

Economy and Workforce Trends

NORTH DAKOTA

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Economy and Workforce Trends Summary

- North Dakota's economy suffered the impact of the pandemic in 2020. However, the economy overall is substantially larger than it was 10 years ago.
- The number of jobs in North Dakota have been strongly impacted by the economic fluctuations during the past decade and the most recent pandemic. In 2021, about half of industry sectors started to recover.
- North Dakota ranks 20th (from highest income to lowest) among the 50 states for median household income.

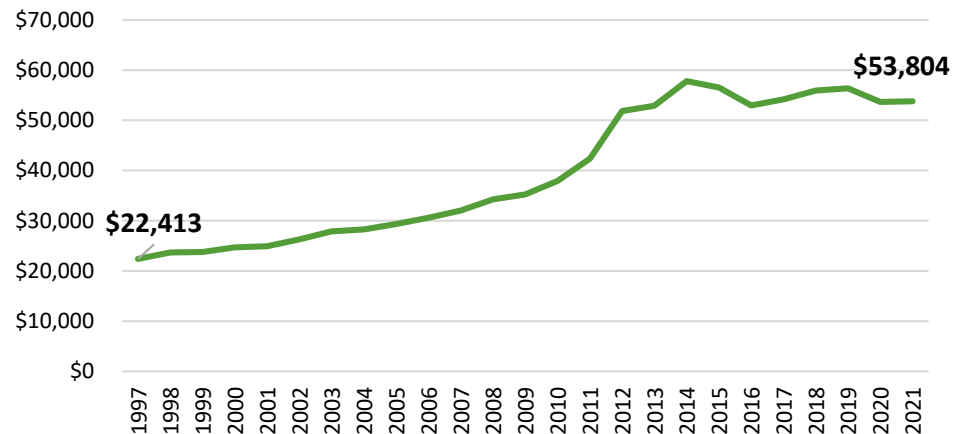
Real GDP

After three years of little growth, North Dakota's economy suffered the effects of the pandemic in 2020, decreasing by 4.8 percent. The economy started to recover in 2021.

North Dakota's real Gross Domestic Product (GDP) in 2021 (\$53,804 million 2012 dollars) was 42 percent higher than the 2010 GDP (\$37,917) and more than double the 2000 GDP (\$24,706).

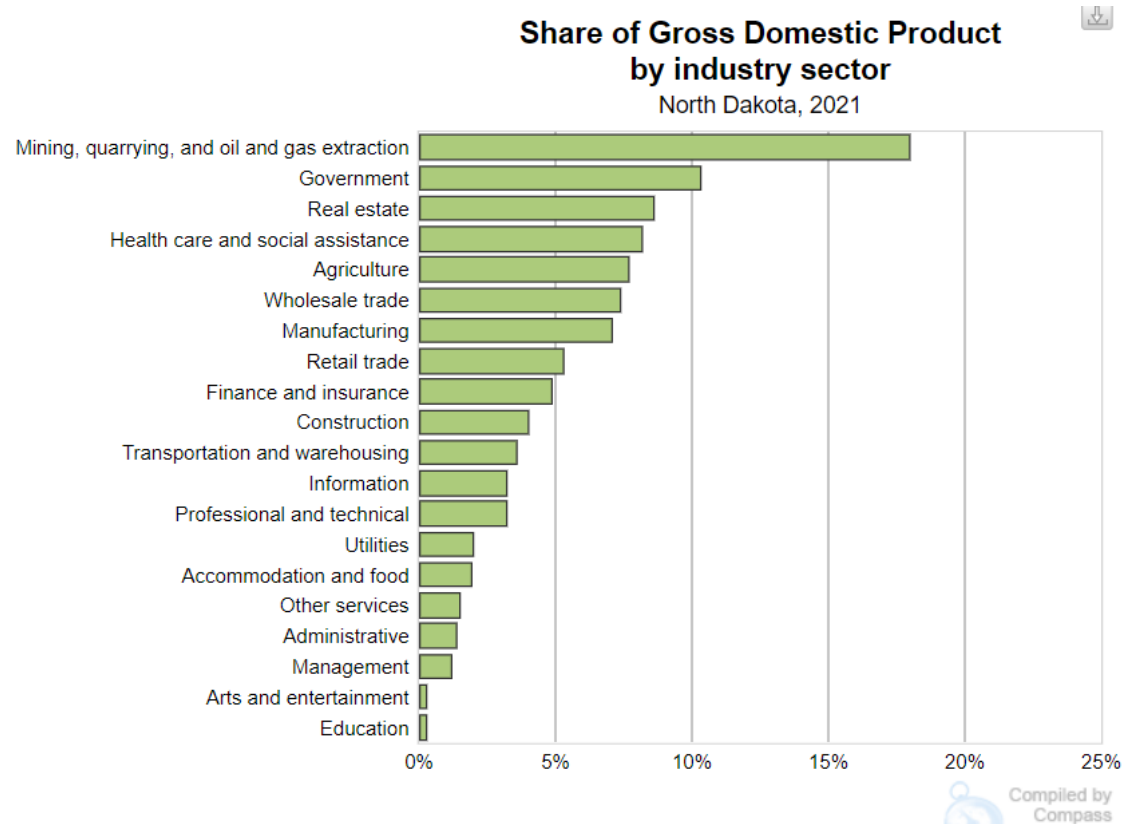
The 2000-2021 real compound annual growth rate of GDP was 3.8 percent in North Dakota (highest among all 50 states) as compared to 1.9 percent in the U.S.

Real GDP (million 2012 dollars)
North Dakota, 1997-2021



Real GDP by industry sector

Leading all other industries, Mining, quarrying, and oil and gas extraction accounted for 18.0 percent of North Dakota's GDP in 2020. Government accounted for 10.3 percent and Real estate for 8.6 percent.



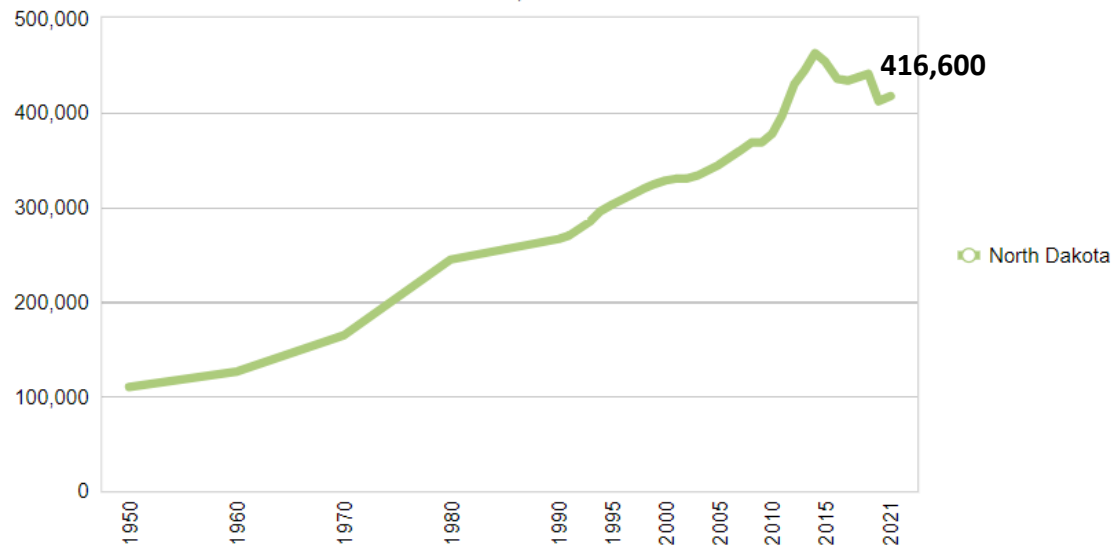
Jobs

The number of jobs in North Dakota have been strongly impacted by the economic fluctuations during the past decade. The rapid economic growth during the oil boom (2008 to 2014) drove an increase in the number of jobs, especially in the Western part of the state. The number of jobs peaked in 2014 at 462,000.

The second part of the previous decade, the number of jobs were on a slight downward trend, suffering the impact of a downturn of North Dakota's economy and of the pandemic. However, in 2021, the number of jobs slightly increased by one percent as compared to the previous year, reaching 416,600 jobs.

Total nonfarm payroll jobs

North Dakota, 1950-2021



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Notes:

Jobs are averaged over the year.

The Current Employment Statistics (CES) is a monthly survey of nonfarm businesses for estimating industry employment. The self-employed, as well as agriculture, domestic, and military workers are excluded. Employment is defined as a count of jobs by place of work rather than a count of employed persons; an individual with two jobs is counted twice by the payroll survey.

The CES program is a federal-state cooperative program between the U.S. Bureau of Labor Statistics and state agencies. The largest program of its kind, the CES is based on a survey of approximately 143,000 businesses and government agencies representing approximately 588,000 worksites throughout the United States.

Sources:

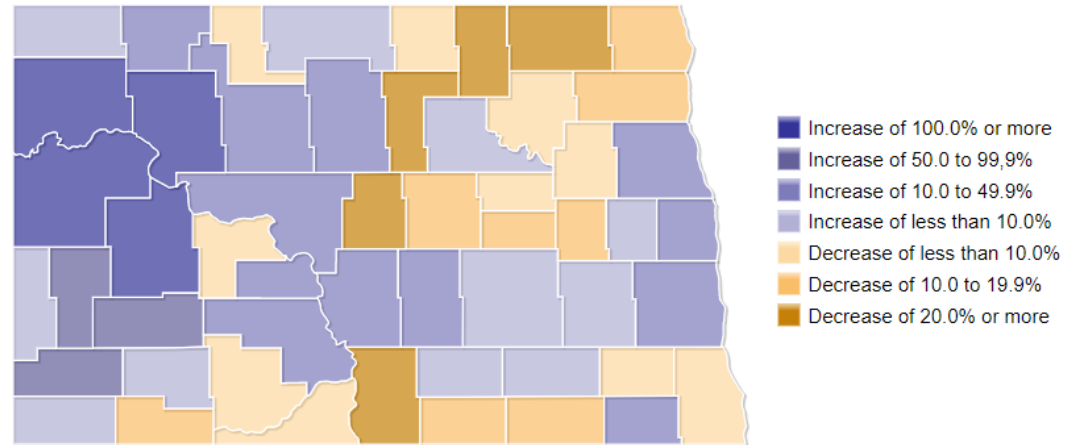
U.S. Bureau of Labor Statistics, Current Employment Statistics. <https://www.bls.gov/sae/data.htm>

Jobs by county

Overall, from 2000 to 2021 the majority of North Dakota counties (30 out of 53) gained jobs. The largest increase in the number of jobs was in the core oil and gas producing counties. The number of jobs in McKenzie, Williams, Mountrail, and Dunn counties more than doubled (ranging from 122% to 285% increase) since 2000.

The counties that lost jobs lost 31 percent at most. Towner, Sheridan, and Emmons, are the counties that lost more than 25 percent of jobs since 2000.

Percent change in jobs since 2000
North Dakota counties, 2000-2021



Compiled by
Compass

Notes:

All establishments covered under the Unemployment Insurance (UI) Program are required to report wage and employment statistics quarterly. An establishment is generally a single physical location where business is conducted or where services or industrial operations are performed.

Workers and jobs excluded from these statistics include proprietors and the self-employed, railroad workers, family farm workers, full-time students working for their school, elected government officials, insurance and real estate salespeople, and others who work only on a commission basis.

Jobs are averaged over the year.

Jobs by industry

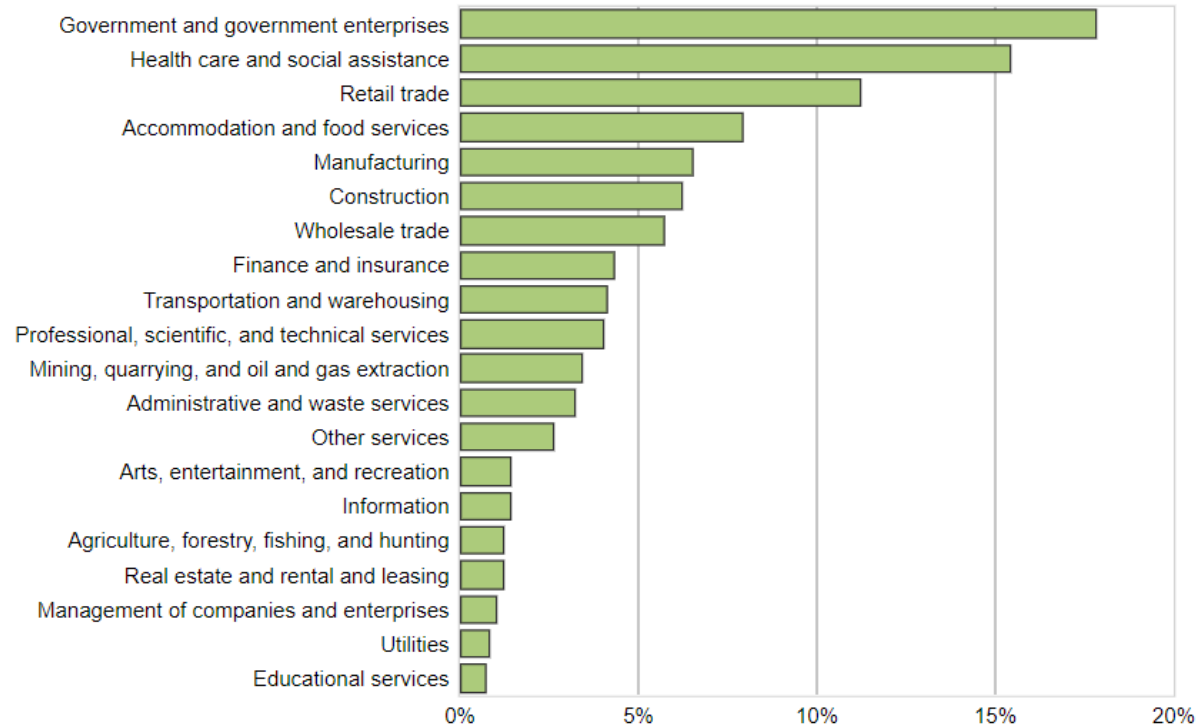
In 2021, jobs in the Government* sector represented the largest share of all jobs in North Dakota, at 17.8 percent. Jobs in Health care and social assistance ranked second at 15.4 percent, and jobs in the Retail sector ranked third at 11.2 percent.

Jobs in Arts, entertainment, and recreation; Information; Agriculture, forestry, fishing, and hunting; Real estate and rental and leasing; Management of companies and enterprises; Utilities; and Educational services, represented less than 2 percent each of total jobs.

**All public sector employment is located in the Government sector. This includes employment for public school teachers, federal postal service workers, state and local protective service workers, and any other worker employed by a federal, state, or local government entity.*

All jobs by detailed industry share

North Dakota, 2021



Compiled by
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Notes:

Data are limited to those workers who are covered by either state or federal unemployment insurance laws. All public sector employment is located in the Government sector.

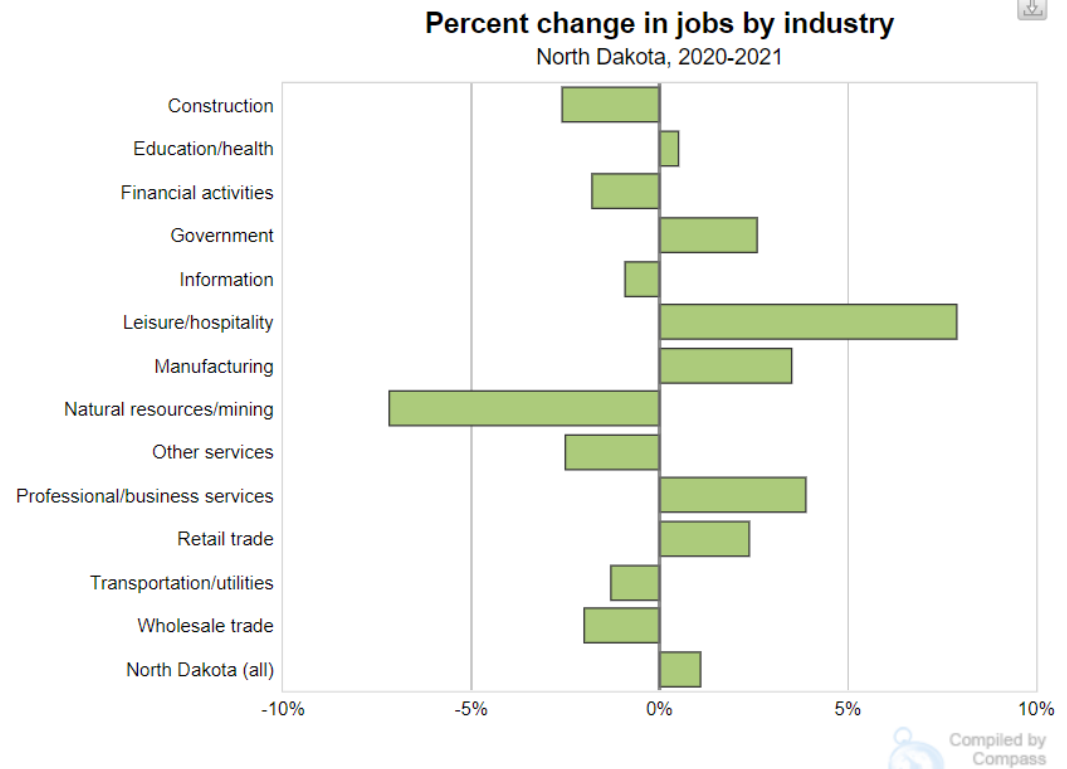
Sources:

North Dakota Job Service Labor Market Information, Quarterly Census of Employment and Wages.

Jobs by specific industry

Due to the pandemic, in 2020, all industries saw a decrease in the number and percent change in jobs from the previous year.

From 2020 to 2021, some industry sectors in North Dakota started to recover or fair better than the previous year in terms of percent change in jobs. Leisure and Hospitality jobs saw the largest positive percent change in jobs at 7.9 percent growth, followed by Professional and Business Services (3.9%), and Manufacturing (3.5%). The remaining seven industries continued to have a negative percent change in jobs compared to previous year. The largest negative percent change in jobs was in the Natural Resources and Mining industry at -7.2 percent, followed by Construction (-2.6%), and Other Services (-2.5%).

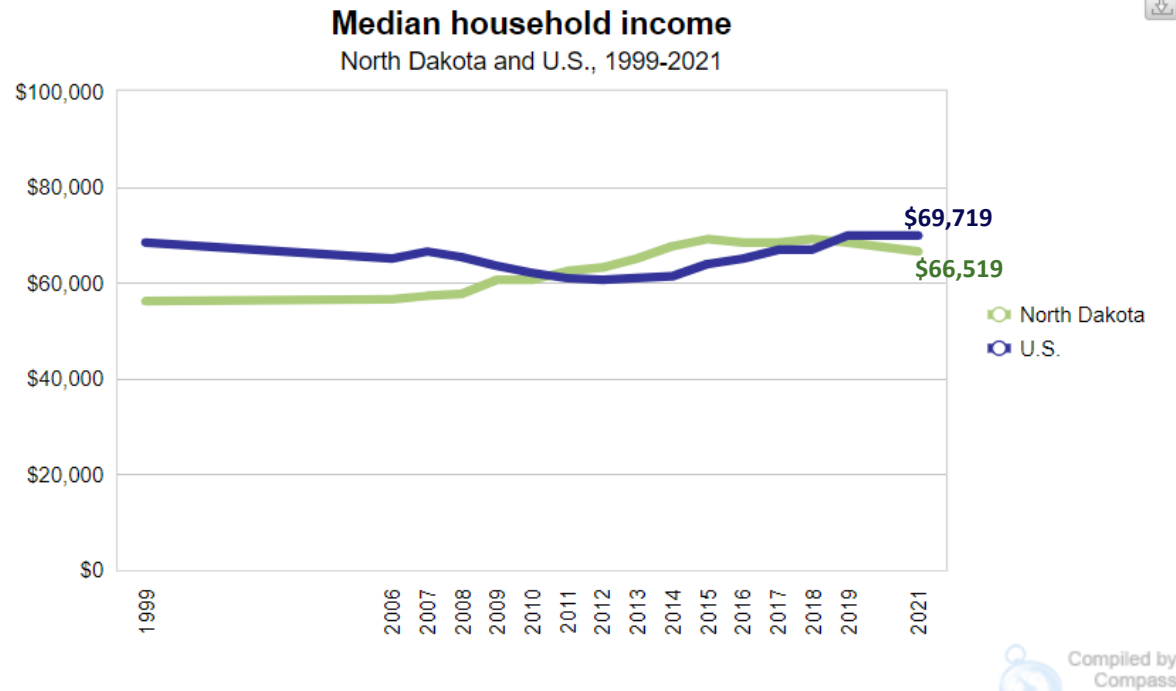


Household income

North Dakota's household incomes have risen substantially since 2008 when the oil boom started. In 2008, the median household income in North Dakota was \$57,504 (in 2021 inflation adjusted dollars).

In 2011, the median household income in North Dakota exceeded the U.S. household income for the first time. The median household peaked in 2015 at \$69,245, stabilized after that, to decrease in 2021 to \$66,519, slightly below the US household income.

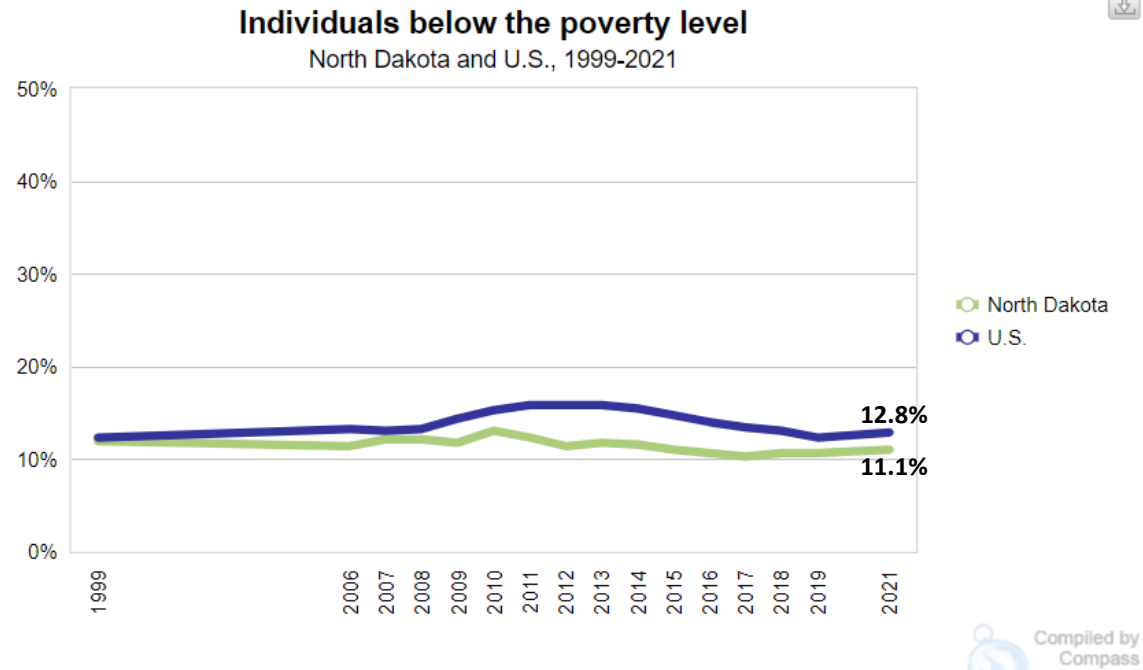
North Dakota's median household income is ranking 26th highest among the 50 states in 2021.



Poverty

The official poverty rate in North Dakota in 2021 was 11.1 percent, down from 13.1 percent in 2010.

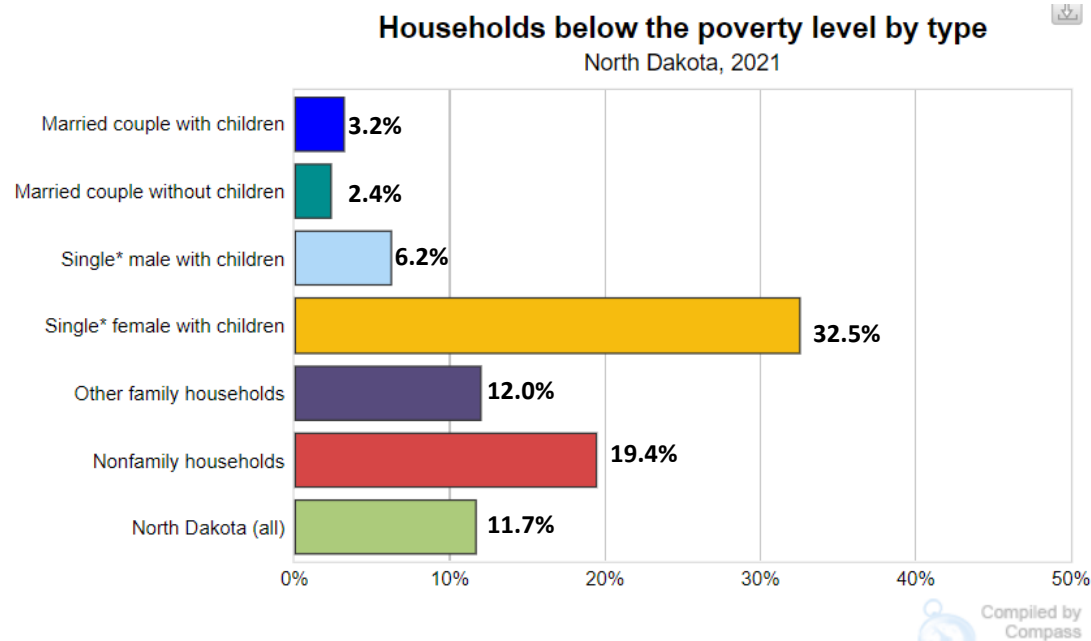
In 2021, there were **83,350 people below the poverty level**, about 1,545 less people than in 2010. In 2021, North Dakota ranked 17th among the 50 states (from lowest to highest poverty rate) in terms of poverty.



Poverty by household type

The poverty rate in North Dakota varies greatly by household type. Households headed by single mothers are much more likely to be under the poverty level than married-couple households.

In 2021, one third (32.5 percent) of single mother households were under the poverty level. This rate is almost three times the statewide rate (11.7%) and ten times higher than the poverty rate of married couple with children (3.2%).



* Single indicates that the householder is unmarried and/or that a spouse is not present in the household

Adults working

North Dakota ranked fourth among all 50 states in 2021 for the percentage of adults working*, at 77.2 percent.

In 2021, the U.S. average was 69.9 percent

*The percentage of adults working is calculated as the number of employed, working-age population (16-64 years old) divided by the non-institutionalized, civilian, working age population.

