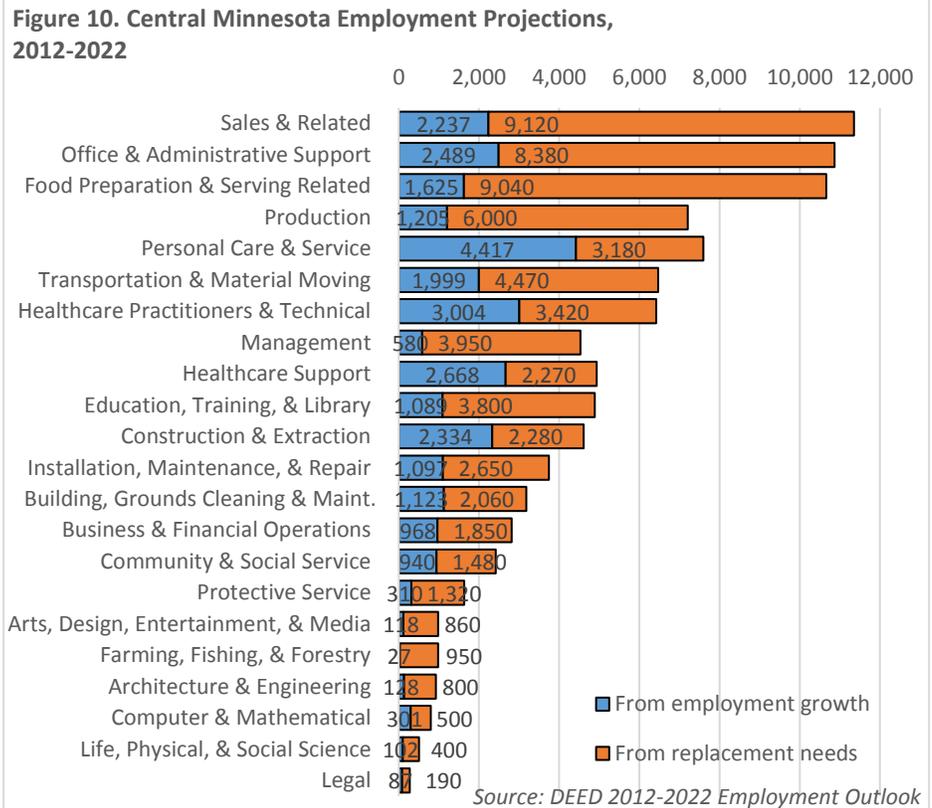
**Table 12. Region 7E Occupations in Demand by Education Level, 2016**

| 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**

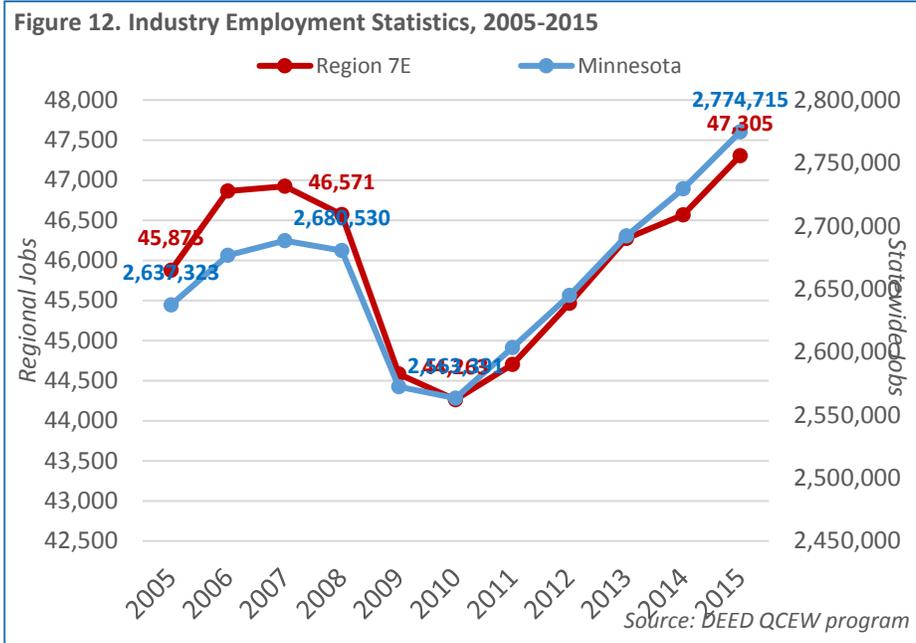
Region 7E is a part of the larger 13-county Central Minnesota Planning area, along with Region 6E and Region 7W. Central Minnesota is projected to remain the fastest growing part of the state, expanding 9.8 percent from 2012 to 2022, a gain of 28,848 new jobs. In addition, the region is also expected to need 68,960 replacement openings to fill jobs left vacant by retirements and other career changers. In fact, the number of replacement openings is expected to dwarf the number of new jobs in every group except for personal care and service occupations, construction and extraction workers; and healthcare support and practitioner jobs (see Figure 10).



## ECONOMY

### INDUSTRY EMPLOYMENT

Region 7E has seen employment ups and downs over the past decade, but ended 2015 with 1,430 more jobs than it had in 2005. The region was hit harder in 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 8.2 percent clip from 2010 to 2015, compared to a 6.9 percent increase in the region. Region 7E finally regained all of the jobs lost during the recession in the past year, while the state reached breakeven in 2013 (see Figure 11).



According to DEED’s [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 7E was home to 3,366 business establishments providing 47,305 covered jobs through 2015, with a total payroll of just over \$1.7 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 \$36,244 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 14,855 jobs at 1,060 firms; accounting for 30 percent of the region’s jobs. Isanti County was the next largest, with 10,986 jobs at 743 firms, followed by Mille Lacs County with 679 firms and 9,555 jobs and Pine County with 8,169 jobs at 593 firms. Kanabec County was the smallest economy in the region, with 292 firms and 3,739 jobs. As shown above, the region recovered more slowly than the state over the past five years; with Chisago, Isanti and Mille Lacs County seeing the biggest rise in jobs. In contrast, Pine County employers cut jobs over the past five years, though it gained over 100 jobs in the past year. Chisago County grew more than 4 percent from 2014 to 2015, which was much faster than the rest of the state (see Table 13).

| Geography                 | Number of Firms | Number of Jobs   | Total Payroll            | Average Annual Wage | 2010-2015       |                | 2014-2015      |                |
|---------------------------|-----------------|------------------|--------------------------|---------------------|-----------------|----------------|----------------|----------------|
|                           |                 |                  |                          |                     | Change in Jobs  | Percent Change | Change in Jobs | Percent Change |
| <b>Region 7E</b>          | <b>3,366</b>    | <b>47,305</b>    | <b>\$1,715,992,115</b>   | <b>\$36,244</b>     | <b>+3,042</b>   | <b>+6.9%</b>   | <b>+739</b>    | <b>+1.6%</b>   |
| Chisago Co.               | 1,060           | 14,855           | \$608,065,200            | \$40,872            | +1,477          | +11.0%         | +604           | +4.2%          |
| Isanti Co.                | 743             | 10,986           | \$417,778,179            | \$38,012            | +838            | +8.3%          | +84            | +0.8%          |
| Kanabec Co.               | 292             | 3,739            | \$133,538,849            | \$35,672            | +149            | +4.2%          | -26            | -0.7%          |
| Mille Lacs Co.            | 679             | 9,555            | \$313,410,894            | \$32,760            | +640            | +7.2%          | -26            | -0.3%          |
| Pine Co.                  | 593             | 8,169            | \$243,198,993            | \$29,744            | -63             | -0.8%          | +104           | +1.3%          |
| <b>State of Minnesota</b> | <b>160,678</b>  | <b>2,774,765</b> | <b>\$148,563,385,038</b> | <b>\$53,560</b>     | <b>+211,374</b> | <b>+8.2%</b>   | <b>+45,152</b> | <b>+1.7%</b>   |

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

With 9,629 jobs at 294 firms, health care and social assistance is the largest employing industry in Region 7E, accounting for 20.4 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 4,040 jobs, despite losing 360 jobs since 2010. In contrast, the region had a rising number of jobs in ambulatory health care services and social assistance, which both gained jobs since 2010.

Accommodation and food services is the next largest industry in Region 7E, with 6,623 jobs at 268 firms, accounting for 14 percent of total jobs in the region. The related arts, entertainment, and recreation industry (which includes casinos) also provides 754 jobs at 78 locations, after seeing a shift of jobs due to a classification change. Retail Trade is the third largest industry with 5,980 jobs at 453 stores. These three industries provide almost 28 percent of the region's jobs, but have relatively low wages.

After adding 1,829 net new jobs, manufacturing is now the fourth largest industry in Region 7E, with 5,858 jobs at 240 firms. Wages in manufacturing were nearly \$15,000 higher than in the total of all industries. Region 7E also has a high concentration of jobs in educational services, with 4,773 jobs at 70 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. Twelve of the 20 main industries in the region added jobs since 2010, with the huge gains in manufacturing accounting for over 60 percent of the growth; along with smaller gains in retail trade, construction, educational services, transportation and warehousing, and public administration. In contrast, the region saw job losses in arts, entertainment and recreation (due to the classification switch), finance and insurance, information, and wholesale trade, and health care and social assistance (see Table 14).

| NAICS Industry Title               | 2015 Annual Data |                |                 |                         | Avg. Annual Wage | 2010-2015      |                | 2014-2015      |                |
|------------------------------------|------------------|----------------|-----------------|-------------------------|------------------|----------------|----------------|----------------|----------------|
|                                    | Number of Firms  | Number of Jobs | Percent of Jobs | Total Payroll (\$1000s) |                  | Change in Jobs | Percent Change | Change in Jobs | Percent Change |
| <b>Total, All Industries</b>       | <b>3,366</b>     | <b>47,305</b>  | <b>100.0%</b>   | <b>\$1,715,992</b>      | <b>\$36,244</b>  | <b>+3,042</b>  | <b>+6.9%</b>   | <b>+739</b>    | <b>+1.6%</b>   |
| Health Care & Social Assistance    | 294              | 9,629          | 20.4%           | \$385,054               | \$39,936         | -104           | -1.1%          | -109           | -1.1%          |
| Accommodation & Food Services      | 268              | 6,623          | 14.0%           | \$127,793               | \$19,292         | +2,961         | +80.9%         | +1,568         | +31.0%         |
| Retail Trade                       | 453              | 5,980          | 12.6%           | \$139,822               | \$23,348         | +545           | +10.0%         | +162           | +2.8%          |
| Manufacturing                      | 240              | 5,858          | 12.4%           | \$299,364               | \$51,116         | +1,829         | +45.4%         | +400           | +7.3%          |
| Educational Services               | 70               | 4,773          | 10.1%           | \$185,821               | \$39,000         | +128           | +2.8%          | -4             | -0.1%          |
| Public Administration              | 145              | 3,935          | 8.3%            | \$168,417               | \$42,744         | +170           | +4.5%          | +66            | +1.7%          |
| Construction                       | 545              | 2,329          | 4.9%            | \$121,229               | \$51,064         | +444           | +23.6%         | +185           | +8.6%          |
| Other Services                     | 336              | 1,438          | 3.0%            | \$30,869                | \$21,424         | +132           | +10.1%         | +82            | +6.0%          |
| Transportation & Warehousing       | 149              | 1,062          | 2.2%            | \$39,189                | \$36,920         | +124           | +13.2%         | +18            | +1.7%          |
| Admin. Support & Waste Mgmt. Svcs. | 139              | 1,013          | 2.1%            | \$39,080                | \$38,532         | -76            | -7.0%          | -3             | -0.3%          |
| Finance & Insurance                | 122              | 952            | 2.0%            | \$43,398                | \$45,604         | -155           | -14.0%         | -16            | -1.7%          |
| Arts, Entertainment, & Recreation  | 78               | 754            | 1.6%            | \$10,264                | \$13,520         | -2,793         | -78.7%         | -1,650         | -68.6%         |
| Professional & Technical Services  | 182              | 715            | 1.5%            | \$32,016                | \$44,720         | -4             | -0.6%          | +10            | +1.4%          |
| Wholesale Trade                    | 107              | 663            | 1.4%            | \$26,282                | \$39,624         | -130           | -16.4%         | -21            | -3.1%          |
| Information                        | 46               | 461            | 1.0%            | \$16,455                | \$35,672         | -129           | -21.9%         | +5             | +1.1%          |
| Agriculture, Forestry, Fish & Hunt | 54               | 416            | 0.9%            | \$12,259                | \$29,484         | -5             | -1.2%          | +10            | +2.5%          |
| Real Estate & Rental & Leasing     | 104              | 281            | 0.6%            | \$7,709                 | \$27,300         | +36            | +14.7%         | +13            | +4.9%          |
| Utilities                          | 22               | 252            | 0.5%            | \$20,504                | \$81,380         | +19            | +8.2%          | +2             | +0.8%          |
| Management of Companies            | 9                | 124            | 0.3%            | \$8,473                 | \$68,120         | +40            | +47.6%         | +15            | +13.8%         |
| Mining                             | 6                | 41             | 0.1%            | \$1,997                 | \$46,904         | +8             | +24.2%         | +5             | +13.9%         |

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

## DISTINGUISHING INDUSTRIES

Region 7E stands out in the state for its higher share of employment in amusement, gambling, and recreation and accommodation, but also has strengths in unexpected areas like transportation equipment, plastics and rubber product, and furniture and related product manufacturing; and justice, public order and safety activities. As noted above, the region has a higher concentration of jobs in nursing and residential care facilities, elementary and secondary schools, and executive, legislative, and other general government support (see Table 15).

| NAICS Industry Title                        | NAICS Code | Number of Firms | Number of Jobs | Total Payroll          | Avg. Annual Wages | Location Quotient |
|---|------------|-----------------|----------------|------------------------|-------------------|-------------------|
| <b>Total, All Industries</b>                | <b>0</b>   | <b>3,366</b>    | <b>47,305</b>  | <b>\$1,715,992,115</b> | <b>\$36,244</b>   | <b>1.0</b>        |
| Transportation Equipment Manufacturing      | 336        | 11              | 1,270          | \$89,324,777           | \$70,252          | 6.3               |
| Accommodation                               | 721        | 41              | 2,982          | \$81,634,737           | \$27,352          | 5.2               |
| Plastics & Rubber Products Manufacturing    | 326        | 13              | 936            | \$39,223,220           | \$41,860          | 3.6               |
| Justice, Public Order, & Safety Activities  | 922        | 20              | 893            | \$50,114,729           | \$56,056          | 2.3               |
| Executive, Legislative & General Government | 921        | 79              | 2,672          | \$102,285,161          | \$38,220          | 2.3               |
| Gasoline Stations                           | 447        | 86              | 941            | \$16,460,339           | \$17,472          | 2.2               |
| Nursing & Residential Care Facilities       | 623        | 70              | 4,040          | \$130,693,231          | \$32,344          | 2.2               |
| Fabricated Metal Product Manufacturing      | 332        | 75              | 1,316          | \$64,151,659           | \$48,672          | 1.8               |
| Elementary & Secondary Schools              | 6111       | 55              | 4,463          | \$171,894,825          | \$38,636          | 1.8               |
| Furniture & Related Product Manufacturing   | 337        | 23              | 283            | \$13,535,837           | \$47,736          | 1.7               |

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

## INDUSTRY PROJECTIONS

As noted above, Region 7E is part of the 13-county Central Minnesota Planning Region, which is projected to lead the state with 9.8 percent job growth from 2012 to 2022, a gain of 28,848 new jobs.

The largest and fastest growing industry is expected to be health care and social assistance, which may account for over 40 percent of total projected growth in the region from 2012 to 2022. The region is also expected to see significant employment growth in construction, professional and technical services, administrative support and waste management services – which includes temporary staffing agencies, retail trade, wholesale trade, and accommodation and food services. In contrast, the region is expected to see declines only in information (see Table 16).

| Industry                          | Estimated Employment 2012 | Projected Employment 2022 | Percent Change 2012-2022 | Numeric Change 2012-2022 |
|-----------------------------------|---------------------------|---------------------------|--------------------------|--------------------------|
| <b>Total, All Industries</b>      | <b>294,407</b>            | <b>323,255</b>            | <b>+9.8%</b>             | <b>+28,848</b>           |
| Health Care & Social Assistance   | 41,963                    | 53,847                    | +28.3%                   | +11,884                  |
| Manufacturing                     | 38,994                    | 40,126                    | +2.9%                    | +1,132                   |
| Retail Trade                      | 34,167                    | 37,510                    | +9.8%                    | +3,343                   |
| Accommodation & Food Services     | 20,475                    | 21,678                    | +5.9%                    | +1,203                   |
| Construction                      | 13,987                    | 16,879                    | +20.7%                   | +2,892                   |
| Other Services                    | 12,001                    | 12,809                    | +6.7%                    | +808                     |
| Admin. Support & Waste Mgmt.      | 10,500                    | 12,219                    | +16.4%                   | +1,719                   |
| Wholesale Trade                   | 10,123                    | 10,801                    | +6.7%                    | +678                     |
| Transportation & Warehousing      | 7,851                     | 8,710                     | +10.9%                   | +859                     |
| Finance & Insurance               | 7,036                     | 7,731                     | +9.9%                    | +695                     |
| Professional & Technical Services | 5,957                     | 6,905                     | +15.9%                   | +948                     |
| Arts, Entertainment & Recreation  | 5,861                     | 6,394                     | +9.1%                    | +533                     |
| Ag., Forestry, Fishing & Hunting  | 4,921                     | 5,113                     | +3.9%                    | +192                     |
| Information                       | 3,160                     | 3,012                     | -4.7%                    | -148                     |
| Educational Services              | 2,629                     | 2,865                     | +9.0%                    | +236                     |
| Utilities                         | 2,446                     | 2,455                     | +0.4%                    | +9                       |
| Real Estate, Rental & Leasing     | 2,028                     | 2,247                     | +10.8%                   | +219                     |
| Management of Companies           | 1,387                     | 1,458                     | +5.1%                    | +71                      |
| Mining                            | 268                       | 269                       | +0.4%                    | +1                       |

Source: [DEED 2012-2022 Employment Outlook](#)

### EMPLOYERS BY SIZE CLASS

The vast majority of businesses in Region 7E are small businesses, with 58.5 percent of businesses reporting 1 to 4 employees in 2014, according to County Business Patterns from the U.S. Census Bureau. Another 31 percent had between 5 and 19 employees; and 9 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 5 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).

| Number of Employees | Region 7E       |                  | Minnesota        |
|---------------------|-----------------|------------------|------------------|
|                     | Number of Firms | Percent of Firms | Percent of Firms |
| 1-4                 | 2,108           | 58.5%            | 53.9%            |
| 5-9                 | 665             | 18.5%            | 17.7%            |
| 10-19               | 452             | 12.5%            | 13.4%            |
| 20-49               | 263             | 7.3%             | 9.1%             |
| 50-99               | 61              | 1.7%             | 3.2%             |
| 100-249             | 40              | 1.1%             | 1.9%             |
| 250-499             | 8               | 0.2%             | 0.5%             |
| 500 or more         | 5               | 0.1%             | 0.3%             |
| <b>Total Firms</b>  | <b>3,602</b>    | <b>100.0%</b>    | <b>100.0%</b>    |

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 11,026 self-employed businesses or "nonemployers" in 2014, 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 1,073 nonemployers from 2004 to 2014, a staggering -8.9 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 \$465 million in 2014 (see Table 18).

|                           | 2014            |                     | 2004-2014       |                |
|---------------------------|-----------------|---------------------|-----------------|----------------|
|                           | Number of Firms | Receipts (\$1,000s) | Change in Firms | Percent Change |
| <b>Region 7E</b>          | <b>11,026</b>   | <b>\$465,101</b>    | <b>-1,073</b>   | <b>-8.9%</b>   |
| Chisago Co.               | 3,782           | \$157,684           | -322            | -7.8%          |
| Isanti Co.                | 2,635           | \$112,764           | -55             | -2.0%          |
| Kanabec Co.               | 1,041           | \$49,156            | -233            | -18.3%         |
| Mille Lacs Co.            | 1,829           | \$72,621            | -387            | -17.5%         |
| Pine Co.                  | 1,739           | \$72,876            | -76             | -4.2%          |
| <b>State of Minnesota</b> | <b>394,690</b>  | <b>\$17,982,080</b> | <b>33,610</b>   | <b>9.3%</b>    |

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 66<sup>th</sup> and 76<sup>th</sup> 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).

|                           | Number of Farms | Market Value of Products Sold | State Rank | Change in Market Value, 2007-2012 |
|---------------------------|-----------------|-------------------------------|------------|-----------------------------------|
|                           |                 |                               |            |                                   |
| <b>Region 7E</b>          | <b>3,925</b>    | <b>\$267,943,000</b>          |            | <b>+70.5%</b>                     |
| 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%                            |
| <b>State of Minnesota</b> | <b>74,542</b>   | <b>\$21,280,184,000</b>       |            | <b>+61.5%</b>                     |

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](mailto:luke.greiner@state.mn.us).*