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Minnesota Job Vacancy Survey

2nd Quarter 2005

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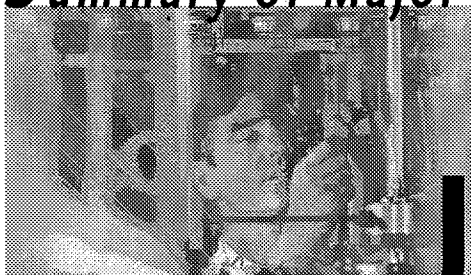
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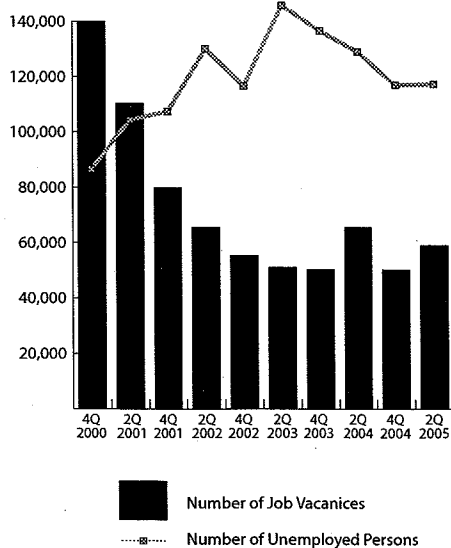
October 2005

Summary of Major Findings



Job vacancies fell slightly year over year but remain on a positive trend since fourth quarter 2004. This round of the survey offers some bright spots: the healthcare industry, for example, had an increase in job openings. Occupational groups where job vacancies declined compared to one year ago include transportation & material moving (2,840), sales & related (2,180), and office & administrative support (1,530). Overall we estimate that Minnesota had 58,840 job vacancies during second quarter 2005 or approximately 6,500 fewer job vacancies than one year ago.

Figure 1: Job Vacancies and Number of Unemployed in Minnesota, 2000-2005



These job vacancies translate into a job vacancy rate of 2.3 percent—or 2.3 job vacancies for every 100 filled positions in Minnesota. This is down from a 2.5 percent job vacancy rate one year ago. During second quarter 2005 we estimate that there were 5.0 job vacancies for every 10 unemployed people statewide. One year ago there were about 5.1 job vacancies for every 10 unemployed people in Minnesota.

More than half of all job vacancies—33,540—are located in the Twin Cities seven-county area. Greater Minnesota has a job vacancy rate of 2.5 percent while the Twin Cities job vacancy rate is 2.2 percent. Job vacancies are down by 9.9 percent from one year ago in Greater Minnesota and 10.0 percent in the Twin Cities.

Higher-than-average job vacancy rates persist in some occupations. Four occupational groups show evidence of having the greatest

need for workers based on a combination of the number of job vacancies, the job vacancy rate, and the hiring demand index (a calculation that controls for turnover in the occupational group). These are:

- *architecture & engineering occupations* (including civil engineers and electronic engineering technicians);
- *healthcare support occupations* (including nursing aides and home health aides);
- *healthcare practitioners & technical occupations* (including registered nurses and licensed practical and vocational nurses); and
- *management occupations* (including marketing and financial managers).

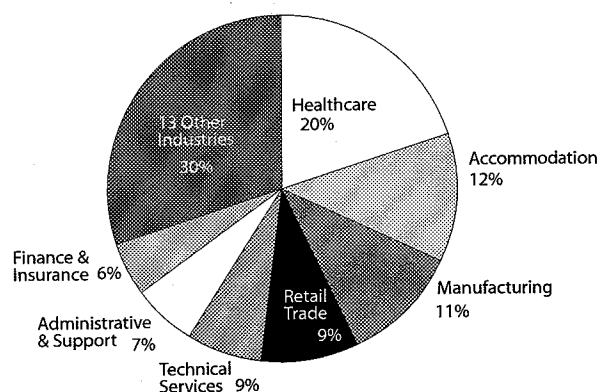
The healthcare sector outstrips all other industry groups in the number of job vacancies. Since the survey began four years ago, job vacancy conditions in the healthcare sector have remained relatively strong.

Firms with less than 50 employees account for 48 percent of the total job vacancies. On the other hand, small (five to 49 employees) and very small (less than five employees) firms have higher-than-average job vacancy rates of 2.9 and 2.5 percent respectively.

This report also discusses characteristics associated with the job vacancies, including education and experience requirements, starting wage and benefit offers, and whether job vacancies are temporary or seasonal, part- or full-time. Some key characteristics of job vacancies in second quarter 2005 are as follows:

- Sixty-five percent are full-time; 35 percent are part-time.
- Thirteen percent are temporary or seasonal.
- Thirty-seven percent require a high school diploma but no education beyond that. Forty-two percent require some level of post-secondary education or training.
- Forty-three percent call for experience related to the field.
- The median (50th percentile) wage offer for all job vacancies is \$10.00 per hour. One year ago the median wage offer for all job vacancies was also \$10.00 per hour. Wage offers are highly correlated with experience and education requirements and other occupational characteristics.
- Most offer paid vacation (67 percent), health benefits (66 percent), retirement plans (64 percent), and sick leave (51 percent). Benefits are less common for part-time job vacancies than for full-time job vacancies.

Figure 2: Minnesota Job Vacancies by Industrial Division, Second Quarter 2005



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Statewide Job Vacancy Findings



Job Vacancies by Occupational Group

- Fifty-four percent of all job vacancies are concentrated in six of 22 occupational groups.¹
- Firms with fewer than 50 employees account for 48 percent of total job vacancies while they constitute only 38 percent of all employment.
- The job vacancy rates for small and very small firms (2.9 percent and 2.5 percent) are higher than average.

Table 1: Job Vacancies by Major Occupational Group in Minnesota, Second Quarter 2005

Major Occupational Group	Number of Job Vacancies	Percent Change from 2Q 2004	Job Vacancy Rate* (%)	Part-Time (%)	Temporary or Seasonal (%)	New Hire** (%)	Requiring Education Beyond a High School Diploma (%)	Median Wage Offer*** (\$)
Food Preparation & Serving Related	6,799	2.2%	3.2%	71%	19%	3%	1%	\$6.50
Sales & Related	6,483	-25.2%	2.3%	58%	3%	8%	13%	\$9.62
Office & Administrative Support	5,204	-22.7%	1.2%	25%	27%	21%	31%	\$10.00
Healthcare Support	5,005	37.6%	6.8%	55%	20%	12%	50%	\$10.00
Production	4,292	-17.8%	1.9%	8%	7%	23%	18%	\$11.00
Healthcare Practitioners & Technical	4,253	-1.7%	3.1%	50%	2%	6%	95%	\$18.00
Construction & Extraction	3,506	1.7%	3.1%	8%	18%	8%	15%	\$12.02
Transportation & Material Moving	3,044	-48.3%	1.8%	20%	1%	9%	6%	\$10.00
Business & Financial Operations	2,777	7.7%	2.0%	1%	51%	14%	91%	\$25.00
Building, Grounds Cleaning, & Maintenance	2,393	-22.5%	3.1%	56%	0%	11%	2%	\$8.30
Education, Training & Library	2,357	17.3%	1.6%	23%	11%	13%	94%	\$18.38
Personal Care & Service	2,168	-18.1%	2.9%	63%	1%	7%	28%	\$8.00
Management	2,058	66.4%	1.7%	0%	3%	14%	96%	\$26.44
Installation, Maintenance, & Repair	1,987	-6.8%	2.1%	10%	2%	12%	50%	\$14.56
Architecture & Engineering	1,915	93.6%	3.5%	1%	10%	29%	99%	\$21.63
Computer & Mathematical	1,516	-6.0%	2.2%	2%	14%	9%	81%	\$20.19
Art, Design, Entertainment & Media	902	98.7%	2.8%	26%	11%	4%	71%	\$15.38
Life, Physical & Social Science	687	-34.6%	2.6%	10%	3%	8%	85%	\$14.99
Community & Social Services	596	-61.4%	1.3%	48%	3%	18%	70%	\$12.00
Protective Service	415	-18.3%	0.9%	44%	2%	12%	22%	\$11.00
Farming, Fishing & Forestry	414	-5.5%	NA	40%	0%	7%	6%	\$9.00
Legal	68	-85.9%	0.4%	0%	0%	12%	100%	\$23.84
All Job Vacancies	58,839	-9.9%	2.3%	35%	13%	12%	42%	\$10.00

¹ For a definition of occupational groups, please see the Minnesota Job Vacancy Survey Methodological Note available on the Internet at www.deed.state.mn.us/lmi/publications/jobvacancy.htm

* Employment estimates by occupational group are 2004 Occupational Employment Statistics (OES) data.
 ** The percent of new hires is calculated based on the total number of permanent job vacancies.
 *** The occupational group wages above are median hourly rates calculated from wages reported by employers.
 NA = Not Available

J**ob Vacancies by Industry**

- Twenty percent of all job vacancies in Minnesota are in the healthcare industry.²
- The administrative & support industry has the highest job vacancy rate at 3.8 percent.
- The highest concentrations of job vacancies reported as temporary or seasonal are found in arts & entertainment (55 percent), public administration (44 percent), administrative & support (26 percent), and mining (25 percent).

Table 2: Job Vacancies by Industry in Minnesota, Second Quarter 2005

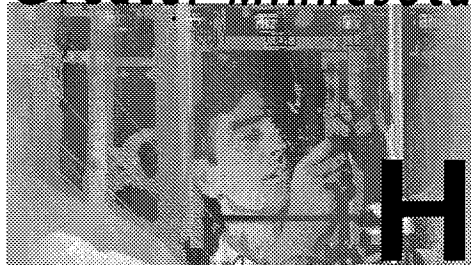
Industry	Number of Job Vacancies	Percent Change from 2Q 2004	Job Vacancy Rate* (%)	New Hire* (%)	Median Wage Offer** (\$)
Healthcare	11,539	7.8%	3.2%	9%	\$11.00
Accommodation	7,347	21.9%	3.5%	4%	\$6.50
Manufacturing	6,294	-25.3%	1.8%	27%	\$12.00
Retail Trade	5,235	-41.7%	1.8%	7%	\$8.00
Construction	4,286	-1.2%	3.2%	8%	\$19.23
Prof., Scientific & Technical Services	3,291	10.8%	2.9%	22%	\$19.21
Educational Services	3,176	-3.9%	1.5%	12%	\$18.21
Administrative Support	2,855	-24.5%	3.8%	15%	\$9.00
Wholesale Trade	2,765	54.4%	2.3%	3%	\$9.95
Finance & Insurance	2,490	-9.9%	1.8%	23%	\$10.48
Other Services	2,091	-28.5%	2.5%	6%	\$14.42
Transportation & Warehousing	1,756	-42.7%	1.8%	17%	\$14.00
Arts & Entertainment	1,273	3.7%	2.6%	4%	\$7.00
Management	1,219	-4.4%	1.9%	8%	\$15.78
Information	1,110	17.8%	1.7%	11%	\$11.63
Real Estate	873	-4.5%	2.3%	11%	\$10.00
Public Administration	851	-24.8%	0.7%	8%	\$12.00
Agriculture	234	-51.0%	1.3%	10%	\$8.00
Utilities	101	-27.3%	0.8%	37%	\$15.10
Mining	53	-65.4%	1.0%	21%	\$18.90
Total Job Vacancies	58,839	-9.9%	2.3%	12%	\$10.00

² For a definition of industries, please see the Minnesota Job Vacancy Survey Methodological Note available on the Internet at www.deed.state.mn.us/lmi/publications/jobvacancy.htm

* The percent of new hires is calculated based on the total number of permanent job vacancies.

** The industry wages above are median hourly wage rates calculated from wages reported by employers.

Greater Minnesota & Twin Cities



H Highlights

- The Twin Cities seven-county metropolitan area has slightly more than half, or 57 percent, of all job vacancies in Minnesota.
- Greater Minnesota has a job vacancy rate of 2.5 percent while the Twin Cities job vacancy rate is 2.2 percent.
- Job vacancies are down by 9.9 percent from one year ago in Greater Minnesota and down 10.0 percent in the Twin Cities.

Figure 3: Job Vacancies and Number of Unemployed in Greater Minnesota, 2000-2005

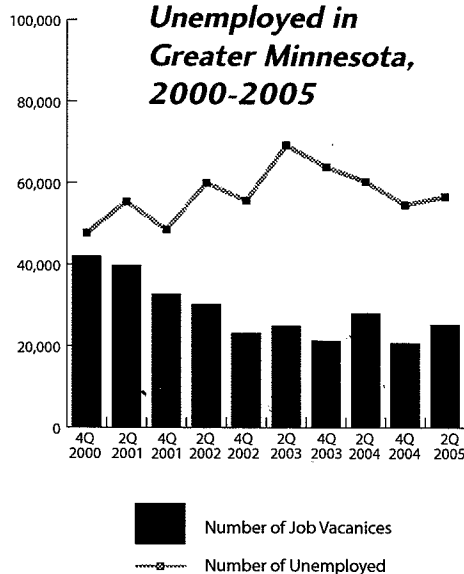
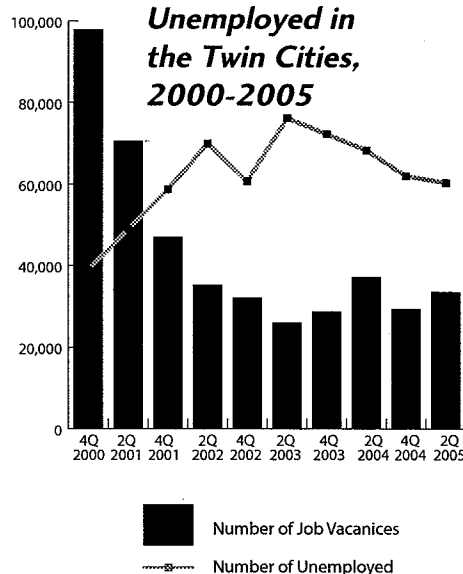


Figure 4: Job Vacancies and Number of Unemployed in the Twin Cities, 2000-2005



J Job Vacancies by Occupational Group

- Despite the decrease in job vacancies from last year, higher-than-average job vacancy rates persist in some occupations. Four occupational groups in Greater Minnesota show evidence of having the greatest need for workers based on a combination of the number of job vacancies, the job vacancy rate and the hiring demand index. These are: healthcare support, healthcare practitioners & technical, personal care & service, and construction & extraction occupations.
- Four occupational groups in the Twin Cities show evidence of having the greatest need for workers based on a combination of the number of job vacancies, the job vacancy rate and the hiring demand index. These are: architecture & engineering, healthcare support, management, and healthcare practitioners & technical.

Table 3: Job Vacancies by Major Occupational Group in Greater Minnesota and the Twin Cities, Second Quarter 2005

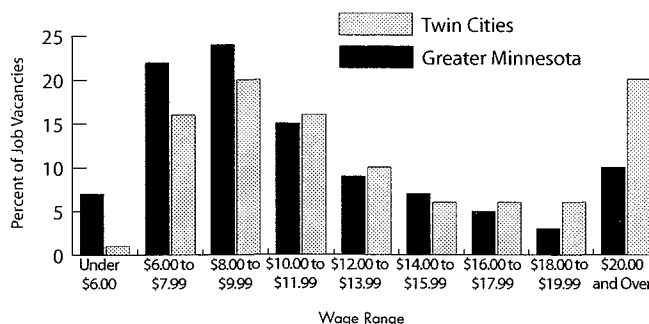
Major Occupational Group	Greater Minnesota				Twin Cities			
	Number of Job Vacancies	Percent Change from 2Q 2004	Job Vacancy Rate* (%)	Median Wage Offer** (\$)	Number of Job Vacancies	Percent Change from 2Q 2004	Job Vacancy Rate* (%)	Median Wage Offer** (\$)
Food Preparation & Serving Related	3,475	-18.3%	3.8%	\$6.00	3,324	38.5%	2.8%	\$7.50
Sales & Related	1,930	-34.3%	2.0%	\$7.50	4,553	-20.5%	2.7%	\$9.95
Office & Administrative Support	1,963	-31.3%	1.4%	\$8.51	3,241	-16.4%	1.2%	\$12.00
Healthcare Support	2,379	16.3%	6.3%	\$9.00	2,626	65.1%	7.7%	\$11.54
Production	2,650	-23.0%	2.5%	\$10.00	1,642	-7.8%	1.4%	\$12.50
Healthcare Practitioners & Technical	1,782	-18.3%	2.9%	\$14.00	2,471	15.3%	3.2%	\$20.18
Construction & Extraction	2,201	40.3%	5.2%	\$12.00	1,305	-30.5%	2.5%	\$16.00
Transportation & Material Moving	1,786	-33.5%	2.5%	\$10.00	1,258	-60.7%	1.3%	\$9.62
Business & Financial Operations	420	30.8%	1.2%	\$14.42	2,357	4.4%	2.4%	\$26.44
Building, Grounds Cleaning, & Maintenance	1,208	-14.9%	3.9%	\$8.00	1,185	-29.0%	3.0%	\$9.00
Education, Training & Library	1,115	62.1%	1.6%	\$18.21	1,242	-6.0%	1.5%	\$19.43
Personal Care & Service	1,262	56.4%	6.0%	\$8.00	906	-50.7%	2.8%	\$7.07
Management	363	88.1%	1.0%	\$24.04	1,695	62.4%	2.1%	\$28.85
Installation, Maintenance & Repair	1,033	30.9%	2.7%	\$12.00	954	-29.0%	1.9%	\$15.87
Architecture & Engineering	392	40.5%	2.8%	\$21.63	1,523	>100%	4.6%	\$21.63
Computer & Mathematical	181	-64.0%	1.3%	\$15.63	1,335	20.4%	2.3%	\$23.61
Art, Design, Entertainment & Media	159	6.0%	2.0%	\$9.00	743	>100%	3.5%	\$15.38
Life, Physical & Social Science	224	>100%	2.8%	\$15.53	463	-50.8%	3.0%	\$14.99
Community & Social Services	210	-17.3%	1.1%	\$13.00	386	-70.1%	1.8%	\$11.00
Protective Service	171	-16.6%	1.0%	\$12.50	244	-19.5%	1.2%	\$10.42
Farming, Fishing, & Forestry	395	15.5%	NA	\$9.00	19	-80.2%	NA	\$7.25
Legal	4	-92.0%	0.1%	\$24.04	64	-85.2%	0.4%	\$22.74
All Job Vacancies	25,303	-9.9%	2.5%	\$9.59	33,536	-10.0%	2.2%	\$11.54

* Employment estimates by occupational group are from 2004 Occupational Employment Statistics (OES) data.
 ** The occupational group wages above are median hourly wage rates calculated from wages reported by employers.
 NA=Not Available

Wages

- The median wage offer for all job vacancies in Greater Minnesota is \$9.59 per hour. One year prior it was \$9.25 per hour.
- The median wage offer for all job vacancies in the Twin Cities is \$11.54 per hour. One year prior the median wage was \$11.00 per hour.

Figure 5: Percent of Job Vacancies by Hourly Wage Range in Greater Minnesota and the Twin Cities, Second Quarter 2005



About this Survey



Information on job vacancies comes from a survey of 10,063 Minnesota employers conducted over a three-month period from April to June 2005. Surveyed employers were randomly selected from Minnesota's Quarterly Census of Employment and Wages (QCEW). The sample was stratified by major industry and size class to represent the universe of employers in economic development regions throughout Minnesota.

The *Minnesota Job Vacancy Survey* produces point-in-time estimates: employers were asked to provide information on current job vacancies at the time of survey, including job titles, number of job vacancies, education and experience requirements, wages and benefits, and the length of time job vacancies had been open. Approximately 66 percent of those surveyed participated in the survey, enabling Minnesota Department of Employment and Economic Development (DEED) analysts to produce statistically reliable findings. Exact counts of all job vacancies in the market cannot be known with certainty. Rather, this study provides statewide and regional estimates of the demand for workers during second quarter 2005.

Job titles were coded into 511 detailed occupations using the Standard Occupational Classification (SOC) System. After survey data collection and editing were complete, data were scaled to produce estimates representative of 13 economic development regions. The scaling process takes into account the distribution of employment by industry and size class in the respondent group and in the universe of statewide employers.

For the purpose of this study a job vacancy is defined as a position that is currently open-for-hire at the time the employer filled out the survey. This study excludes job vacancies reserved for contract consultants, employees of contractors, and others not considered employees of surveyed firms.

Prepared by

Minnesota Department of Employment and Economic Development

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Acknowledgements

We would like to thank the firms and organizations that responded to the second quarter 2005 *Minnesota Job Vacancy Survey*. Without their help this survey would not have been possible. We hope to continue to partner with Minnesota employers to produce and provide useful and timely workforce information that will benefit employers, jobseekers, and the state's workforce development efforts.