

Economic Development Region 4: West Central

Covering the following counties:
Becker, Clay, Douglas, Grant, Otter Tail,
Pope, Stevens, Traverse, and Wilkin

2019 REGIONAL PROFILE

Updated September 20, 2019

Cameron Macht

Regional Analyst, Northwest Minnesota

Minnesota Department of Employment and Economic Development

CareerForce Willmar

2200 23rd St. NE, Suite 2040

Willmar, MN 56201

Office: (320) 441-6596

E-mail: cameron.macht@state.mn.us

Web: <http://mn.gov/deed/data/>



DEMOGRAPHICS

POPULATION CHANGE

Economic Development Region 4-West Central is a mostly rural, nine-county region located in the west central area of the state, bordering North Dakota. Clay County is a part of the Fargo-Moorhead Metropolitan Statistical Area, and Douglas County and Otter Tail County are both micropolitan statistical areas. EDR 4 was the sixth largest of 13 economic development regions (EDRs) in the state, accounting for 4.1 percent of the state’s total population. It was also the largest of the four EDR’s in Northwest Minnesota. The regional population increased by 4.4 percent, or nearly 10,000 residents, from 2010 to 2018, compared to a 5.8 percent rise statewide (Table 1).

	2010 Population	2018 Estimates	2010-2018 Change	
			Number	Percent
Region 4-West Central	221,688	231,535	+9,847	+4.4%
Becker Co.	32,504	34,371	+1,867	+5.7%
Clay Co.	58,999	63,955	+4,956	+8.4%
Douglas Co.	36,009	37,964	+1,955	+5.4%
Grant Co.	6,018	6,021	+3	+0.0%
Otter Tail Co.	57,303	58,812	+1,509	+2.6%
Pope Co.	10,995	11,097	+102	+0.9%
Stevens Co.	9,726	9,753	+27	+0.3%
Traverse Co.	3,558	3,308	-250	-7.0%
Wilkin Co.	6,576	6,254	-322	-4.9%
Northwest Minnesota	553,805	568,702	+14,897	+2.7%
State of Minnesota	5,303,925	5,611,179	+307,254	+5.8%

Source: U.S. Census Bureau, Population Estimates

The four largest counties in the region – Becker, Clay, Douglas, and Otter Tail – all saw population growth since 2010, while the five smaller counties lost population or witnessed small population gains. Clay, the largest and fastest growing county in the region, increased by 8.4 percent, making it the 7th fastest growing county (of 87) in the state. Otter Tail grew at a much slower rate of 2.1 percent, but was still home to 58,812 residents.

COMPONENTS OF POPULATION CHANGE

The recent population increase in EDR 4 was fueled primarily by a net migration of 6,250 people from 2010 to 2018 with domestic migration of 4,452 and international migration of 1,798. These increases were supplemented by natural increase – more births than deaths – of 3,747 (Table 2).

With the in-migration, Region 4 was now home to 5,786 foreign born residents, or 2.6 percent of the total population. The largest number of immigrants in the region

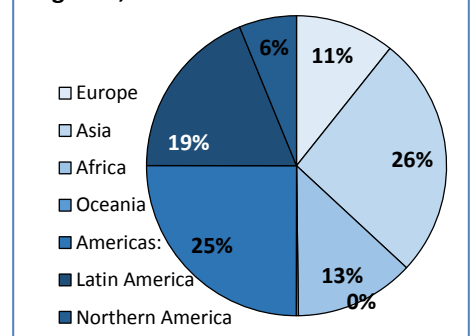
	Total Change	Natural Increase	Vital Events		Net Migration		
			Births	Deaths	Total	Inter-national	Domestic
Region 4	+9,851	+3,747	22,678	18,931	+6,250	+1,798	+4,452
Minnesota	+307,254	+228,289	570,171	341,882	+81,671	+107,830	-26,159

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

came from Asia, Latin America, Africa, and Europe (Figure 1). However the fastest increase in immigrants came from Asia and Africa, which grew by 40 percent since 2010.

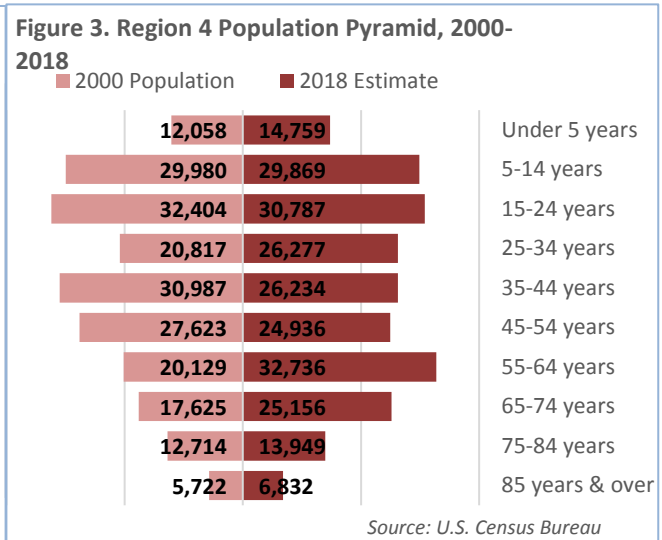
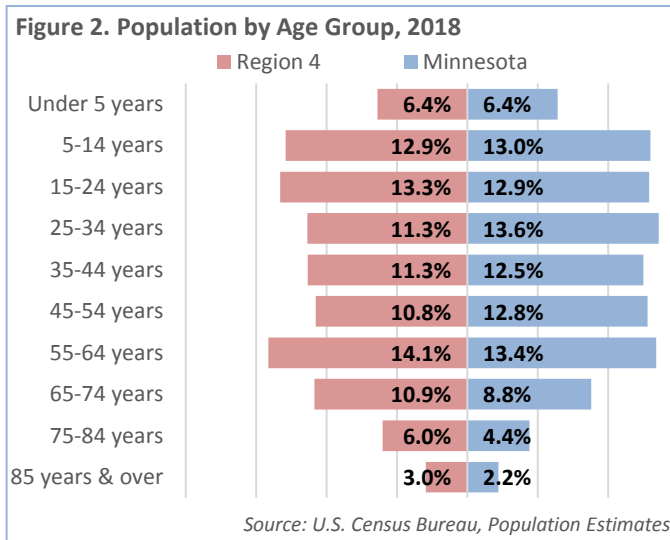
Based on year of entry, Region 4’s foreign born population was “younger” than the rest of the state. About 34 percent of the region’s immigrants entered the U.S. 2010 or later, compared to just 21.5 percent statewide. However, the region had nearly the same percentage of Foreign-born residents who had entered before 1990 as the state. Foreign-born residents have a younger age profile than the native born population, with 43.8 percent being between 15 and 34 years of age, compared to 25.3 percent of the total population. While a similar percentage of foreign-born residents had a bachelor’s degree or higher than native born residents, immigrants were also much more likely to have less than a high school diploma.

Figure 1. Place of Birth for the Foreign Born Population in Region 4, 2017



POPULATION BY AGE GROUP

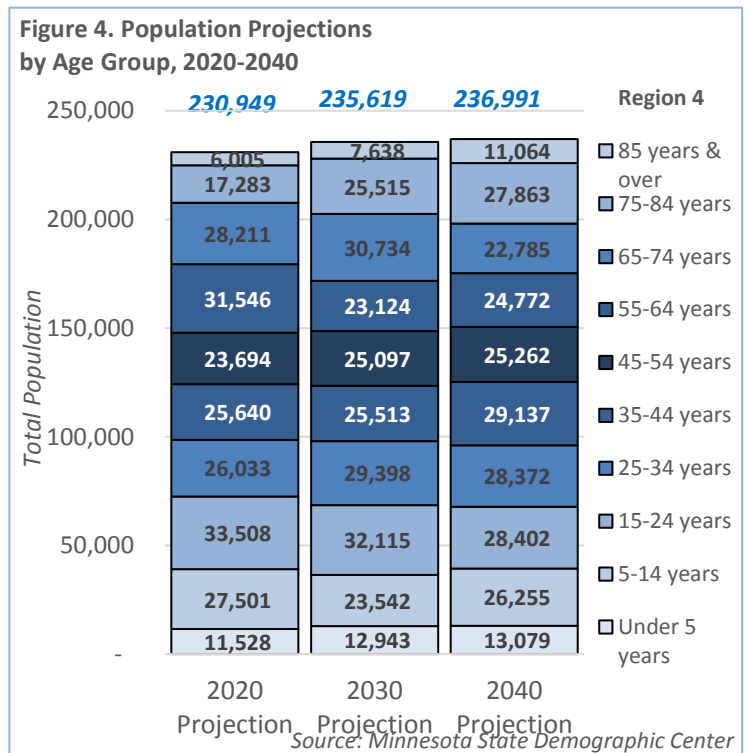
In EDR 4-West Central, over one-third (34.0%) of the regional population is over the age of 55, compared to 28.8 percent statewide. In contrast, EDR 4 had a smaller percentage of people in the 25 to 54 year age group – typically considered the “prime working years”. A large portion of the population is a part of the Baby Boom generation, which is creating a significant shift in regional demographics over time. Between 2000 and 2018, the region gained over 22,000 residents 55 years of age or older. Still, 13.3 percent of the population is 15-24 years of age, a higher rate than the proportion statewide (Figure 2 and 3).



POPULATION PROJECTIONS BY AGE GROUP

EDR 4-West Central is projected to continue its population increase in the near future. Population projections from the [Minnesota State Demographic Center](#) show that the area is expected to gain over 6,000 residents from 2020 to 2040, a 2.6 percent increase (see Figure 4). In comparison, the projected growth statewide from 2020 to 2040 is approximately 8.8 percent.

Still, the projected population change varies by age. The region is expected to add residents between the ages of 25 and 54, and a corresponding increase in young children. Conversely, major losses are expected to occur in the age groups from 55 to 74 years, as the Baby Boom generation ages out of those cohorts. However, this will also lead to over 15,000 more residents aged 75 years and over, a 67.2 percent expansion.



POPULATION BY RACE

The population in EDR 4 has had significant changes since the turn of the century, but remains less diverse than the state as a whole. In 2017, almost 94 percent of the region’s residents reported white alone as their race, compared to 83.7 percent of residents statewide. However, every minority race except for those who identified as Some Other Race increased faster than the white population from 2000 to 2017. In fact, the number of Black or African American residents more than tripled since 2000, and those of Hispanic or Latino origin and Two or More Races increased by more than 85 percent (see Table 3).

Table 3. Race and Hispanic Origin, 2017	EDR 4 – West Central			Minnesota	
	Number	Percent	Change from 2000-2017	Percent	Change from 2000-2017
Total	226,642	100.0%	+7.9%	100.0%	+11.6%
White	211,748	93.4%	+5.5%	83.7%	+4.5%
Black or African American	3,069	1.4%	+345.4%	6.0%	+90.4%
American Indian & Alaska Native	4,402	1.9%	+21.7%	1.0%	+4.7%
Asian & Other Pacific Islander	1,576	0.7%	+39.5%	4.7%	+79.2%
Some Other Race	1,241	0.5%	-21.5%	1.7%	+45.3%
Two or More Races	4,606	2.0%	+97.0%	2.8%	+86.7%
Hispanic or Latino	6,645	2.9%	+85.0%	5.2%	+98.5%

Source: 2013-2017 American Community Survey, 5-year estimates

As the largest region in Northwest Minnesota, EDR 4 has the highest number of minority residents in the planning region. This includes over 4,400 American Indian residents, 4,624 people who identify as Two or More Races, and 6,645 residents of Hispanic or Latino ethnicity.

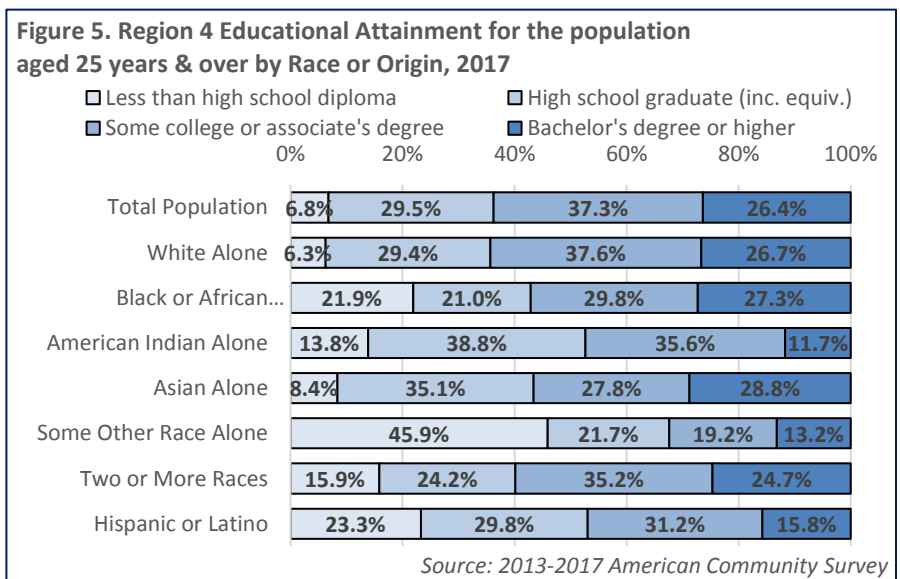
EDUCATIONAL ATTAINMENT

With 38.4 percent of adults aged 18 years and over holding a college degree, EDR 4 had lower educational attainment than the state in 2017, where 42.7 percent of adults have an associate, bachelor’s, or advanced degree. In contrast, the region had a higher percentage of people with some college but no degree, and a high school diploma or less. Regional education attainment only exceeded the state in associate’s degrees (Table 4).

Table 4. Educational Attainment for the Adult Population, 2017	EDR 4-West Central		Minnesota
	Number	Percent	Percent
Total, 18 years & over	175,427	100.0%	100.0%
Less than high school	12,783	7.3%	7.8%
High school grad. (incl. equiv.)	50,837	29.0%	25.6%
Some college, no degree	44,403	25.3%	23.8%
Associate's degree	25,108	14.3%	10.6%
Bachelor's degree	30,685	17.5%	21.7%
Advanced degree	11,611	6.6%	10.4%

Source: U.S. Census Bureau, 2013-2017 American Community Survey

Educational attainment varies significantly by race and ethnicity in EDR 4-West Central. Around 20 percent of Black or African American, Two or More Races, and Hispanic or Latino residents had less than a high school diploma, compared to just 6 percent of White residents. However, over 30 percent of Black or African Americans, American Indians, Hispanic or Latinos, and people of Two or More Races have attended some college or earned an associate’s degree (Figure 5).

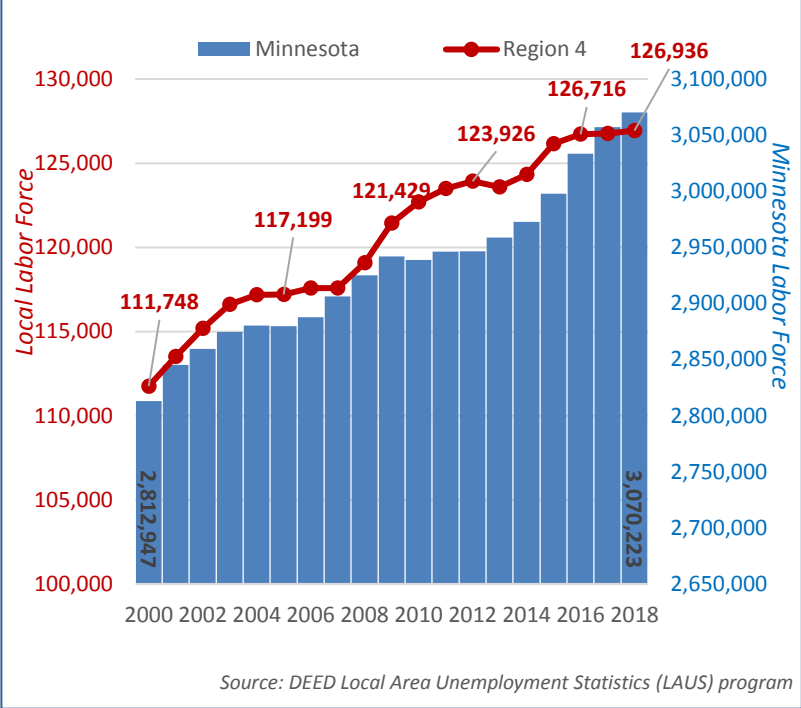


LABOR FORCE

LABOR FORCE CHANGE

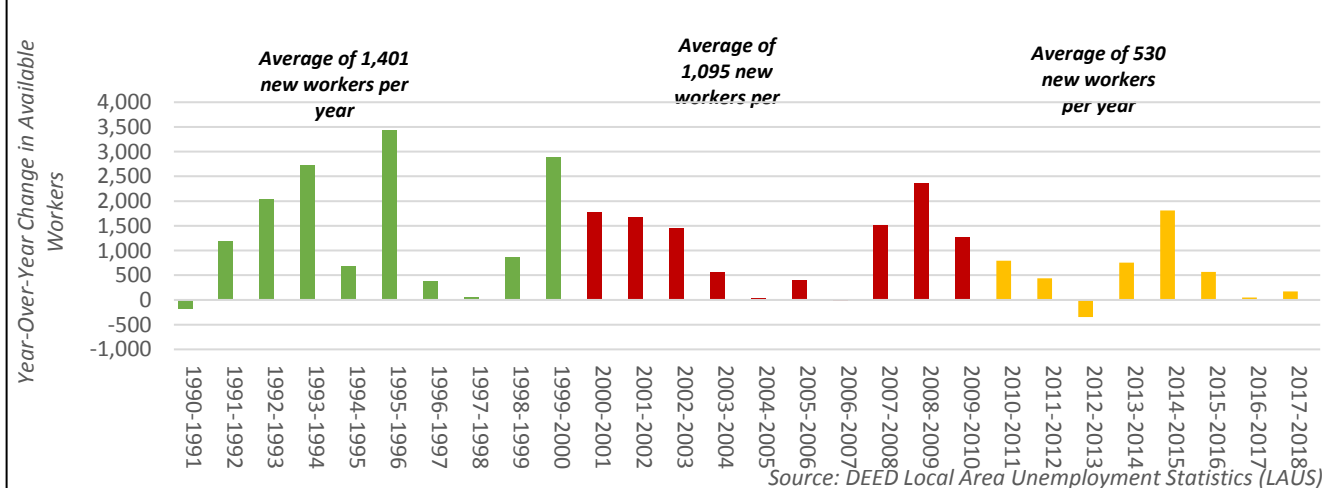
According to data from DEED’s [Local Area Unemployment Statistics](#) program, EDR 4 had an annual average labor force count of nearly 127,000 workers through 2018. The regional labor force has increased on a steady path since 2000, adding just over 15,000 new workers since then. In addition, the regional labor force added workers every year since 2013, and reached new peaks for five straight years (Figure 6). Prior to that, the size of the labor force in EDR 4 fluctuated more, dropping slightly in 2007, before growing sharply as the recession took hold. From 2007 to 2012, the region added over 6,000 workers. Despite consistent gains, the labor market in EDR 4 continues to tighten, with fewer unemployed workers available and actively seeking work. This is likely to also have a continued effect on the regional economy.

Figure 6. Annual Labor Force Estimates, 2000-2018



After averaging a net gain of about 1,400 additional labor force participants per year between 1990 and 2000, Region 4 employers were able to tap into a large and growing pool of talented workers. However, from 2010 to 2018, Region 4’s labor force growth was much slower, adding only an average of 530 new workers per year (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of Region 4’s most significant barriers to future economic growth. 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. Annual Change in Region 4 Labor Force, 1990-2018



LABOR FORCE PROJECTIONS

Despite the projected population increase in EDR 4-West Central shown in Figure 4, the regional labor force is expected to contract some from 2020 to 2030. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show a 1.2 percent loss in workforce numbers, as more of the Baby Boom generation leaves the labor force. The projected decline estimates a loss in the number of teenaged and entry-level workers and workers aged 55 to 64 years by 2030, against smaller gains among those 65 years and over. However, the number of workers in their 'prime-working years' (25 to 54) should increase by over 4,000. Being used to labor force growth, the anticipated contraction may lead employers to adapt their hiring and management practices in order to compete (Table 5).

	2020 Labor Force Projection	2030 Labor Force Projection	2020-2030 Change	
			Numeric	Percent
16 to 19 years	6,840	6,385	-455	-6.7%
20 to 24 years	15,027	14,708	-320	-2.1%
25 to 44 years	46,128	49,019	+2,891	+6.3%
45 to 54 years	20,676	21,900	+1,224	+5.9%
55 to 64 years	22,767	16,689	-6,078	-26.7%
65 to 74 years	7,494	8,164	+670	+8.9%
75 years & over	1,474	2,098	+624	+42.4%
Total Labor Force	120,406	118,962	-1,444	-1.2%

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

EMPLOYMENT CHARACTERISTICS

With 65.9 percent of the population 16 years of age and older in the labor force, EDR 4-West Central had a much lower labor force participation rate than the state overall. However, residents in their 'prime working years' (25 to 54 years) actually had higher labor force participation rates than those statewide. Conversely, those aged 20 to 24 years and 55 to 64 years had lower labor force participation in EDR 4 than statewide (Table 6).

Labor force participation rates vary by race in EDR 4, and often lag behind statewide rates. Those of Hispanic or Latino ethnicity participated more in EDR 4, but participation was less regionally in every racial group. However, the unemployment rates were also lower in the region than the state for every group except Black or African American residents.

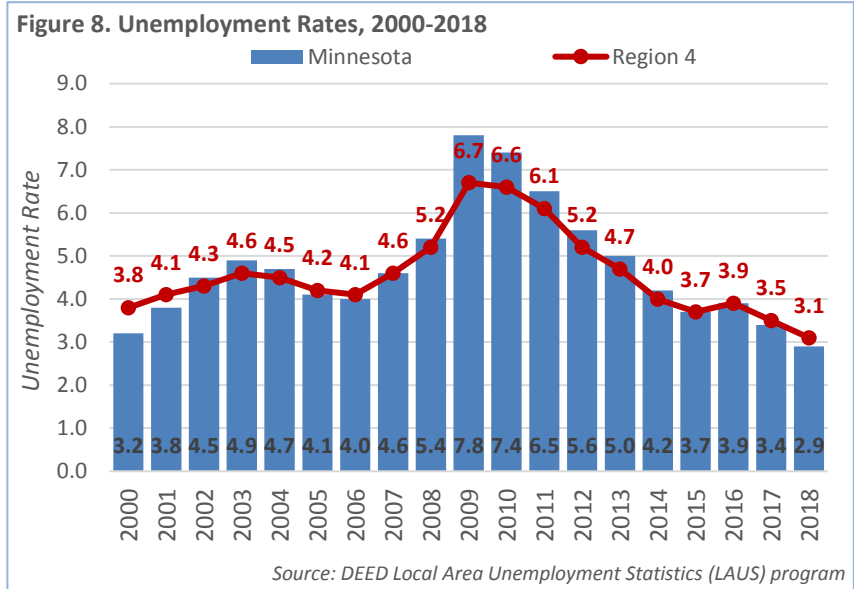
Age Group	EDR 4 – West Central			Minnesota	
	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	119,368	65.9%	3.2%	69.9%	4.3%
16 to 19 years	7,226	56.9%	7.8%	52.6%	12.8%
20 to 24 years	12,956	81.3%	3.8%	84.2%	7.1%
25 to 44 years	44,529	89.3%	3.2%	88.4%	3.9%
45 to 54 years	24,147	87.3%	2.7%	87.2%	3.0%
55 to 64 years	23,175	72.2%	2.3%	72.5%	3.2%
65 to 74 years	6,034	26.6%	2.7%	27.4%	2.7%
75 years & over	1,278	6.3%	3.0%	6.1%	2.8%
Employment Characteristics by Gender					
Male	62,654	69.8%	3.8%	73.7%	4.8%
Female	56,696	62.0%	2.4%	66.1%	3.8%
Employment Characteristics by Race & Hispanic Origin					
White alone	113,263	66.1%	3.0%	69.7%	3.6%
Black or African American	1,464	66.5%	13.0%	69.8%	11.0%
American Indian & Alaska Native	1,661	54.0%	12.3%	58.6%	13.3%
Asian or Other Pacific Islanders	850	62.5%	3.2%	71.1%	5.2%
Some Other Race	733	76.2%	2.1%	77.2%	7.5%
Two or More Races	1,422	64.7%	5.2%	72.5%	9.1%
Hispanic or Latino	3,166	76.6%	3.8%	76.2%	7.2%
Employment Characteristics by Disability					
With Any Disability	6,096	52.2%	6.8%	52.3%	9.5%
Employment Characteristics by Educational Attainment					
Population 25 to 64 years	91,851	83.8%	2.7%	84.1%	3.5%
Less than H.S. Diploma	3,495	64.3%	4.4%	65.4%	4.9%
H.S. Diploma or Equivalent	22,102	79.4%	1.7%	78.7%	2.9%
Some College or Assoc. Degree	38,810	85.3%	2.1%	85.2%	3.5%
Bachelor's Degree or Higher	27,467	88.9%	1.5%	89.6%	2.1%

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

There were almost 5,000 veterans and over 6,100 workers with disabilities in the regional labor force. In sum, unemployment rates were highest among young workers, African Americans, American Indians, and workers with disabilities.

UNEMPLOYMENT RATES

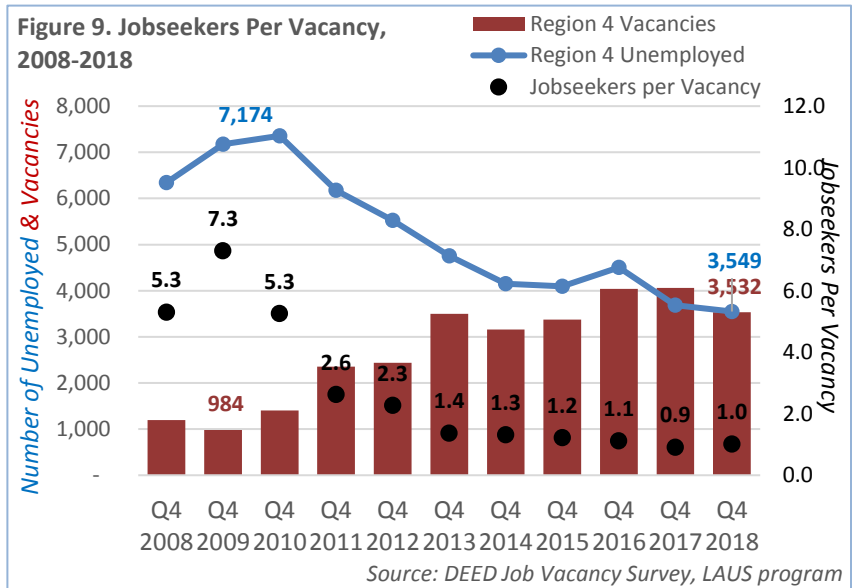
According to the [Local Area Unemployment Statistics](#) program, the unemployment rate in EDR 4-West Central has trended closely with the state overall since 2000, regardless of the state of the economy. The unemployment rate in EDR 4 has consistently tracked within half a percent of the statewide rate, and shifted similarly to economic fluctuation. During the recession, it rose as high as 6.7 percent in 2009, but fell back to pre-recession rates by 2014. Since then, the regional rate has stabilized, staying between 3.0 and 4.0 percent. That being said, the rate grew slightly in 2016, before falling back to 3.1 percent in 2018 (see Figure 8).



JOBSEEKERS PER VACANCY

As the number of available workers has declined and the economy continues to recover, the region’s labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which now stands at 1-to-1 in Region 4.

According to recent job vacancy survey results, there were 3,532 openings reported by employers compared to 3,549 unemployed jobseekers in the region. The ratio climbed as high as 7.3 during the recession in 2009 (Figure 9).



COMMUTE SHED AND LABOR SHED

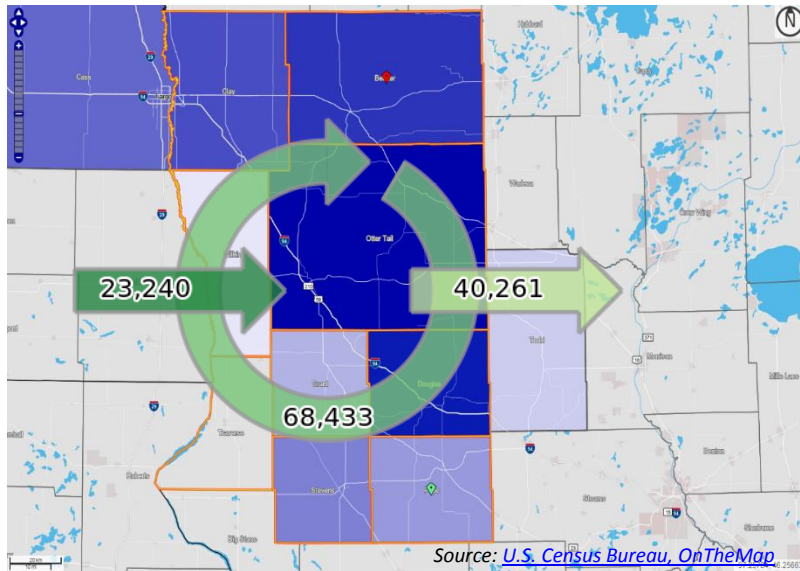
According to commuting data from the [U.S. Census Bureau](#), the vast majority – 63 percent – of workers who live in the region also work within the region.

However, EDR 4 is a net exporter of labor, having fewer jobs than available workers. In 2017, 68,433 workers both lived and worked in EDR 4, while another 23,240 workers drove into the region for work. This is compared to 40,261 workers who lived in the region but drove to outside areas for work (Table 7 and Figure 10).

	2017	
	Count	Share
Employed in the Selection Area	91,673	100.0%
Employed in the Selection Area but Living Outside	23,240	25.4%
Employed and Living in the Selection Area	68,433	74.6%
Living in the Selection Area	108,694	100.0%
Living in the Selection Area but Employed Outside	40,261	37.0%
Living and Employed in the Selection Area	68,433	63.0%

Source: U.S. Census Bureau, OnTheMap

Figure 10. EDR 4-West Central Labor and Commute Shed, 2017



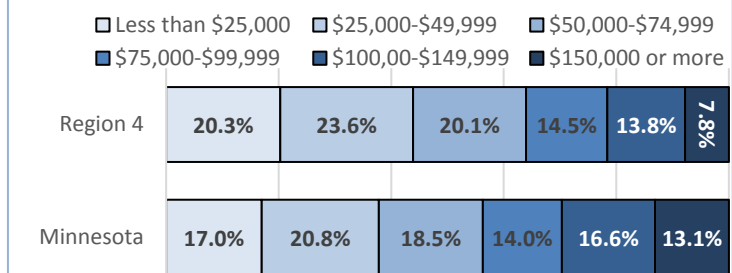
Otter Tail County is the largest employment center in the region and the biggest draw for workers, followed by Douglas and Clay Counties. Employers in the region draw workers from surrounding counties like Cass (ND), Todd, and Stearns County in the St. Cloud MSA. Workers also travel to these same counties for work, as well as Wadena County, and Richland and Grand Forks Counties in North Dakota (Figure 10). The average commute time for workers the region was 19.4 minutes, compared to 23.4 minutes for workers statewide. About 60 percent of workers commuted less than 20 minutes each way, compared to 46.5 percent statewide. About 6.2 percent of workers worked at home, and 3.9 percent were able to walk to work. About half (54.7%) of workers left home between 6:00 a.m. and 8:00 a.m.

INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

Household incomes were significantly lower in EDR 4 than the rest of the state. The median household income in West Central was \$57,498 in 2017, compared to \$65,699 in Minnesota. Less than half (43.9%) of the households in the region had incomes below \$50,000 in 2017, compared to 37.8 percent of households statewide. Only 7.8 percent of households had incomes greater than \$150,000 in the region (Figure 11).

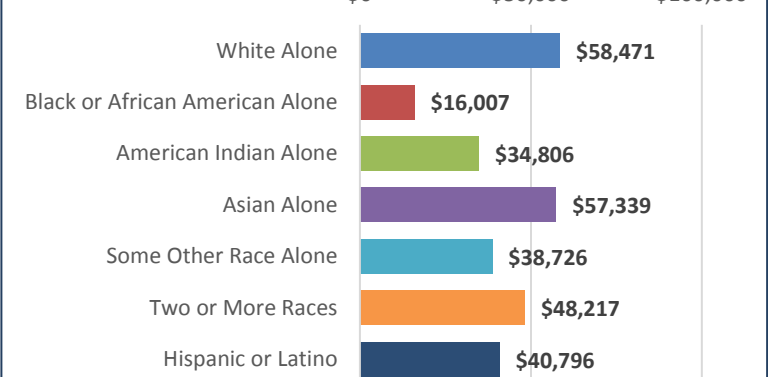
Figure 11. Household Incomes, 2017



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

Median household incomes varied by race or origin in the region. Black or African American households reported the lowest incomes in Region 4, with a median income that was over \$42,000 lower than for White households. American Indian and Hispanic or Latino households also reported much lower median incomes. Meanwhile, Asian households reported similar median income as White households. However, sample sizes were small for several of the other race groups, leading to large margins of error and big swings compared to previous years (Figure 12).

Figure 12. EDR 4-West Central Median Household Income by Race, 2017



Source: 2013-2017 American Community Survey

COST OF LIVING

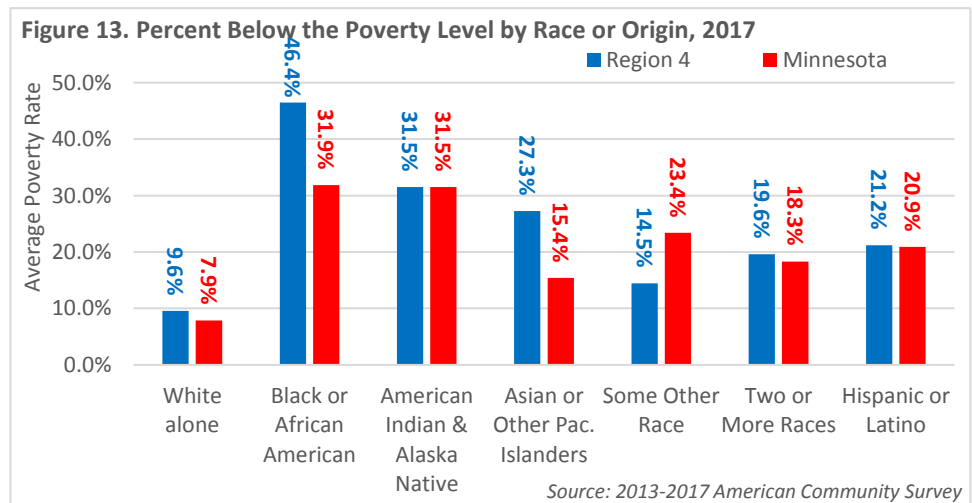
According to DEED’s [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$55,548 in 2018. The cost of living for a similar family in EDR 4 was \$46,512 – which was the fourth lowest of the 13 economic development regions in the state. The highest monthly costs were for transportation, food, and housing; though the region’s housing, child care, and taxes were significantly lower than the rest of the state. In order to meet the basic needs cost of living for the region, the two workers in the family scenario described would need to earn \$14.91 per hour working a combined 60 hours per week.

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 EDR 4 would be \$27,552, which would require an hourly wage of \$13.28 to meet the basic needs standard of living (Table 8).

Table 8. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2018										
Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
EDR 4-West Central										
Single, 0 children	1 FT	\$27,552	\$13.28	\$0	\$330	\$138	\$590	\$629	\$283	\$326
Single, 1 child	1 FT	\$41,136	\$19.78	\$493	\$487	\$338	\$774	\$633	\$387	\$316
2 parents, 1 child	1 FT, 1 PT	\$46,512	\$14.91	\$247	\$753	\$496	\$774	\$729	\$469	\$408
2 parents, 2 children	2 FT	\$64,704	\$15.55	\$821	\$983	\$504	\$1,038	\$768	\$621	\$657
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 4’s poverty rate was 10.8 percent, which was similar to the statewide rate of 10.5 percent. Like incomes, poverty levels varied widely by race and origin. It was estimated that over 46 percent of the region’s Black or African American population was below the poverty level in 2017, compared to just 9.6 percent of the white population. Likewise, poverty levels hovered around 30 percent for American Indians, and 20 percent for people of two or more races. Over 20 percent of people of Asian and Hispanic or Latino origin also were below the poverty level in 2017. In almost all cases, the region’s poverty rate was higher than the state’s poverty rate, except for some other race (Figure 13).



WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Region 4 was \$18.28 in the first quarter of 2019. West Central's median wage was \$2.67 below the state's median hourly wage, equaling 87.3 percent of the statewide wage rate, and \$4.50 below the median hourly wage in the Twin Cities metro area, which would amount to over \$9,000 per year for a full-time worker (Table 9). Based on location quotient, Region 4 stands out for having higher concentrations of education, training, and library, production, community and social service, and protective workers than the state. The largest occupations in the region include office and administrative support, education, training, and library, production, sales and related, and transportation and material moving positions.

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

Source: [DEED Occupational Employment Statistics](#)

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 educational and training requirements. For the most part, the gap in pay between Region 4 and the state is also much lower in these jobs (Table 10).

	Region 4-West Central				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment
Total, All Occupations	\$18.28	89,170	100.0%	1.0	\$20.95	2,867,700	100.0%
Office & Administrative Support	\$17.68	11,720	13.1%	0.9	\$19.10	405,970	14.2%
Education, Training & Library	\$24.00	10,450	11.7%	2.0	\$11.90	242,170	8.4%
Production	\$18.39	9,550	10.7%	1.4	\$14.97	277,070	9.7%
Sales & Related	\$13.64	8,110	9.1%	0.9	\$35.79	190,720	6.7%
Transportation & Material Moving	\$18.36	5,220	5.9%	0.9	\$24.22	166,300	5.8%
Healthcare Practitioners & Technical	\$28.79	5,120	5.7%	0.9	\$12.90	144,070	5.0%
Food Preparation & Serving Related	\$11.61	4,750	5.3%	0.6	\$18.68	214,230	7.5%
Management	\$41.35	4,160	4.7%	0.8	\$51.26	171,250	6.0%
Personal Care & Service	\$13.20	4,030	4.5%	0.9	\$18.48	177,580	6.2%
Healthcare Support	\$16.03	3,710	4.2%	1.4	\$23.13	100,030	3.5%
Building, Grounds Cleaning & Maint.	\$15.45	3,420	3.8%	1.3	\$16.82	83,380	2.9%
Construction & Extraction	\$21.20	3,330	3.7%	1.1	\$28.07	100,510	3.5%
Installation, Maintenance & Repair	\$21.44	3,290	3.7%	1.1	\$14.97	85,820	3.0%
Business & Financial Operations	\$26.55	2,650	3.0%	0.5	\$22.73	57,870	2.0%
Community & Social Service	\$21.88	2,620	2.9%	1.5	\$33.03	164,510	5.7%
Protective Service	\$25.48	2,210	2.5%	1.6	\$21.52	44,390	1.5%
Architecture & Engineering	\$29.60	1,710	1.9%	1.0	\$37.53	56,070	2.0%
Computer & Mathematical	\$32.60	1,120	1.3%	0.4	\$40.96	96,020	3.3%
Arts, Design, Entertainment & Media	\$18.30	700	0.8%	0.6	\$33.54	26,210	0.9%
Life, Physical & Social Science	\$30.34	640	0.7%	0.8	\$24.35	39,670	1.4%
Farming, Fishing & Forestry	\$17.95	360	0.4%	2.9	\$36.50	19,870	0.7%
Legal	\$28.85	280	0.3%	0.5	\$16.51	3,980	0.1%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2019](#)

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 often exceeding \$5.00 per hour – or \$10,000 per year for a full-time worker.

JOB VACANCY SURVEY

Employers in EDR 4-West Central reported 3,532 job vacancies in the fourth quarter of 2018, similar to the number of vacancies posted over the past four surveys, but down from the peak of 5,372 vacancies reported in the second quarter of 2014. Demand for workers was high across all industries, with the largest number of openings in health care and social assistance (940 job vacancies), manufacturing (420 job vacancies), transportation and warehousing (368 job vacancies), educational services (337 job vacancies), retail trade (312 job vacancies), and accommodation and food services (291 job vacancies).

Despite the decrease in job vacancies, wages have risen with the median hourly wage offer from the current survey jumping to \$14.77 per hour, which was the highest wage offer in the history of the job vacancy survey. Wage offers ranged from just over \$10 per hour for personal care and food preparation and serving occupations to over \$25 per hour for healthcare practitioners, life, physical and social services, management, and computer and mathematical occupations.

The largest number of vacancies were in transportation and material moving, food preparation and serving related, healthcare practitioners, production, and office and administrative support. Overall, 39 percent of the openings were part-time, 32 percent required post-secondary education, and 33 percent required 1 or more years of experience (Table 11). In sum, educational requirements in the region had been stable or declining over the past 5 years, while work experience requirements were relatively stable.

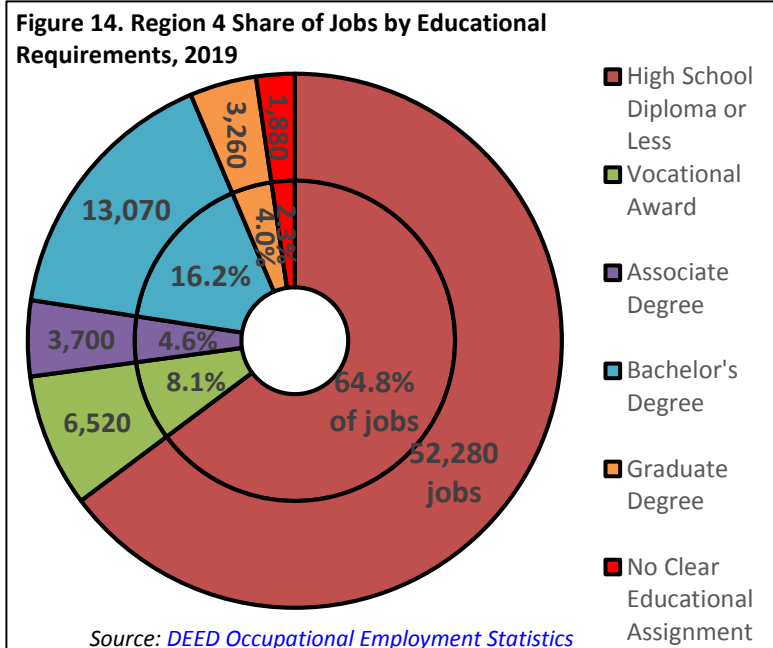
	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	3,532	39%	13%	32%	33%	40%	\$14.77
Transportation & Material Moving	503	23%	16%	10%	74%	81%	\$16.09
Food Preparation & Serving Related	444	70%	19%	4%	7%	5%	\$10.62
Healthcare Practitioners & Technical	408	41%	0%	94%	53%	91%	\$24.00
Production	397	7%	4%	28%	14%	4%	\$14.85
Office & Administrative Support	319	30%	8%	16%	17%	7%	\$12.58
Sales & Related	220	72%	7%	6%	23%	0%	\$12.23
Personal Care & Service	203	84%	10%	12%	13%	50%	\$10.97
Building, Grounds Cleaning & Maint.	198	62%	52%	9%	5%	10%	\$11.97
Healthcare Support	161	52%	0%	25%	7%	96%	\$14.08
Education, Training & Library	149	44%	61%	79%	59%	84%	\$14.50
Installation, Maintenance & Repair	148	0%	3%	17%	25%	3%	\$17.68
Community & Social Service	62	12%	0%	82%	69%	66%	\$20.62
Construction & Extraction	59	9%	0%	34%	34%	32%	\$14.81
Computer & Mathematical	55	2%	0%	90%	98%	4%	\$33.18
Life, Physical & Social Sciences	52	5%	0%	100%	49%	47%	\$27.30
Protective Service	48	59%	33%	10%	12%	85%	\$11.74
Management	46	0%	5%	91%	95%	42%	\$34.79
Business & Financial Operations	29	7%	0%	58%	89%	5%	\$19.65
Arts, Design, Entertainment & Media	14	37%	22%	63%	48%	34%	\$14.67
Architecture & Engineering	12	0%	0%	92%	67%	42%	\$21.73

Source: DEED Job Vacancy Survey, 4th Qtr. 2018

EDUCATIONAL REQUIREMENTS

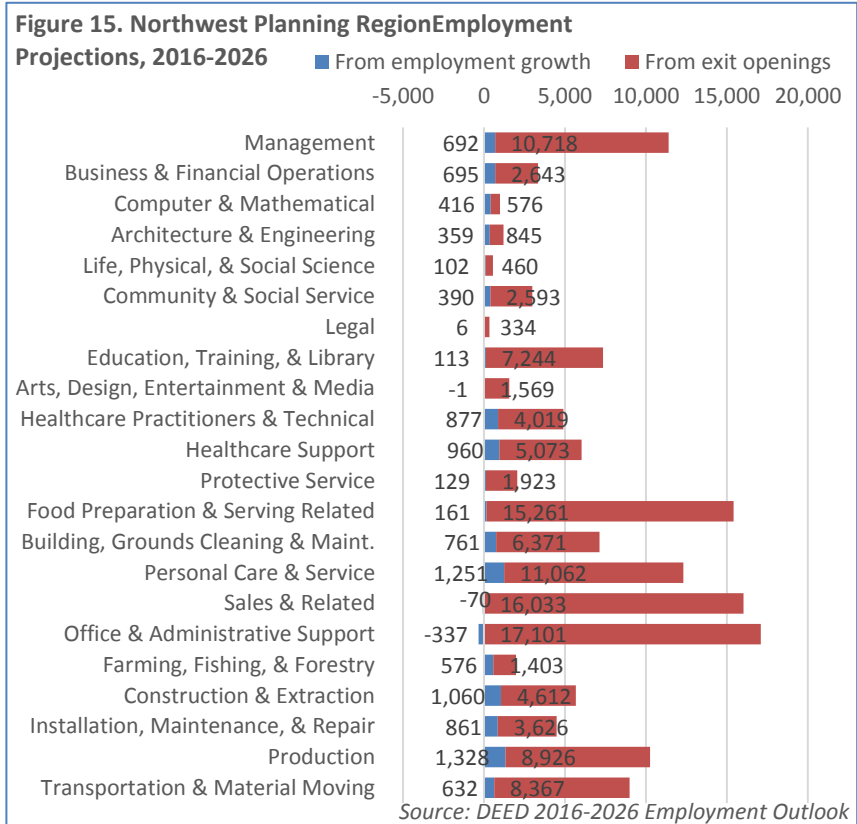
Despite the recent job vacancy data, DEED’s Occupational Employment Statistics program shows that only around one-third of current jobs held in the region require post-secondary education to enter. The other two-thirds require no more than a high school diploma, and sometimes less. However, some amount of on-the-job training is often needed (Figure 14).

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

Overall, the Northwest Planning Region is projected to grow 4.2 percent from 2016 to 2026, a gain of 10,961 new jobs. In addition, the region is also expected to need 130,759 replacement openings to fill jobs left vacant by retirements and other career changers. Production, personal care and service, construction and extraction, healthcare support, healthcare practitioners, and building, grounds cleaning and maintenance occupations are expected to see the most new growth. Arts, design, entertainment and media, sales and related, and office and administrative support occupations are expected to decline but every occupational group will show some future demand through replacement openings (Figure 15).



OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are nearly 500 occupations in demand (OID) in EDR 4, and nearly 300 occupations are showing relatively high demand. Training and education requirements of these occupations range from short-term on-the-job training to postsecondary education and advanced degrees. Most OID require a high school diploma or less, and less than one-third require a bachelor's degree or higher. While OID exist in every sector, the region's major industries are well represented as many of the jobs are concentrated in health care, education, transportation, retail sales and other related industries (Table 12).

Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Cashiers (\$23,786)	Heavy & Tractor-Trailer Truck Drivers (\$43,420)	Registered Nurses (\$72,740)	Secondary School Teachers (\$58,240)
Personal Care Aides (\$25,859)	First-Line Supervisors of Retail Sales Workers (\$38,753)	Nursing Assistants (\$33,025)	Physical Therapists (\$86,468)
Retail Salespersons (\$26,276)	First-Line Supervisors of Food Prep & Serv. Workers (\$33,190)	Licensed Practical & Licensed Vocational Nurses (\$44,340)	Software Developers, Applications (\$82,009)
Combined Food Prep. & Serving (\$23,717)	Teacher Assistants (\$30,528)	Electricians (\$54,844)	Speech-Language Pathologists (\$64,692)
Maids & Housekeeping Cleaners (\$27,599)	Maintenance & Repair Workers, General (\$39,560)	Heating, Air Cond. (HVAC) & Refrig. Mechanics (\$49,128)	Child, Family, & School Social Workers (\$52,059)
Janitors & Cleaners (\$29,961)	Secretaries & Administrative Assistants (\$37,053)	Automotive Service Technicians & Mechanics (\$49,128)	Financial Managers (\$92,497)
Cooks, Restaurant (\$27,757)	Computer-Controlled Machine Tool Operators, Metal (\$37,226)	Radiologic Technologists (\$63,730)	Market Research Analysts & Marketing Spec. (\$55,481)
Laborers & Freight, Stock & Material (\$31,939)	Sales Rep. Wholesale & Manufacturing (\$52,984)	Clinical Laboratory Techs & Technicians (\$54,492)	Family & General Practitioners (\$205,245)
Waiters & Waitresses (\$22,570)	Welders, Cutters, Solderers, & Brazers (\$41,694)	Medical Records & Health Information Techs (\$45,171)	Industrial Engineers (\$78,049)
Construction Laborers (\$35,085)	Drivers/ Sales Workers (\$34,851)	Dental Assistants (\$44,030)	Human Resources Specialists (\$54,389)

Source: [DEED Occupations in Demand](#)

ECONOMY

INDUSTRY EMPLOYMENT

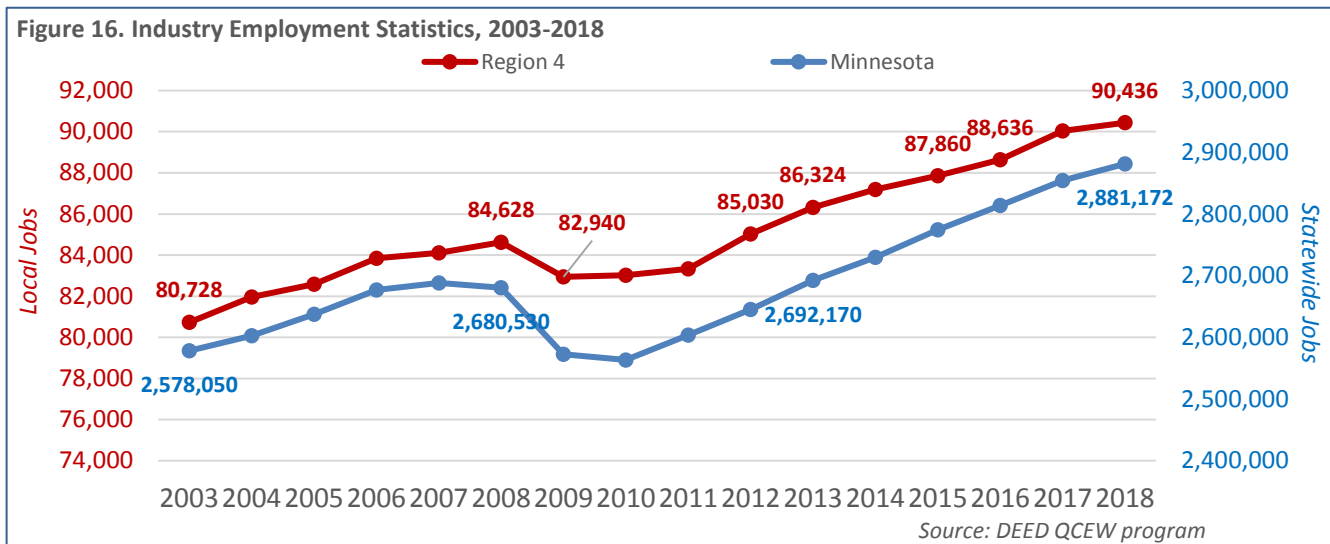
According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 4 was home to 6,959 business establishments providing 90,436 covered jobs through 2018, with a total payroll that exceeded \$3.7 billion. That was 3.1 percent of total employment in the state of Minnesota. Average annual wages were \$41,220 in the region, which was about \$16,800 lower than the average annual wage statewide (Table 13).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2013-2018		2017-2018	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
EDR 4-West Central	6,959	90,436	\$3,727,780,469	\$41,220	+4,112	+4.8%	+400	+0.4%
Becker Co.	1,028	14,515	\$562,594,181	\$38,760	+763	+5.5%	+148	+1.0%
Clay Co.	1,401	19,217	\$787,404,615	\$40,974	+764	+4.1%	+174	+0.9%
Douglas Co.	1,417	18,943	\$822,390,744	\$43,414	+1,148	+6.5%	+158	+0.8%
Grant Co.	263	1,909	\$74,603,283	\$39,080	+9	+0.5%	+7	+0.4%
Otter Tail Co.	1,795	22,913	\$909,114,015	\$39,677	+837	+3.8%	-88	-0.4%
Pope Co.	349	4,436	\$195,782,156	\$44,135	+431	+10.8%	+73	+1.7%
Stevens Co.	348	5,529	\$260,027,872	\$47,030	+285	+5.4%	+2	+0.0%
Traverse Co.	147	1,153	\$40,950,009	\$35,516	+90	+8.5%	-17	-1.5%
Wilkin Co.	211	1,819	\$74,913,594	\$41,184	-217	-10.7%	-56	-3.0%
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 \(QCEW\)](#)

In terms of employment, Otter Tail County is the largest economic center in EDR 4-West Central with 22,913 jobs at 1,795 firms. Traverse County has the smallest economy with 1,153 jobs, but had the second highest growth rate since 2013, at 8.5 percent. Wilkin was the only county to lose jobs from 2013 to 2018, shedding 217 jobs, a 10 percent decrease. Stevens and Pope Counties had the highest average annual wages in the region, and both added employment - the latter at the highest growth rate in the region.

Region 4 has seen employment growth over the past decade and ended 2018 with 7,500 more jobs than it had in 2009. Though it lost jobs during the recession from 2008 to 2009, it had regained all those jobs by 2012. Since 2013, Region 4 has added 4,112 jobs since 2013, a 4.8 percent increase. However, the region has gained jobs at a slower rate than the state, which gained jobs at a 7.0 percent clip from the past five years (Figure 16).



With 16,213 jobs at 656 establishments, the health care and social assistance industry employs the most workers in EDR 4-West Central. After adding 1,170 jobs the last five years, the industry accounted for 17.9 percent of total regional jobs in 2018. The industry was facing a downward trend until 2016, when 624 jobs were added and another 423 jobs were added in 2018. The majority of these gains came in hospitals and ambulatory health care services, although jobs were also added in nursing and residential care facilities and social assistance last year.

Manufacturing is the second largest industry in EDR 4, providing 12,943 jobs at 341 establishments after adding nearly 1,200 jobs from 2013 to 2018. Manufacturing also paid among the highest annual wages in EDR 4 (\$52,800), well over \$10,000 more than the regional average (\$41,220). The largest sectors were machinery manufacturing (2,848 jobs), food manufacturing (2,767 jobs), and fabricated metal product manufacturing (2,397 jobs). Retail trade (11,261 jobs) and accommodation and food services (7,761 jobs) combined account for 21.0 percent of total employment in the region, offering more than one in every five jobs. However, wages are relatively low in both industries, at \$27,557 and \$15,315, respectively.

Other important industries in EDR 4 include educational services, public administration, construction, and wholesale trade, which combined for more than 24,000 jobs, or 26.8 percent of total jobs. Fourteen of 20 regional industries added jobs since 2013, led by huge gains in health care and social assistance, manufacturing, public administration, and educational services. Growth was more scattered in the past year, with 8 of the 20 industries seeing job declines since 2017 (Table 14).

Table 14. EDR 4-West Central Industry Employment Statistics, 2018

Region 4 NAICS Industry Title	2018 Annual Data				2013-2018		2017-2018	
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)	Avg. Annual Wage	Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	6,959	90,436	\$3,727,780	\$41,220	+4,112	+4.8%	+400	+0.4%
Health Care & Social Assistance	656	16,213	\$642,318	\$39,617	+1,170	+7.8%	+423	+2.7%
Manufacturing	341	12,943	\$683,389	\$52,800	+1,091	+9.2%	+260	+2.0%
Retail Trade	919	11,261	\$310,315	\$27,557	-334	-2.9%	-165	-1.4%
Educational Services	137	9,595	\$405,336	\$42,245	+549	+6.1%	+148	+1.6%
Accommodation & Food Services	546	7,761	\$118,860	\$15,315	+114	+1.5%	-28	-0.4%
Public Administration	239	5,863	\$289,661	\$49,405	+1,040	+21.6%	+189	+3.3%
Construction	936	4,685	\$240,604	\$51,356	+287	+6.5%	-18	-0.4%
Wholesale Trade	283	4,087	\$243,353	\$59,543	-166	-3.9%	-113	-2.7%
Other Services	675	2,894	\$69,472	\$24,005	+392	+15.7%	-46	-1.6%
Agriculture, Forestry, Fish & Hunt	351	2,730	\$120,878	\$44,278	+345	+14.5%	+52	+1.9%
Transportation & Warehousing	346	2,601	\$103,441	\$39,770	+65	+2.6%	-14	-0.5%
Finance & Insurance	397	2,165	\$126,990	\$58,656	-91	-4.0%	-34	-1.5%
Professional & Technical Services	379	1,899	\$105,110	\$55,350	+235	+14.1%	+87	+4.8%
Admin. Support & Waste Mgmt. Svc.	258	1,706	\$59,399	\$34,818	-606	-26.2%	-158	-8.5%
Arts, Entertainment, & Recreation	140	1,089	\$16,481	\$15,134	+67	+6.6%	-70	-6.0%
Information	99	996	\$47,904	\$48,096	-33	-3.2%	+20	+2.0%
Utilities	24	702	\$62,184	\$88,581	+10	+1.4%	-2	-0.3%
Real Estate & Rental & Leasing	189	606	\$23,314	\$38,471	+55	+10.0%	-19	-3.0%
Management of Companies	28	511	\$51,540	\$100,860	-72	-12.3%	-104	-16.9%
Mining	19	125	\$7,233	\$57,865	-7	-5.3%	-8	-6.0%

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

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Over one-quarter (25.1%) of workers in the region were 55 years or older, compared to 21.5 percent statewide and just 18.9 percent in the region one decade earlier. In contrast, the percentage of teenaged workers was falling and wages were going up for younger workers (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

EDR 4-West Central	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%	\$17.28	\$12.60	399	372
19 years & under	7.7%	10.5%	6.1%	7.5%	\$10.57	\$7.41	108	117
20 to 24 years	10.7%	12.0%	10.3%	11.6%	\$14.09	\$10.00	264	246
25 to 44 years	38.8%	36.0%	42.9%	42.7%	\$19.50	\$14.40	458	448
45 to 54 years	17.6%	22.6%	19.1%	22.5%	\$20.83	\$15.60	480	480
55 to 64 years	18.5%	14.3%	16.7%	12.6%	\$19.93	\$14.87	476	440
65 years & over	6.6%	4.6%	4.8%	3.1%	\$15.22	\$10.87	208	188
Male	47.8%	46.0%	49.1%	49.0%	\$19.83	\$14.49	480	467
Female	52.2%	54.0%	50.9%	51.0%	\$16.07	\$11.51	344	318

Source: DEED Quarterly Employment Demographics

INDUSTRY PROJECTIONS

The 26-county Northwest Planning Area is projected to grow 4.2 percent from 2016 to 2026, a gain of 10,961 new jobs. The largest and fastest growing industry is expected to be health care and social assistance, which may account for one-third of the total projected growth in the region by 2026. The region is also expected to see significant employment growth in manufacturing, administrative and waste services, agriculture and forestry, wholesale trade, and construction. In contrast, retail trade is expected to cut 1,168 jobs in the next decade, and educational services will also see cuts (Table 16).

Table 16. Northwest Industry Projections, 2016-2026

Industry	Estimated Employment 2016	Projected Employment 2026	Percent Change 2016-2026	Numeric Change 2016-2026
Total, All Industries	262,786	273,747	+4.2%	+10,961
Health Care & Social Assistance	36,018	39,725	+10.3%	+3,707
Manufacturing	28,471	30,356	+6.6%	+1,885
Retail Trade	28,429	27,261	-4.1%	-1,168
Educational Services	23,095	22,758	-1.5%	-337
Public Administration	21,609	22,418	+3.7%	+809
Accommodation & Food Services	20,621	21,205	+2.8%	+584
Wholesale Trade	11,833	13,030	+10.1%	+1,197
Construction	10,252	11,287	+10.1%	+1,035
Other Services, Ex. Public Admin	10,328	10,314	-0.1%	-14
Transportation & Warehousing	7,030	7,246	+3.1%	+216
Agriculture, Forestry, Fish & Hunt	5,949	7,221	+21.4%	+1,272
Administrative & Waste Services	5,031	6,427	+27.7%	+1,396
Finance & Insurance	5,939	6,105	+2.8%	+166
Professional & Technical Services	4,723	5,075	+7.5%	+352
Arts, Entertainment, & Recreation	5,001	5,001	+0.0%	+0
Information	2,660	2,599	-2.3%	-61
Real Estate & Rental & Leasing	1,396	1,448	+3.7%	+52
Utilities	1,193	1,146	-3.9%	-47
Management of Companies	930	970	+4.3%	+40
Mining	255	253	-0.8%	-2

Source: DEED 2016-2026 Employment Outlook

NONEMPLOYER ESTABLISHMENTS

Region 4 was home to 18,185 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).” Like covered employment, Region 4 saw a small but steady increase in nonemployers over the past decade. In sum, the region gained 309 nonemployers from 2007 to 2017, a 1.7 percent increase. Otter Tail County had the most nonemployers in 2017, but Clay County was the fastest growing the last decade. These non-employers generated sales receipts of over \$847 million in 2017 (Table 17).

Table 17. Nonemployer Statistics, 2017

	2017		2007-2017	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
EDR 4	18,185	\$847,764	+309	+1.7%
Becker Co.	2,875	\$143,882	-155	-5.1%
Clay Co.	4,153	\$165,232	+409	+10.9%
Douglas Co.	3,388	\$165,813	+70	+2.1%
Grant Co.	554	\$23,054	-27	-4.6%
Otter Tail Co.	4,847	\$221,861	+35	+0.7%
Pope Co.	986	\$42,765	-15	-1.5%
Stevens Co.	655	\$30,712	-2	-0.3%
Traverse Co.	257	\$11,695	-34	-11.7%
Wilkin Co.	470	\$42,750	+28	+6.3%
Minnesota	409,860	\$19,370,490	+22,876	+5.9%

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Finally, one of the most important industries in Region 4 is agriculture, with 7,857 farms producing \$2 billion in the market value of products sold in 2017, according to the U.S. Department of Agriculture. Region 4 had 11 percent of the state’s farms, and 11 percent of the state’s total market value, led by Otter Tail, Stevens, and Clay County, which were all among the top 30 counties in the state for the market value of products sold (Table 18). Region 4 has had a 26.6 percent decline in market value over the past 5 years.

Table 18. Census of Agriculture, 2017

	Number of Farms	Market Value of Products Sold	State Rank
EDR 4	7,857	\$2,015,632,000	4
Becker Co.	943	\$174,531,000	53
Clay Co.	694	\$277,750,000	27
Douglas Co.	960	\$100,345,000	59
Grant Co.	524	\$190,286,000	46
Otter Tail Co.	2,544	\$349,919,000	16
Pope Co.	837	\$199,295,000	44
Stevens Co.	553	\$327,441,000	21
Traverse Co.	411	\$210,468,000	41
Wilkin Co.	391	\$185,597,000	50
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 Cameron Macht at (320) 441-6596 or at cameron.macht@state.mn.us.