

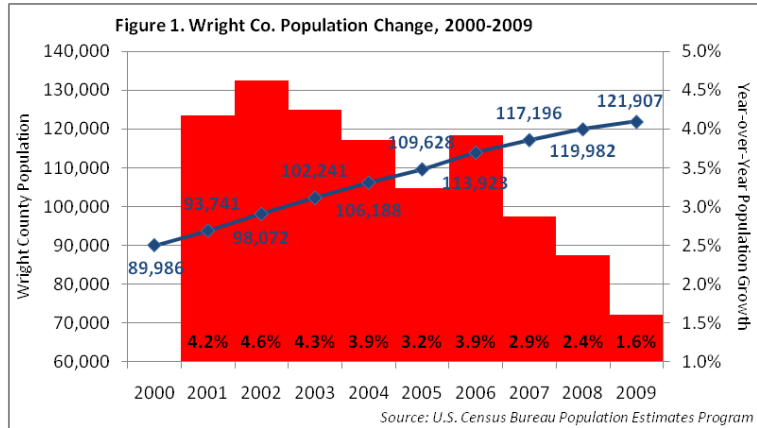
Wright County Labor Market Profile

Updated July 2010

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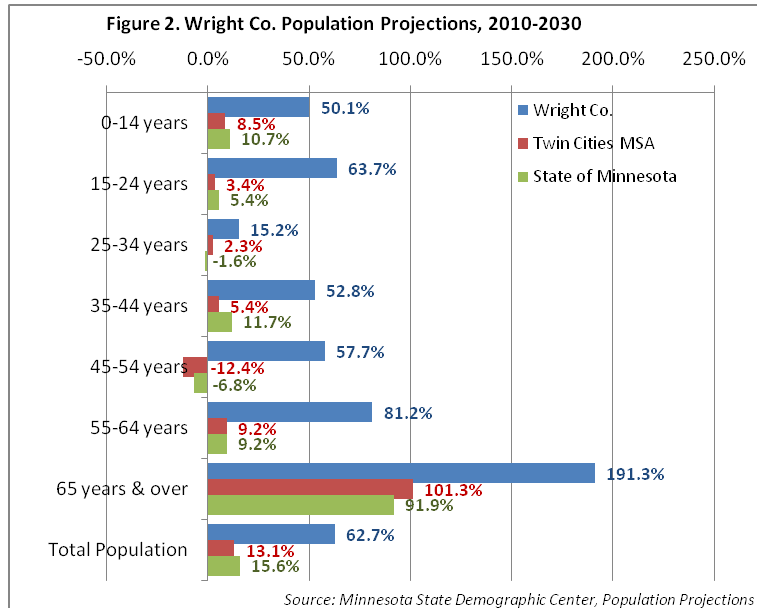
Population and Diversity

Wright County has been experiencing rapid population growth as the Twin Cities metro area stretches farther north, welcoming nearly 32,000 new people to the county since the turn of the century. With 121,907 people, Wright County is now the 10th largest county in Minnesota. In the first four years of the decade, Wright County's population expanded more than 4 percent annually, then gained between 3 and 4 percent the next couple years, before slowing to just 1.6 percent between 2008 and 2009. Though the rate of growth was slowing, Wright County was still the third fastest growing county in the state throughout the decade after rising 35.5 percent, behind only Scott and Sherburne Counties. In comparison, the state of Minnesota grew 7.0 percent so far this decade, gaining about 350,000 new residents. (See Figure 1.)



Population projections from the Minnesota State Demographic Center show continued growth over the next 20 years as well, with Wright County expected to see a 62.7% increase from 2010 to 2030. If that happens, Wright County could have as many as 200,000 people. Population growth in Wright County is projected to outpace the state of Minnesota – and the 7-County Twin Cities metropolitan statistical area – in all age groups, most noticeably in two key areas:

First, residents in the 25- to 54-year-old group – considered the prime working years – is expected to expand 40.5 percent in Wright County from 2010 to 2030, but less than one percent in the state of Minnesota as a whole. Throughout the last decade, many of these new residents are young-married couple families, which has led to corresponding increases in the number of people aged 0 to 14 years in Wright County. Looking ahead, the youngest age groups are projected to grow over 50 percent in Wright County, as compared to 10.7 percent statewide. The entry-level workforce, aged 15 to 24, is also expected to grow significantly faster in Wright County than the state. (See Figure 2.)



Next, much like the rest of the state, the fastest growing age group in Wright County includes baby boomers. The number of people aged 65 years and over is expected to almost triple in the county from 2010 to 2030; and might double in the state of Minnesota. In 2010, about 8.8 percent of the Wright County population was aged 65 years and over, as compared to about 12.4 percent statewide. By 2030, perhaps 15.7 percent of Wright County's population will be senior citizens, which is significantly higher; but still low as compared to the 20.6 percent share projected for the state.

Wright County's population has benefited from an increase in births and longer life expectancies, but immigration is also a significant factor. Three-fourths of the recent population growth was due to net immigration, as over 15,000 more people moved into Wright County than moved out from 2000 to 2005. Wright County also had the eighth largest natural increase in the state during that time frame – with 5,779 more births (8,570) than deaths (2,791).

While Wright County’s population is 96.3 percent white, the county also saw significant changes in all race and origin categories, including rapid growth in Black or African American residents and persons of Hispanic origin. Through 2008, about 2.1 percent of Wright County’s residents were of Hispanic or Latino origin, 1.2 percent were Asian, and 1.1 percent were Black or African American.

From 2000 to 2007, Wright County added 13,569 net new housing units according to the U.S. Census Bureau, which averages out to 1,938 new housing units each year. However, as the county’s population growth slowed, the number of house sales fell rapidly. According to data from the Minnesota State Demographic Center, the number of sales occurring in Wright County dropped 31 percent from 2007 to 2008, leading to a 12.3 percent drop in median sales prices. After surpassing \$220,000 in 2007, the median sales price for homes fell to \$193,951 in 2008. Unfortunately, while sales were declining the number of foreclosures jumped almost 35 percent from 2007 to 2008, according to data from HousingLink. Wright County had the sixth most foreclosures in the state in 2008, with 1,008 – up from just 305 foreclosures in 2006. That number dropped back down to 861 in 2009.

According to 2008 estimates from the U.S. Census Bureau’s Small Area Income & Poverty Estimates program, Wright County had the eighth-highest median household income in Minnesota, at \$66,825. Wright County’s median household income was nearly \$10,000 higher than Minnesota’s (\$57,318).

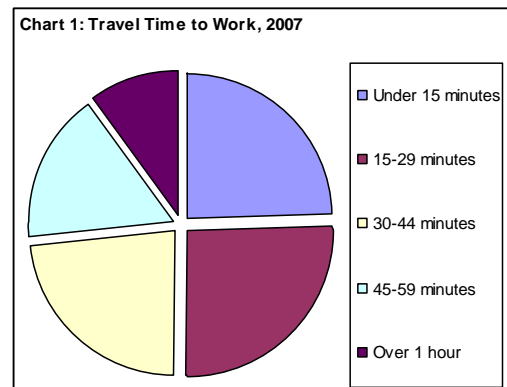
Labor Force Availability

This past, present, and future growth provides area employers with a hard-working, available work force and a steady consumer base. Close proximity to the Twin Cities has led to high levels of commuting in Wright County, with just 32.5 percent of Wright County residents both living and working within their home county. Well over half (more than 50.9%) of residents were driving into the seven county Twin Cities metro area for work in 2008, including Hennepin, Ramsey, and Anoka Counties. In fact, more Wright County residents drove to work in Hennepin County than worked in Wright County. Despite the huge labor export, Wright County also draws workers from surrounding counties, including Sherburne, Hennepin, Stearns, Meeker, and Anoka Counties. (See Table 2.)

Residence	Workplace	Count	Residence	Workplace	Count
Wright Co. MN	Wright Co. MN	18,546	Wright Co. MN	Hennepin Co. MN	22,245
Sherburne Co. MN	Wright Co. MN	3,492	Wright Co. MN	Wright Co. MN	18,546
Hennepin Co. MN	Wright Co. MN	3,421	Wright Co. MN	Ramsey Co. MN	2,731
Stearns Co. MN	Wright Co. MN	1,425	Wright Co. MN	Anoka Co. MN	2,064
Meeker Co. MN	Wright Co. MN	973	Wright Co. MN	Sherburne Co. MN	2,057
Anoka Co. MN	Wright Co. MN	821	Wright Co. MN	Stearns Co. MN	1,981
McLeod Co. MN	Wright Co. MN	713	Wright Co. MN	Dakota Co. MN	1,073
All Other Counties	Wright Co. MN	4,079	Wright Co. MN	All Other Counties	6,265
Total Primary Jobs in Wright Co.		33,470	Total Primary Jobs held by Wright Co. Residents		56,962

Source: U.S. Census Bureau Worker Origin-Destination Database, 2008

This has led to increased commute times for workers, with more than 10 percent of Wright County workers traveling an hour or more one way to work. About 25 percent of Wright County workers traveled less than 15 minutes to work, including about 4 percent that traveled under 5 minutes. Another 25 percent of workers spent between 15 and 30 minutes on the way to work. That means nearly half (49.9%) of workers spent at least a half hour commuting to work one way. Twenty-three percent traveled between 30 and 44 minutes; 16.6 percent commuted 45 minutes to an hour; and nearly 2 percent spent more than an hour and a half one way. This data shows that workers are displaying an increased willingness to spend more time in the car on the way to work. (See Chart 1.)



Labor Force Participation

Employees in Minnesota are well known for their willingness to work and their hard work ethic. In fact, Minnesota has one of the highest labor force participation rates in the United States, at 71.5%, and ranked near the top in female labor force participation as well, at 66.7%.

Wright County easily exceeded these superior rankings due to the high number of younger, married couple families living in and moving into the county. Wright County's labor force participation rate is 77.7% in 2008, more than 6% higher than the state rate. And in Wright County, 71.9% of females aged 16 years and over are in the labor force, another 5% higher than the already high state rate. (See Figure 3.)

Figure 3: 2008 Labor Force Participation Rates

Area	Labor Force Participation	
	Overall	Female
Wright County	77.7%	71.9%
State of Minnesota	71.5%	66.7%

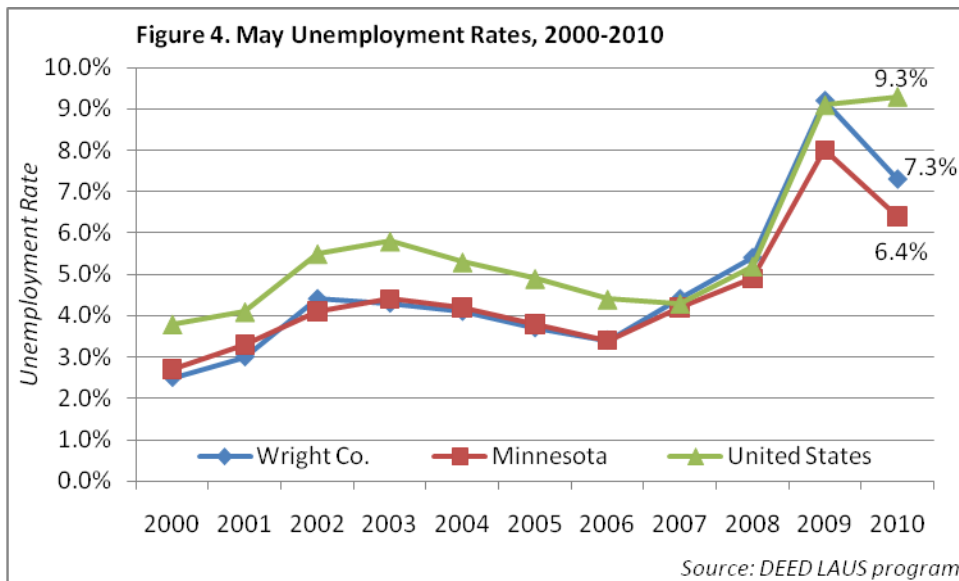
Source: American Community Survey, 2006-2008

Because workers are less mobile than other factors of production, availability of workers is important to firm location. Obviously, the most available workers are the unemployed. According to data from DEED's Local Area Unemployment Statistics (LAUS) program, Wright County had a labor force of 68,158 people in May of 2010. Of those, 4,942 people were considered unemployed (available and actively seeking work), leading to an unemployment rate of 7.3%. From May of 2007 to May of 2009, Wright County's unemployment rate increased nearly 5%, from 4.4% to 9.2%, before creeping back down to 7.3% in May of 2010. Wright County mirrored the state for the first half of the decade, then saw rates jump above the state rate from May of 2007 through May of 2010. (See Figure 4.)

Table 3. Unemployment Statistics, May 2010

Geographic Area	Labor Force	Unemp. Workers	Unemp. Rate
Wright Co.	68,158	4,942	7.3%
Central MN	229,394	15,605	6.8%
Minnesota	2,983,172	203,979	6.8%

Source: DEED LAUS program



Industry Employment Statistics

With 3,004 business establishments providing 34,938 covered jobs and paying out average weekly wages of \$635 in 2009, Wright County's economy is feeling the impact of the state and national recession. Between 2008 and 2009, employment in Wright County decreased -5.5%, or -2,031 net fewer covered jobs. In comparison, the state of Minnesota lost jobs at a -4.2% clip. The recent decline dampens what had been steady employment growth in Wright County. Even with the recent decline, Wright County has added over 6,000 net new covered jobs between 2000 and 2009, a 21.1% expansion. Over that same time frame, the state of Minnesota saw a net loss of just over -40,000 jobs, a -1.5% decrease.

Due to the on-going demographic growth, retail trade was the largest employing industry in Wright County, with 5,809 jobs at 391 firms through 2009. However, retail trade dropped -167 jobs from 2008, responding to the slowing economy. In contrast, the second largest industry in Wright County was health care and social assistance, which gained 171 net new jobs from 2008 to 2009. Educational services was the third largest employing industry, with 4,003 jobs at 49 institutions, and held steady over the last year.

Nearly one-fourth of the county's manufacturing jobs were eliminated between 2008 and 2009, but the manufacturing industry still provides the fourth most covered jobs in the county, with 3,965 covered jobs, after losing a staggering -1,279 jobs over the last year. Likewise, the construction industry suffered -533 fewer jobs, a -17% decline, as the residential market contracted. Construction still provides over 2,545 jobs and has one of the highest average weekly wages in the county.

Accommodation and food services welcomed 102 net new jobs from 2008 to 2009, a 2.8% rise. Utilities also added 16 jobs – a 1.5% expansion – and was the highest paying industries in the county with \$1,459 average weekly wages. Other important industries in the county included wholesale trade, information, transportation and warehousing, administrative and waste services, professional and technical services, and finance and insurance. (See Table 3.) Wright County also had 9,218 nonemployer establishments in 2008, as well as 1,531 farms in 2007.

Table 3: Wright County Industry Employment Statistics, 2008-2009

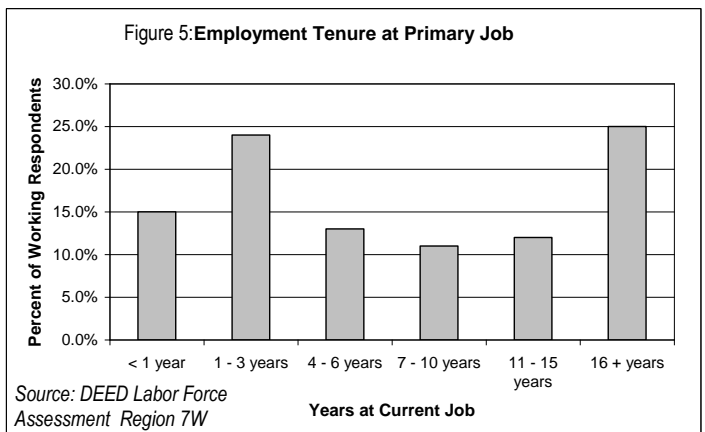
NAICS Industry Title	Number of Firms 2009	Number of Jobs 2009	Avg. Weekly Wage 2009	Percent of Total County Jobs	Numeric Change in Firms 2008-09	Numeric Change in Jobs 2008-09	Percent Change in Jobs 2008-09	Percent Change in Wage 2008-09
0 - Total, All Industries	3,004	34,938	\$635	100.0%	-52	-2,031	-5.5%	-0.6%
23 - Construction	598	2,545	\$944	7.3%	-11	-533	-17.3%	1.3%
31 - Manufacturing	216	3,965	\$860	11.3%	-5	-1,279	-24.4%	5.0%
22 - Utilities	9	1,095	\$1,459	3.1%	0	16	1.5%	-3.8%
42 - Wholesale Trade	109	1,292	\$989	3.7%	-4	-9	-0.7%	1.1%
44 - Retail Trade	391	5,809	\$395	16.6%	-14	-167	-2.8%	-3.4%
48 - Transportation & Warehousing	115	888	\$653	2.5%	-9	-14	-1.6%	-4.5%
52 - Finance and Insurance	148	709	\$808	2.0%	1	-40	-5.3%	2.3%
53 - Real Estate & Rental & Leasing	118	299	\$541	0.9%	-14	-21	-6.6%	4.0%
54 - Professional & Technical Services	232	632	\$687	1.8%	-5	-109	-14.7%	-6.7%
55 - Management of Companies	10	131	\$954	0.4%	-2	15	12.9%	3.2%
56 - Administrative & Waste Services	169	1,417	\$601	4.1%	1	103	7.8%	-0.7%
61 - Educational Services	49	4,003	\$705	11.5%	-1	-6	-0.1%	1.7%
62 - Health Care & Social Assistance	185	4,483	\$634	12.8%	8	171	4.0%	0.3%
71 - Arts, Entertainment, & Recreation	51	589	\$224	1.7%	-2	-148	-20.1%	4.2%
72 - Accommodation & Food Services	189	3,777	\$219	10.8%	-3	102	2.8%	3.3%
81 - Other Services, Ex. Public Admin.	256	1,266	\$364	3.6%	6	32	2.6%	1.7%
92 - Public Administration	80	1,307	\$766	3.7%	0	-55	-4.0%	9.4%

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

Employment Tenure and Employee Loyalty

Research shows that Americans are changing jobs and careers more frequently, regardless of the economy. The median number of years that wage and salary workers across the United States had been with their current employer was 3.7 years in January 2002, according to the Bureau of Labor Statistics. Despite these trends to the contrary, workers in Central Minnesota continue to display a remarkable amount of loyalty to their employers.

According to recent Labor Force Assessments conducted in Region 7W, the median employee tenure was nearly twice as high – 7 years – in Sherburne County; and 6 years in Wright. This data shows that workers in Central Minnesota are more likely to stay with their employers for the long term. (See Figure 5.)



Labor Force Affordability

Although businesses *will* pay more for higher quality workers, they would rather have equivalently skilled workers at less cost. Region 7W, which includes Wright County, offers skilled, available workers at less cost than the Twin Cities Metro Area. Since labor is a major cost of doing business, these savings translate directly to the bottom line.

Included at right is data collected from the first quarter of 2010 Minnesota Salary Survey, showing the median hourly wages for different occupation groups. However, the survey also provides detailed wage rates (including the 10th, 25th, 50th, 75th, and 90th percentiles) for 750 different occupations, which can be accessed online (and is updated each quarter).

Some of the largest gaps in pay occur in management occupations, but there are also noticeable disparities in architecture & engineering occupations, computer occupations, legal occupations, construction occupations, and production occupations. The gaps are smaller for lower-skilled occupations, including food prep, personal care, and maintenance occupations. Overall, the wages in Region 7W are lower than comparable wages in the 7-County Twin Cities metro area. (See Table 4.)

	Region 7W	Minneapolis-St. Paul MSA
Total, All Occupations	\$15.27	\$19.04
Management Occupations	\$36.77	\$48.51
Business & Financial Operations Occs.	\$24.44	\$28.41
Computer & Mathematical Occupations	\$27.82	\$36.58
Architecture & Engineering Occupations	\$26.10	\$32.76
Life, Physical, & Social Science Occs.	\$25.05	\$31.74
Community & Social Service Occupations	\$18.27	\$19.16
Legal Occupations	\$31.38	\$41.21
Education, Training, & Library Occs.	\$19.40	\$21.15
Arts, Design, Ent., Sports, & Media Occs.	\$19.83	\$22.23
Healthcare Practitioners & Technical Occs.	\$29.33	\$33.05
Healthcare Support Occupations	\$11.97	\$14.00
Protective Service Occupations	\$21.83	\$17.10
Food Prep. & Serving Related Occupations	\$9.40	\$9.69
Building & Grounds Cleaning & Maint. Occs.	\$11.81	\$12.40
Personal Care & Service Occupations	\$11.59	\$11.39
Sales & Related Occupations	\$10.57	\$14.05
Office & Admin. Support Occupations	\$14.24	\$16.86
Farming, Fishing, & Forestry Occupations	\$14.08	\$11.46
Construction & Extraction Occupations	\$20.40	\$28.19
Installation, Maint., & Repair Occupations	\$19.46	\$22.14
Production Occupations	\$15.36	\$16.74
Transportation & Material Moving Occs.	\$14.50	\$14.86

Source: 2010 1st Qtr. DEED Minnesota Salary Survey

Labor Force Quality – Education

Although the importance of labor quality is a recurring theme in survey results and site selection consultants' judgments, the empirical research faces difficulties quantifying quality. The most common labor quality indicator is the education of the workforce. A prevalence of other businesses that employ workers with desired skills also indicates workforce quality.

The percentage of the population with a high school education is often found to matter for business growth. Minnesota is well known for its high-quality education and high graduation rates. Through 2008, 90.6 percent of Minnesota residents aged 18 years and over are high school graduates, and more than one out of every four people (28.5%) had a bachelor's degree or higher. In comparison, 84.3 percent of United States residents aged 18 years and over were high school graduates and 25.0% had a bachelor's degree or higher.

Even higher than Minnesota, 92.9 percent of Wright County residents aged 18 years and over with a high school diploma or GED. In contrast, Wright County had a lower percentage of people with a bachelor's degree or higher than the state of Minnesota, at 22.0 percent.

Although only 17.4 percent of Wright County residents aged 18 years and over had a bachelor's degree in 2008, about one-fourth (24.0%) had attended some college and 11.2 percent earned an associate degree. Another 4.6 percent had a graduate or professional degree. (See Table 5.)

	Wright Co.	State of Minnesota	United States
Less than 9th grade	1.9%	3.4%	5.9%
9th to 12th grade, no diploma	5.2%	6.0%	9.8%
High school graduate (includes equivalency)	35.6%	28.4%	30.0%
Some college, no degree	24.0%	24.5%	22.3%
Associate's degree	11.2%	9.3%	7.1%
Bachelor's degree	17.4%	19.8%	16.2%
Graduate or professional degree	4.6%	8.7%	8.8%

Source: American Community Survey, 2006-2008

