

## Minnesota

Minnesota held up relatively well during the recession compared to other states in the Midwest and the rest of the country. Unemployment reached 7 percent in September 2010 and has since dipped slightly to 6.6 percent by March 2011. Although that represented a significant increase from previous years, Minnesota's jobless rate has remained below the national average of 8.8 percent.

The state shed about 75,000 private sector jobs in 2009, but maintained a year-to-year rate of decline that is lower than the rest of the region and the country as a whole (Creighton University, 2009).

Minnesota had a GDP growth rate of 5.3 percent in the beginning of the recession (2006-2007) (Minnesota Department of Employment and Economic Development, 2010).

As Minnesota climbs out of the recession—and as markets attempt to repair some of the damage incurred between 2007 and 2009—we forecast job gains for some sectors and continued contraction for others. Construction jobs have been particularly vulnerable, especially in metropolitan areas, with job loss rates near 23 percent over a two-year period.

The largest employers in the state are more diverse than other states in the region; they include government, retail, financial services, healthcare services, and private education services. Twin Cities Business reported that, as of 2009, the state and federal governments are the first and third largest employers in the state, respectively. However, they are joined by major healthcare companies, including the world-famous Mayo Clinic, as well as the University of Minnesota, the Target Corporation, Wells Fargo, and 3M.

The fastest-growing employers in Minnesota show that the state's economy and the job opportunities it will provide are becoming even more diverse and education intensive. According to the Minneapolis-St. Paul Star Tribune (2011), Minnesota-based companies that saw the most employment growth between 2009 and 2010 were Capella Education Company, a proprietary higher education group; Datalink Corporation and Compellent Technologies Inc., which is in information services; and Synovis Life Technologies Inc. and AGA Medical Holdings, Inc., which provide high-tech healthcare products.

TABLE 9: SNAPSHOT OF EDUCATIONAL DEMAND FOR TOTAL JOBS IN MINNESOTA (2008 AND 2018)

|                       | 2008    | 2018    | % change |
|-----------------------|---------|---------|----------|
| High school dropouts  | 185,000 | 189,000 | 2%       |
| High school graduates | 759,000 | 782,000 | 3%       |
| Some college          | 703,000 | 743,000 | 6%       |
| Associate's           | 348,000 | 374,000 | 7%       |
| Bachelor's            | 672,000 | 729,000 | 8%       |
| Graduate              | 264,000 | 293,000 | 11%      |

By 2018, 70 percent of all jobs in Minnesota (2.1 million) will require some training beyond high school. Between 2008 and 2018, new jobs in Minnesota requiring postsecondary education and training will grow by 152,000, while jobs for high school graduates and dropouts will grow by just 28,000.

Through 2018, we project that Minnesota will create 902,000 job vacancies, both from newly created jobs and existing positions that become vacant due to retirement. Of those openings, 620,000 will be for workers with postsecondary credentials, 227,000 for high school graduates, and 55,000 for high school dropouts.

Minnesota ranks 5th in the share of its jobs that will require a Bachelor's degree by 2018, and 48th in jobs for high school dropouts.

## Missouri

Missouri's economy was shaken by the recession, although it was showing some signs of stabilization by 2009: home prices stopped falling, jobless claims numbers held steady, and consumer confidence was positive.

The state's GDP exceeded \$238 billion in 2008, primarily due to contributions by agriculture, government and public education services, trade, transportation and utilities, and a number of service industries.

Missouri's unemployment rate was 9.1 percent in March 2011, slightly above the national average of 8.8 percent. By the official end of the recession in June 2009, Missouri's total nonfarm employment had declined by 2.7 percent compared to the previous year. Manufacturing lost 11.6 percent of its workers (34,000 jobs), with losses spread fairly evenly across all sub-sectors (Missouri Economic Research and Information Center, 2009; The Council of State Governments, 2011).

Private sector jobs declined by 75,000 between 2008 and 2009, although Missouri's private sector losses were lower than many other states in the Midwest and the rest of the country. Private education services and healthcare services industries stood against the recessionary tide, growing by about 8,500 jobs in 2009.

Since 2003, professional and business services, government and public education services, private education services, and healthcare services have seen their shares of the state economy grow, while manufacturing and financial services have declined in share.

Missouri's largest private employers reflect the growing dominance of healthcare services and private education services. Six of the 10 largest private employers in the state are in the healthcare services and private education services, according to the Missouri Economic Research and Information Center (2011). These are Barnes-Jewish Hospital, Lester E. Cox Medical Centers, St. John's Mercy Health, St. John's Regional Health, St. Louis University, and Washington University. Other major employers are the Boeing Company, and several wholesale and retail trade companies.

The largest employers do not tell the full story about the source of emerging industries and opportunities in the state. Several niche manufacturers, as well as a financial services company