2018 South Dakota WORKFORCE REPORT



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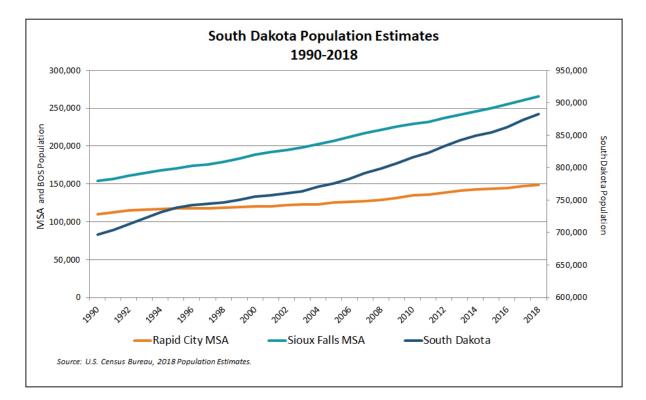
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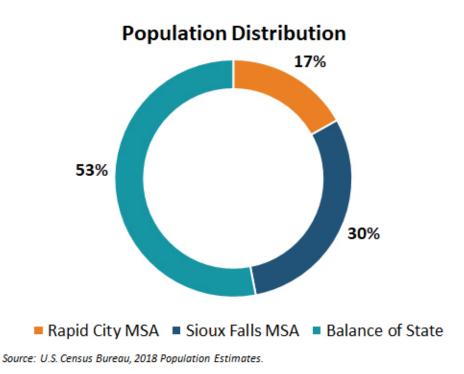
View the 2018 South Dakota Workforce Report online at: dlr.sd.gov/lmic/publications/labor_market_reports/workforce_report_2018.pdf

POPULATION

South Dakota's total population began an upward trend in 1990 which continued through 2018. According to estimates published by the U.S. Census Bureau, our population increased by 83,000 or 10.4 percent between 2008 and 2018, which exceeds the U.S. population increase of 7.6 percent over the same time period. Some of the largest growth has taken place in our two Metropolitan Statistical Areas (MSAs), Rapid City and Sioux Falls. Population in those two metro areas increased by 13.4 percent and 19.7 percent, respectively, over the last 10 years. Nearly half of South Dakota's population 414,400 (47.0 percent) resides in either the Sioux Falls or Rapid City MSAs. Between 2017 and 2018 growth remained consistent in comparison to previous years with the MSA's growing at a slightly faster pace than the rest of the state.



South Dakota Population Estimates (as of July 1 each year)							
2017 2018							
South Dakota	873,300	882,200					
Rapid City MSA	146,900	148,800					
Sioux Falls MSA 260,500 265,700							
Source: U.S. Census Bureau, 2017 Population Estimates.							



The 2017 American Community Survey (ACS) data produced by the U.S. Census Bureau shows the greatest percent of the state population by race is comprised of White residents (87.1 percent), followed by American Indian and Alaskan (10.3 percent). Regarding ethnicity, 3.6 percent of South Dakota's population is Hispanic or Latino.

South Dakota Population by Race and Ethnicity								
	Number	Percent						
Total population	869,666	100.0%						
White	757,419	87.1%						
Black or African American	23,490	2.7%						
American Indian and Alaska Native	89,584	10.3%						
Asian	14,959	1.7%						
Native Hawaiian and Other Pacific Islander	1,384	0.2%						
Some other race	6,936	0.8%						
Hispanic or Latino (of any race)	31,278	3.6%						
Source: U.S. Census Bureau, 2017 American Community Survey								



Because of the correlation between demographic and workforce data, LMIC staff have extensive knowledge of and experience using data from the U.S. Census Bureau. Contact LMIC at 605.626.2314 for assistance.

Language Spoken

Data available from the 2017 American Community Survey (ACS) for the linguistics of our state population show that a large majority of state residents (93.6 percent) speak only English. Of those residents which have the ability to speak in other languages (51,593), some struggle with language barriers as an estimated 7,212 (14.0 percent) speak English 'not well' or 'not well at all.'

Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over								
Language Spoken	5 to 17 years	18 to 64 years	65+ years	Total	Percent of Total			
Total	152,768	514,552	141,886	809,206	100.0%			
Speak only English	143,386	477,986	136,241	757,613	93.6%			
Speak Spanish:	3,621	13,237	691	17,549	2.2%			
Speak English "very well"	2,003	7,361	649	10,013	1.2%			
Speak English "well"	1,205	2,757	42	4,004	0.5%			
Speak English "not well"	413	2,619	0	3,032	0.4%			
Speak English "not at all"	0	500	0	500	0.1%			
Speak other Indo-European languages:	2,718	8,176	2,707	13,601	1.7%			
Speak English "very well"	1,534	5,686	2,305	9,525	1.2%			
Speak English "well"	628	1,618	327	2,573	0.3%			
Speak English "not well"	556	811	75	1,442	0.2%			
Speak English "not at all"	0	61	0	61	0.0%			
Speak Asian and Pacific Island languages:	718	4,914	418	6,050	0.7%			
Speak English "very well"	563	2,608	73	3,244	0.4%			
Speak English "well"	0	1,802	233	2,035	0.3%			
Speak English "not well"	155	471	101	727	0.1%			
Speak English "not at all"	0	33	11	44	0.0%			
Speak other languages:	2,325	10,239	1,829	14,393	1.8%			
Speak English "very well"	1,915	8,062	1,655	11,632	1.4%			
Speak English "well"	410	775	170	1,355	0.2%			
Speak English "not well"	0	1,402	0	1,402	0.2%			
Speak English "not at all"	0	0	4	4	0.0%			
Source: U.S. Census Bureau, 2017 American Con	nmunity Sur	vey						

GROSS DOMESTIC PRODUCT

Gross domestic product (GDP) by state is the market value of goods and services produced by the labor and property located in the state. It is the state counterpart of the nation's GDP, which is the Bureau of Economic Analysis' most comprehensive measure of U.S. economic activity. Analysis of the change in South Dakota GDP data from 2017 to 2018 reflects an overall growth (all industry total) of 4.0 percent which is an increase from the previous year's growth of 2.4 percent. As shown in the table on the following page, all but two industries experienced GDP growth from 2017-2018. Manufacturing had the greatest percentage growth in GDP at 9.5 percent.

The two industries which had decreased GDP in 2018 were the Agriculture, Forestry, Fishing and Hunting industry and the Mining, Quarrying, and Oil and Gas Extraction industry. In 2018, the Agriculture, Forestry, Fishing and Hunting industry GDP decreased by 2.9 percent from \$3.1 billion in 2017 to \$3.0 billion in 2018. The Mining, Quarrying, and Oil and Gas Extraction industry declined by 20.0 percent from 2017 to 2018. This is the smallest industry in South Dakota, making up only 0.2 percent of total GDP which enhances the volatility of this industry from year to year.



LMIC staff are experienced users of economic data from the U.S. Bureau of Economic Analysis. If you need such data or assistance using it, contact LMIC at 605.626.2314.

South Dakota Gross Domestic Product (GDP) by Industry Sector (Millions of Dollars)							
Industry	2016 GDP	2017 GDP	2018 GDP	Change from 2016- 2017	Change from 2017- 2018		
All Industry Total	48,462	49,609	51,581	2.4%	4.0%		
Private Industries	43,140	43,959	45,827	1.9%	4.2%		
Agriculture, Forestry, Fishing, and Hunting	3,228	3,137	3,045	-2.8%	-2.9%		
Mining, Quarrying, and Oil and Gas Extraction	131	144	115	10.1%	-20.0%		
Utilities	849	868	908	2.2%	4.7%		
Construction	1,925	1,862	1,975	-3.3%	6.1%		
Manufacturing	4,601	4,854	5,314	5.5%	9.5%		
Wholesale Trade	3,565	3,607	3,865	1.2%	7.1%		
Retail Trade	3,432	3,467	3,550	1.0%	2.4%		
Transportation and Warehousing	1,133	1,160	1,209	2.4%	4.2%		
Information	1,226	1,180	1,202	-3.8%	1.9%		
Finance, Insurance, Real Estate, Rental, and Leasing	12,468	12,722	13,225	2.0%	4.0%		
Professional and Business Services	2,815	2,927	3,102	4.0%	6.0%		
Educational Services, Health Care and Social Assistance	4,927	5,123	5,301	4.0%	3.5%		
Arts, Entertainment, Recreation, Accommodation and Food Services	1,834	1,861	1,916	1.4%	3.0%		
Other services, except Government	1,006	1,049	1,099	4.2%	4.89		
Government	5,322	5,651	5,755	6.2%	1.8%		

Note: NAICS Industry detail is based on the 2012 North American Industry Classification System (NAICS). Last updated May 1, 2019, reflecting Census Bureau midyear population estimates available as of December 2018.

Source: U.S. Bureau of Economic Analysis.

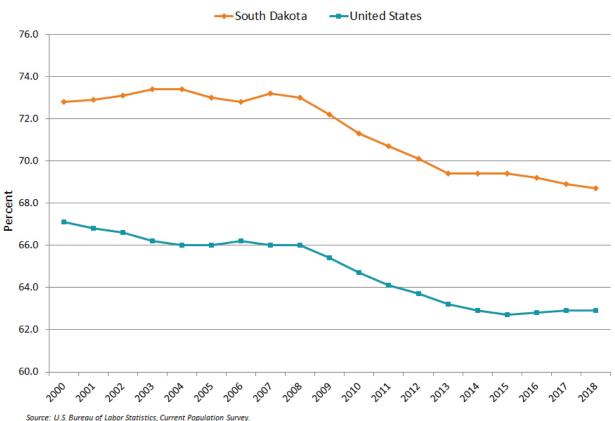
LABOR FORCE

Labor Force Participation Rate

Current Population Survey (CPS) figures from the Bureau of Labor Statistics show South Dakota's labor force participation rate was 68.7 percent in 2018. In other words, nearly 70 percent of all (non-institutionalized) residents age 16 years and older were in the labor force, either working or looking for work. This compares to a 2018 national average of 62.9 percent. Historically, South Dakota consistently has higher rates of labor force participation compared to the nation.

South Dakota's participation rate of 68.7 percent was the fifth-highest rate of all states and the District of Columbia. The District of Columbia had the highest rate at 70.4 percent, followed by Nebraska at 69.8 percent, Minnesota at 69.7 percent and Colorado at 69.2 percent.

Youth in South Dakota were also active labor force participants. In 2018, 46.0 percent of the state's youth (age 16-19 years) were in the labor force, compared to the national rate of 35.1 percent. At the other end of the age spectrum, South Dakota's labor force participation rate of 65 and over is 24.6 percent compared to the national average of 19.6 percent.





2018 Annual Average Labor Force Participation Rates by Age									
Total 16-19 20-24 25-34 35-44 45-54 55-64 65+									
United States	62.9	35.1	71.1	82.5	82.9	80.8	65.0	19.6	
South Dakota	68.7	46.0	78.3	87.1	88.6	87.9	77.1	24.6	
Source: U.S Bureau of Labor Statistics, Current Population Survey.									

A closer look at some of the demographic groups shows South Dakota's percentage of residents in the labor force ranks near the top nationally in both the male and female categories. With a female labor force participation rate of 63.9 percent South Dakota ranked fifth, behind the District of Colombia at 66.8, Minnesota at 66.3 percent, Nebraska at 64.7 and Wisconsin at 64.4 percent. The national labor force participation rate for women in 2018 was 57.1 percent. The states male labor force participation rate ranked eighth at 73.7 percent behind highest ranking Utah at 76.1 percent. The national labor force participation rate for men was 69.1 percent in 2018.

There can be several reasons why South Dakota civilians are not in the labor force a few of which include specific barriers to employment such as discouragement and poor job prospects as detailed in the following table.

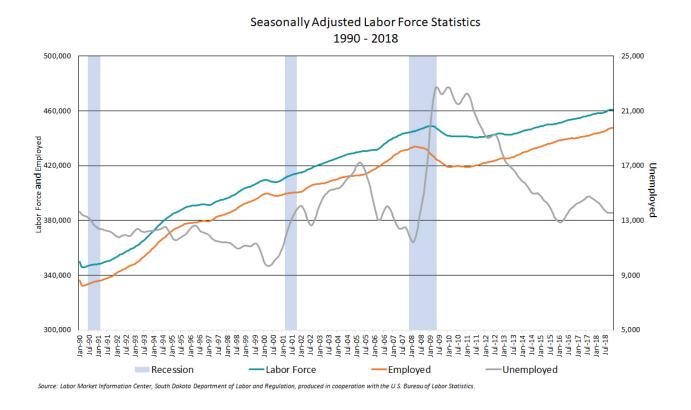
Total		Age						
Total				Sex				
	16 to 24	25 to 54	55 years	Men	Women			
207,800	40,100	36,700	130,900	87,600	120,200			
195,600	35,700	32,200	127,800	81,900	113,700			
12,200	4,500	4,500	3,200	5,700	6,500			
7,000	2,400	2,300	2,300	3,300	3,800			
5,200	2,100	2,200	900	2,400	2,800			
2,200	1,000	900	300	700	1,500			
3,000	1,100	1,300	600	1,700	1,300			
Reason not currently looking:								
500	100	300	100	400	100			
2,400	1,000	1,000	500	1,300	1,200			
	195,600 12,200 7,000 5,200 2,200 3,000 4 500 2,400	195,600 35,700 12,200 4,500 7,000 2,400 5,200 2,100 2,200 1,000 3,000 1,100 500 100 2,400 1,000	195,600 35,700 32,200 12,200 4,500 4,500 7,000 2,400 2,300 5,200 2,100 2,200 2,200 1,000 900 3,000 1,100 1,300 500 100 300 2,400 1,000 1,000	195,600 35,700 32,200 127,800 12,200 4,500 4,500 3,200 7,000 2,400 2,300 2,300 5,200 2,100 2,200 900 2,200 1,000 900 300 3,000 1,100 1,300 6600 500 100 300 100	195,60035,70032,200127,80081,90012,2004,5004,5003,2005,7007,0002,4002,3002,3003,3005,2002,1002,2009002,4002,2001,0009003007003,0001,1001,3006001,7005001003001004002,4001,0001,0005001,300			

Note: Subject to high rates of variability; January 2018 - December 2018 reference period. Source: Special tabulations of unpublished Current Population Survey (CPS), U.S. Bureau of Labor Statistics.

Unemployed

South Dakota's labor force, which consists of the employed and unemployed series continues to grow indicating a healthy labor market. The number of unemployed began to increase in March 2016 and continued this movement thorough most of 2017 before it began to level off and has remained stable throughout 2018. The unemployed series consists of more than those people who have lost a job. It includes those who have quit their jobs to look for other employment, workers whose temporary jobs have ended, individuals looking for their first job, and experienced workers looking for jobs after an absence from the labor force (for example, stay-at-home parents who return to the labor force after their children have entered school). The level of employed also began an upward trend about a year after the recession ended in May 2009 and has continued to increase gradually over the years.

The 2018 annual unemployment rate was 3.0 percent in South Dakota, compared to the national rate of 3.9 percent. South Dakota's unemployment rate has progressively decreased since the end of the recession, peaking at an annual average of 5.0 percent in 2010.



Labor force data for South Dakota and its sub-state areas are available in the virtual labor market data system. From the left-hand menu at dlr.sd.gov/lmic, choose Labor Force & Unemployment.

Unemployment rates by educational attainment level indicate the highest unemployment rates in South Dakota correlate with residents who have an educational attainment level of 'high school graduates, no college' (3.5 percent) and 'less than a high school diploma' (3.3 percent). In contrast, the lowest unemployment rates are for those residents which have an educational attainment level of 'Bachelor's degree and higher' (0.9 percent). Higher levels of educational attainment also correlate with higher earnings levels.

South Dakota Employment Status of the Civilian Population 25 Yeas and Over by Educational Attainment									
Civilian Labor Force Employment Unemployment									
	Population*	Total	Rate	Total	Rate	Total	Rate		
Less than a High school diploma	43,300	21,700	50.2 %	21,000	48.5%	700	3.3%		
High school graduates, no college 1	172,000	105,500	61.4%	101,800	59.2%	3,700	3.5%		
Some college or associate degree	175,300	128,400	73.3%	125,500	71.6%	3,000	2.3%		
Bachelor's degree and higher 2	165,900	133,100	80.2%	131,900	79.5%	1,200	0.9%		

1 Includes persons with a high school diploma or equivalent

2 Includes person with bachelor's, master's, professional and doctoral degrees

*Non-institutionalized population.

Note: Subject to high rates of variability; December 2018 - December 2018 reference period.

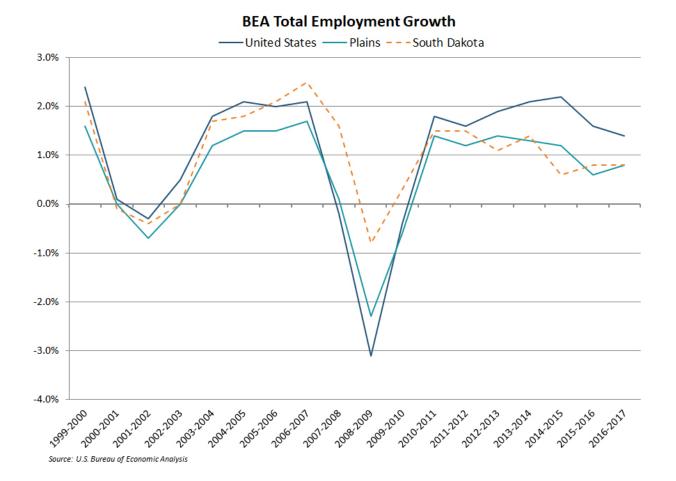
Source: Special tabulations of unpublished Current Population Survey (CPS), U.S. Bureau of Labor Statistics.

TOTAL EMPLOYMENT

The U.S. Bureau of Economic Analysis (BEA) also publishes employment data for state and local areas, which includes an estimate of the total number of jobs, including detail by full-time or part-time status (full-time and part-time jobs are counted at equal weight) and by place of work. Employees, sole proprietors and active partners are all included, but unpaid family workers and volunteers are not. Proprietors are those workers who own and operate their own businesses and are reported as either farm or nonfarm workers.

The number of workers covered by unemployment insurance is a key component of the employment data published by the BEA and in information compiled by the U.S. Bureau of Labor Statistics. More information regarding covered workers in South Dakota is available on the Labor Market Information Center website at https://dlr.sd.gov/lmic/menu_covered_workers.aspx.

Using BEA data, the chart below shows annual employment change during the 2000-2017 period. Comparative data is included for the United States, South Dakota and the Plains Region (Iowa, Kansas, Missouri, Nebraska, North Dakota and South Dakota).



For the 2008-2009 period, which reflected the worst impact of the recession, South Dakota had a total employment loss rate of 0.8 percent, compared to a loss rate of 2.3 percent for the Plains Region and 3.1 percent for the nation. South Dakota's total employment growth began an uphill trend after 2008-2009 which continued through 2017. Total employment increases between 2016 and 2017 in South Dakota and the Plains Region were steady at 0.8 percent but they continue to grow at slower rate than the nation as a whole which had a gain of 1.4 percent.

The two employment sectors which comprise total employment include proprietor employment and wage and salary employment. Total employment for all three areas had positive growth between 2012-2017. The largest percent employment increases have come from proprietor employment; however, wage and salary employment has also had positive growth annually.

In South Dakota, employment growth remained stable between 2016-2017 matching the 0.8 percent increase which occurred between 2015-2016 according to the most recently available BEA statistics. South Dakota's proprietor employment grew at a faster rate than wage and salary employment between 2016 and 2017. Both the plains region and the United States experienced this trend.

Growth by Employment Sector								
Total Employment	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017			
South Dakota	1.10%	1.40%	0.60%	0.80%	0.80%			
Plains Region	1.40%	1.30%	1.20%	0.60%	0.80%			
United States	1.90%	2.10%	2.20%	1.60%	1.40%			
Proprietor Employment	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017			
South Dakota	2.30%	1.50%	0.30%	1.10%	1.50%			
Plains Region	1.40%	1.10%	0.90%	0.80%	1.60%			
United States	2.60%	2.80%	2.80%	1.80%	1.90%			
Wage and Salary Employment	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017			
South Dakota	0.70%	1.40%	0.70%	0.80%	0.60%			
Plains Region	1.40%	1.30%	1.30%	0.60%	0.50%			
United States	1.70%	2.00%	2.00%	1.50%	1.30%			
Source: U.S. Bureau of Economic Ar	nalysis.							

Self-Employment

The Bureau of Labor Statistics (BLS) also publishes national estimates of the self-employed, for both the agriculture (and related industries) and the nonfarm industry sectors, from the Current Population Survey (CPS) data. Total self-employed workers increased by 181,000 or 1.9 percent in 2018, following a decrease in 2017. Total self-employed workers are comprised of two components the agriculture, forestry, fishing and hunting industries and nonagricultural industries. The agricultural, forestry, fishing and hunting industries decreased by 24,000 (3.0 percent) while the nonagricultural industries increased by 205,000 (2.3 percent).

Total self-employed increase by 349,000 between 2014 and 2018 for a solid gain of 3.7 percent. After steady growth in 2014, 2015 and 2016 the agriculture industry had tough years in 2017 and 2018 and is almost back to where it was five years ago. The nonagricultural industries have continued to show growth over this five-year period.

CPS Self-Employed Workers								
Year	Total	Agriculture, Forestry, Fishing and Hunting	Nonagricultural Industries					
2014	9,358,000	756,000	8,602,000					
2015	9,509,000	844,000	8,665,000					
2016	9,604,000	853,000	8,751,000					
2017	9,526,000	790,000	8,736,000					
2018	9,707,000	766,000	8,941,000					
Net Change 2014-2018	349,000	10,000	339,000					
Percent Change	3.7%	1.3%	3.9%					
Source: U.S. Bureau of Labor Statistics, Current Population Survey.								



As a cooperating agency of the U.S. Bureau of Labor Statistics, LMIC has extensive knowledge of and experience with data sources such as the Current Population Survey. For assistance, call 605.626.2314.

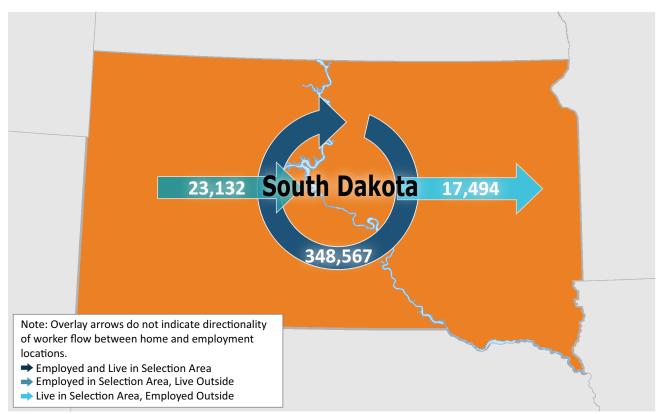
WORKER COMMUTING

Inflow and Outflow of Workers (Primary Jobs)

At the beginning of the second quarter of 2015 (most current data available), 378,083 people were employed in South Dakota. Of this total, 354,928 (93.9 percent) lived and worked in the state while 23,165 (6.1 percent) worked in the state but lived outside its borders.

During the same period, 370,984 individuals with jobs lived in the state, but not all of them were employed in South Dakota. Of this total, 354,928 (95.7 percent) called South Dakota home. The remaining 16,056 (4.3 percent) workers lived in South Dakota but commuted to another state for work.

These figures count only primary jobs. Primary jobs are public- and private-sector jobs, one job per worker. A primary job is the highest paying job for an individual worker. Workers who have more than one job in the selected area are counted only once.



South Dakota Worker Commuting Flows

Notes: Primary Jobs: Public and private sector jobs, one job per worker. A primary job is the highest paying job for an individual worker.

Source: On the Map Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, Second Quarter of 2002-2015); U.S. Census Bureau, downloaded August 2019.

Home Location of	nation Report Workers Emp h Dakota		Work Destination Report Work Location of Workers Living in South Dakota				
Job Coun	ts by State		Job Counts by State				
Second Q	uarter 2015			Second Quarter 2015			
States	Count	Share		States	Count	Share	
South Dakota	354,928	93.9%		South Dakota	354,928	95.7%	
lowa	6,590	1.7%		lowa	4,673	1.3%	
Minnesota	6,158	1.6%		North Dakota	3,726	1.0%	
Nebraska	4,268	1.1%		Minnesota	3,235	0.9%	
North Dakota	1,416	0.4%		Nebraska	2,287	0.6%	
Wyoming	1,092	0.3%		Colorado	378	0.1%	
California	351	0.1%		Montana	180	0.0%	
Colorado	335	0.1%		California	172	0.0%	
Texas	277	0.1%		Kansas	162	0.0%	
Illinois	203	0.1%		Texas	123	0.0%	
All Other Locations	2,475	0.7%		All Other Locations	1,120	0.3%	
Total Primary Jobs	387,093	100.0%		Total Primary Jobs	370,984	100.0%	

Notes: Numbers may not sum due to rounding.

Primary Jobs: Public and private-sector jobs, one job per worker. A primary job is the highest paying job for an individual worker. Wyoming work destination data is not available for 2015. Source: U.S. Bureau of Labor Statistics.



Worker commuting reports on customized geographic areas, used for economic
 development and business planning purposes, are available upon request
 from the Labor Market Information Center. For more information, call
 605.626.2314.

WORKERS BY INDUSTRY

Nonfarm Wage and Salaried Workers

South Dakota's total nonfarm employment increased by 1.1 percent from 2017 to 2018 with the addition of 4,700 workers. The 2018 annual average number of workers was 438,900. Total private industry had an average annual gain of 4,100 workers (1.2 percent) over the year. Average annual nonfarm employment has been on an upward climb since 2010.

The total nonfarm annual average of workers is comprised of Goods Producing and Service Providing industries. Goods Producing industries, including the Mining, Logging and Construction sector and the Manufacturing sector in South Dakota, increased by 1,900 workers (2.9 percent) from 2017 to 2018. Service Providing industries (all other sectors) gained 2,800 workers (0.8 percent)

South Dakota Statewide Nonfarm Wage & Salaried Workers by Industry (Not Seasonally Adjusted)								
	2017	2018						
	Annual	Annual	Actual	Percent				
Industry	Average	Average	Change	Change				
Total Nonfarm	434,200	438,900	4,700	1.1%				
Total Private	355,200	359,300	4,100	1.2%				
Goods Producing	66,400	68,300	1,900	2.9%				
Service Providing	367,800	370,600	2,800	0.8%				
Mining, Logging & Construction	23,400	23,900	500	2.1%				
Manufacturing	43,100	44,400	1,300	3.0%				
Wholesale Trade	20,800	21,000	200	1.0%				
Retail Trade	53,000	52,400	-600	-1.1%				
Transportation, Warehousing & Utilities	13,300	13,400	100	0.8%				
Information	5,700	5,600	-100	-1.8%				
Financial Activities	29,300	29,200	-100	-0.3%				
Professional & Business Services	31,500	32,600	1,100	3.5%				
Education & Health Services	71,500	72,800	1,300	1.8%				
Leisure & Hospitality	47,000	47,300	300	0.6%				
Other Services (except Public Administration)	16,700	16,800	100	0.6%				
Government	79,100	79,600	500	0.6%				
Note: Numbers may not add due to rounding.								
Produced by the SD Department of Labor & Regula cooperation with the U.S. Bureau of Labor Statistic		arket Informa	tion Center, i	in				

The **Mining, Logging and Construction** sector increased by 500 workers (2.1 percent) from 2017 to 2018. Construction paved the way to this growth, as Mining and Logging worker levels remained unchanged. The Construction sector includes three subsectors: Construction of Buildings, Heavy and Civil Engineering Construction, and Specialty Trade Contractors. Contributing the most growth during 2018 was the Specialty Trade Contractors subsector, adding 400 workers (3.1 percent). This subsector accounts for over half of all workers in the Construction sector, averaging 13,500 workers in 2018. Construction of Buildings had a gain of 200 workers (3.5 percent) from 2017 to 2018, while Heavy and Civil Engineering Construction remained unchanged. To some extent, business for specialty trade contractors is spurred by activity in Construction of Buildings (for specialty services such as building site preparation, pouring concrete, plumbing and electrical work in new structures), but there is broader demand for specialty trades work for repair and remodeling projects.

Manufacturing grew 1,300 workers (3.0 percent) over the year to an annual average of 44,400 workers in 2018. A majority of the increase (1,000 workers) took place outside the Sioux Falls and Rapid City Metropolitan Statistical Areas. Durable goods were the driving force behind this growth with the addition of 1,100 workers. Durable goods produced in South Dakota, such as trailers, furniture and electronic equipment, are not immediately consumed and can be kept for a longer time. Non-Durable Goods also contributed to this growth, just on a smaller scale. Non-durable goods are immediately consumed in one use or have a lifespan of less than three years. Examples of non-durable goods produced or processed in South Dakota include food and beverage products, paper products and fuel. South Dakota's favorable business climate, combined with limited business taxes (no corporate income tax or business inventory tax), contribute to the growth of manufacturing throughout the state.

Wholesale Trade added 200 workers (1.0 percent) over the year, reaching a 2018 annual average of 21,000 workers in South Dakota. The Wholesale Trade sector consists of establishments engaged in wholesaling merchandise and rendering services incidental to merchandise. The wholesaling process is an intermediate step in product distribution. Wholesalers sell merchandise received from manufacturers to other establishments and normally operate from a warehouse or office. The growth of Wholesale Trade correlates with the growth of Manufacturing. The more product there is to sell, the greater need there is for wholesalers.

Retail Trade continued a downward trend with a 1.1 percent decrease over the year, losing 600 workers. Technology has substantially influenced this sector. Many retailers offer phone applications to make shopping easier. Some retailers offer customers the option to order online and avoid shipping costs by picking up the merchandise in the store. In some cases, customers can pick up orders without even leaving their vehicle. While some retailers continue to grow their online presence, others have completely left storefronts behind. As consumers continue to shop more online and out of the state, there may be a further decline of retail workers.

Transportation, Warehousing and Utilities gained 100 workers (0.8 percent) over the year, reaching an annual average of 13,400 workers in 2018. Transportation, Warehousing and Utilities has remained stable with minimal changes over the last couple of years. Local and long-distance trucking,

rural bus services, water treatment plants, postal delivery services and refrigerated warehousing are examples of the types of establishments in this industry. As Manufacturing continues to grow, so does the demand for transportation and warehousing. Transportation and warehousing providers, however, have been able to efficiently keep up to the growing demand with modest worker growth thanks to advancements in technology, including mobile apps and improved tracking.

South Dakota's **Information** sector continued a downward trend with the loss of 100 workers (1.8 percent) from 2017 to 2018. Establishments in this sector are engaged in publishing, internet publishing, motion picture and sound recording, broadcasting, telecommunications, internet service providers, data processing and all other information services. Over the last 10 years, the Information sector has been on a downward trend. Advancements in technology have changed the way people access information, with a shift away from traditional formats like print to various electronically-based formats. For example, event invitations shared through social media or other smart phone apps have replaced traditional print invitations in many cases. Although this supersector also includes the providers of such electronic media, the shift from traditional to electronic formats for sharing information has resulted in a small net drop. As technology and society's comfort with it continues to grow, shifts within this industry will likely continue.

Financial Activities decreased 100 workers (0.3 percent) over the over the year with a 2018 annual average of 29,200 workers in South Dakota. The Financial Activities supersector consists of the Finance and Insurance sector and the Real Estate and Rental and Leasing sector. A little over half of the workers in the Financial Activities supersector are located in the Sioux Falls Metropolitan Statistical Area (MSA), averaging 15,800 workers during 2018. While South Dakota's Financial Activities decreased over the year, the Sioux Falls MSA had a gain of 100 workers (0.6 percent). Nationally, this supersector showed a growth of 129,000 jobs over the past 12 months according to the U.S. Bureau of Labor Statistics. Changes in technology have changed how consumers engage in financial transactions. With mobile banking and electronic signatures, people can now make transactions from the comfort of their home. Some South Dakota companies have restructured to adapt to these changes, leading to a modest worker decline.

Professional and Business Services had a strong year with a 3.5 percent increase from 2017 to 2018, adding 1,100 workers. The Professional and Business Services supersector is broken down into the following sectors: Professional, Scientific, and Technical Services; Management of Companies and Enterprises; and Administrative and Support and Waste Management and Remediation Services. This growth is a good indication other industries are expanding to the point additional help from professional and business services is needed. Temporary staffing services, payroll processing services, consulting services, corporate offices primarily engaged in overseeing a company and security guard services are examples of establishments in this supersector.

Over the year, **Education and Health Services** had a 1.8 percent growth with the addition of 1,300 workers, reaching a 2018 annual average of 72,800 workers. This supersector accounts for a little over 16 percent of South Dakota nonfarm workers. Educational Services remained unchanged over

the year with 7,400 workers. This number includes private educational services, as public educational services are included in government worker levels. Health Care and Social Assistance had the biggest impact on this supersector, adding 1,300 workers (2.0 percent) from 2017 to 2018. Population influences the growth of this industry, because a growing population creates more demand for workers to accommodate their needs. The U.S. Census Bureau estimated South Dakota's population at 882,235 in July 2018 compared to 873,286 in July 2017. Over the last 20 years, Education and Health Services has been on an upward trend. This trend has continued for several reasons, including population growth, advances in technology and scientific research, and an increase in specialized medical procedures.

Leisure and Hospitality continued to climb upward with an increase of 300 workers (0.6 percent) to an annual average of 47,300 workers in 2018. This supersector includes the Arts, Entertainment and Recreation sector and the Accommodation and Food Services sector. Establishments included in this supersector include performing arts, museums, parks, hotels and restaurants. Tourism plays a huge role in the growth of this supersector, and South Dakota offers many different events throughout the year to attract visitors to the state. According to the South Dakota Department of Tourism, 14.1 million visitors traveled to South Dakota in 2018, which is a 1.4 percent increase from 2017.

Other Services had an increase of 100 workers (0.6 percent) over the year, with a 2018 annual average of 16,800 workers in South Dakota. Examples of establishments in this sector include beauty salons, car washes, small engine repair, funeral homes, wedding planning services, nannies and business associations. As the population in South Dakota continues to grow, so does the demand for workers who provide this wide variety of services.

Government gained 500 workers (0.6 percent) from 2017 to 2018. Local Government accounted for most of this gain, adding 500 workers (1.0 percent). Tribal, city and county governments, along with public and tribal school districts, are included in Local Government. Growth in Local Government can be attributed to population increases, as city programs and services expand to meet the needs of the communities. State Government added 100 workers (0.5 percent), while Federal Government had a loss of 100 workers (0.9 percent).



A leading economic indicator, nonfarm worker data is published monthly and available in the virtual labor market data system. From the left-hand menu at dlr.sd.gov/Imic, expand the options for Workers by Industry, then choose Nonfarm worker levels. Nonfarm data is also published in the South Dakota e-Labor Bulletin each month. From the LMIC homepage mentioned above, simply click on the gold "e". A monthly Overview includes narrative analysis of industry trends based on nonfarm data.

QUARTERLY CENSUS OF EMPLOYMENT AND WAGES

About the Data

The Quarterly Census of Employment and Wages program provides information about workers covered by South Dakota Unemployment Insurance law and the Unemployment Compensation for Federal Employees (UCFE) program. Covered workers include employees who are paid a wage or salary during the year; it excludes the self-employed and unpaid family workers. Wage and salaried workers are covered regardless of type of ownership. Employees working at privately owned businesses and federal, state and local government agencies are all included.

However, not all employees are covered workers. South Dakota wage and salaried workers not covered by South Dakota Unemployment Insurance law include railroad employees, government elected officials, election workers, work-study students and religious organization employees. (Some religious organizations opt to provide unemployment insurance coverage to their employees; those organizations are included in this publication.) Nonprofit organizations may or may not be covered by unemployment insurance, depending upon whether they meet specific employment requirements.

Smaller businesses may also be exempted from coverage if they do not meet unemployment insurance law minimum payroll and employment criteria. Businesses who hire only a few workers on a part-time or seasonal basis, such as agricultural businesses, make up a large part of the exempted group.

Each employer in South Dakota who is covered by unemployment insurance is assigned an industry classification and a county code. The industry classification is determined by the business activity and type of ownership and the county code is determined by worksite location (store, branch, office, etc.).

The data in this section of the report is based on the quarterly employment and wage reports submitted by South Dakota employers liable under unemployment insurance laws to the Division of Reemployment Services of the South Dakota Department of Labor and Regulation. The Labor Market Information Center (LMIC) also collects supplemental data from employers in cooperation with the U.S. Bureau of Labor Statistics.

For example, although the quarterly reports submitted by liable employers are based on employer serial number, the LMIC gathers additional data by establishment. A covered employer could include one or more establishments. Those establishments could be conducting business at one or more worksite locations. Each establishment is given an industry and county code.

The number of covered wage and salaried workers equaled 96.0 percent of South Dakota's wage and salaried workers in 2018. Covered workers are counted at their place of work. A person who works for more than one covered employer is counted at each job.

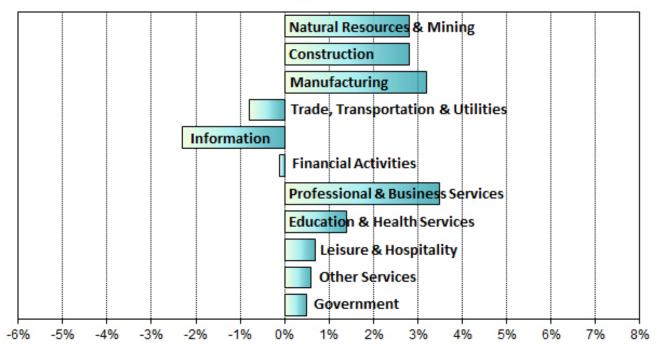
Number of Covered Workers

The number of employees covered by unemployment insurance in 2018 was 426,917 workers. This represents an increase of 1.0 percent from 2017. As shown in the table below, eight industries showed worker gains while three industries decreased during 2018.

Average Number of Covered Workers by Ownership and Supersector					
Private Ownership	2017	2018	% Change 2017-2018		
Natural Resources and Mining	6,646	6,830	2.8%		
Construction	22,350	22,969	2.8%		
Manufacturing	43,081	44,442	3.2%		
Trade, Transportation and Utilities	86,428	85,733	-0.8%		
Information	5,720	5,589	-2.3%		
Financial Activities	28,761	28,739	-0.1%		
Professional and Business Services	31,267	32,353	3.5%		
Education and Health Services	66,897	67,867	1.4%		
Leisure and Hospitality Services	46,964	47,315	0.7%		
Other Services	11,077	11,148	0.6%		
Total Private Ownership	349,191	352,984	1.1%		
Public Administration					
Federal Government	11,350	11,270	-0.7%		
State Government	14,934	14,969	0.2%		
Local Government	47,279	47,693	0.9%		
Total Government	73,564	73,932	0.5%		
Statewide Total	422,755	426,917	1.0%		
Data subject to revision.					
Produced by the SD Department of Labor & Regulation, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics.					

The graph on the following page further highlights industry worker level changes from 2017 to 2018.

South Dakota Covered Workers Percent Change from 2017 to 2018



Annual Pay of Covered Workers

Annual pay reflects total compensation paid to covered workers in the form of wages, salaries, bonuses, commission and overtime pay during the year. Annual pay is calculated by dividing total payroll by the average number of workers. The statewide annual pay for workers covered by unemployment insurance for 2018 was \$43,695. This represents an increase of 3.0 percent from 2017.

Annual pay is affected by the number of hours worked and the rate of pay. Full-time workers normally have higher annual pay than part-time workers do. Many of the industries with the lowest annual pay have a sizable percentage of part-time jobs. Industry specific annual pay is determined by the mix of full-time and part-time workers and high-paying and low-paying jobs. The leisure and hospitality industry group have the lowest industry annual pay of \$16,957 because these types of businesses typically hire many part-time workers. Federal government workers have the highest annual pay at \$66,786.

Annual Pay of Covered Workers by Ownership and Supersector					
Private Ownership	2017	2018	% Change 2017-2018		
Natural Resources and Mining	\$41,459	\$42,906	3.5%		
Construction	\$47,387	\$48 <i>,</i> 983	3.4%		
Manufacturing	\$47,877	\$49 <i>,</i> 320	3.0%		
Trade, Transportation and Utilities	\$38,279	\$39 <i>,</i> 650	3.6%		
Information	\$47,228	\$49 <i>,</i> 331	4.5%		
Financial Activities	\$57,507	\$60 <i>,</i> 159	4.6%		
Professional and Business Services	\$55,289	\$56 <i>,</i> 386	2.0%		
Education and Health Services	\$49,429	\$50,399	2.0%		
Leisure and Hospitality Services	\$16,459	\$16,957	3.0%		
Other Services	\$31,405	\$32,876	4.7%		
Total Private Ownership	\$42,344	\$43,706	3.2%		
Public Administration					
Federal Government	\$64,412	\$66,786	3.7%		
State Government	\$49,358	\$49 <i>,</i> 933	1.2%		
Local Government	\$35,548	\$36,197	1.8%		
Total Government	\$42,804	\$43,641	2.0%		
Statewide Total	\$42,424	\$43 <i>,</i> 695	3.0%		
Data subject to revision. Produced by the SD Department of Labor & Regulation, Labor Market Information					
Center, in cooperation with the U.S. Bureau of Labor Statistics.					

The table on the following page shows the number of establishments, average number of workers and annual pay by supersector and sector. The sector tabulations provide more detailed information about the types of business activities taking place in the state. (Each different employer worksite location is counted as a separate establishment.)



The Quarterly Census of Employment and Wages Program provides a wealth
of information on employment and pay of South Dakota establishments. For more information, see the LMIC website at dlr.sd.gov/lmic. From the left-hand menu, choose Workers by Industry.

South Dakota Covered Workers and Pay by Supersector and Sector 2018			
	Number of	Average Number	Annual
Supersector and Sector	Establishments	of Workers	Pay
Natural Resources and Mining	1,093	6,830	\$42,906
Agriculture, Forestry, Fishing and Hunting	1,024	5,949	\$39,854
Mining	69	882	\$63,442
Construction	4,094	22,969	\$48,983
Construction	4,094	22,969	\$48,983
Manufacturing	1,118	44,442	\$49,320
Manufacturing	1,118	44,442	\$49,320
Trade, Transportation and Utilities	8,452	85,733	\$39,650
Wholesale Trade	2,819	20,858	\$60,783
Retail Trade	3,993	52,263	\$28,594
Transportation and Warehousing	1,469	10,634	\$44,207
Utilities	171	1,978	\$84,439
Information	601	5,589	\$49,332
Information	601	5,589	\$49,332
Financial Activities	3,450	28,739	\$60,159
Finance and Insurance	2,288	24,859	\$63,827
Real Estate and Rental and Leasing	1,162	3,879	\$36,669
Professional and Business Services	5,677	32,353	\$56,386
Professional, Scientific and Technical Services	3,529	14,053	\$61,031
Management of Companies and Enterprises	226	5,265	\$99,669
Administrative and Support and Waste Management and Remediation Services	1,922	13,034	\$33,898
Education and Health Services	3,005	67,867	\$50,399
Educational Services	369	3,703	\$29,868
Health Care and Social Assistance	2,636	64,163	\$51,584
Leisure and Hospitality Services	3,340	47,315	\$16,957
Arts, Entertainment and Recreation	712	6,833	\$18,207
Accommodation and Food Services	2,628	40,483	\$16,745
Other Services	2,324	11,148	\$32,876
Other Services, except Public Administration	2,324	11,148	\$32,876
Public Administration	2,457	73,932	\$43,642
Federal Government	712	11,270	\$66,786
State Government	898	14,969	\$49,933
Local Government	847	47,693	\$36,197

Produced by the SD Department of Labor & Regulation, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics.

Noteworthy Industry Trends

Employment trends during 2018 were noteworthy in several industry supersectors due to their actual or percentage growth, or simply for the large number of South Dakotans they employ. The highlights below on those industries identify their National American Industry Classification System (NAICS) codes. More information on NAICS is available at: https://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2017.

Professional, Scientific and Technical Services

The **Professional, Scientific and Technical Services** supersector (NAICS 54) had the largest percent-age worker increase (3.5 percent) of all the supersectors during 2018, adding 1,086 workers for a level of 32,353.

South Dakota Covered Workers and Pay in Professi 2018	onal, Scientific and	Technical Se	rvices
Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay
Professional and Business Services	5,677	32,353	\$56 , 386
Professional, Scientific and Technical Services	3,529	14,053	\$61,031
Professional and Technical Services	3,529	14,053	\$61,031
Management of Companies and Enterprises	226	5,265	\$99,669
Management of Companies and Enterprises	226	5,265	\$99,669
Administrative and Support and Waste Management and Remediation Services	1,922	13,034	\$33,898
Administrative and Support Services	1,787	12,105	\$33,320
Waste Management and Remediation Services	135	929	\$41,417
Data subject to revision			

Data subject to revision.

Produced by the SD Department of Labor, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics.

Contributing most greatly to the Professional, Scientific and Technical Services supersector's first place rank in percent worker growth during 2018 was the sector by the same name, the **Profes**-**sional, Scientific and Technical Services** sector. Establishments in this sector specialize in performing for a diversity of other businesses, and in some cases, for households, types of professional, scientific and technical activities that require a high degree of expertise and training. All nine industry groups within this subsector experienced worker increases from 2017 to 2018.

Examples of services provided include legal advice and representation; accounting, bookkeeping and payroll services; architectural, engineering and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; and veterinary services. The distinguishing feature of the Professional, Scientific and Technical Services subsector is the fact most of the industries grouped in it are almost wholly dependent on human capital; their employees' skills, knowledge and expertise create significant economic value. In most of these industries, equipment and materials are not of major importance. Instead, they sell expertise--often requiring advanced degrees.

The **Management of Companies and Enterprises** sector also helped the Professional, Scientific and Technical Services supersector reach its first place rank in percent growth during 2018. Businesses in this sector hold the securities of (or other equity interests in) companies and enterprises for the purposes of owning a controlling interest or influencing management decisions. This sector's establishments also administer, oversee and manage establishments of the company or enterprise and normally undertake the strategic or organizational planning and decision-making role of the company's enterprise. Typically, corporate offices, centralized administrative offices and district or regional offices fall within this sector. Most workers are in high-level management positions.

The sector saw an increase in employment from 4,904 workers in 2017 to 5,265 workers in 2018, an increase of 361 workers or 7.4 percent. The number of establishments also increased in the past year. This sector had some small management companies start up throughout the course of the year. The spike in employment was due to existing companies expanding, requiring additional workers.

Manufacturing

The industry supersector with the largest actual growth in worker levels during 2018 was **Manufacturing** (NAICS 31-33), which had the second greatest percent growth as well. The number of workers increased 1,361 workers (3.2 percent) from 2017 to 2018, reaching 44,442 workers. Manufacturing is the third largest supersector in South Dakota, behind Health Care and Social Assistance, and Retail Trade. Conservative but steady growth in both employment and pay has continued to be Manufacturing's overall trend the past few years.

The Manufacturing supersector contains one sector, manufacturing. This sector comprises establishments engaged in the mechanical, physical or chemical transformation of materials, substances or components into new products. Businesses are involved in durable and nondurable goods manufacturing. Establishments included in durable goods manufacturing produce goods with a normal life expectancy of three or more years. These items typically consist of higher dollar products, such as machinery, furniture, building materials and electronic equipment. Non-durable goods typically consist of food and beverage products, clothing and paper products.

As shown in the table on the following page, 14 of Manufacturing's 21 subsectors showed a positive change in the number of workers during 2018.

South Dakota Covered Workers and Pay in Manufacturing 2018			
Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay
Manufacturing	1,118	44,442	\$49,320
Manufacturing	1,118	44,442	\$49,320
Food Manufacturing	137	10,280	\$47,663
Beverage and Tobacco Product Manufacturing	23	212	\$22,684
Textile Mills	*	*	×
Textile Product Mills	23	527	\$39,907
Apparel Manufacturing	3	55	\$34,626
Leather and Allied Product Manufacturing	3	12	\$12,917
Wood Product Manufacturing	59	2,091	\$47,339
Paper Manufacturing	10	692	\$53,558
Printing and Related Support Activities	96	1,320	\$44,348
Petroleum and Coal Products Manufacturing	*	*	×
Chemical Manufacturing	39	1,103	\$62,086
Plastics and Rubber Products Manufacturing	53	1,587	\$47,986
Nonmetallic Mineral Product Manufacturing	83	1,676	\$59,307
Primary Metal Manufacturing	9	598	\$56 <i>,</i> 638
Fabricated Metal Product Manufacturing	184	3,934	\$46,144
Machinery Manufacturing	124	6,773	\$51,765
Computer and Electronic Product Manufacturing	38	2,065	\$42,623
Electrical Equipment and Appliance Manufacturing	13	452	\$44,781
Transportation Equipment Manufacturing	51	3,593	\$51,958
Furniture and Related Product Manufacturing	72	2,495	\$38,926
Miscellaneous Manufacturing	95	4,969	\$55,717

Data subject to revision.

Produced by the SD Department of Labor, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics. Those subsectors most significantly contributing to the supersector's overall growth were:

- Equipment Manufacturing (NAICS 336): 673 workers (23.0 percent)
- Machinery Manufacturing (NAICS 333): 320 workers (5.0 percent)
- Food Manufacturing (NAICS 311): 187 workers (1.9 percent)
- Computer and Electronic Product Manufacturing (NAICS 334): 110 workers (5.6 percent)

The increase of 673 workers in **Transportation Equipment Manufacturing** was mostly within the Motor Vehicle Body and Trailer Manufacturing and Motor Vehicle Parts Manufacturing industry groups. Based on new information collected from one of our employer surveys, a business was reclassified within the Manufacturing sector, causing multiplication of worker levels for this subsector. This subsector also noted the expansion of several existing establishments which added workers in response to increased demand for various manufactured products. This growth gave the total employment level in the Manufacturing sector a respectable upgrade.

The over-the-year growth in **Machinery Manufacturing** (NAICS 333) was concentrated mainly within Agriculture, Construction and Mining Machinery Manufacturing and Metalworking Machinery Manufacturing. The growth was spread among many of the larger employers in these industry groups. These large companies continued to hire new employees throughout the year to increase production to meet the demand for their various products.

The **Food Manufacturing** subsector (NAICS 311) is the largest manufacturing subsector in South Dakota. A significant amount of the employment growth in this subsector happened in the Animal Food Manufacturing and Animal Slaughtering and Processing industry groups. Animal Food Manufacturing establishments produce food and feed for animals from grains, oilseed mill products and meat products. Animal Slaughtering and Processing establishments are engaged not only in slaughtering animals, but also prepare processed meats and render and/or refine animal fat, bones and meat scraps.

Growth in **Computer and Electronic Product Manufacturing** (NAICS 334) occurred in the Electronic Instrument Manufacturing and Semiconductor and Electronic Component Manufacturing industry groups. This growth was related to the production by larger employers of navigational, measuring, electromedical and control instruments, capacitors, resistors, microprocessors, circuit boards and computer modems.

Education and Health Services Supersector

The **Education and Health Services** supersector is the state's second largest employing industry and ranked third in 2018 for most worker growth. This supersector is comprised of the education services sector and the health services and social assistance sector. Businesses within this supersector provide instruction and training or provide health care and social assistance to individuals.

With the **Educational Services** sector (NAICS 61) losing employment for the third straight year in 2018, it was the **Health Care and Social Assistance** sector (NAICS 62) giving this supersector noteable growth during the year.

South Dakota Covered Workers and Pay in Education and Health Services 2018						
Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay			
Education and Health Services3,00567,867\$50,39						
Educational Services	369	3,703	\$29 <i>,</i> 868			
Educational Services	369	3,703	\$29 <i>,</i> 868			
Health Care and Social Assistance	2,636	64,163	\$51,584			
Ambulatory Health Care Services	1,532	17,468	\$75 <i>,</i> 791			
Hospitals	62	25,386	\$55 <i>,</i> 871			
Nursing and Residential Care Facilities	391	13,158	\$28,257			
Social Assistance	651	8,151	\$24,015			
Data subject to revision. Produced by the SD Department of Labor, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics.						

The **Health Care and Social Assistance** sector saw both employment and wages rise in 2018. Compared to other sectors, this sector has the highest level of employment and the highest amount of total wages paid out in South Dakota. The number of workers in 2018 increased by 1,137 (1.8 percent) for a total of 64,163. Average annual wages increased \$947 (1.9 percent) for an annual average of \$51,584 per worker for the year. The Health Care and Social Assistance sector is made up of the following four subsectors:

- Ambulatory Health Care Services (NAICS 621)
- Hospitals (NAICS 622)
- Nursing and Residential Care Facilities (NAICS 623)
- Social Assistance (NAICS 624)

This sector continues to ride the wave of a long-term growth trend due to several key, ongoing factors, including:

- > Technological advancements in diagnosis and treatment of injuries, illnesses and disease
- South Dakota's aging population enjoying longer live expectancies and more active lifestyles in later years
- Greater specialization of healthcare facilities, especially in the more populated areas of the state

Health practitioners in the **Ambulatory Health Care Services** subsector provide outpatient services, with the facilities and equipment not usually being the most significant part of the production process. Examples include doctors' and dentists' offices and clinics, outpatient substance abuse centers

and ambulance services. Another example is home health care. Home health care providers offer skilled nursing services in the home, such as physical therapy, medication help, counseling, dietary and nutritional service, speech therapy and intravenous therapy.

The **Hospitals** subsector is comprised of establishments providing medical, diagnostic and treatment services including physician, nursing and other health services to inpatients and the specialized accommodation services required by inpatients. Some of the largest establishments in South Dakota belong to the Hospitals subsector.

The **Nursing and Residential Care Facilities** subsector also produced growth in employment and wages during 2018. This subsector's establishments provide residential care combined with either nursing, supervisory or other types of care as required by the residents. Assisted living facilities for the elderly is an example of such an establishment. Other establishments included in this category are assisted living facilities for the elderly where personal care services typically include room, board, supervision and assistance in daily living, such as housekeeping services. These types of assisted living facilities do not have on-site nursing care.

Establishments in the **Social Assistance** subsector provide a wide variety of social assistance services directly to their clients. Vocational rehabilitation services belong to this subsector. Business activities include providing job counseling, job training and employment for persons with disabilities.

In contrast to the steady growth of the Health Care and Social Assistance subsector, the other subsector in the Education and Health Services supersector has been noting declines recently. After steadily increasing employment between 2002 and 2015, the private **Educational Services** sector (NAICS 61) lost employment for the third straight year in 2018. From 2017 to 2018, the sector decreased by 41 workers (-1.1 percent).

Establishments in the Educational Services sector are privately owned and operated for profit or not for profit. Publicly owned establishments, usually owned and operated by state and local governments, are not included here but are instead included in the Public Administration supersector. Roughly 10 percent of education employment falls in privately owned establishments, with the remainder being in publicly owned establishments.

The recent slump in private Educational Services worker levels can mostly be attributed to employment losses at colleges and universities along with establishments engaged in business, computer and management training. Worker gains were observed for elementary and secondary schools.

The Educational Service sector is widely considered counter-cyclical. Typically, when the economy is doing well and unemployment is at a low rate, more working adults go to work. More career and job prospects available for working adults, in turn, lead to lower school enrollment, decreased profit and a lower need for teachers/instructors at schools.

Trade, Transportation and Utilities Supersector

Although it noted an employment decline in 2018 of 695 (-0.8 percent), the Trade, Transportation and Utilities supersector is worthy of mention in this annual workforce report as South Dakota's largest employing industry.

The Trade, Transportation and Utilities supersector employed 85,733 South Dakotans in 2018. It is comprised of the following sectors: wholesale trade, retail trade, transportation and warehousing, and utilities. Businesses within this supersector sell or arrange the sale of goods and supplies and retail merchandise to the public, provide transportation of passengers or cargo or generate and/or distribute electricity, gas or water.

South Dakota Covered Workers and Pay in Trade, Transportation and Utilities 2018			
Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay
Trade, Transportation and Utilities	8,452	85,733	\$39 <i>,</i> 650
Wholesale Trade	2,819	20,858	\$60,783
Merchant Wholesalers, Durable Goods	1,295	10,005	\$64,037
Merchant Wholesalers, Nondurable Goods	1,268	10,312	\$56,386
Electronic Markets and Agents and Brokers	256	541	\$84,414
Retail Trade	3,993	52,263	\$28,594
Motor Vehicle and Parts Dealers	556	7,761	\$47,787
Furniture and Home Furnishings Stores	181	1,460	\$34,483
Electronics and Appliance Stores	182	1,428	\$42,535
Building Material and Garden Supply Stores	403	5,709	\$32,657
Food and Beverage Stores	341	9,302	\$20,086
Health and Personal Care Stores	245	1,940	\$33,532
Gasoline Stations	630	6,685	\$20,975
Clothing and Clothing Accessories Stores	360	2,705	\$17,273
Sporting Goods, Hobby, Book and Music Stores	201	2,296	\$21,365
General Merchandise Stores	209	9,323	\$24,144
Miscellaneous Store Retailers	458	2,567	\$24,525
Nonstore Retailers	227	1,089	\$45,994
Table continued on next page.			



LMIC publishes an online, comprehensive annual summary of data from the Quarterly Census of Employment and Wages, including narrative analysis on each industry. From the left-hand menu at **dlr.sd.gov/Imic**, expand the Workers by Industry option, then choose Quarterly Census of Employment and Wages. The Historical Summaries of Annual Data are available back to 2004.

		Average	
	Number of	Number	Annual
Supersector, Sector and Subsector	Establishments	of Workers	Pay
Transportation and Warehousing	1,469	10,634	\$44,207
Air Transportation	29	276	\$41,899
Truck Transportation	1,039	5,324	\$49,155
Transit and Ground Passenger Transportation	100	1,289	\$21,636
Pipeline Transportation	12	109	\$101,814
Scenic and Sightseeing Transportation	14	102	\$24,043
Support Activities for Transportation	145	989	\$49,760
Postal Service	13	30	\$21,264
Couriers and Messengers	75	1,684	\$42,554
Warehousing and Storage	42	831	\$40,773
Utilities	171	1,978	\$84,439
Utilities	171	1,978	\$84,439

Produced by the SD Department of Labor, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics.

As the table above indicates, the **Retail Trade** sector (NAICS 44-45) accounts for the majority of employment in this supersector (61.0 percent in 2018). In fact, Retail Trade ranked second among all industry sectors in both the number of establishments (3,993) and in the number of worker levels (52,263 workers) in 2018.

However, the sector continued a downward trend with a loss of 75 establishments and 738 workers (1.4 percent) from 2017 to 2018. Technology advancements continue to influence the landscape of retail trade. Many retailers have grown their online presence, and some have stepped away from offering storefronts. As consumers continue to shop more online or out of state, the demand for retail workers may continue to decline.

The next largest Trade sector is **Wholesale Trade**. This sector continued a downward trend with a 131 worker (0.6 percent) drop from 2017 to 2018. Average annual pay, however, had a 4.0 percent growth over the year, reaching \$60,783. The majority of establishment, worker level and annual pay changes within this sector in 2018 are due to an industry reclassification that took place in the Wholesale Trade sector.

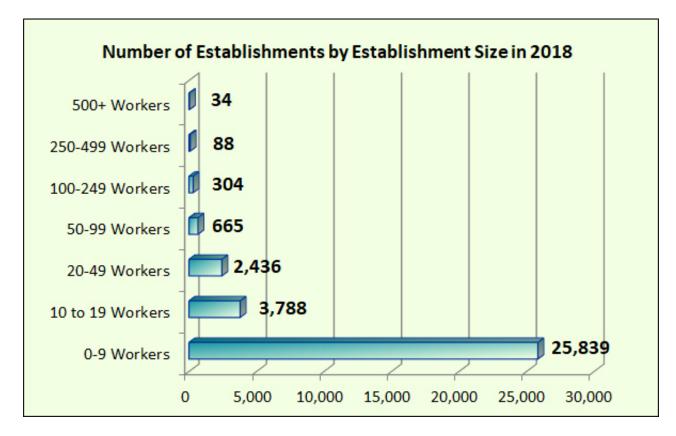
The **Transportation and Warehousing** sector (NAICS 48-49) continued an upward trend with a growth in establishments, workers and annual pay. The Couriers and Messengers (NAICS 492) subsector had the largest increase in the number of workers in this sector with the addition of 111 workers. Couriers and Messengers provide intercity and/or local delivery of parcels and documents without

operating under a universal service obligation. The restriction to small parcels partly distinguishes these establishments from those in the transportation industries. The majority of the gain in this subsector was within couriers and express delivery services.

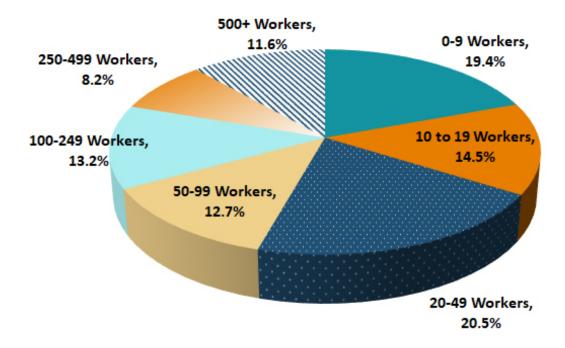
Establishment Size

Establishment size data provides a comparison of the number of small and large businesses in South Dakota. The average number of workers at the worksite location determines establishment size. A worksite is generally defined as a single physical location at which predominantly one type of economic activity is conducted.

The graph below displays the number of South Dakota establishments by establishment size. This graph shows small businesses are predominate in South Dakota. During 2018 the 0-9 workers size class had the largest number of establishments, accounting for 77.9 percent of all establishments.



The distribution of employees by establishment size shows a different picture than the distribution of establishments. Smaller businesses have a much smaller slice of the pie. The pie graph on the following page indicates that smaller businesses (fewer than 10 workers) employed only 19.4 percent of the covered workers in South Dakota in 2018. The number of workers is evenly dispersed among the establishment size groups.



Distribution of Employees by Establishment Size in 2018

Number of Establishments, Workers and Pay By Establishment Size and By Industry Group 2018										
Industry Group	0-9	10-19	20-49	50-99	100-249	250-499	500+			
Natural Resources & Mining										
Establishments	951	84	43	11	3	0	0			
Workers	3,055	1,110	1,186	705	479	0	0			
Annual Pay	\$38,537	\$42,970	\$42 <i>,</i> 992	\$50 <i>,</i> 552	\$57 <i>,</i> 253	\$0	\$0			
Construction										
Establishments	3,536	311	192	39	16	*	*			
Workers	8,607	4,152	5,435	2,691	2,084	*	*			
Annual Pay	\$38,578	\$48,055	\$55 <i>,</i> 789	\$60,104	\$61,696	*	*			
Manufacturing										
Establishments	614	174	161	76	53	28	12			
Workers	1,884	2,379	5,219	5,404	8,827	8,827	11,902			
Annual Pay	\$37,333	\$41,435	\$48,731	\$49,285	\$50 <i>,</i> 999	\$51,174	\$50,448			
Trade, Transportation & Ut	ilities									
Establishments	6,261	1,244	681	172	69	24	*			
Workers	18,691	16,500	19,982	11,392	10,458	8,182	*			
Annual Pay	\$41,303	\$38,042	\$43,626	\$42,989	\$37,155	\$28,757	*			
Table continued on next page.										

Number of Establishments, Workers and Pay By Establishment Size and By Industry Group, continued 2018										
Industry Group	0-9	10-19	20-49	50-99	100-249	250-499	500+			
Information	I	I.		I	ľ		1			
Establishments	474	58	48	16	3	*	*			
Workers	1,026	798	1,446	1,052	393	*	*			
Annual Pay	\$50,130	\$44,022	\$44,504	\$45,266	\$61,147	*	*			
Financial Activities		1			I		1			
Establishments	2,992	253	132	31	27	8	7			
Workers	7,272	3,340	3,847	2,024	4,132	3,100	5,024			
Annual Pay	\$52,874	\$57,005	\$70,748	\$72,539	\$65 <i>,</i> 865	\$55,036	\$58,172			
Professional & Busines	s Services	1	1				1			
Establishments	5,016	346	230	46	30	6	3			
Workers	9,399	4,667	6,745	3,180	4,538	1,812	2,012			
Annual Pay	\$56,122	\$49,547	\$49,533	\$59,891	\$52,622	\$61,310	\$94,969			
Education & Health Ser	I	1	1		I		1			
Establishments	2,047	414	307	141	69	17	10			
Workers	6,090	5,695	9,540	9,507	10,716	5,537	20,783			
Annual Pay	\$39,562	\$39,016	\$41,095	\$38,618	\$45 <i>,</i> 399	\$48,912	\$69,324			
Leisure & Hospitality Se	ervices	1			I		1			
Establishments	1,885	713	591	119	29	0	0			
Workers	6,905	9,957	17,616	7,854	4,095	0	0			
Annual Pay	\$14,830	\$15,383	\$16,569	\$19,080	\$21,181	\$0	\$0			
Other Services		1					1			
Establishments	2,063	191	51	14	5	0	0			
Workers	5,489	2,455	1,485	947	772	0	0			
Annual Pay	\$32,592	\$33,258		\$34,209	\$25,609	\$0	\$0			
Total Private Ownershi	p									
Establishments	25,839	3,788	2,436	665	304	88	34			
Workers	68,418	51,052	72,500	44,755	46,493	28,918	40,849			
Annual Pay	\$40,600	\$36,967	\$39,842	\$42,179	\$45,657	\$44,563	\$63,030			

Data subject to revision.

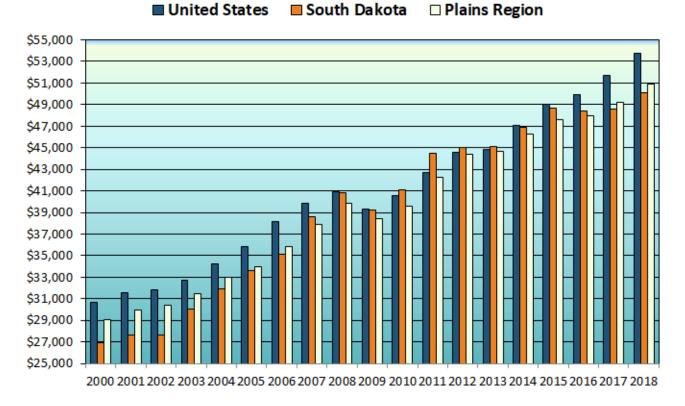
Produced by the SD Department of Labor, Labor Market Information Center, in cooperation with the U.S. Bureau of Labor Statistics.

Personal Income

The Bureau of Economic Analysis (BEA) releases personal income data. The personal income of an area is the income received by, or on behalf of, all the individuals who live in a specific geographic area. The total payroll of workers covered by reemployment assistance is a component of wage and salary disbursements included in this statistic.

Dividing the personal income of an area by the residents of that given area produces a widely used economic indicator called per capita personal income. South Dakota's per capita personal income has remained stable over the past couple of years. Between 2017 and 2018, South Dakota's per capita personal income increased \$1,525 (3.1 percent).

During that same time frame, the United States and Plains Region grew at roughly the same rate, 3.8 percent and 3.4 percent, respectively. South Dakota ranked 24th out of the 50 states with a per capita personal income of \$50,141 in 2018. In 2017, South Dakota's per capita personal income was \$48,616 with a ranking of 23rd.



Per Capita Personal Income

Source: U.S. Bureau of Economic Analysis.

Looking further back, South Dakota's personal income grew steadily for several years prior to the recession. In fact, South Dakota's growth in personal income for the 2000-2009 period surpassed the rate for the Plains Region (Iowa, Kansas, Missouri, Nebraska, North Dakota and South Dakota) and the nation. South Dakota's personal income grew by 55.9 percent from 2000 to 2009, compared to a rate of 40 percent for the Plains Region and 39.3 percent for the nation.

Since the recession and during the economic recovery phase, South Dakota's personal income has grown comparably to the Plains Region and the nation. From 2010 to 2018, the nation's personal income increased 40.1 percent, followed by the Plains Region at 33.9 percent and South Dakota at 32.0 percent.



LMIC staff are familiar with a number of income and pay measures, including those from the U.S. Bureau of Economic Analysis. If you need such data or assistance using it, contact LMIC at 605.626.2314.

Poverty

Poverty status is determined by comparing annual income to a set of dollar values called thresholds that vary by family size, number of children and the age of the householder. If a family's before-tax money income is less than the dollar value of their threshold, then that family and every individual in it is considered to be in poverty. For people not living in families, poverty status is determined by comparing the individual's income to his or her threshold. The poverty thresholds are updated annually to allow for changes in the cost of living using the Consumer Price Index (CPI-U). The thresholds do not vary geographically.

The percent of families in South Dakota with incomes below the poverty level increased slightly by 0.2 percent in 2017 from 2016. However, between 2011 and 2017 the percentage of South Dakota families in poverty decreased by more than one full percentage point, dropping from 9.6 to 8.4 percent. Nationally the percent of all families in poverty decreased from 11.7 percent to 9.5 percent between 2011 and 2017. The percent of 'all people' in the U.S. and South Dakota with incomes below the poverty threshold also decreased over that same time period.

South Dakota and U.S. Comparative Poverty Estimates Percentage of Families and People Whose Income in the Past 12 Months Is Below the Poverty Level										
All Families	l Families 2011 2012 2013 2014 2015 2016 2017									
United States	11.7%	11.8%	11.6%	11.3%	10.6%	10.0%	9.5%			
South Dakota	9.6%	8.6%	9.2%	9.4%	8.3%	8.2%	8.4%			
All People	2011	2012	2013	2014	2015	2016	2017			
United States	15.9%	15.9%	15.8%	15.5%	14.7%	14.0%	13.4%			
South Dakota 13.9% 13.4% 14.2% 14.2% 13.7% 13.3% 13.0%										
Source: U.S Census Bureau, 2017 American Community Survey.										

The number of people living below the poverty level in South Dakota for the population in which poverty status was measured is approximately 109,100 or 13.0 percent. This is according to the 2017 American Community Survey (ACS). The races with the highest percentage of their population living below the poverty level are American Indian and Alaska Natives at 51.0 percent and Black or African Americans at 17.8 percent. Females in South Dakota are slightly more likely to be living below the poverty level with 14.0 versus 12.0 percent of the male population. Children under the age of 5 are the most likely age demographic to be living below the poverty level. Below is a table of poverty status by age demographic.

Population	Population for Whom Poverty Status is Determined									
	Population	Population Below Poverty Level	Percent of Pop Below Poverty Level							
Total	838,991	109,099	13.0%							
Under 5 years	58,812	10,170	17.3%							
5 to 17 years	148,054	24,272	16.4%							
18 to 64 years	496,377	63,803	12.9%							
65 years and over	135,748	10,854	8.0%							
Source: U.S. Census Bu	Source: U.S. Census Bureau, 2017 American Community Survey									

Population Projections

Population projections for the 2010-2035 time period released by the South Dakota State Data Center show South Dakota's total population will reach 889,447 by the year 2020. This reflects an increase in the core potential workforce (age 16-64) of approximately 14,000 (2.7 percent).

Although most of the counties in South Dakota are expected to show population declines, the Rapid City (Custer, Meade and Pennington counties) and Sioux Falls (Lincoln, McCook, Minnehaha and Turner counties) Metropolitan Statistical Areas (MSAs) will be the fastest growing areas in the state.

Age	2010	2015	2020	2025	2030	2035				
0-4	59,621	57,567	60,089	60,941	61,413	62,656				
5-9	55,531	60,094	58,068	60,533	61,386	61,846				
10-14	53,960	56,098	60,651	58,650	61,067	61,925				
15-19	57,628	54,556	56,625	61,169	59,196	61,570				
16-19	46,102	43,645	45,300	48,935	47,357	49,256				
20-24	57,596	58,030	54,948	56,947	61,468	59,533				
25-29	55,570	57,993	58,423	55,332	57,268	61,771				
30-34	49,859	55,883	58,336	58,765	55,672	57,548				
35-39	45,766	50,101	56,111	58,593	59,024	55,935				
40-44	47,346	45,997	50,260	56,250	58,759	59,194				
45-49	57,519	47,587	46,109	50,294	56,253	58,785				
50-54	59,399	57,326	47,491	45,904	49,988	55,879				
55-59	54,231	58,790	56,783	47,102	45,429	49,393				
60-64	43,573	52,854	57,344	55,432	46,037	44,314				
65-69	31,944	41,677	50,577	54,920	53,134	44,182				
70-74	25,683	29,666	38,624	46,897	50,971	49,357				
75-79	21,724	22,873	26,368	34,250	41,616	45,283				
80-84	18,004	18,084	18,985	21,837	28,282	34,401				
85+	19,226	27,449	33,655	38,932	44,922	54,002				
Total	814,180	852,624	889,447	922,748	951,885	977,574				
Source: So	outh Dakot	a State Dat	a Center, S	outh Dakot	a State Un	iversity.				

South Dakota Population Projections Medium Series

EMPLOYMENT PROJECTIONS

Industry Employment Projections

The Labor Market Information Center (LMIC) completed South Dakota industry employment projections for 2016-2026. To ensure consistency and comparability with national and other states' employment projections, South Dakota utilizes a national projections system and follows a standard methodology approved by the U.S. Department of Labor.

A look at which types of industries are growing, and which are not, provides insight into general economic trends. Industry employment projections are also a valuable indicator of future workforce needs.

The general outlook for South Dakota is steady job growth in the coming decade. From 2016 to 2026, the total number of workers in South Dakota is projected to increase by 33,071 (or 6.8 percent or 0.7 percent annually) to a total of 520,526 workers.

South Dakota's growth rate is trending at about the same pace as the national growth rate for this time period. On the national level, according to the U.S. Bureau of Labor Statistics (BLS), the total employment level is expected to reach about 167.6 million (0.7 percent annually). Nationally, 0.7 percent annual growth in the next 10 years is more optimistic than the growth rate of 0.5 experienced from 2006 to 2016.

The South Dakota projections include three categories of workers:

- Nonfarm wage and salaried workers
- Agriculture and related workers (farm employment)
- Non-agricultural self-employed and unpaid family workers

The nonfarm wage and salaried workers category includes only those wage and salaried workers who are covered under the South Dakota reemployment assistance program and those who work for non-profit organizations, such as private colleges and religious organizations. Making up 88.2 percent of the workforce, this category is the major component in South Dakota. The nonfarm wage and salaried workers category is also projected to grow 7.0 percent by 2026 – the most for any category.

Employment in the agriculture and related workers (farm employment) category in South Dakota is expected to grow slightly from 30,765 to 32,014 by 2026 (4.1 percent). The Agriculture, Forestry, Fishing and Hunting sector's employment level in South Dakota has been relatively unchanged in recent years and is projected to have an annual growth rate of 0.4 percent through 2026.

Nationally, total employment in Agriculture, Forestry, Fishing and Hunting is expected to decrease by 6,100 workers through 2026. Nationally and in South Dakota, the agricultural sector has been decreasing since the 1980s. Advancements in technology have allowed for greater efficiencies in farming production while requiring a smaller number of workers. In South Dakota, farms have

trended long-term toward larger operations and the consolidation of smaller farms for greater production.

Employment in the non-agricultural self-employed and unpaid family workers category makes up the smallest portion (5.4 percent) of the workforce in South Dakota. According to the BLS (Current Population Survey and American Time Use Survey), self-employed persons are individuals who work for profit or fees in their own business, profession, trade or farm. Non-agricultural self-employed and unpaid family workers are expected to increase 5.9 percent over the next 10 years in South Dakota.

South Dakota Wage and Salaried Workers by Industry Division 2016-2026							
Industry Title	2016 Workers	2026 Workers	Actual Change	Percent Growth			
Total of All Industries	487,455	520,526	33,071	6.8%			
Non-Agricultural Self-Employed and Unpaid Family Workers	26,540	28,100	1,560	5.9%			
Agriculture, Forestry, Fishing and Hunting (Farm Employment)	30,765	32,014	1,249	4.1%			
Nonfarm Total Wage and Salaried Workers (excludes Self- Employed and Unpaid Family Workers)	430,150	460,412	30,262	7.0%			
Notes: Data is preliminary and subject to revision							

Notes: Data is preliminary and subject to revision.

Data for industries with 2016 employment less than 200 not included. Data presented for industries will not sum to totals due to non-publishable data for additional industries being included in totals. Industry titles are based largely on the North American Industry Classification System (NAICS). Source: Labor Market Information Center, South Dakota Department of Labor and Regulation.

Growth Industries

The South Dakota industries projected to grow the most over the next 10 years are trending quite consistently with the rest of the nation. In South Dakota, the service-providing industries are anticipated to employ 25,955 more workers (7.1 percent), while the goods-producing industries are expected to grow by 5,556 workers (5.8 percent). On the national level, the BLS is expecting an increase of 10.5 million in service-providing sectors to reach over 135.8 million jobs by 2026.

Businesses are grouped in industries based on the products they make or the services they provide, using the North American Industry Classification System (NAICS). NAICS uses a 6-digit coding taxonomy, with each increasing digit level identifying a greater level of specialization. For example, at the two-digit NAICS level, there are 20 broadly categorized sectors—such as Accommodation and Food Services (NAICS code 72). Businesses are then classified into more specific categories within a sector, represented by codes up to six digits.

Since South Dakota employment projections are published at the three-digit NAICS level, the table on page 32 and the remainder of this article explore the South Dakota employment growth projected to 2026 at that NAICS level (called subsectors). When noteworthy, we will mention occurrences within the more detailed four-digit NAICS having a substantial impact on employment levels at the

subsector level. We will also focus on those industries projected to grow the fastest, in other words, those with the greatest percentage growth projected.

South Dakota Industry Employment Projections 2016 - 2026 Top Ten in Industry Growth								
2016 Workers	2026 Workers	Actual Change	Percent Growth					
732	889	157	21.4%					
884	1,015	131	14.8%					
582	668	86	14.8%					
25,736	29,239	3,503	13.6%					
984	1,114	130	13.2%					
1,085	1,224	139	12.8%					
12,902	14,457	1,555	12.1%					
16,338	18,246	1,908	11.7%					
2,387	2,665	278	11.6%					
2,932	3,264	332	11.3%					
	y Growth 2016 Workers 732 884 582 25,736 984 1,085 12,902 16,338 2,387	2016 2026 Workers Workers 732 889 884 1,015 582 668 25,736 29,239 984 1,114 1,085 1,224 12,902 14,457 16,338 18,246 2,387 2,665	2016 2026 Actual Change 732 889 157 884 1,015 131 582 668 86 25,736 29,239 3,503 984 1,114 130 1,085 1,224 139 12,902 14,457 1,555 16,338 18,246 1,908 2,387 2,665 278					

Notes: Data is preliminary and subject to revision.

Data for industries with 2014 employment less than 200 not included. Data presented for industries will not sum to totals due to rounding and non-publishable data for additional industries being included in totals. Industry titles are based largely on the North American Industry Classification System (NAICS).

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2018.

Warehousing and Storage

The Warehousing and Storage subsector is projected to be the fastest growing industry in South Dakota over the next 10 years, increasing 21.4 percent (157 workers). Establishments in this industry group are engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods and other warehouse products such as grain. A large demand exists for companies to get their products in the end users' hands in the most efficient and cost-effective way, known as "logistics." As demand for logistics continues to increase, so will the need for workers within this subsector.

Waste Management and Remediation Service

The Waste Management and Remediation Services industry is projected to increase by 14.8 percent (131 workers) by 2026. This subsector is engaged in the collection, treatment and disposal of waste materials. The driving force behind the Waste Management and Remediation Services growth is waste collection. With population growth there is more waste generated, which increases the workers needed for the Waste Management and Remediation Service subsector. According to the U.S. Census Bureau Population Estimates Program, from 2011 to 2016 the total population increased from 824,398 to 865,454 (5.0 percent) in South Dakota.

Museums, Historical Sites and Similar Institutions

The number of workers employed in the Museums, Historical Sites and Similar Institutions subsector is projected to increase by 14.8 percent (86 workers). Industries in this subsector engage in the preservation and exhibition of objects, sites and natural wonders of historical, cultural and/or educational value. Some examples of South Dakota entities in this industry are the Crazy Horse Memorial, Reptile Gardens, and other zoos and museums around the state. A look back shows the number of establishments and the number of workers within this subsector grew from 2006 to 2016. Tourism has a substantial impact and drives the demand. According to the South Dakota Department of Tourism, from 2014 to 2017 visitor spending statewide increased \$175.65 million (4.7 percent).

Hospitals

The Hospitals subsector is expected to increase 13.6 percent (3,503 workers) over the next 10 years in South Dakota. Industries in the Hospitals subsector provide medical, diagnostic and treatment services, including physicians, nursing and other health services, to inpatients and the specialized accommodation services required by inpatients. A driving force in the Hospitals subsector is an increasing elderly population and overall increasing population in South Dakota. According to the U.S. Census Bureau Population Estimates Program, from 2011 to 2016 the population age 65 and over increased by 20,336 (or 17.2 percent) in South Dakota. Also over those same years, the population of age 85 and over increased by 8.8 percent.

Support Activities for Transportation

The number of workers employed in the Support Activities for Transportation subsector is projected to increase by 13.2 percent (130 workers) over the next 10 years. Services such as air traffic control and motor vehicle towing are examples of the type of support provided. All four of the four-digit NAICS categories within this subsector are expected to show substantial gains. The expected gains can be traced to demand for services including airport operation, routine railroad repair/servicing, emergency roadside repair, truck weighing operations, etc.

Chemical Manufacturing

The Chemical Manufacturing subsector is expected to increase 12.8 percent (139 workers) by 2026. This subsector is based on the transformation of organic and inorganic raw materials by a chemical process and the formulation of products. Above average growth at the four-digit NAICS level has propelled the Chemical Manufacturing subsector into one of the fastest growing. Specifically, Basic Chemical Manufacturing (NAICS 3251) and Soap, Cleaning Compound, and Toilet Preparation Manufacturing subsector is driven by consumer demand and expectations. This subsector supplies a variety of products to the market, ranging from agricultural fertilizers and pesticides to pharmaceuticals and medicines.

Professional, Scientific and Technical Services

The Professional, Scientific and Technical Services subsector is projected to grow 12.1 percent (1,555 workers) over the next decade. This subsector is comprised of establishments that make available the knowledge and skills of their employees, often on an assignment basis, where an individual or team is responsible for the delivery of services to the client. The individual industries of this subsector are defined by the particular expertise and training of the services provider. Continued advancements in science and technology have been a contributing factor in this subsector's growth. An example of demand in this subsector is an establishment working toward lower costs of producing a good. The establishment may hire an expert from the Professional, Scientific and Technical Services industry to create software to automate the process, saving time and resources. Four of the nine categories at the four-digit NAICS level within this subsector are expected to have double digit growth. Some of these categories include consulting services like legal, accounting, engineering, management, computer design and scientific research.

Ambulatory Health Care Services

The number of workers employed in South Dakota's Ambulatory Health Care Services subsector is projected to increase by 11.7 percent (1,908 workers) to 2026. This subsector is comprised of entities that provide health care services directly or indirectly to ambulatory patients (those able to walk) and do not usually provide inpatient services. Several factors have attributed to the continued high growth expected in the next decade. The demand for workers in this subsector can be placed on the continuing needs of an aging baby boomer population, growing rates of chronic conditions, and longer life expectancies. Advancements in medical technology allow elective procedures such as corrective eye surgery or plastic surgery to be more readily available and attainable.

In South Dakota, Home Health Care Services (NAICS 6216) is continuing to show a high demand for workers due to a continuing shift from inpatient care to outpatient treatments. Specifically, individuals are more comfortable with hiring a skilled nursing or personal care service to come to their home and offer treatments such as physical therapy, medical social service and medications. Nationally, according to the BLS, Home Health Care Services is expected to have rapid growth due to patient preference and shifts in federal funding toward in-home or community-based care.

Sporting Goods, Hobby, Book and Music Stores

The Sporting Goods, Hobby, Book and Music Stores subsector is expected to increase by 11.6 percent (278 workers) by 2026. Establishments and individuals in this subsector are engaged in retailing and providing expertise on the use of sporting equipment or other specific leisure activities. Book stores are also included in this subsector. At the four-digit NAICS level all the growth is attributed to Sporting Goods and Musical Instrument Stores (NAICS 4511), which makes up more than 90 percent of employment in this subsector. Book Stores and News Dealers (NAICS 4512) are expected to decline by 2026, but since these types of establishments accord for less than 10 percent of the subsector's employment, they have little impact. Consumer demand for sporting goods, games, toys and musical instruments plays a pivotal role in the expected uptick in employment levels in this subsector.

Transportation Equipment Manufacturing

The level of workers employed in the Transportation Equipment Manufacturing subsector is projected to increase by 11.3 percent (332 workers) over the projection period. Establishments in this subsector utilize production processes similar to those of other machinery manufacturing establishments—bending, forming, welding, machining and assembling metal or plastic parts into components and finished products. Four of the five categories at the four-digit NAICS level are expected to have double digit growth. Consumer demand for motor vehicle parts, vehicle bodies, trailers and other transportation equipment is driving this growth.

Declining Industries

Several factors can contribute to the declining or slow growth of an industry. According to the BLS, several macroeconomic factors, such as labor force trends, gross domestic product (GDP) and its components, and labor productivity affect growth in total employment.

Looking at the broadest two-digit NAICS level nationally, Manufacturing, Agriculture and Federal Government sectors are projected to experience a slight decline in employment in the next decade. The decline in employment is due to productivity gains, international trade and consolidation of firms.

South Dakota Industry Employment Projections 2016 - 2026 Declining or Slowest Growing Industries									
20162026ActualPercentIndustry TitleWorkersWorkersChangeGrowth									
Publishing Industries	1,391	1,257	-134	-9.6%					
Textile Product Mills	487	459	-28	-5.7%					
Printing and Related Support Activities	1,304	1,233	-71	-5.4%					
Broadcasting (except Internet)	1,061	1,041	-20	-1.9%					
Paper Manufacturing	708	696	-12	-1.7%					
Nonstore Retailers	1,292	1,292	0	0.0%					
Telecommunications	2,558	2,567	9	0.4%					
Miscellaneous Store Retailers	2,740	2,761	21	0.8%					
Furniture and Home Furnishing Stores	1,441	1,454	13	0.9%					
Amusement, Gambling and Recreation Industries	4,653	4,700	47	1.0%					
	•	·	•						

Notes: Data is preliminary and subject to revision.

Data for industries with 2016 employment less than 200 not included. Data presented for industries will not sum to totals due to rounding and non-publishable data for additional industries being included in totals. Industry titles are based largely on the North American Industry Classification System (NAICS). Source: Labor Market Information Center, South Dakota Department of Labor and Regulation. In South Dakota, the only two-digit sector projected to have a decline is Information. Several factors will contribute to this decline, including technological advances and the availability of information on the internet. Contained within the Information sector are three of the top 10 most rapidly declining or slowest growing subsectors at the three-digit NAICS level. Still, the industry declines in South Dakota are projected to be minimal at the subsector level. Since many South Dakota industries are considered very small, even a small employment projected decline can notably impact a subsector.

Publishing Industries (except Internet)

South Dakota's Publishing Industries (except Internet) subsector is projected to be the fastest declining through 2026 at 9.6 percent (134 workers). This subsector contains establishments engaged in publishing newspapers, magazines, periodicals, books, directories and mailing lists as well as software publishing. The expected decline is due to advancements in technology. The demand for physical newspapers, magazines and books will continue to decline due to the availability of the same content through electronic means.

Textile Product Mills

Worker levels in the Textile Product Mills subsector are projected to decrease by 5.7 percent (28 workers) in the next decade. The Textile Product Mills industry is made up of establishments that produce textile products other than apparel. This subsector's decline can be attributed to more automation and technological advances. Innovative machines are increasingly replacing workers it once took to manufacture most textile goods. This subsector is projected to be one of the most rapidly declining industries nationally as well. According to the BLS, factors contributing to these declines include automation and outsourcing to overseas production for cheaper labor.

Printing and Related Support Activities

The level of workers in the Printing and Related Support Activities subsector is projected to decrease by 5.4 percent (71 workers). This subsector is comprised of establishments printing products such as newspapers, books, labels, business cards, stationery, business forms and other materials, and perform support activities, such as data imaging, platemaking services and bookbinding. The decline in the Printing and Related Support Activities subsector is due to a continuing shift toward digital information and advertising.

Broadcasting (except Internet)

Worker levels in the Broadcasting (except Internet) subsector are projected to decrease a slight 1.9 percent (20 workers) by 2026. This subsector includes establishments that create content or acquire the right to distribute content and subsequently broadcast the content. Much of this trend, too, is attributed to the continual availability of information on the internet and in social media channels, etc.

Paper Manufacturing

Worker levels in the Paper Manufacturing subsector are projected to decrease by 1.7 percent (12 workers). This subsector includes establishments that make pulp, paper or converted paper products.

The manufacturing of pulp involves separating the cellulose fibers from other impurities in wood or used paper. The manufacturing of paper involves matting these fibers into a sheet. Converted paper products are made from paper and other materials by various cutting and shaping techniques. Improved manufacturing processes and automation have contributed to the reduced need for workers. The Paper Manufacturing and Publishing Industries (except Internet) subsectors have a direct relationship. Therefore, the less demand for products publishing establishments produce a reduced demand for paper manufacturing establishments.

Nonstore Retailers

Worker levels in the Nonstore Retailers subsector are projected to hold steady at 1,292 workers over the next 10 years. These "non-brick and mortar based retailers" use methods like door-to-door solicitation, in-home demonstrations, selling from portable stalls and distribution through vending machines to make sales to customers. This subsector is consumer driven. Consumers continue to experience the convenience of online shopping, while decreasing their needs for mail-order houses and vending machine goods.

Telecommunications

South Dakota's most slowly growing industry through 2026 is projected to be the Telecommunications subsector, increasing by 0.4 percent (nine workers). This subsector is primarily engaged in operating and/or providing access to facilities for the transmission of voice, data, text, sound and video. Transmission facilities may be based on a single technology or a combination of technologies. According to the BLS, this industry is expected to have rapidly declining employment nationally over the decade. Output will continue to grow, but fewer workers will be needed because of new technology, which increases productivity.

Miscellaneous Store Retailers

The Miscellaneous Store Retailers subsector is projected to increase by just 0.8 percent (21 workers) over the next 10 years in South Dakota. This retail trade subsector is a catch-all category for retailers who sell specific, unique products not otherwise categorized in a specified retail code. These retailers include florists, used merchandise stores, and pet and pet supply stores. Part of the slowing growth in this subsector is what we consider "non-economic" and is actually the result of NAICS improvements which allow better, more specific and descript categories for establishments formerly included in this catch-all subsector. The hampered growth can also be attributed to competition from large retailers. For example, large box stores offer office supplies and floral products at more competitive prices, attracting consumers who once purchased directly from a florist or office supply store.

Furniture and Home Furnishing Stores

Worker levels in the Furniture and Home Furnishing Stores subsector are projected to increase by 0.9 percent (13 workers) over the next decade. Furniture and Home Furnishings Stores subsector retail their merchandise from fixed point-of-sale locations. The rise of e-commerce has also affected this subsector. While e-commerce poses a threat to the traditional brick-and-mortar furniture store,

consumer expectations and preferences to help tip the scales back in favor of these stores. Many consumers want to see the quality and color of furniture and home furnishings in person and want to receive them fully assembled or even delivered and set in place in their homes.

Amusement, Gambling and Recreation Industries

Worker levels in the Amusement, Gambling and Recreation Industries subsector are projected to increase a modest 1.0 percent (47 workers) through 2026. Establishments in this subsector operate facilities where patrons can engage in sports, recreation, amusement or gambling activities. Other establishments in this subsector supply and service amusement devices in places of business operated by others. Still other establishments operate sports teams, clubs or leagues for patrons' entertainment. Others provide guided tours without using transportation equipment. Slower growth in this subsector can be attributed to modest progress in disposable personal income in South Dakota the past five years. Per capita disposable personal income is disposable personal income of a given area divided by the resident population of the area. According to the Bureau of Economic Analysis (BEA), South Dakota's per capita disposable personal income was \$41,321 in 2011 and grew to \$43,613 in 2016, an increase of \$2,292 (or 5.5 percent). Nationally, per capita disposable personal income increased by \$5,343 (or 14.1 percent) from 2011-2016. Consumers are less likely to partake in activities in this subsector with a slowly growing disposable income trend.

The 2016-2026 employment projections for all industries are available in the virtual labor market data system using the menu on our website (dlr.sd.gov/lmic). Choose "Employment Projections" from the left-hand menu.



Employment projections for industries and occupations are available on the Labor Market Information Center website. From the left-hand menu at **dlr.sd.gov/Imic,** choose Employment Projections.

Occupational Employment Projections

As mentioned, data by occupation provides a more focused picture of skills in demand than data by industry. A look at the occupations projected to grow the most rapidly in South Dakota over the next few years provides insight into the skills that may be most needed.

Occupations Projected to Grow the Fastest

The table below features the 10 fastest growing occupations in South Dakota, and the narrative that follows it explores the reason for the predicted growth.

	Top 10 South Dakota Occupations Projected to be the Fastest Growing 2016-2026									
Rank	Occupation	2016 Estimated Employment	2026 Estimated Employment	Numeric Change	Percent Change					
1	Nurse Practitioners	459	600	141	30.7%					
2	Nursing Instructors and Teachers, Postsecondary	247	321	74	30.0%					
3	Respiratory Therapists	339	438	99	29.2%					
4	Software Developers, Applications	1,173	1.514	341	29.1%					
5	Computer Numerically Controlled Machine Tool Programmers, Metal and Plastic	54	69	15	27.8%					
6	Information Security Analysts	212	270	58	27.4%					
7	Health Specialties Teachers, Postsecondary	136	173	37	27.2%					
8	Physician Assistants	529	666	137	25.9%					
9	Massage Therapists	143	179	36	25.2%					
10	Orthotists and Prosthetists	31	38	7	22.6%					

Notes: Data is preliminary and subject to revision.

Fastest Growing Occupations are defined as those occupations with the highest percent change of employment between 2016-2016.

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2018.

Nurse Practitioners

The nurse practitioner occupation is projected to be the fastest growing occupation in South Dakota for the 2016-2026 round of projections. This occupation is projected to boast a 30.7 percent change in employment. Demographics certainly play a part in the fast-paced change in employment for this occupation. More people and an older population require health care. In many situations nurse practitioners fit the bill perfectly. Because South Dakota is such a rural state, many nurse practitioners work in small towns, sometimes in remote locations. These workers are the first line of defense in staving off everyday aliments, treating common injuries and broken bones. They are often the eyes and ears which detect more serious sicknesses and disease. These workers generally work at a

satellite clinic or office for the larger, regional medical centers in the state. Using internet and satellite communications, they serve their clients right where they are, most of the time. Many patients who used to travel great distances for medical treatment can now do most of their doctoring, even for serious illnesses, right in their own hometown thanks, in part, to nurse practitioners.

The state's larger and/or more specialized clinics also utilize nurse practitioners. These workers allow both doctors and patients to make the most of their medical visits. These workers handle the more run-of-the-mill appointments. They also perform initial patient consultation to collect patient information before they visit with the physician and/or specialist. These workers also perform medical check-ups on patients recovering from surgery, illnesses or injury. This allows both doctors and patients to have more meaningful and productive visits.

Many nursing home and elderly care facilities also have nurse practitioners on staff. By employing these workers, they can save their residents trips to the doctor and/or doctor visits for common ill-nesses or injuries.

Nursing Instructors and Teachers, Postsecondary

Coming in as the second fastest-growing occupation (at 30.0 percent) is post-secondary nursing instructors and teachers. Because of the high demand for health care workers, and especially nursing occupations, it should come as no surprise this occupation made the top 10 fastest growing occupations list. Remember, though registered nurses did not make the list of fastest growing occupation, it does not mean this occupation is not growing. The registered nurse occupation is a large occupation in South Dakota, so although this occupation is growing at a fast clip (twice as fast as the state average), because of the sheer number of workers this occupation, the percentage is not high enough to make the top 10 fastest growing occupations. But, because of the need to train new workers to enter nursing occupations, post-secondary nursing instructors and teachers are projected to grow rapidly from 2016-2026.

Respiratory Therapists

Number three on the list is another health-related occupation, respiratory therapists (29.2 percent employment change from 2016 to 2026). Respiratory therapists care for patients who have trouble breathing for a variety of reasons ranging from chronic respiratory disease such as asthma or emphysema to premature infants with under-developed lungs to patients suffering from heart attacks, drowning or shock.

South Dakota is following the national trend of much faster than the average growth in this occupation. Continued growth of the middle-aged and elderly population is anticipated to lead to increased incidents of respiratory conditions such as chronic obstructive pulmonary disease (COPD) and pneumonia, which are lifelong disorders and permanently damage lungs and restrict lung function.

And finally, growth in this occupation is occurring because these therapists are increasingly found in more types of establishments. Just a few years ago, most respiratory therapists worked in hospitals;

today, it is becoming common to find these workers in nursing homes and doctors' offices and clinics. Not only is it more convenient for residents and patients, but it cuts down on hospital re-admissions, which lowers medical expenses for treatment.

Software Developers, Applications

Applications software developers are projected to grow 27.8 percent. Unlike the occupations we have just looked at, applications software developers work in a wide variety of industries. Growth of this occupation is primarily due to technological changes occurring in several industries. These workers develop the applications which allow people to do specific tasks on computers and other devices. In South Dakota, many applications software developers create custom software specific to either the industry or customer they are employed by. Some applications software developers create complex databases for organizations while others create programs for use on the internet or within a company's intranet. Others may develop applications software for consumer electronics and other products such as cell phones and appliances. Still other applications software developers work for health and medical insurance and reinsurance carriers and employers in the financial industry to develop a variety of software applications for a variety of digital platforms. Some of these developers ers work on a contract basis and may enjoy living in South Dakota while programming for a client half way around the world.

Technology is here to stay and filtering into everyday life in ways few would have thought of years ago. From door bells which allow you to see whom is at your door even when you aren't home, to refrigerators which can create a grocery list you can view on your smartphone while at the store, and television remotes to which you can quote a few lines from a show and it will find a channel with the show on, the need for applications software developers is all around us. And, because this occupation can be found in so many industries (including workers who are self-employed and work on a contract basis) and virtually in any location, this occupation is projected to see strong growth for a long time to come.

Computer Numerically Controlled (CNC) Machine Tool Programmers, Metal and Plastic

Metal and Plastic Computer Numerically Controlled (CNC) Machine Tool Programmers round off South Dakota's top five fastest growing occupations at 27.8 percent. This is a small occupation, however. Because it is relatively new, it is significant to the economic landscape of South Dakota's production industry. These workers develop computer programs to control the machining or processing of metal or plastic parts by automatic machine tools, equipment or systems. Though CNC machine tool operators have been around for a while, those who create specific programs to perform specific tasks have not been as commonplace in South Dakota's production industry. Most employers purchased machines with preloaded programming the CNC operator would set up and run. Now, companies are going one step further and hiring their own CNC machine tool programmers who write code which is specific for the product their company produces. Many South Dakota manufacturers are adopting technologies such as computer numerically controlled (CNC) machine tools and robots to improve quality and lower production costs. This industry restructuring to embrace new technologies will require the skills of CNC programmers rather than the machine setters, operators and tenders. Therefore, demand for manual machine tool operators and tenders is likely to be reduced by these new technologies, and conversely, demand for CNC machine programmers is expected to be strong in the 2016-2026 decade in South Dakota.

Information Security Analysts

Information security analysts work in a variety of industries to plan and carry out security measures to protect an organization's computer networks and systems. Their responsibilities are continually expanding as the number and types of cyberattacks increase.

These analysts take the sixth spot in South Dakota's fastest growing occupations and are closely mirroring the nation's projected growth for this occupation. South Dakota is projecting growth of 27.4 percent, and nationally, information security analysts are projected to grow 28 percent.

Over the 2016-2026 decade, demand for this occupation is expected to be high. Cyberattacks have grown in frequency and the demand for managed security by these analysts will be required to come up with innovative solutions to prevent hackers from stealing critical information or creating problems for networks.

Health Specialties Teachers, Post-Secondary

With South Dakota's health care industry booming, post-secondary health specialties teachers are also growing much faster than the average at 27.2 percent. These instructors teach courses in fields such as dentistry, laboratory technology, medicine, pharmacy, public health, therapy and veterinary medicine. With the increased demand for these types of health workers, South Dakota's schools of higher education will be meeting these demands by offering more training opportunities from 2016-2026. This trend is again closely mirroring the national trend where post-secondary health specialties teachers are projected to grow 26 percent during the same time.

Physician Assistants

Physician assistants provide health care services typically performed by a physician, under the supervision of a physician or a surgeon. They conduct complete physicals, provide treatment and counsel patients. They may, in some cases, prescribe medication. These workers must graduate from an accredited educational program for physician assistants. The training they receive is the primary difference between physician assistants and nurse practitioners. Like nurse practitioners, physician assistants fill gaps in medical services physicians and/or surgeons are either too busy to complete or the demand for services is higher than the supply of physicians and surgeons. Physician assistants are projected to grow fast, increasing by 25.9 percent from 2016 to 2026. The reasons for the fast growth in employment are mirroring nurse practitioners in South Dakota.

Massage Therapists

Massage therapists are projected to grow faster than the average in South Dakota, increasing at a clip of 25.2 percent from 2016-2026. These workers treat clients by using touch to manipulate the muscles and other soft tissues of the body. With their touch, therapists relieve pain, help injuries heal, improve circulation, relieve stress, increase relaxation and aid in the overall wellness of their clients. The massage therapy occupation benefited from two things:

- State standards set to meet licensing and certification requirements for this occupation. Licensing requirements in South Dakota include not only passage of a national board exam, but applicants must also meet educational requirements and provide proof of liability or malpractice insurance.
- 2. Scientific studies which validated the healing qualities touch and massage therapy can have on the overall wellbeing of a person.

The massage therapist occupation benefited from these two legitimizing events and has been growing in popularity since. One reason for the fast growth for massage therapists is the variety of industries they are expanding into. There was a time when massage therapy was viewed as a luxury only the rich could afford. These therapists were primarily self-employed and either traveled to client's homes or had their own office space. Some massage therapists worked in spas. However, as the healing touch of massage therapists became more popular and scientific studies began tying massage therapy to some medical benefits for pain therapy and improvement of overall mental and physical wellness, some in the health industry have embraced massage therapy and have made these services part of a variety of treatment plans. It is becoming more commonplace to find massage therapists working in chiropractic clinics, rehabilitation facilities, hospitals, specialty clinics and as part of the sports medicine team for a franchise and/or sports medicine clinic. Many nursing homes and other residents for the older population also offer this service. In addition, this occupation continues to be popular as a form of recreational relaxation; these workers can be found in fitness centers, spas and high-end hotels. Some of these workers remain self-employed. In fact, some larger employers across South Dakota have begun contracting with massage therapists to come into their facilities and provide massages for workers as part of their benefits package and perks they offer to employees.

Orthotists and Prosthetists

Rounding off the top 10 fastest growing occupations in South Dakota are orthotists and prosthetists. This occupation is our fifth health-related occupation on the list, although a few of these workers may be employed in other industries such as retail trade. Orthotists and prosthetists design and fabricate medical devices and measure and fit patients for them. These devices include orthopedic footwear, braces, artificial limbs and other medical or surgical devises.

South Dakota's population increase and the age of the state's residents will certainly play a large role in the growth of this occupation during the 2016-2026 projections round. Both vascular disease and uncontrolled diabetes can lead to limb loss, and both diseases are more common among older people. In addition, with today's medical advancements, more traumatic injury patients are

surviving, increasing the need for artificial limbs etc., which will increase the demand for orthotic and prosthetic devices and these healthcare specialists.

This occupation is relatively small in numbers in South Dakota but is projected to grow by 22.6 percent. If this occupation continues to follow the same trend as several other health services occupations in South Dakota, this occupation could continue to grow at a significate rate for decades to come.

Occupational Demand Projections

An even more relevant indicator of the workforce skills needed in the future are occupational demand projections. Employment projections include average annual demand estimates for each specific occupation—or an estimate of the workers who will be needed to fill job openings.

The methodology used to estimate occupational demand is comprehensive and includes the three following major components:

Number of openings created due to employment change - represents the difference between the base employment in an occupation and the projection. If the projection for an occupation is negative, then openings due to change are set to zero. This includes employment level changes due to business expansion, as well as changes in staffing patterns for an industry. For example, several years ago hospitals began hiring a higher proportion of registered nurses and fewer LPNs to maximize the skills available in return for expenditures on personnel costs, to help meet record keeping requirements and to help ensure they were offering the highest level of healthcare possible.

Number of openings created when individuals exit the labor force entirely (for reasons including staying home to raise a family, retirement, death, etc.) - estimated by multiplying occupational employment estimates by national exit rates supplied by the BLS. Labor force exits are more common at older ages as workers retire, but can occur at any age.

Number of openings created when individuals transfer occupations - estimated by multiplying occupational employment estimates by national occupational transfer rates supplied by the BLS. The occupational transfer rates reflect workers who permanently leave one occupation to enter another occupation (such as a licensed practical nurse who increases his education and licensing and gets a job in the registered nurse occupation). This estimate of openings does not count workers who change jobs but remain in the same occupation.

The table on the following page shows the 10 occupations in which workers are projected to be in the greatest demand in South Dakota through 2026.

South Dakota's Highest Demand Occupations to 2026										
Occupational Title	2016 Workers	2026 Workers	Numeric Change 2016-2026	Percent Change 2016-2026	Average Annual Demand					
Total, All Occupations	487,455	520,526	33,071	6.8%	58,885					
Cashiers*	13,043	13,326	283	2.2%	2,474					
Retail Salespersons*	15,884	17,033	1,149	7.2%	2,463					
Combined Food Preparation and Serving Workers, Including Fast Food*	9,475	11,204	1,729	18.3%	2,047					
Waiters and Waitresses	7,221	7,753	532	7.4%	1,456					
Janitors and Cleaners, Except Maids and Housekeeping Cleaners*	9,669	10,540	871	9.0%	1,381					
Bookkeeping, Accounting and Auditing Clerks*	10,810	10,754	-56	-0.5%	1,180					
Laborers and Freight, Stock and Material Movers, Hand*	7,214	7,936	722	10.0%	1,095					
Heavy and Tractor-Trailer Truck Drivers*	8,604	9,257	653	7.6%	1,005					
Customer Service Representatives*	7,605	7,816	211	2.8%	993					
Child Care Workers	5,755	6,334	579	10.1%	925					

Notes: Data is preliminary and subject to revision. Data for occupations with fewer than 20 workers in 2016 not included. Data presented for occupations will not sum to totals due to rounding and non-publishable data for additional occupations included in totals. Total openings are the summation of openings due to employment change, openings to replace individuals exiting the labor force entirely AND openings to replace workers permanently transferring from one occupation to another occupation. Annualized results are calculated by dividing by 10, the number of years in the projection period. For more information, see http://dlr.sd.gov/lmic/projections_technical_notes_2016_2026.aspx. Occupations noted with an asterisk fell among the top 30 with the most job openings advertised online in 2018.

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2018.

Another helful factor to consider when identifying occupations expected to need the most workers in the future is the current aspect; do workers appear to be in high need now? Data on job openings currently advertised online provide a good indicator.

We looked at the number job openings advertised online during 2018 for each of the occupations in the table above. Occupations noted with an asterisk fell among the top 30 with the most job openings advertised online in 2018. You will notice with just two exceptions, the occupations for which workers are projected to be in the greatest demand through 2026 were also among those which had high current need for workers (as measured by advertised job openings in 2018). The Waiters and Waitresses occupation fell among the top 45 with the most current job openings advertised online.

When decision-makers are analyzing labor market data to make determinations of occupational training or educational programs to fund or provide assistance with, the Department of Labor and Regulation encourages the use of not only occupational demand data, but also wage estimates. This helps ensure an adequate return on investment—not only with the greater likelihood of a trainee

or graduate finding employment in an occupation related to the program, but also of being able to improve his or her earning potential.

Hot Careers

To help individual career planners and job seekers identify occupations with the most favorable job outlook from a labor market perspective, the Labor Market Information Center identifies high demand-high wage occupations, or "Hot Careers." The Hot Careers also help education and training program planners make better-informed decisions about the feasibility of programs offered.

The current Hot Careers were identified in the fall of 2018 using the latest employment projections (2016-2018) and wage data (2017) available at the time.

To be on the Hot Careers list, an occupation needed to have the following traits:

- be projected to show employment growth
- be among the 30 occupations with the highest projected demand for workers (2016-2026)
- have an average wage above the median wage across all occupations (\$32,338 using 2017 wage data).

South Dakota Hot Careers

Accountants and Auditors

Automotive Service Technicians and Mechanics

Carpenters

Cement Masons and Concrete Finishers

Child, Family and School Social Workers

Clergy

Coaches and Scouts

Electricians

Elementary School Teachers, Except Special Education

First-Line Supervisors of Construction Trades and Extraction Workers

First-Line Supervisors of Food Preparation and Serving Workers

First-Line Supervisors of Office and Administrative Support Workers

First-Line Supervisors of Retail Sales Workers

General and Operations Managers

Heavy and Tractor-Trailer Truck Drivers

Highway Maintenance Workers

Insurance Sales Agents

Loan Interviewers and Clerks

Loan Officers

Maintenance and Repair Workers, General

Management Analysts

Middle School Teachers, Except Special and Career/Technical Education

Operating Engineers and Other Construction Equipment Operators

Parts Salespersons

Plumbers, Pipefitters and Steamfitters

Registered Nurses

Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products

Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products Secondary School Teachers, Except Special and Career/Technical Education Welders, Cutters, Solderers and Brazers

For each of the Hot Careers, the table on the following pages shows the 2016-2026 projected employment and outlook information and the 2018 wage data. As noted above, when the 30 Hot Careers were identified, the most current wage data available (2017) was used. Because 2018 wage data is now available, the table below uses the 2018 data. However, all of the occupations on the Hot Careers list would still meet the wage criteria using the 2018 wage data. The median wage across all occupations in 2018 was \$33,451.

	So	uth Dakot	a Hot Car	eers			
Occupational Title	Annual Average Demand	2016 Workers	2026 Workers	Actual Change 2016- 2026	Percent Change 2016- 2026	Annual Median Wage 2018	Annual Average Wage 2018
Accountants and Auditors	513	5,073	5,570	497	9.8%	\$62,269	\$65,803
Automotive Service Technicians and Mechanics	238	2,364	2,506	142	6.0%	\$39,718	\$41,446
Carpenters	639	6,343	6,810	467	7.4%	\$35,229	\$36,337
Cement Masons and Concrete Finishers	229	1,904	2,080	176	9.2%	\$36,727	\$37,377
Child, Family and School Social Workers	187	1,701	1,817	116	6.8%	\$38,547	\$40,032
Clergy	209	1,790	1,901	111	6.2%	\$45,463	\$48,420
Coaches and Scouts	185	1,245	1,377	132	10.6%	\$31,642	\$34,374
lectricians	265	2,288	2,383	95	4.2%	\$44,558	\$45,488
Elementary School Teachers, Except Special Education	324	4,156	4,407	251	6.0%	\$42,672	\$43,136
First-Line Supervisors of Construction Trades and Extraction Workers	157	1,461	1,585	124	8.5%	\$61,273	\$63,648
First-Line Supervisors of Food Preparation and Serving Workers	301	1,929	2,109	180	9.3%	\$33,938	\$34,385
First-Line Supervisors of Office and Administrative Support Workers	190	1,871	1,934	63	3.4%	\$47,293	\$49,001
First-Line Supervisors of Retail Gales Workers	435	3,813	4,061	248	6.5%	\$43,193	\$46,954
General and Operations Managers	380	4,094	4,459	365	8.9%	\$111,596	\$125,485
leavy and Tractor-Trailer Truck Drivers	1,005	8,604	9,257	653	7.6%	\$39,598	\$41,588
lighway Maintenance Norkers	173	1,665	1,711	46	2.8%	\$34,468	\$34,653
nsurance Sales Agents	315	2,884	3,171	287	10.0%	\$50,501	\$63,176
oan Interviewers and Clerks	236	2,105	2,371	266	12.6%	\$34,516	\$34,824
oan Officers	155	1,620	1,808	188	11.6%	\$59,516	\$63,227
Maintenance and Repair Workers, General	313	2,873	3,118	245	8.5%	\$36,308	\$37,412
Management Analysts	299	2,935	3,310	375	12.8%	\$68,887	\$78,141
Middle School Teachers, Except Special and Career/ Technical Education	166	2,126	2,257	131	6.2%	\$43,680	\$43,862
Maintenance and Repair Norkers, General Management Analysts Middle School Teachers, Except Special and Career/	313 299	2,873 2,935	3,118 3,310	245 375	8.5% 12.8%	\$36,3 \$68,8	08 87

	South Dakota Hot Careers, continued									
Occupational Title	Annual Average Demand	2016 Workers	2026 Workers	Actual Change 2016- 2026	Percent Change 2016- 2026	Annual Median Wage 2018	Annual Average Wage 2018			
Operating Engineers and Other Construction Equipment Operators	229	1,976	2,075	99	5.0%	\$43,725	\$44,146			
Parts Salespersons	226	1,627	1,793	166	10.2%	\$35,561	\$37,139			
Plumbers, Pipefitters, and Steamfitters	170	1,436	1,579	143	10.0%	\$41,981	\$43,597			
Registered Nurses	837	12,334	14,052	1,718	13.9%	\$57,506	\$58,342			
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	640	5,650	6,151	501	8.9%	\$59,392	\$64,491			
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	187	1,601	1,776	175	10.9%	\$74,186	\$85,299			
Secondary School Teachers, Except Special and Career/Technical Education	268	3,509	3,724	215	6.1%	\$42,769	\$42,960			
Welder, Cutters, Solderers, and Brazers	391	3,150	3,555	405	12.9%	\$37,445	\$38,425			

Notes: Data is preliminary and subject to revision. Data for occupations with fewer than 20 workers in 2016 not included. Data presented for occupations will not sum to totals due to rounding and non-publishable data for additional occupations included in totals. Total openings are the summation of openings due to employment change, openings to replace individuals exiting the labor force entirely AND openings to replace workers permanently transferring from one occupation to another occupation. Annualized results are calculated by dividing by 10, the number of years in the projection period. For more information, see http:// dlr.sd.gov/lmic/projections_technical_notes_2016_2026.aspx. Wage data are 2018 estimates. Annual Median Wage is the wage at which 50 percent of workers in the occupation earn less than or equal to the amount, and 50 percent earn more. The Annual Average Wage represents the arithmetic mean of the wage data collected, calculated by dividing the estimated total wages for an occupation by the number of workers in that occupation. The average wage is also referred to as the mean wage. For more information on wage data, see http://dlr.sd.gov/lmic/occupational_wages_technical_notes.aspx.

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation.



 More information on South Dakota's Hot Careers, including several career
 evploration tools and sources of information, is available on the Labor Market Information Center website. At dlr.sd.gov/Imic, from the left-hand menu, simply choose Career Exploration & Planning, then Hot Careers.

Estimated Worker Supply for South Dakota Hot Careers							
Occupational Title, South Dakota Educational Requirement	Current Job Openings (08/13/19)	Current Candidates Available (08/13/19)	Current Candidates as a Percent of Current Openings	Projected Average Annual Demand to 2026	Completers of Related Public Postsecondary Training Programs 2017	Completers as a Percent of Average Annual Demand	
Total, All Occupations	15,588	3,770	24.2%	58,885	n/a	n/a	
Accountants and Auditors							
Bachelor's degree	83	62	74.7%	513	191	37.2%	
Automotive Service Technicians and Mechanics							
Some postsecondary education	26	22	84.6%	238	35	14.7%	
Carpenters							
High school diploma or equivalent	22	24	109.1%	639	35	5.5%	
Cement Masons and Concrete Finishers							
High school diploma or equivalent	25	7	28.0%	229	n/a	n/a	
Child, Family, and School Social Workers							
Bachelor's degree	6	18	300.0%	187	65	34.8%	
Clergy							
Bachelor's degree	4	2	50.0%	209	42	20.1%	
Coaches and Scouts							
Bachelor's degree	21	4	19.0%	185	186	100.5%	
Electricians							
Some postsecondary education	47	8	17.0%	265	63	23.8%	
Elementary School Teachers, Except Special Education							
Bachelor's degree	20	0	0.0%	324	289	89.2%	
First-Line Supervisors of Construction Trades and Extraction Workers							
High school diploma or equivalent	13	8	61.5%	157	124*	79.0%	
First-Line Supervisors of Food Preparation and Serving Workers							
High school diploma or equivalent	172	10	5.8%	301	6	2.0%	
Table continued on next	Table continued on next page.						

Estimated Worker Supply for South Dakota Hot Careers, continued								
Occupational Title, South Dakota Educational Requirement	Current Job Openings (08/13/19)	Current Candidates Available (08/13/19)	Current Candidates as a Percent of Current Openings	Projected Average Annual Demand to 2026	Completers of Related Public Postsecondary Training Programs 2017	Completers as a Percent of Average Annual Demand		
First-Line Supervisors of Office and Administrative Support Workers								
Some postsecondary education	24	18	75.0%	190	0	0.0%		
First-Line Supervisors o	f Retail Sales	Workers						
High school diploma or equivalnet	95	21	22.1%	435	0	0.0%		
General and Operations Managers								
Associate degree	107	45	42.1%	380	990	260.5%		
Heavy and Tractor-Trailer Truck Drivers								
Some postsecondary education	216	37	17.1%	1,005	n/a	n/a		
Highway Maintenance	Workers							
High school diploma or equivalent	18	6	33.3%	173	15	8.7%		
Insurance Sales Agents								
Some postsecondary education	114	7	6.1%	315	3	1.0%		
Loan Interviewers and Clerks								
High school diploma or equivalent	14	3	21.4%	236	53	22.5%		
Loan Officers								
Associate degree	31	8	25.8%	155	45	29.0%		
Maintenance and Repair Workers, General								
High school diploma or equivalent	57	34	59.6%	313	2	0.6%		
Management Analysts								
Bachelor's degree	35	7	20.0%	299	625	209.0%		
Middle School Teachers, Except Special and Career/Technical Education								
Bachelor's degree	3	2	n/a	166	255	153.6%		
Table continued on next page.								

Estimated Worker Supply for South Dakota Hot Careers, continued							
Occupational Title, South Dakota Educational Requirement	Current Job Openings (08/13/19)	Current Candidates Available (08/13/19)	Current Candidates as a Percent of Current Openings	Projected Average Annual Demand to 2026	Completers of Related Public Postsecondary Training Programs 2017	Completers as a Percent of Average Annual Demand	
Operating Engineers and Other Construction Equipment Operators							
High school diploma or equivalent	52	14	26.9%	229	15	6.6%	
Parts Salespersons							
High school diploma or equivalent	13	6	46.2%	226	n/a	n/a	
Plumbers, Pipefitters, and Steamfitters							
Some postsecondary education	46	3	6.5%	170	14	8.2%	
Registered Nurses							
Bachelor's degree	919	9	1.0%	837	892**	106.6%	
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products							
High school diploma or equivalent	15	13	86.7%	640	27	4.2%	
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products							
Bachelor's degree	10	4	40.0%	187	n/a	n/a	
Secondary School Teachers, Except Special and Career/Technical Education							
Bachelor's degree	5	2	40.0%	268	1,100	410.4%	
Welders, Cutters, Solderers and Brazers							
Some postsecondary education	57	43	75.4%	391	125	32.0%	
Notes: Current job open	ings (jobs adv	ertised online) and current	job candidat	es (individuals wit	h active	

Notes: Current job openings (jobs advertised online) and current job candidates (individuals with active resumes in SDWORKS, the workforce system) data was extracted from the virtual labor market data system for Aug. 14, 2019. Projected average annual demand is the same data as used in the table above and was taken from South Dakota occupational employment projections for 2016-2026 completed by the Labor Market Information Center. Completers of Related Public Postsecondary Training Programs 2017 data was extracted from the virtual labor market data system, using a query by occupational title. The source of the completer data is the U.S. Department of Education.

*Includes duplicative graduate counts, graduates of programs matched to other occupations as well (electricians, carpenters, etc.).

**Reflects completers of bachelor's and more advanced degrees only. There were an additional 72 associate degree completers.

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation.



Information on current job openings and candidates as well as completers of postsecondary training programs is available in the virtual labor market data system. From the left-hand menu at **dir.sd.gov/Imic**, choose Virtual Labor Market Data System. Within the virtual system, choose the appropriate Labor Market Profile (for an area, occupation, industry, etc.).

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