

Employment and Economic Trends

January 2019

Employment and Economy

While many factors influence the need for housing, employment opportunities represent a predominant demand-generator. Without jobs and corresponding wages, the means to afford housing is severely limited. Employment opportunities are provided by a broad range of private and public business sectors. Jobs are available in manufacturing, commercial services, agriculture, and other industries. The type of employment, wage level, and working conditions will each influence the kind of housing that is needed and at what level of affordability.

Major Employers

The larger employers in Koochiching County include the following:

- ▶ Packaging Corporation of America
- ▶ School District #361
- ▶ Local Governments (including Koochiching County)
- ▶ Rainy Lake Medical Center
- ▶ United Health Group
- ▶ Good Samaritan
- ▶ Menards
- ▶ Super One
- ▶ Wagner Construction
- ▶ Littlefork Medical Center
- ▶ County Market
- ▶ Rainy River Community College
- ▶ Kmart
- ▶ Essentia Health
- ▶ Voyagers National Park
- ▶ Keep Enterprises
- ▶ NorthStar Publishing & The Journal
- ▶ Shannon's Inc.

Source: Koochiching Economic Development Authority

Employment and Wages by Industry

The following table shows the annual employment and average annual wages by major employment sector for 2017, the last full year of data. It is important to note that the major employment sectors listed do not represent all employment in the County. Some groups, including self-employment, are not represented. This information is only for all of Koochiching County.

Table 1 Koochiching County Average Annual Wages by Industry: 2017		
Industry	Employment	Average Annual Wage
Total All Industry	4,449	\$40,300
Construction	176	\$49,348
Manufacturing	683	\$76,024
Trade, Transportation, Utilities	946	\$27,300
Information	61	\$33,540
Financial Activities	181	\$45,864
Professional and Business Services	123	\$24,388
Education and Health Services	955	\$40,560
Leisure and Hospitality	645	\$17,732
Other Services	104	\$11,908
Public Administration	446	\$50,544

Source: MN Department of Employment and Economic Development

The average annual wage in Koochiching County for all industry in 2017 was \$40,300. The highest paying wage sector was Manufacturing at more than \$76,000. Manufacturing was also the third largest industry sector for the number of employed people.

The City’s largest employment sector, Education and Health Services, had an average wage of \$40,560 annually, very similar to the Countywide average.

There were two employment sectors in the County, Leisure and Hospitality, and Other Services that had average annual wages below \$20,000 in 2017.

Annual Covered Employment

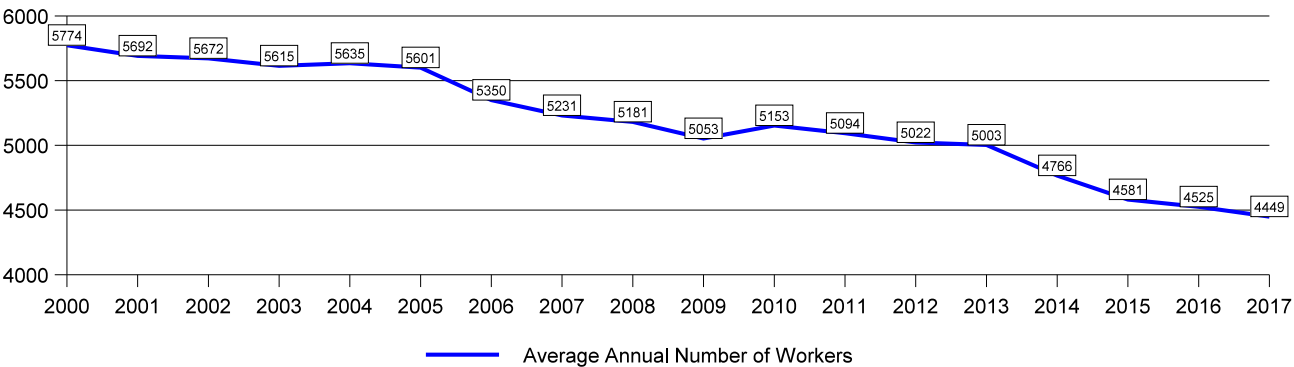
Since the Quarterly Census of Covered Workers (QCEW) tracks employees covered by unemployment insurance by location, it is possible to examine longer-term patterns in the employment level. The following table displays the total number of workers reported in Koochiching County back to the year 2000.

Table 2 Koochiching County Average Annual Employment			
Year	Total Covered Employment	Year	Total Covered Employment
2000	5,774	2009	5,053
2001	5,692	2010	5,153
2002	5,672	2011	5,094
2003	5,615	2012	5,022
2004	5,635	2013	5,003
2005	5,601	2014	4,766
2006	5,350	2015	4,581
2007	5,231	2016	4,525
2008	5,181	2017	4,449

Source: QCEW - MN Dept. of Employment and Economic Development

When viewed over a longer-term there has been a gradual loss of employment in the County, as tracked by unemployment compensation. If 2017 is compared to the year 2000, there had been a decrease of more than 1,300 jobs. It is important to note that not all employment is covered by unemployment insurance, including people that are self-employed.

Number of Covered Workers in Koochiching County



Labor Force, Work Force and Unemployment

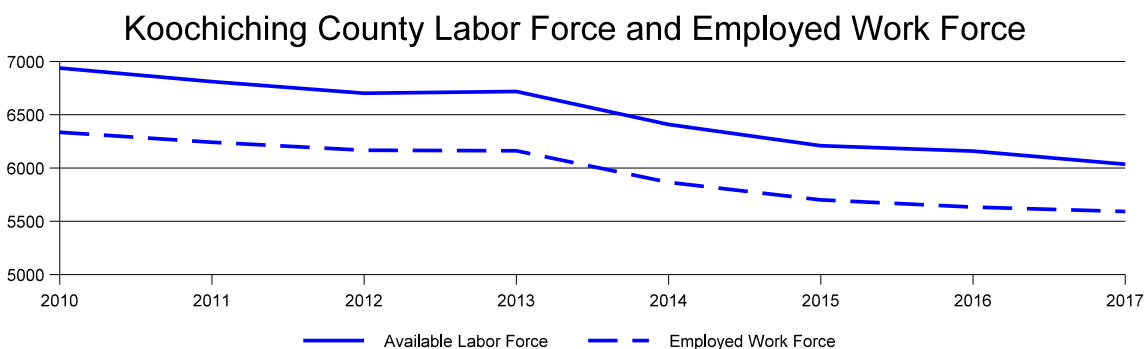
The Minnesota Department of Employment and Economic Development provides employment information for Counties in the State. The following table looks at statistics since 2010. This information tracks the status of people that live in the Koochiching County, regardless of the location of their job.

Table 3 County Labor Force and Employment: 2010 to 2017						
Year	Labor Force	Employed	Unemployed	Unemployment Rate - City	Unemployment Rate - MN	Unemployment Rate - US
2010	6,938	6,336	602	8.7%	7.4%	9.6%
2011	6,811	6,242	569	8.4%	6.5%	8.9%
2012	6,702	6,167	535	8.0%	5.6%	8.1%
2013	6,718	6,162	556	8.3%	5.0%	7.4%
2014	6,409	5,866	543	8.5%	4.2%	6.2%
2015	6,209	5,701	508	8.2%	3.7%	5.3%
2016	6,159	5,634	525	8.5%	3.9%	4.9%
2017	6,036	5,592	444	7.4%	3.5%	4.4%

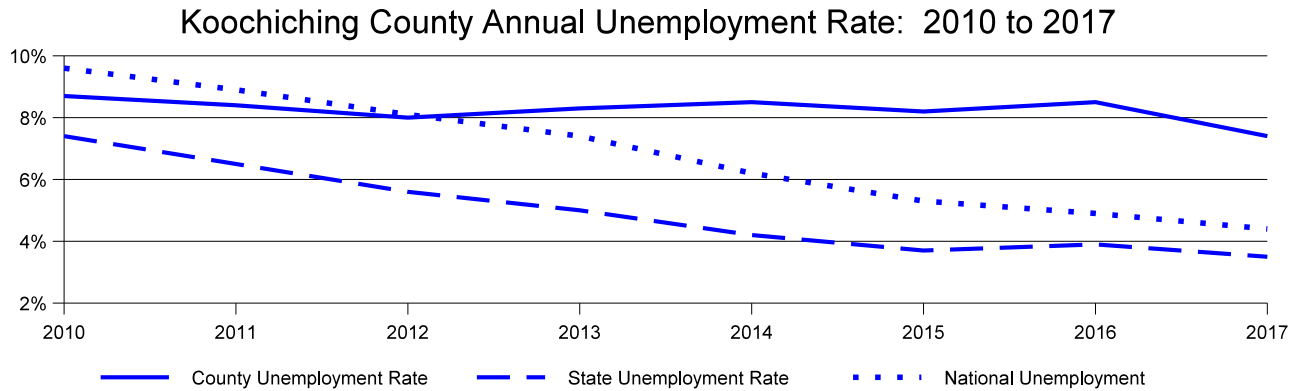
Source: MN Department of Employment and Economic Development

There has been a gradual decrease in the size of the County’s available labor force so far this decade. When comparing 2017 to 2010, the resident labor force decreased by 902 people, or 13%.

There has also been some decrease in the employed resident work force, but that has declined at a slower rate. When comparing 2017 to 2010, the number of employed County residents had decreased by 744 people, or 11.7%. As a result, the unemployment rate has dropped over the past eight years, from 8.7% in 2010 to 7.4% in 2017.



The County's unemployment rate has remained well above the Minnesota average since 2010, and has remained above the national rate since 2013.



Commuting Patterns - International Falls

Information is available on area workers that commute for employment. The best information is from the 2016 American Community Survey, and has been examined for the City of International Falls. This table only examines people that commuted, and excludes people that work at home.

Based on other data reviewed in this section, the City of International Falls is the location for most of the jobs that exist in Koochiching County. Using the unemployment compensation information, approximately 69% of all jobs in the County are in International Falls.

Table 4 Commuting Times for International Falls Residents - 2016		
Travel Time	Number	Percent
Less than 10 minutes	1,637	62.4%
10 to 19 minutes	763	29.1%
20 to 29 minutes	107	4.1%
30 minutes or more	116	4.4%
Total	2,623	100%

Source: American Community Survey

The large majority of International Falls residents were working locally in 2016. Overall, more than 91% were commuting less than 20 minutes to work. Presumably, most residents were working within the City limits.

The American Community Survey also identifies travel time by location of employment. For people that worked in International Falls, the following travel times were identified.

Table 5 Commuting Times for International Falls Employees - 2016		
Travel Time	Number	Percent
Less than 10 minutes	1,955	53.0%
10 to 19 minutes	1,215	32.9%
20 to 29 minutes	260	7.0%
30 minutes +	261	7.1%
Total	3,691	100%

Source: American Community Survey

For people that worked in International Falls, only 14.1% traveled 20 minutes or more. Overall, nearly 86% traveled 19 minutes or less, including people that both lived and worked within International Falls.

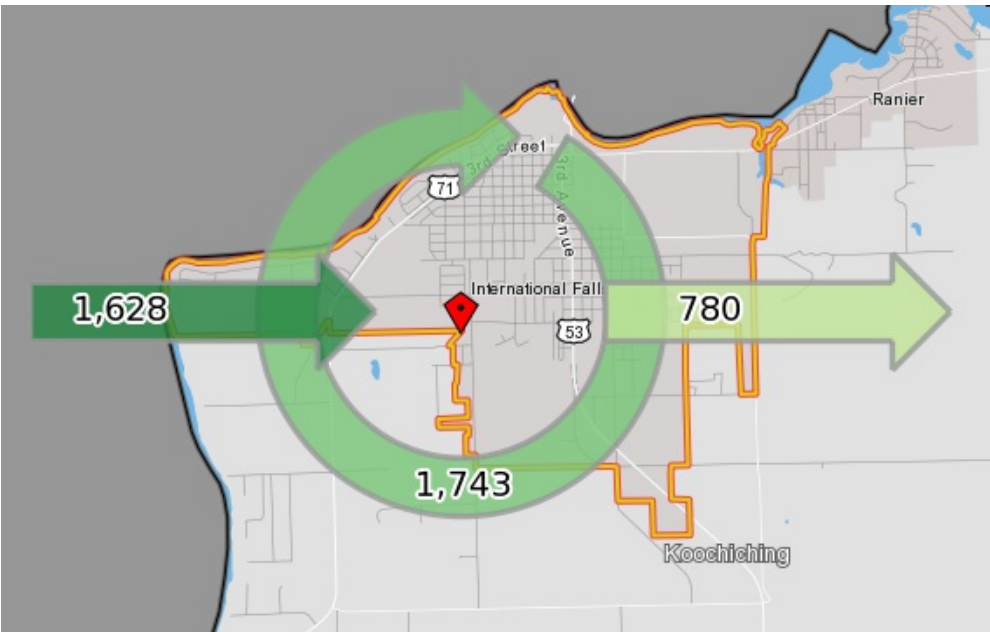
Census On the Map - International Falls

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2015, and provides a further breakdown of worker movement patterns.

According to this source, there were 3,371 people that were employed within International Falls in 2015. Most of these city-based employees were also living in the City. Overall, nearly 52% of the city-based jobs were filled by residents.

However, there were 1,628 people were commuting in to fill jobs in the City. Overall, more than 48% of the jobs were filled by people not living in International Falls. The primary locations to the City were Rainy Lake UT, Ranier, Littlefork and East Koochiching UT. Most of the commuters to the City lived in Koochiching County.

There were also a number of City residents that left International Falls for employment. There were 780 people that worked outside of the City. Among the primary destinations were Rainy Lake UT, Littlefork, Duluth, Bemidji and Hibbing.



Commuting Patterns - Ranier

Information is available on area workers that commute for employment. The best information is from the 2016 American Community Survey, and has been examined for the City of Ranier. This table only examines people that commuted, and excludes people that work at home.

This table only examines the travel times for Ranier residents. Due to the City's small size and limited employment opportunities, no similar information exists for inbound commuters that may work in the City.

Table 6 Commuting Times for Ranier Residents - 2016		
Travel Time	Number	Percent
Less than 10 minutes	90	51.1%
10 to 19 minutes	72	40.9%
20 to 29 minutes	2	1.1%
30 minutes or more	12	6.8%
Total	176	100%

Source: American Community Survey

The large majority of Ranier's residents were working locally in 2016. Overall, 92% were commuting less than 20 minutes to work. Presumably, most residents were working in Ranier or International Falls.

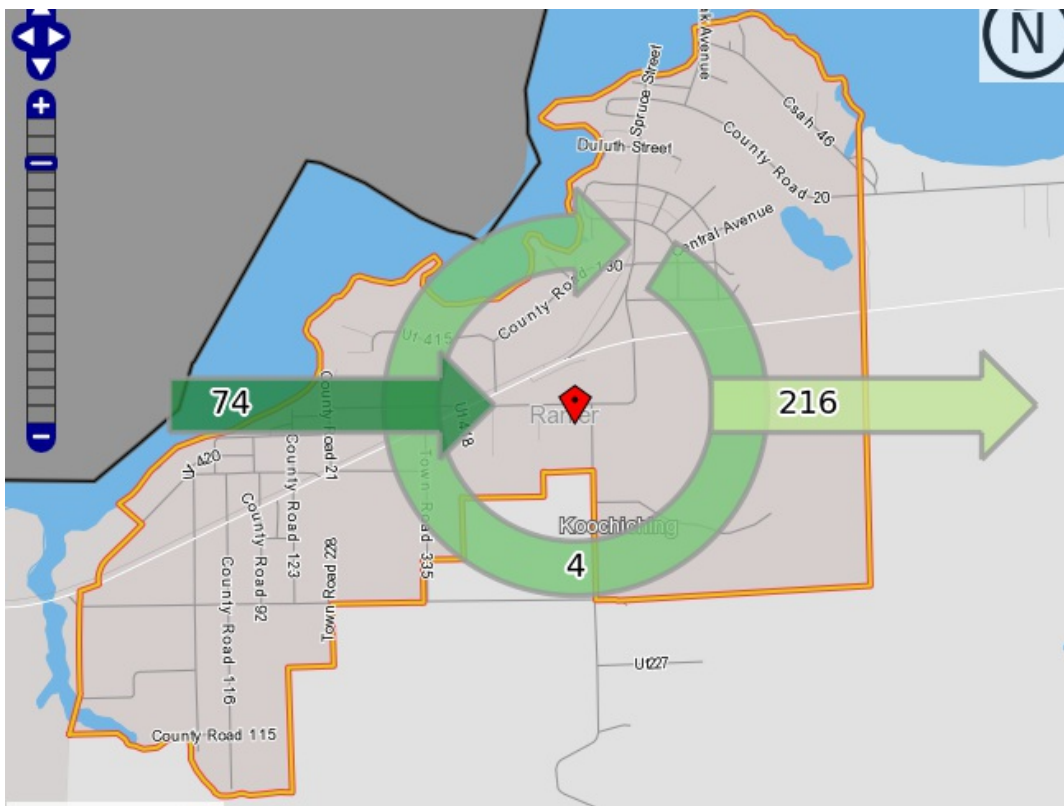
Although the limited sampling that is used for the American Community Survey can result in a wide margin of error, this source shows very few residents commuting longer distances for their primary job.

Census On the Map - Ranier

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2015, and provides a further breakdown of worker movement patterns.

According to this source, there were 78 people that were employed within Ranier in 2015. However, very few of these city-based employees were also living in the City. Overall, nearly 95% of the city-based jobs were filled by people that did not live in Ranier. The primary residence locations for people working in Ranier were International Falls and Rainy Lake UT. Most of the commuters to the City lived in Koochiching County.

According to this source, most City residents left Ranier Falls for employment. There were 216 people that worked outside of the City. Among the primary destinations were International Falls, Duluth, Littlefork and Rainy Lake UT. But most outbound commuters were working in International Falls.



Commuting Patterns - Littlefork

Information is available on area workers that commute for employment. The best information is from the 2016 American Community Survey, and has been examined for the City of Littlefork. This table only examines people that commuted, and excludes people that work at home. The first table examines travel times for City residents.

Table 7 Commuting Times for Littlefork Residents - 2016		
Travel Time	Number	Percent
Less than 10 minutes	91	44.8%
10 to 19 minutes	27	13.3%
20 to 29 minutes	58	28.6%
30 minutes or more	27	13.3%
Total	203	100%

Source: American Community Survey

A majority of Littlefork residents were working locally in 2016. Overall, more than 58% were commuting less than 20 minutes to work. However, the City also had a number of residents that were traveling 20 minutes or more to their job.

The American Community Survey also identifies travel time by location of employment. For people that worked in Littlefork, the following travel times were identified.

Table 8 Commuting Times for Littlefork Employees - 2016		
Travel Time	Number	Percent
Less than 10 minutes	143	42.9%
10 to 19 minutes	72	21.6%
20 to 29 minutes	65	19.5%
30 minutes +	53	15.9%
Total	333	100%

Source: American Community Survey

For people that worked in Littlefork, nearly 65% traveled 19 minutes or less, but nearly 16% were traveling 30 minutes or more.

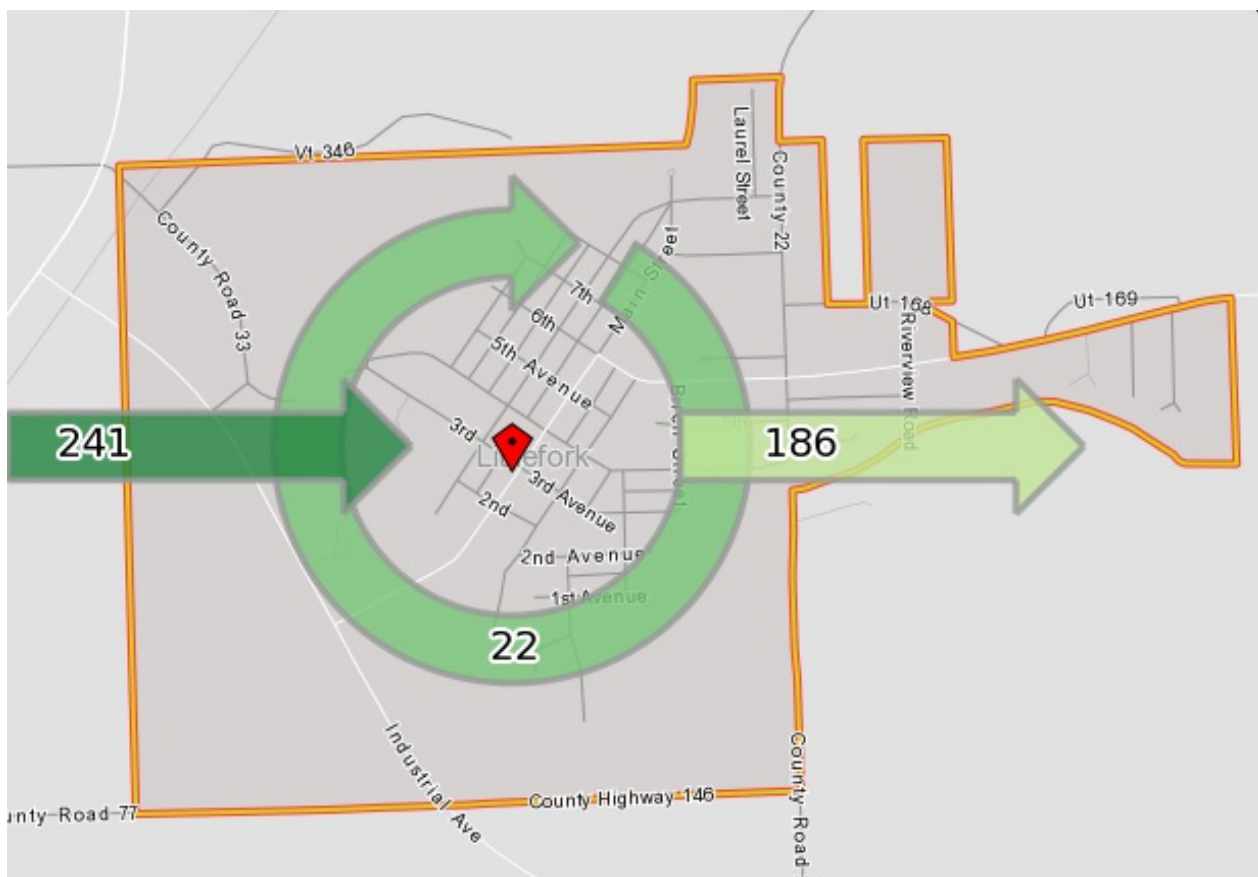
Census On the Map - Littlefork

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2015, and provides a further breakdown of worker movement patterns.

According to this source, there were 263 people that were employed within Littlefork in 2015. Most of these city-based employees did not live in the City. Overall, this source estimates that fewer than 10% of the city-based jobs were filled by residents.

There were 241 people that were commuting in to fill jobs in the City. The primary locations supplying workers to the City were Rainy Lake UT, International Falls, Northome UT and Ranier. Most of the commuters to the City lived in Koochiching County.

There were also a number of City residents that left Littlefork for employment. There were more than 200 people that worked outside of the City. Among the primary destinations were International Falls, Rainy Lake UT and Ranier.



Commuting Patterns - Big Falls

Information is available on area workers that commute for employment. The best information is from the 2016 American Community Survey, and has been examined for the City of Big Falls. This table only examines people that commuted, and excludes people that work at home. The first table examines travel times for City residents.

Table 9 Commuting Times for Big Falls Residents - 2016		
Travel Time	Number	Percent
Less than 10 minutes	39	34.8%
10 to 19 minutes	5	4.5%
20 to 29 minutes	7	6.3%
30 minutes or more	61	54.5%
Total	112	100%

Source: American Community Survey

A majority of the residents of Big Falls were commuting greater distances in 2016. Overall, nearly 61% were commuting 20 minutes or more to work, and most were actually traveling 30 minutes or more. However, nearly 35% were working locally and traveling less than 10 minutes.

Due to the limited employment within the City, the American Community Survey did not show any information on inbound commuters into Big Falls.

Census On the Map - Big Falls

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2015, and provides a further breakdown of worker movement patterns. However, due to the small size of the community, no usable information was available for Big Falls from this source.

Commuting Patterns - Northome

Information is available on area workers that commute for employment. The best information is from the 2016 American Community Survey, and has been examined for the City of Northome. This table only examines people that commuted, and excludes people that work at home. The first table examines commuting patterns for City residents.

Table 10 Commuting Times for Northome Residents - 2016		
Travel Time	Number	Percent
Less than 10 minutes	39	53.4%
10 to 19 minutes	12	16.4%
20 to 29 minutes	1	1.4%
30 minutes or more	21	28.8%
Total	73	100%

Source: American Community Survey

While a majority of Northome residents were working locally in 2016, those that did commute often traveled 30 minutes or more. Overall, more than 53% were commuting less than 10 minutes to work. But nearly 29% were traveling 30 minutes or more.

The American Community Survey also identifies travel time by location of employment. For people that worked in Northome, the following travel times were identified.

Table 11 Commuting Times for Northome Employees - 2016		
Travel Time	Number	Percent
Less than 10 minutes	124	52.1%
10 to 19 minutes	68	28.6%
20 to 29 minutes	17	7.1%
30 minutes +	29	12.2%
Total	238	100%

Source: American Community Survey

For people that worked in Northome, only 12.2% traveled 30 minutes or more. Overall, nearly 81% traveled 19 minutes or less, including people that both lived and worked within Northome.

Census On the Map - Northome

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2015, and provides a further breakdown of worker movement patterns.

According to this source, there were only 70 people that were employed within Northome in 2015. This number is substantially lower than other sources, and is viewed as unreliable for people working in the City.

Commuting Patterns - Mizpah

Given the small size of Mizpah, there is very limited information that exists for worker commuter patterns. The best information is from the 2016 American Community Survey, and has been examined for the City of Mizpah. This table only examines people that commuted, and excludes people that work at home.

The only available information is for the travel times for Mizpah residents.

Table 12 Commuting Times for Mizpah Residents - 2016		
Travel Time	Number	Percent
Less than 10 minutes	5	8.9%
10 to 19 minutes	22	39.3%
20 to 29 minutes	7	12.5%
30 minutes or more	22	39.3%
Total	56	100%

Source: American Community Survey

Given the small number of jobs within Mizpah, most residents were commuting for employment. Fewer than 10% were able to drive nine minutes or less to their job. The majority of Mizpah residents were commuting 20 minutes or more to work in 2016. Most of these were actually commuting 30 minutes or more.

Due to the limited employment within the City, the American Community Survey did not show any information on inbound commuters into Mizpah.

Census On the Map - Mizpah

The Census Bureau also produces commuter reports through its Center for Economic Studies division. This information is based on reports for the year 2015, and provides a further breakdown of worker movement patterns. However, due to the small size of the community, no usable information was available for Mizpah from this source.