

Economy and Workforce Trends

NORTH DAKOTA

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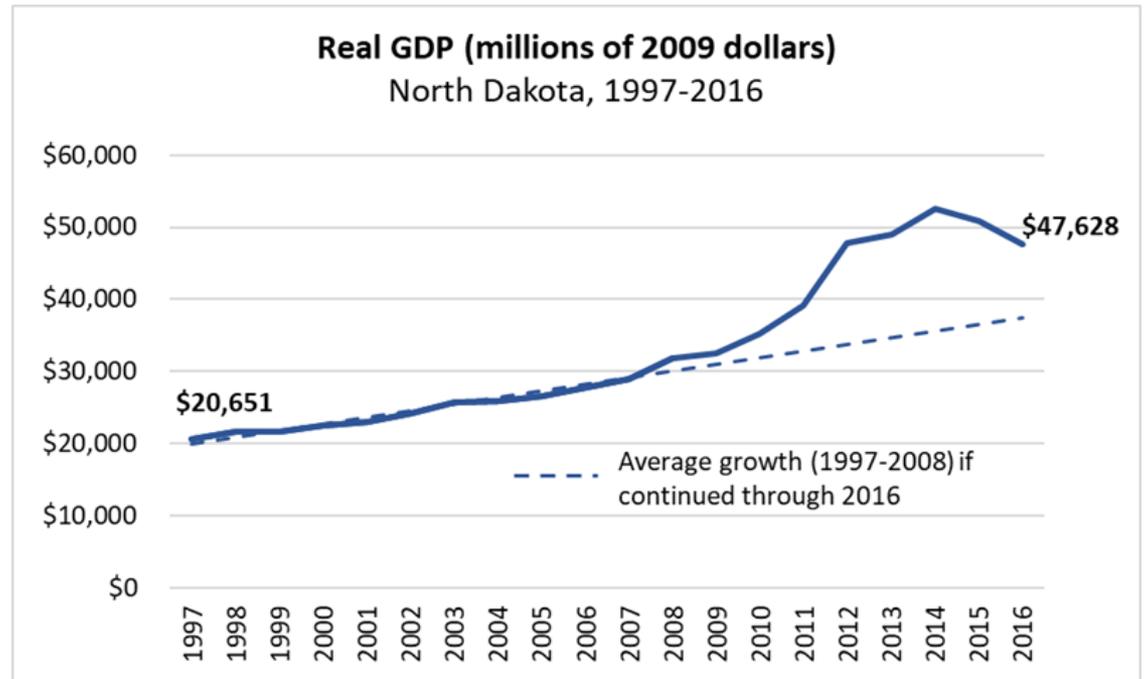
Economy and Workforce Trends Summary

- ❖ Despite the decline in state revenues in 2015 and 2016 due to dropping commodity prices both in the oil and gas industry and agriculture, North Dakota's economy is substantially larger than it was 10 years ago.
- ❖ With more diversified economies, Fargo and Grand Forks metropolitan areas continued to grow in 2016 despite the drop in state Gross Domestic Product (GDP).
- ❖ Jobs creation in North Dakota far outpaced national averages over the past 16 years. From 2000 to 2016, employment in almost all industry sectors in North Dakota gained jobs, with employment in the Mining, quarrying, and oil and gas extraction sector increasing the most. However, after increasing for a number of years, the number of jobs overall declined in 2015 and continued to decline in 2016 as compared to the previous year (4.6% decline in 2016).
- ❖ While still above the national average, the median household income in North Dakota slightly decreased in 2016 to \$60,656.
- ❖ North Dakota ranked first in the nation again in 2016 for the percentage of adults working (79.3%), but employment gaps by race still persist.

Real GDP

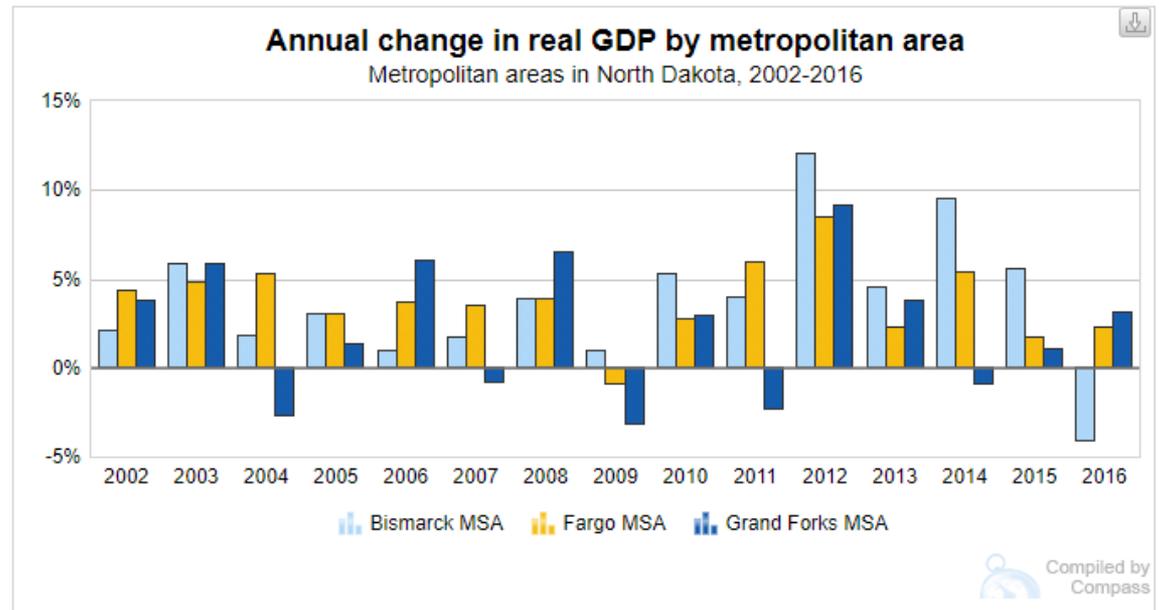
North Dakota's economy has grown substantially over the past 10 years. After remarkable growth from 2006 to 2014, North Dakota's economy contracted 3.1 percent in 2015 and 6.5 percent in 2016, due to dropping commodity prices both in the oil and gas industry and agriculture.

Despite the slowdown, North Dakota's real Gross Domestic Product (GDP) in 2016 (\$47,628 million of 2009 dollars) was still 35.3 percent higher than the 2010 GDP, far exceeding historical trends from 1997 to 2008 if continued through 2016. The 2000-2016 real GDP compound annual growth rate was 4.8 percent in North Dakota as compared to 1.6 percent in the U.S.



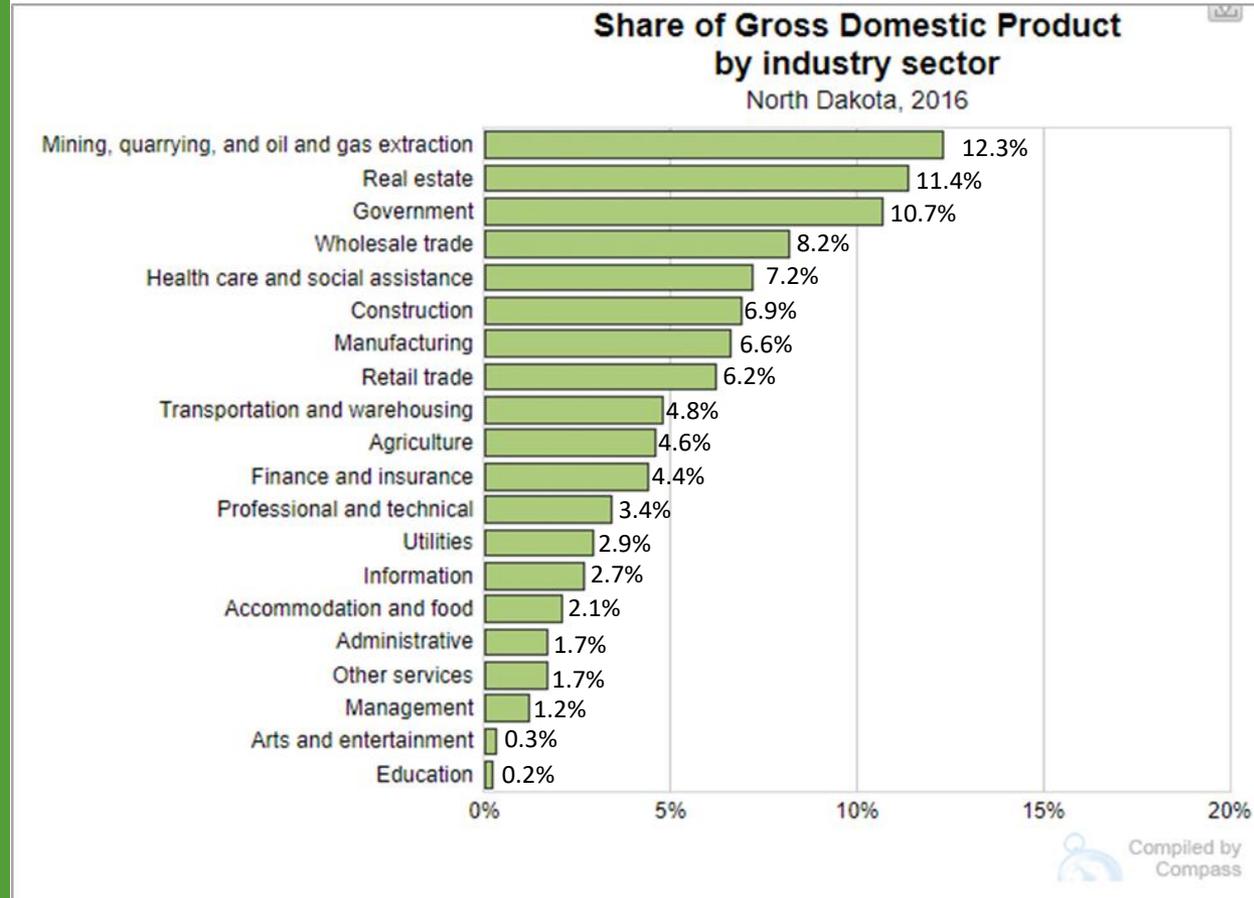
Real GDP by metro areas

Despite the decline in statewide GDP in 2015 and 2016, with more diversified economies, all three [North Dakota's metropolitan areas](#) continued to grow in 2015, and Fargo and Grand Forks still grew in 2016. From 2015 to 2016, the Grand Forks metropolitan area real GDP grew by 3.1 percent and Fargo metropolitan area's GDP increased by 2.3 percent while Bismarck's GDP decreased by 4.1 percent.



Real GDP by industry sector

Leading all other industries, Mining, quarrying, and oil and gas extraction accounted for 12.3 percent of the state's GDP in 2016. Real estate accounted for 11.4 percent and Government for 10.7 percent.

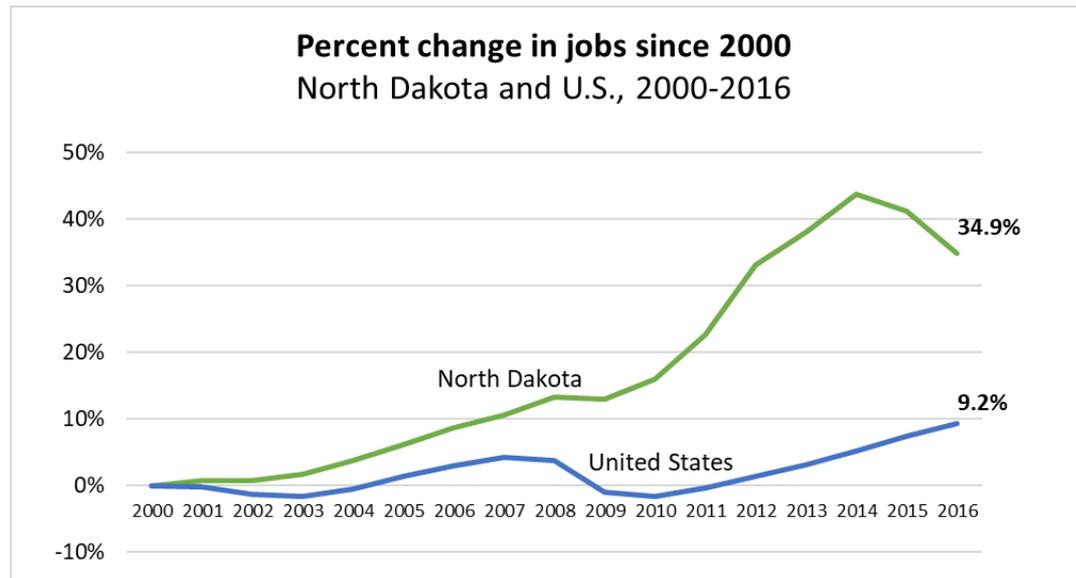


Jobs

Compared to 2000, jobs creation in North Dakota far outpaced national averages (34.9% in North Dakota as compared to 9.2% in the U.S., from 2000 to 2016).

However, after continually increasing for a number of years, the number of jobs* declined 1.7 percent in 2015 and 4.6 percent in 2016, as compared to the previous year.

* In this table, total jobs are averaged over the year. 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.



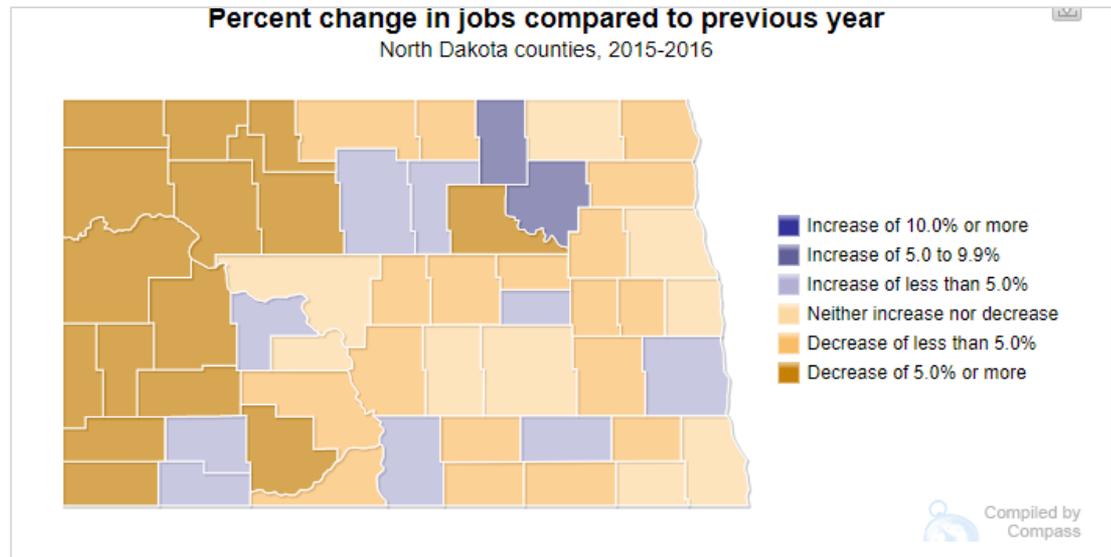
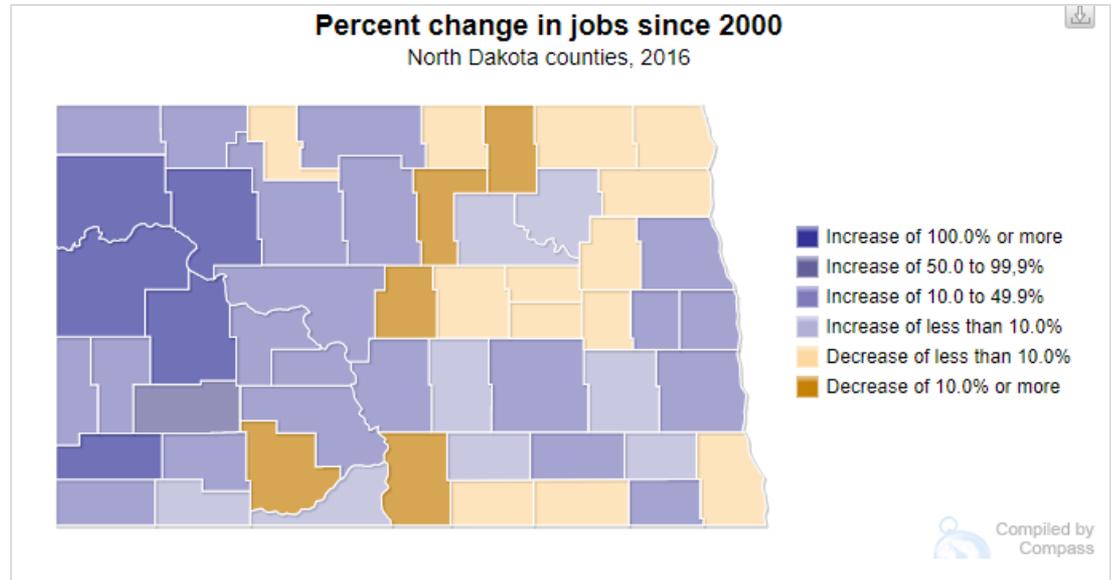
Number of jobs*
North Dakota, 2008-2016

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016
Number of jobs	350,442	349,561	358,674	379,433	411,710	427,109	444,658	437,078	417,150

Jobs by county

From 2000 to 2016, the number of jobs in the core oil and gas producing counties (i.e., Williams, Mountrail, McKenzie, and Dunn counties) more than doubled (ranging from 134% to 264% increase). Slope county also more than doubled the number of jobs (126%).

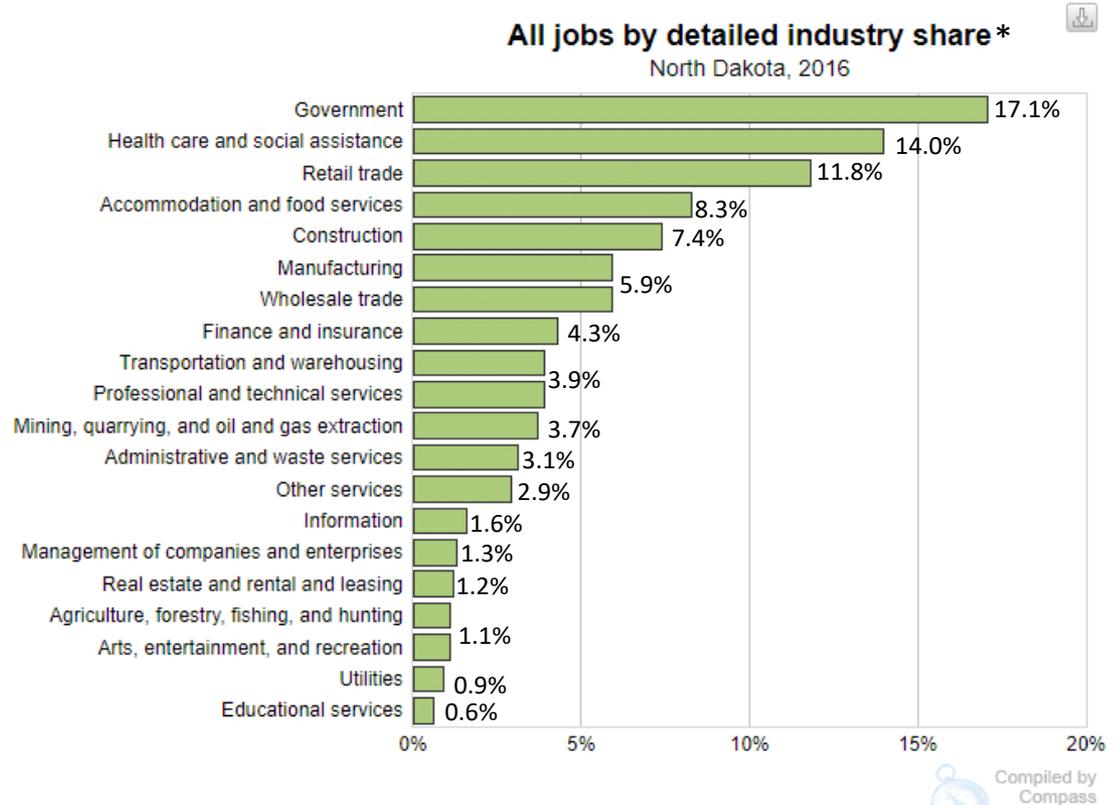
From 2015 to 2016, however, the core oil and gas producing counties experienced a decrease in the number of jobs that ranged from 19 to 28 percent, the largest decrease in the state.



Jobs by industry

In 2016, jobs in the Government sector represented the largest share of all jobs, at 17.1 percent. Jobs in Health care and social assistance ranked second at 14.0 percent, and jobs in the Retail sector ranked third at 11.8 percent.

Jobs in Information; Management of companies and enterprises; Real estate and rental and leasing; Agriculture, forestry, fishing, and hunting; Utilities; and Educational services, represented less than 3 percent each of total jobs.



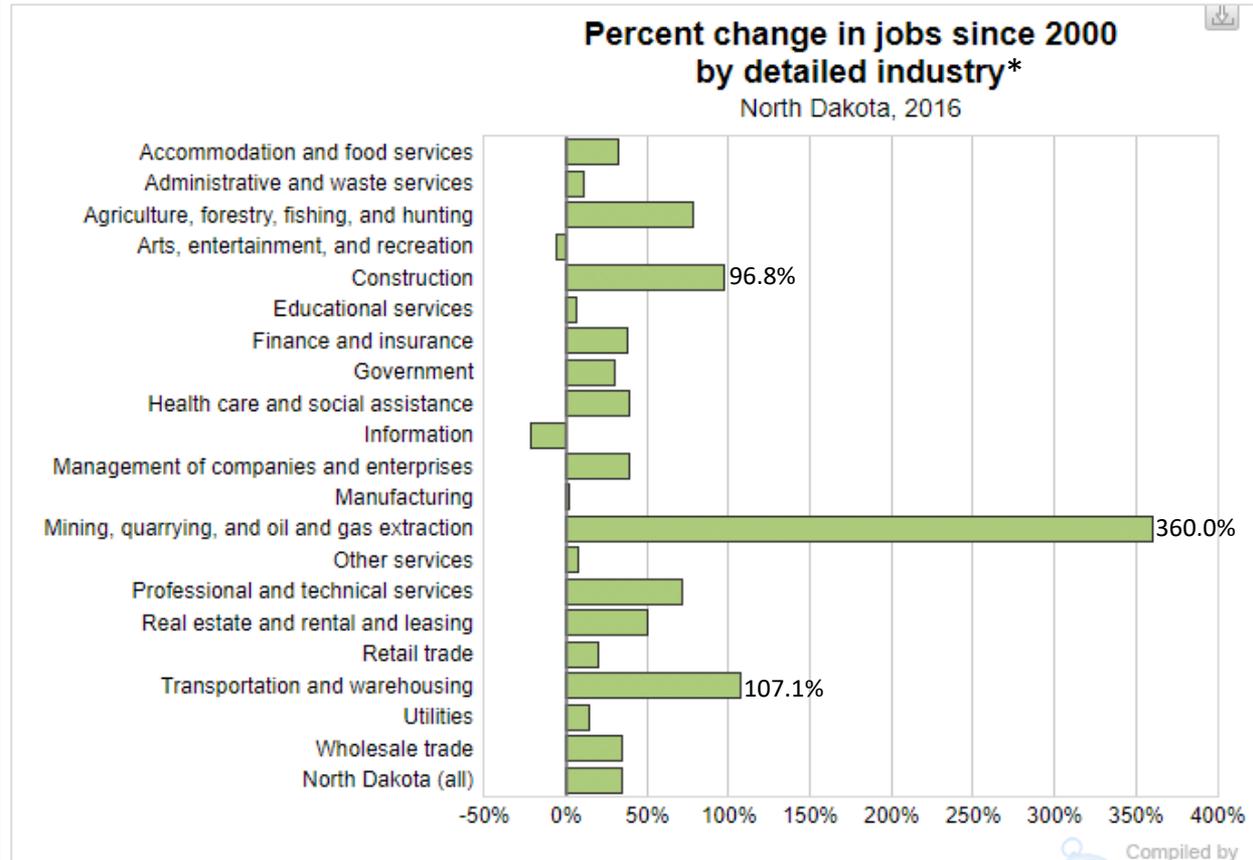
*Nonfarm payroll positions only.

Jobs by industry

From 2000 to 2016, the number of jobs in Mining, quarrying, and oil and gas extraction industry increased the most, by 360.0 percent.

In addition, jobs in Transportation and warehousing and Construction doubled from 2000 to 2016. The only industries that lost jobs since 2000 were Information and Arts, entertainment, and recreation.

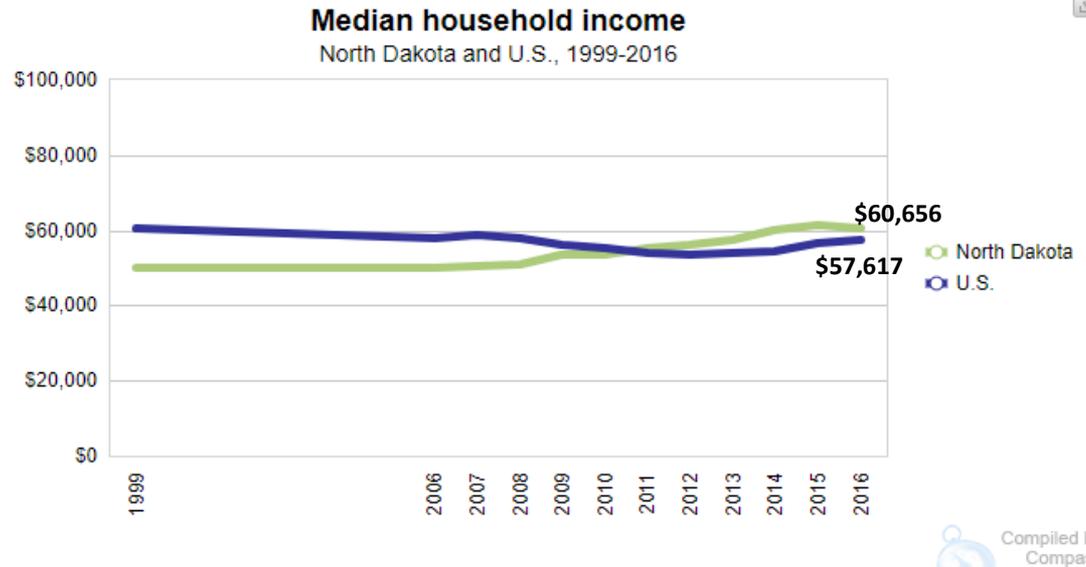
From 2015 to 2016, however, the number of jobs in the Mining, quarrying, and oil and gas extraction sector declined 34.2 percent, followed by Transportation and warehousing declining 19.5 percent.



*Nonfarm payroll positions only.

Household income

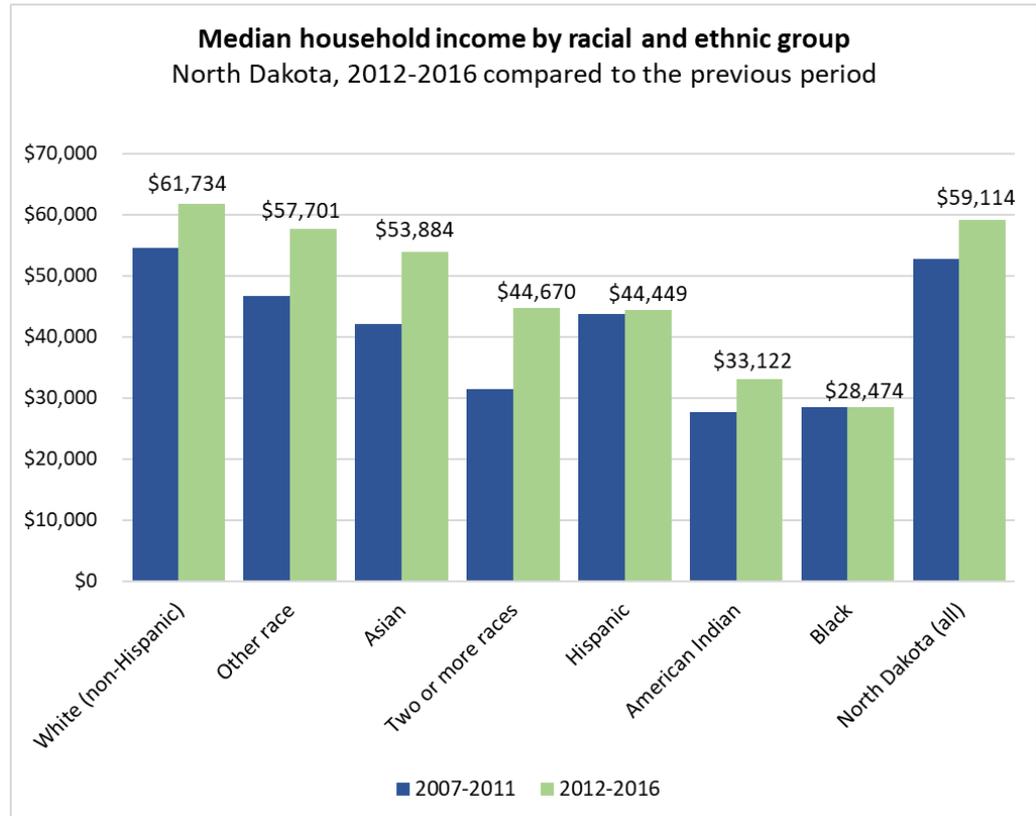
While still above the national average, the median household income in North Dakota slightly decreased from \$61,324 in 2015 to \$60,656 (in 2016 dollars). North Dakota was among only few states who saw a decrease in median household income in 2016.



Household income by race

In 2016, households headed by a White, non-Hispanic head of household had a **median income** more than double than Black-headed households and almost double than American Indian-headed households.

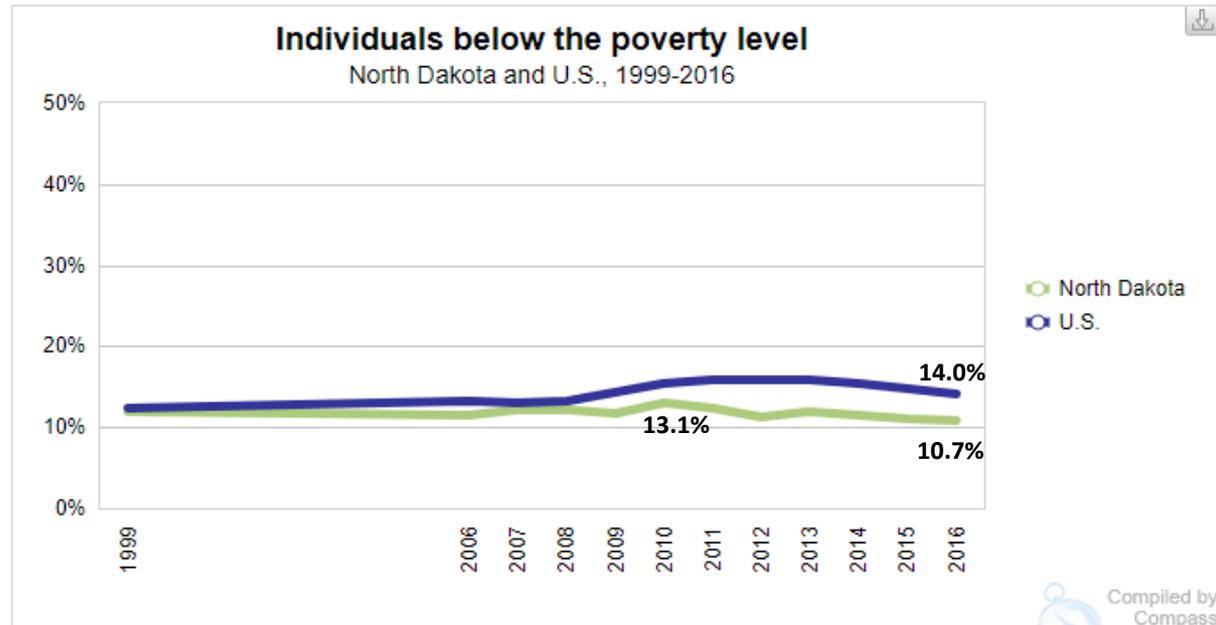
Compared to the previous 5-year period, the median income increased for households headed by most racial and ethnic groups with the exception of Black- and Hispanic-headed households.



Poverty

The poverty rate in North Dakota in 2016 was 10.7 percent, down 2.4 percentage points from 13.1 percent in 2010.

In 2016, there were 78,464 people below the poverty level, about 6,431 less than in 2010. North Dakota ranked 10th among the 50 states in terms of lowest poverty rate.

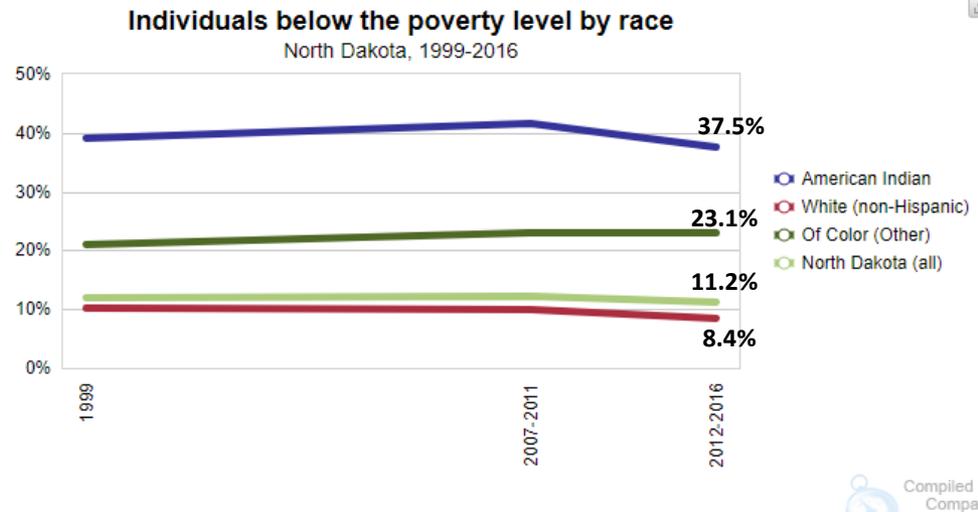


Poverty by race

The poverty rate for North Dakota population of color* was double that of the state overall (23.1% and 11.2%, respectively).

The poverty rate for American Indian population was more than triple the statewide rate (37.5%).

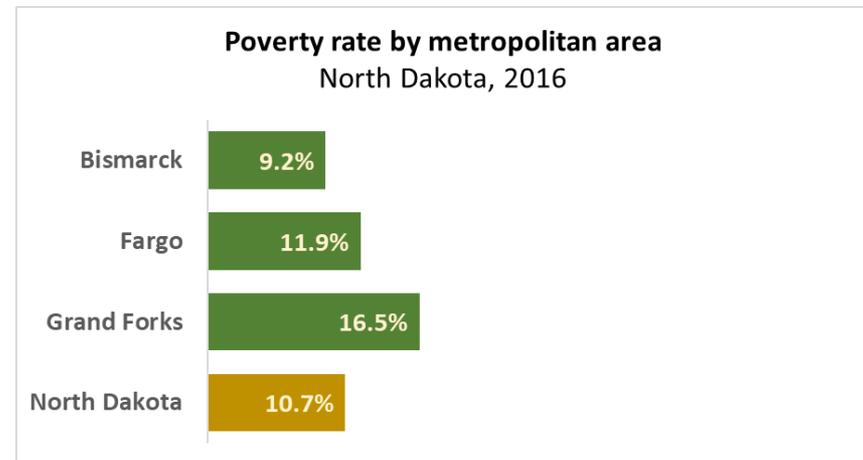
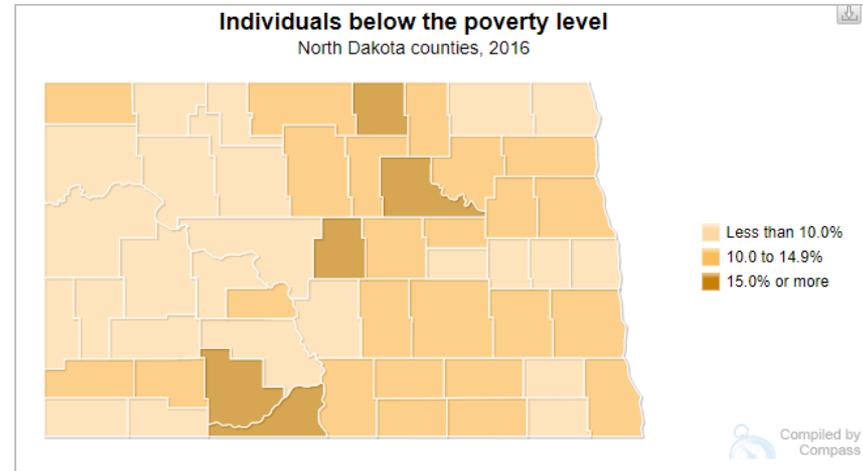
*The category "Of Color (Other)" includes all persons who are Asian, Black, or Two or more races, or those who identify themselves as belonging to another race. Persons of Hispanic ethnicity may be included in the "Of Color (Other)" or "American Indian" category, depending on their racial identification.



Poverty by geography

The poverty rate also varies by geography. There are vast differences in [poverty rates among counties](#) (from 6.6% in Mercer county and 35.3% in Sioux county, in 2016).

The poverty rate in [Grand Forks metropolitan area](#) was about 6 percentage points higher than the average poverty rate in North Dakota in 2016. [Fargo metropolitan area](#)'s poverty rate was also slightly above the state average (11.9% in 2016).



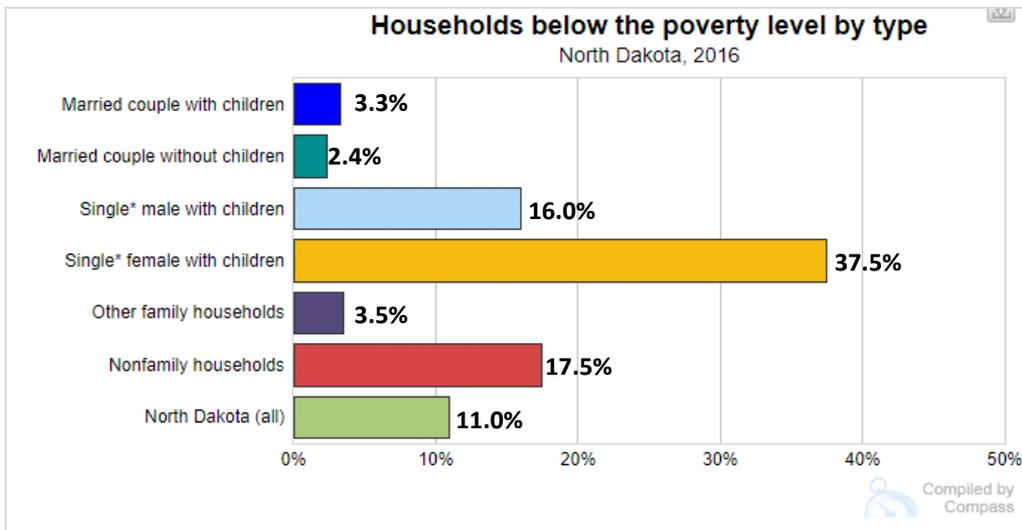
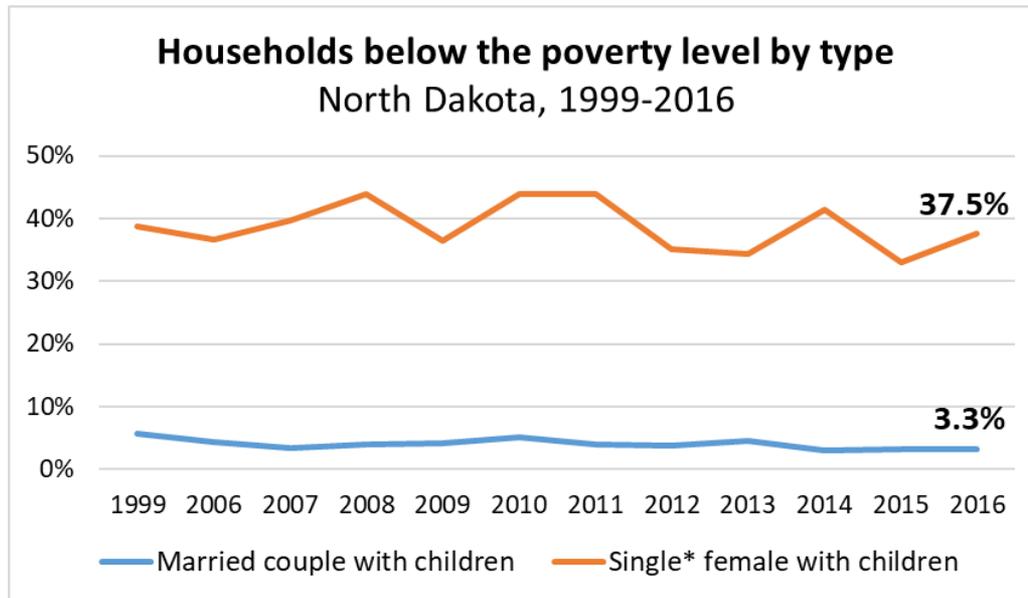
Poverty by household type

The poverty rate varies greatly by household type.

Households headed by single mothers are much more likely to be under the poverty level than married-couple households.

Since 2000, the poverty rate for married couple with children households has been relatively stable around 3 or 4 percent (3.3% in 2016).

In 2016, 37.5 percent of single mother households were under the poverty level, up from 33.1 percent in 2015. This rate is almost 3.5 times higher than the statewide rate (11.0%).



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

Adults working

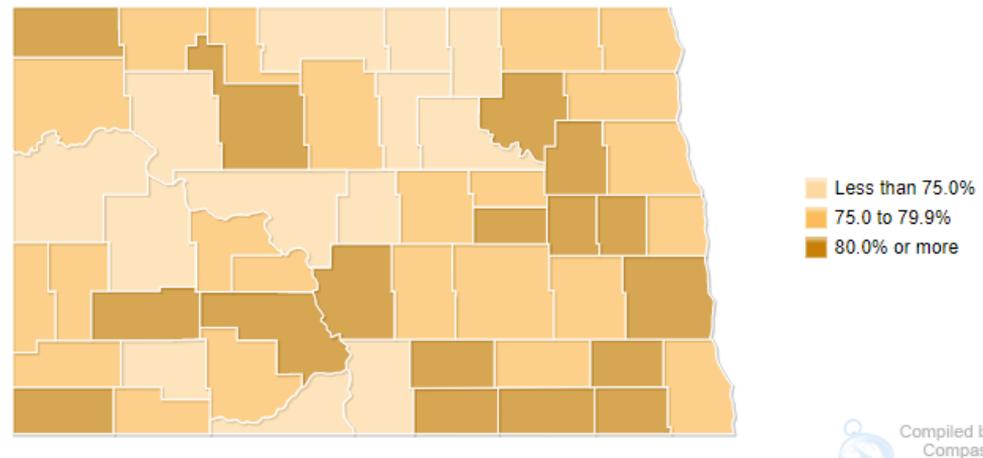
North Dakota ranked first among all 50 states in 2016 for the percentage of adults working*, at 79.3 percent.

The percentage of adults working differs by county.

Dickey county had the highest proportion of adults working (85.0%) and Sioux county had the lowest proportion of adults working (47.1%) in North Dakota in 2016.

*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.

Proportion of adults (age 16-64) working
North Dakota counties, 2012-2016



Adults working by race

For the American Indian population in North Dakota, the percentage of adults working* was 53.2 percent in 2016, forming the second largest employment gap between the White and American Indian population (27.4%) among all states in 2016.

*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.

