Minneapolis Adds 1,100 Jobs, Unemployment Rate Falls

Nonfarm firms across Minnesota added 1,100 jobs in August. Payrolls are up a modest 0.4% over the past year, as labor scarcity continues to pose challenges for employers. The unemployment rate fell to 3.3%.

Unemployment Rate Ends Its Upward Drift

- The unemployment rate fell for the first time since June 2018, down 0.1 percentage point to 3.3%. Employment rose faster in August than the labor force, reversing the trend of the past year.
- The state added 1,100 jobs over the month and 11,800 jobs over the past year. Leisure & hospitality (+2,700) and financial activities (+1,100) were the strongest in August. Manufacturing shed 700 jobs, while trade, transports & utilities lost 500 jobs.

Lack of Qualified Workers Holding Back Hiring

- Employers continue to cite finding the right labor as a major challenge. The labor force participation rate, one of the highest in the country, rose further to 70.1% in August.
- Over the past year, the Twin Cities have lost 900 jobs, despite being home to around 70% of the Gopher State’s employment base. Each of the state’s other four metro areas have grown at a rate above the state as a whole.