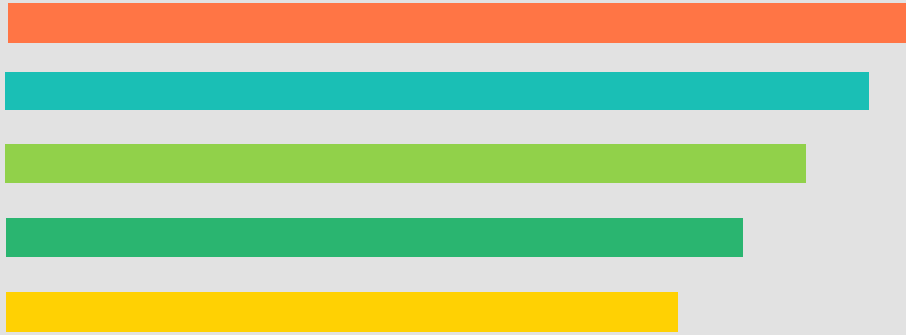


SOUTH DAKOTA WORKFORCE REPORT



2021



Labor Market Information Center



SOUTH DAKOTA
DEPT. OF **LABOR**
& **REGULATION**

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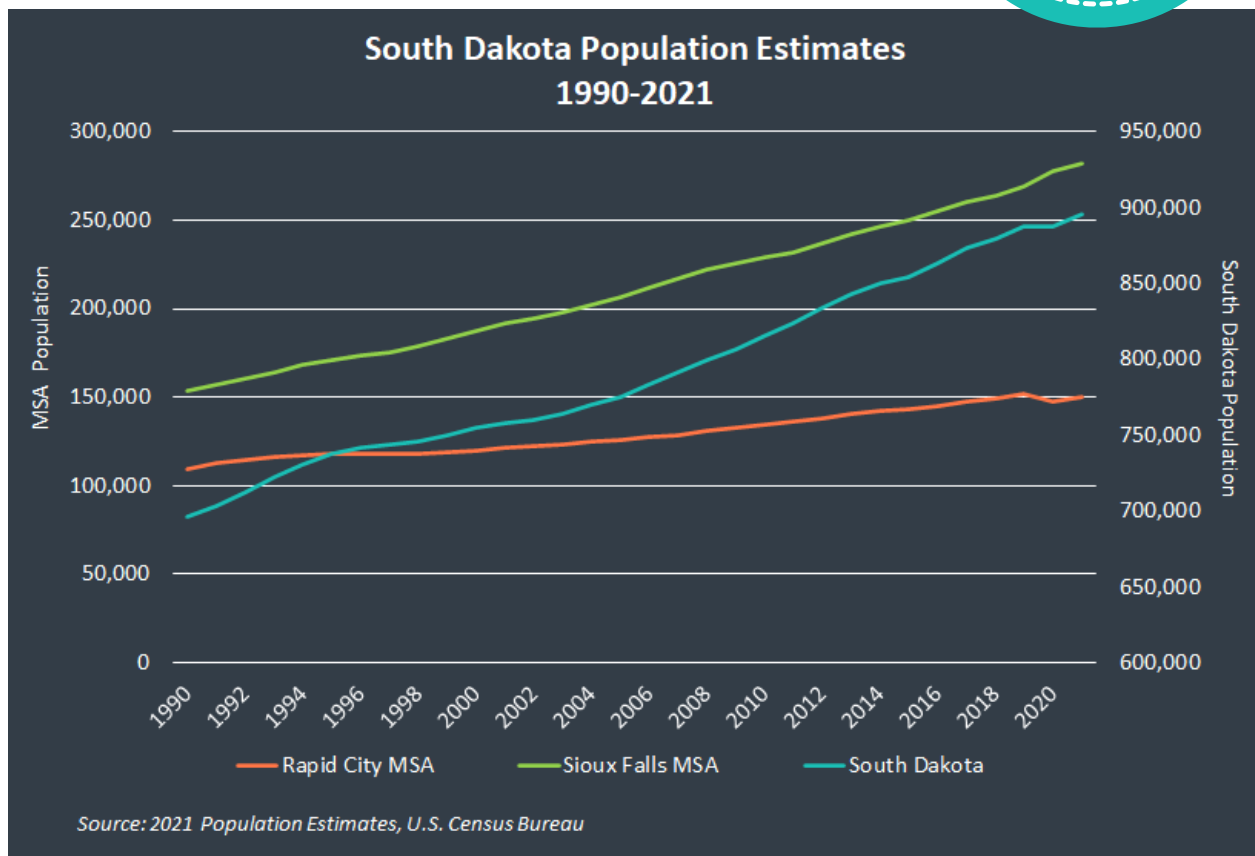


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POPULATION AND WORKFORCE DEMOGRAPHICS

South Dakota's total population has been steadily increasing since 1990, growing by nearly 200,000 between 1990 and 2021, which amounts to 29%. According to estimates published by the U.S. Census Bureau, our population increased by 72,000 (8.7%) over the last decade, exceeding the U.S. population increase of 6.5% over the same time period.

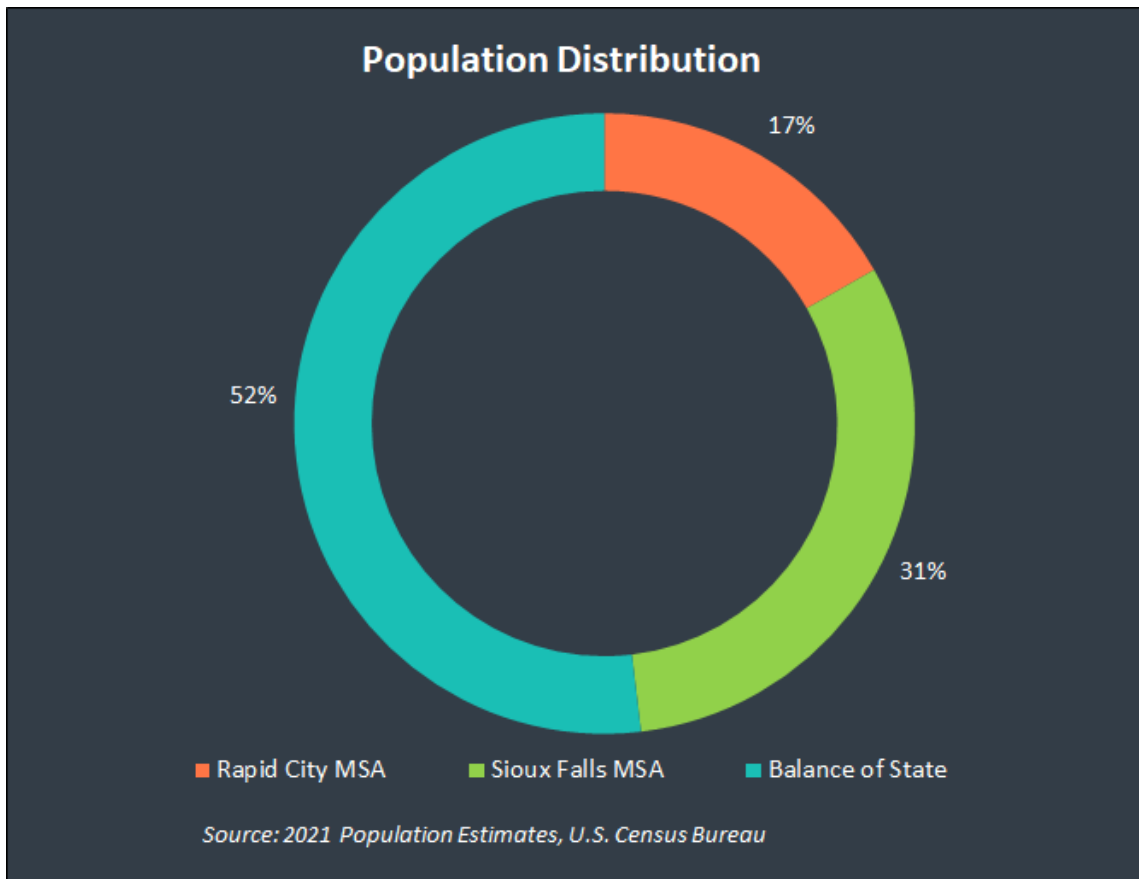
895,400
S.D.'s
Population



South Dakota Population Estimates (as of July 1 each year)		
	2020	2021
South Dakota	887,100	895,400
Rapid City MSA	147,700	150,600
Sioux Falls MSA	277,500	282,000
Source: U.S. Census Bureau		



Some of the largest growth has taken place in the Rapid City and Sioux Falls Metropolitan Statistical Areas (MSAs). Population in those two metro areas increased by 10.5% and 21.4%, respectively, over the last 10 years.



Nearly half of South Dakota's population 432,500 (48.0%) resides in either the Sioux Falls or Rapid City MSAs. Between 2020 and 2021 growth remained consistent in comparison to previous years with the MSAs growing at a slightly faster pace than the rest of the state.

POPULATION BY RACE

The 2021 American Community Survey (ACS) data produced by the U.S. Census Bureau shows the largest percentage of the state's population is comprised of White residents (86.6%), followed by American Indian and Alaskan (10.5%). Regarding ethnicity, 4.2% of South Dakota's population is Hispanic or Latino.

South Dakota Population by Race and Ethnicity 2021		
	Number	Percent
Total population	895,376	100.0%
White	775,061	86.6%
Black or African American	25,895	2.9%
American Indian and Alaska Native	93,881	10.5%
Asian	20,954	2.3%
Native Hawaiian and Other Pacific Islander	1,606	0.2%
Some other race	34,652	3.9%
Hispanic or Latino (of any race)	37,785	4.2%
<i>Source: 2021 American Community Survey, U.S. Census Bureau</i>		

LANGUAGE SPOKEN

Data available from the 2021 American Community Survey (ACS) for the linguistics of our state population show a large majority of state residents (93.9%) speak only English. Of those residents who have the ability to speak in other languages (50,757), some struggle with language barriers, as an estimated 5,400 (10.7%) 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	162,542	516,872	157,883	837,297	100.0%
Speak only English	152,823	481,372	152,345	786,540	93.9%
Speak Spanish:	3,705	12,521	1,280	17,506	2.1%
<i>Speak English "very well"</i>	3,023	7,283	710	11,016	1.3%
<i>Speak English "well"</i>	402	2,259	238	2,899	0.3%
<i>Speak English "not well"</i>	181	2,174	156	2,511	0.3%
<i>Speak English "not at all"</i>	99	805	176	1,080	0.1%
Speak other Indo-European languages:	1,357	8,317	2,104	11,778	1.4%
<i>Speak English "very well"</i>	665	6,737	1,728	9,130	1.1%
<i>Speak English "well"</i>	692	1,161	251	2,104	0.3%
<i>Speak English "not well"</i>	0	404	107	511	0.1%
<i>Speak English "not at all"</i>	0	15	18	33	0.0%
Speak Asian and Pacific Island languages:	1,107	5,381	551	7,039	0.8%
<i>Speak English "very well"</i>	498	2,769	242	3,509	0.4%
<i>Speak English "well"</i>	368	2,162	309	2,839	0.3%
<i>Speak English "not well"</i>	241	419	0	660	0.1%
<i>Speak English "not at all"</i>	0	31	0	31	0.0%
Speak other languages:	3,550	9,281	1,603	14,434	1.7%
<i>Speak English "very well"</i>	3,021	7,542	1,570	12,133	1.4%
<i>Speak English "well"</i>	494	1,175	23	1,692	0.2%
<i>Speak English "not well"</i>	35	432	10	477	0.1%
<i>Speak English "not at all"</i>	0	132	0	132	0.0%
Source: 2021 American Community Survey, U.S. Census Bureau					

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.



Referring to the data in the table on the next page, analysis of the change in South Dakota GDP data from 2020 to 2021 reflects an overall growth (all industry total) of 11.7%, much larger than the previous year's growth of 1.6%. All 14 industry sectors showed GDP growth between 2020 and 2021, which is not a common occurrence. The three industry sectors with the most growth were Mining, Quarrying and Oil and Gas Extraction (131.5%), Agriculture, Forestry, Fishing and Hunting (57.8%), and Arts, Entertainment, Recreation, Accommodation and Food Services (20.2%).

The three industry sectors with the slowest growing GDP were Other services, except Government (4.1%), Government (3.1%) and Information (0.8%). There were five industries which had decreases in GDP between 2019 and 2020 that had gains between 2020 and 2021. The Arts, Entertainment, Recreation, Accommodation and Food Services sector had the largest swing, going from a 24.8% decrease in GDP from 2019-2020 to an increase of 20.2% over the 2020-2021 period.

South Dakota Gross Domestic Product (GDP) by Industry Sector (Millions of Dollars)					
Industry	2019 GDP	2020 GDP	2021 GDP	Change from 2019-2020	Change from 2020-2021
All Industry Total	53,940	54,789	61,206	1.6%	11.7%
Private Industries	47,849	48,469	54,690	1.3%	12.8%
Agriculture, Forestry, Fishing, and Hunting	3,202	3,639	5,741	13.6%	57.8%
Mining, Quarrying, and Oil and Gas Extraction	113	154	357	36.2%	131.5%
Utilities	905	912	1,048	0.8%	14.9%
Construction	2,132	2,112	2,270	-0.9%	7.5%
Manufacturing	4,438	4,529	5,177	2.1%	14.3%
Wholesale Trade	3,615	3,579	3,960	-1.0%	10.6%
Retail Trade	3,567	3,665	4,173	2.7%	13.9%
Transportation and Warehousing	1,224	1,136	1,255	-7.1%	10.4%
Information	1,413	1,380	1,392	-2.3%	0.8%
Finance, Insurance, Real Estate, Rental and Leasing	15,021	15,494	16,346	3.2%	5.5%
Professional and Business Services	3,337	3,411	3,694	2.2%	8.3%
Educational Services, Health Care and and Social Assistance	5,782	5,848	6,323	1.1%	8.1%
Arts, Entertainment, Recreation, Accommodation and Food Services	1,982	1,490	1,791	-24.8%	20.2%
Other services, except Government	1,119	1,120	1,166	0.1%	4.1%
Government	6,091	6,321	6,515	3.8%	3.1%
Note: NAICS Industry detail is based on the 2012 North American Industry Classification System (NAICS). Last updated March 31, 2022, reflecting Census Bureau midyear population estimates available as of December 2021. Source: U.S. Bureau of Economic Analysis					

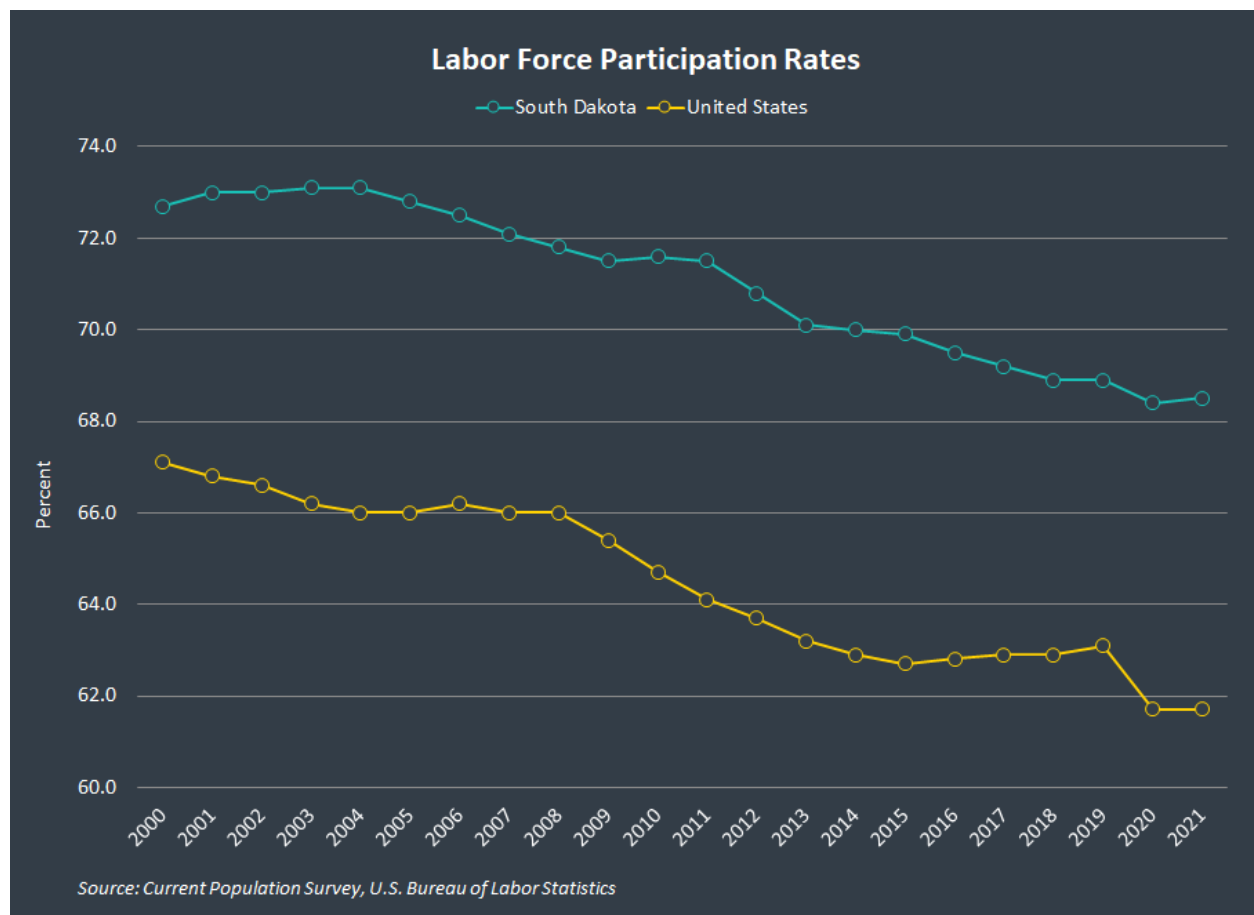
WORKFORCE

LABOR FORCE PARTICIPATION RATE



Current Population Survey (CPS) figures from the Bureau of Labor Statistics show South Dakota's labor force participation rate was 69.1% in 2021. In other words, nearly 70% 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 2021 national average of 61.7%.

Historically, South Dakota consistently has higher rates of labor force participation than the nation as a whole. South Dakota's participation rate of 69.1% was the third-highest rate of all states and the District of Columbia. Nebraska had the highest rate at 69.7% which was followed by the District of Columbia at 69.2%.



Youth in South Dakota were also very active labor force participants. In 2021 67.9% of the state's young population (age 16-24 years) were in the labor force, compared to the national rate of 55.5%. At the other end of the age spectrum, South Dakota's labor force participation rate of 65 and over is 26.7% compared to the national average of 18.9%.

Labor Force Participation Rates by Age 2021							
	Total	16-24	25-34	35-44	45-54	55-64	65+
United States	61.7	55.5	81.9	82.0	80.7	64.6	18.9
South Dakota	69.1	67.9	85.3	88.1	87.6	75.5	26.7
<i>Source: Current Population Survey, U.S. Bureau of Labor Statistics</i>							

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 63.0% South Dakota ranks as the fourth highest behind the District of Colombia at 65.8%, Nebraska at 64.8% and Minnesota at 63.6%. The national labor force participation rate for women in 2021 was 56.1%.

South Dakota's male labor force participation rate ranked first at 75.2%, surpassing Utah and Nebraska at 74.7% and Colorado at 73.8%. All three states had higher rates than South Dakota in 2020. The national labor force participation rate for men was 67.6% in 2021.

There can be several reasons why South Dakota civilians are not in the labor force. Approximately 95% of South Dakotans who are not in the labor force do not want a job at this time. Other reasons include specific barriers to employment such as discouragement and poor job prospects as detailed in the following table.

South Dakota Civilians Not in the Labor Force by Age and Sex 2021						
	Total	Age			Sex	
		16 to 24	25 to 54	55 years	Men	Women
Total not in the labor force	211,500	32,400	41,500	137,600	84,800	126,700
Do not want a job now	201,000	28,800	37,100	135,100	79,900	121,100
Want a job	10,500	3,600	4,400	2,500	5,000	5,600
Did not search for work in previous year	6,100	1,700	2,500	1,900	3,000	3,100
Searched for work in previous year	4,400	1,900	1,900	600	1,900	2,400
Not available to work now	1,700	800	700	200	600	1,100
Available to work now	2,700	1,100	1,300	300	1,300	1,400
Reason not currently looking:						
Discouragement over job prospects	400	100	200	-	300	100
Reasons other than discouragement	2,300	1,000	1,000	300	1,000	1,300
<i>Note: Subject to high rates of variability; January 2021 - December 2021 reference period.</i>						
<i>Source: Special tabulations of unpublished Current Population Survey (CPS) data, U.S. Bureau of Labor Statistics</i>						

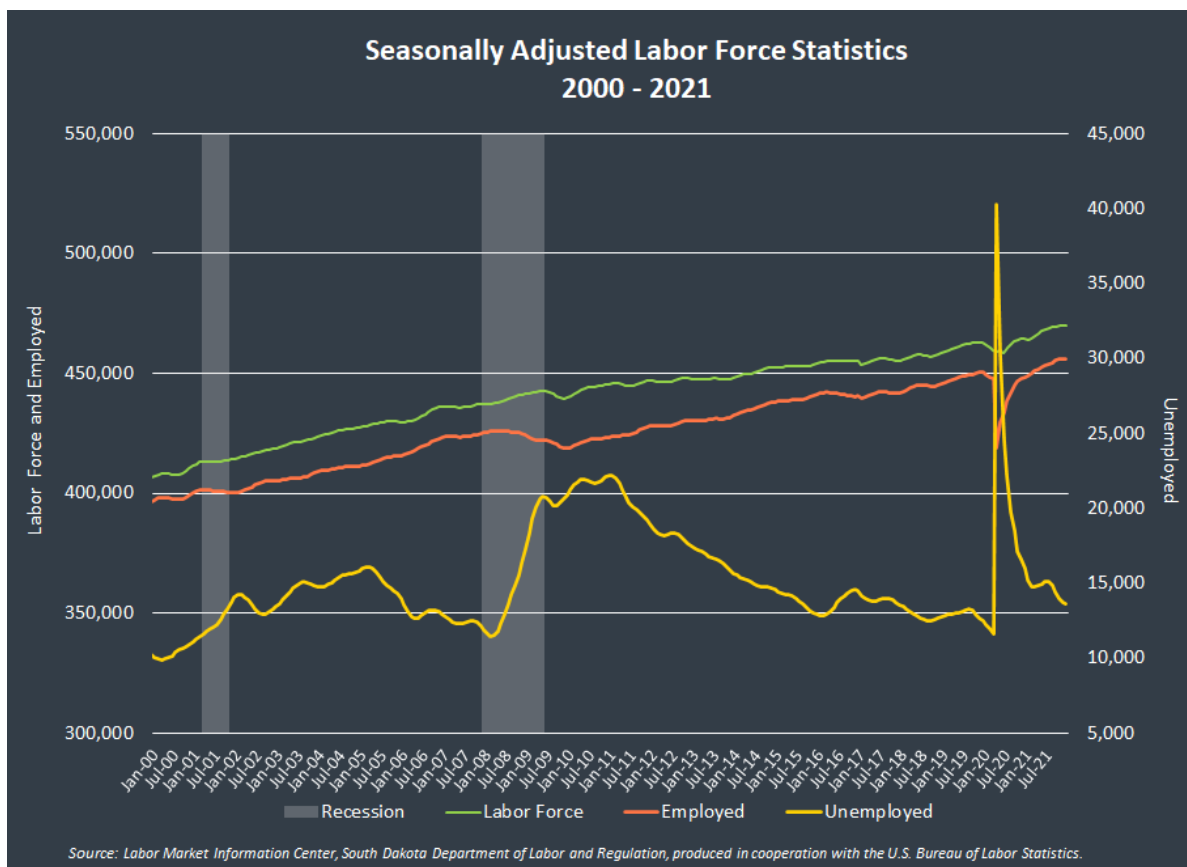
LABOR FORCE

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 until October 2017 when it began to decrease for the next eleven months.

Another upward trend began in November 2018, which continued until September 2019. In 2020 unemployment had stabilized until the COVID-19 pandemic hit South Dakota's economy in April, sending the number of unemployed to unprecedented levels. South Dakota was quick to recover after the initial shock of COVID-19; by the end of 2020 the number of unemployed was close to pre-pandemic levels. Even with the number of participants in the labor force increasing, unemployed worker numbers continued a downward trend throughout 2021.

$$\begin{array}{c} \text{Employed} \\ + \\ \text{Unemployed} \\ = \\ \text{Labor Force} \end{array}$$

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 took a big hit in April 2020 when the pandemic began but by the end of 2020 the number of employed South Dakotans exceeded 2019 levels and continued increasing throughout 2021.



The 2021 annual unemployment rate was 3.1% in South Dakota, compared to the national rate of 5.3%. South Dakota's unemployment rate peaked at 5.0% in 2010 following the 2008-2009 recession and remained low through March 2020. After the unemployment rate spiked to 8.8% in April 2020, due to the COVID-19 pandemic, it declined rapidly and was back to 3.5% in December 2020. By the end of 2021 the unemployment rate was 2.9%.



2022 TO DATE

Labor Force

As mentioned, South Dakota's labor force rebounded quickly after several months of decline during the COVID-19 pandemic and has continued to expand thus far in 2022.

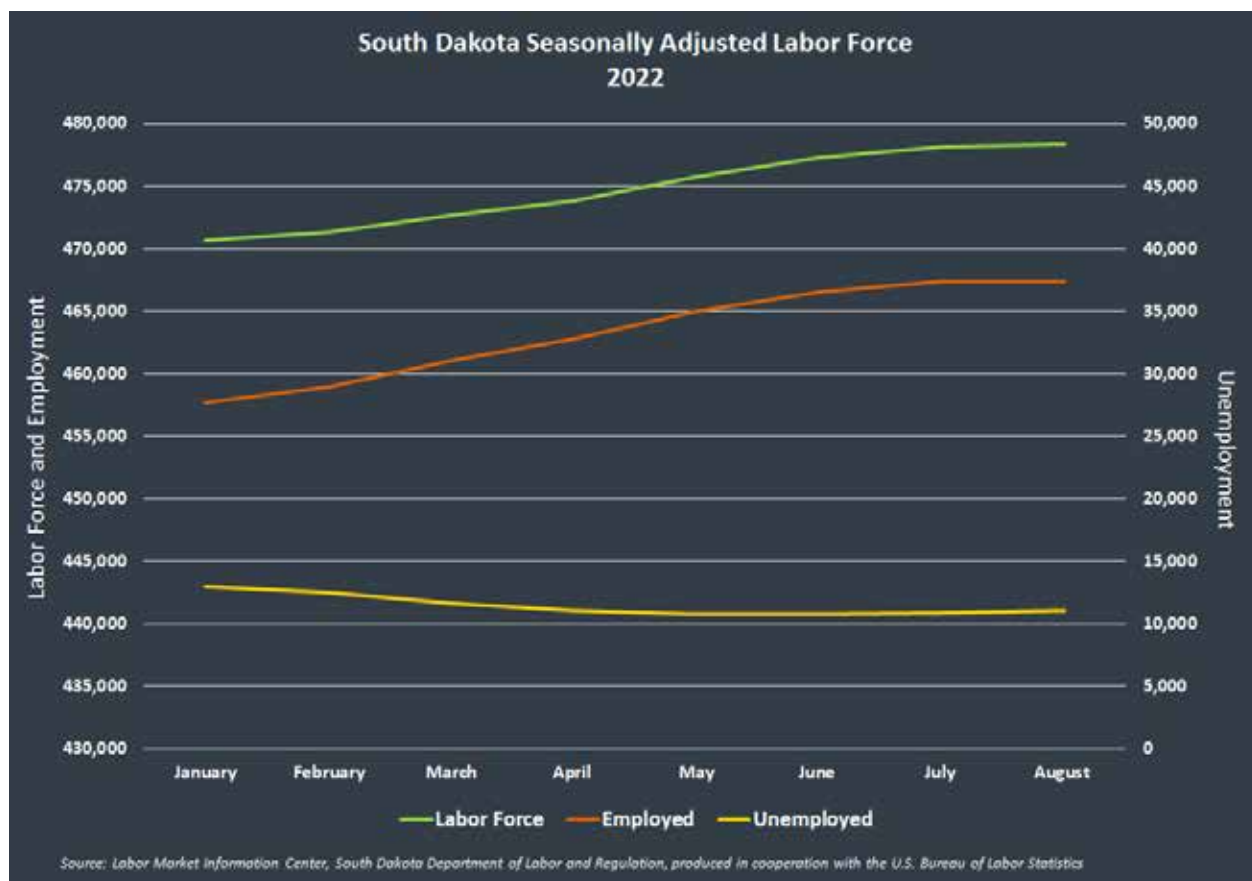
In fact, according to the most current labor force estimates available (August 2022), South Dakota's labor force has grown far beyond pre-pandemic levels. The annual average labor force in 2020 was 461,600 (slightly higher than the 2019 annual average) before the pandemic struck the labor market. Labor force continued to grow throughout 2021, ending with an average of 468,000. Using preliminary August 2022 data, South Dakota's seasonally adjusted labor force has grown to 478,400.

There is still some uncertainty in the labor market as COVID-19 variants continue to circulate throughout the nation and

inflation puts businesses and workers under stress with higher prices. But South Dakota's labor force and the number of employed has continued to increase so far in 2022. Since January 2022, the number of employed has increased by 9,700 to 467,400.

The number of unemployed has continued to decline since the initial surge in April 2020 when effects of the pandemic began distressing the labor market. Unemployment is below pre-pandemic levels with the August 2022 estimate of 11,000, which is 3,900 less than a year ago, and 8,700 lower than the August 2020 level of 19,700.

The August 2022 unemployment rate was 2.3%, much lower than the rate of 3.2% recorded in August 2021 and 4.3% in August 2020.



Take note:

For the most current labor force data available at any point in time, please see our menu page for a link to the virtual data system and instructions. Contact us as needed for assistance.

dlr.sd.gov/lmic/menu_labor_force.aspx

UNEMPLOYMENT & EDUCATIONAL LEVELS

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' (2.7%) and 'less than a high school diploma' (8.9%).

In contrast, the lowest unemployment rates are for those residents who have an educational attainment level of 'Bachelor's degree and higher' (1.1 %). Higher levels of educational attainment also correlate with higher earnings levels.

South Dakota Employment Status of the Civilian Population 25 Years and Over by Educational Attainment 2021							
		Civilian Labor Force		Employment		Unemployment	
	Population*	Total	Rate	Total	Rate	Total	Rate
Less than a High school diploma	32,700	16,500	50.3%	15,000	45.8%	1,500	8.9%
High school graduates, no college ¹	165,800	105,200	63.5%	102,400	61.8%	2,800	2.7%
Some college or associate degree	198,500	141,000	71.0%	138,000	69.5%	2,900	2.1%
Bachelor's degree and higher ²	187,000	142,300	76.1%	140,700	75.3%	1,500	1.1%
*Non-institutionalized population. ¹ Includes persons with a high school diploma or equivalent ² Includes person with bachelor's, master's, professional and doctoral degrees Note: Subject to high rates of variability; January 2021 - December 2021 reference period. Source: Special tabulations of unpublished Current Population Survey (CPS) data, U.S. Bureau of Labor Statistics							

TOTAL EMPLOYMENT ●●●●●

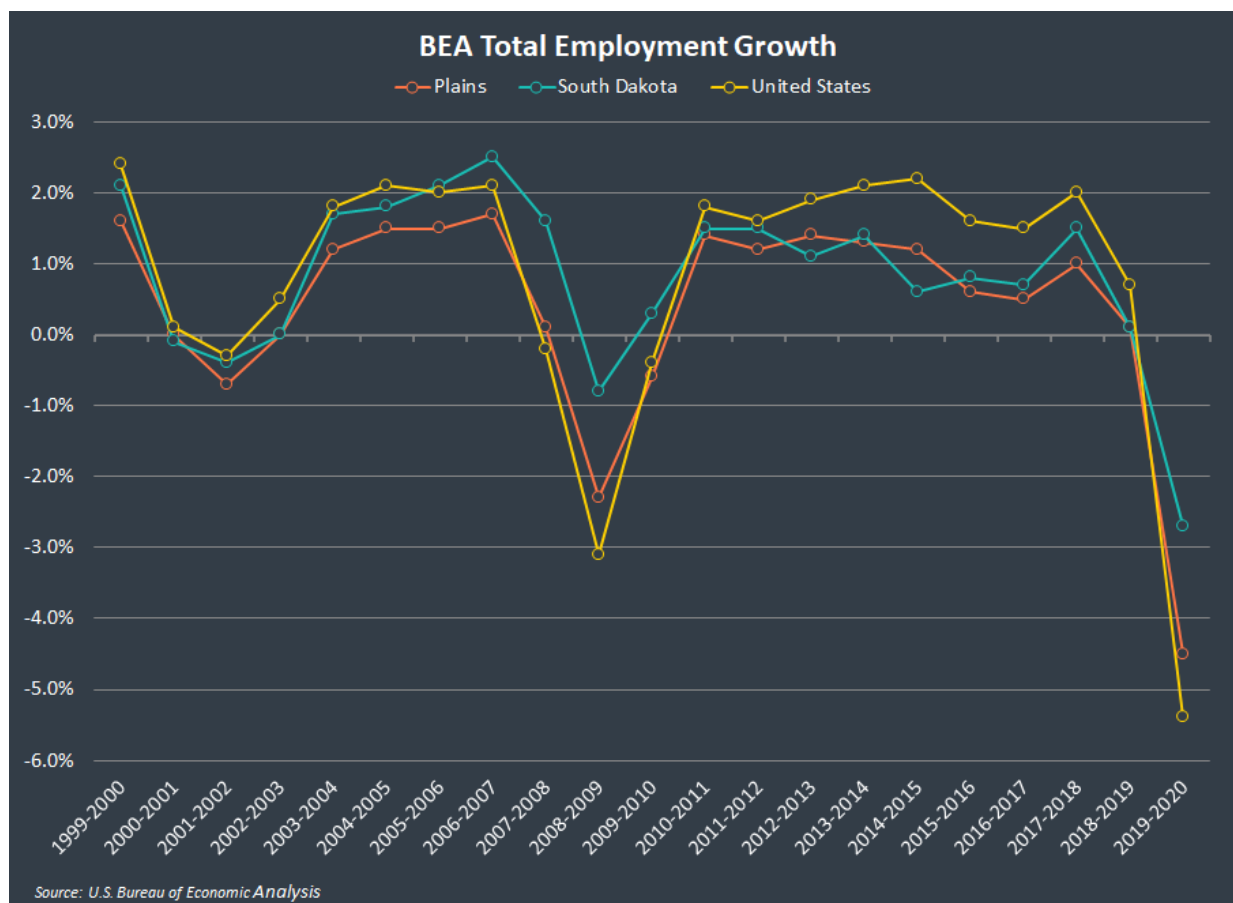
The U.S. Bureau of Economic Analysis (BEA) also publishes employment data for state and local areas, which includes an estimate of the total number of jobs, including detail by full-time or part-time status (full-time and part-time jobs are counted at equal weight) and by place of work. Employees, sole 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 http://dlr.sd.gov/lmic/menu_covered_workers.aspx.

Using the BEA data, the chart below shows annual employment change during the 2000-2020 period. Comparative data is included for the United States, South Dakota and the Plains Region (Iowa, Kansas, Missouri, Nebraska, North Dakota and South Dakota).

Total employment for all three regions had losses over the 2019-2020 period during the worst of the COVID-19 pandemic. This is the first time since the 2008-2009 period (which reflected the impact of 'The Great Recession' from December 2007 – June 2009) losses have been recorded in all three regions. In 2020, South Dakota had a total employment loss of 2.7%, compared



to a loss of 4.5% for the Plains Region and 5.4% for the nation. In the years between the recession and COVID-19, South Dakota's total employment grew annually, often outpacing the Plains Region, but at a slower rate than the nation.

The two employment sectors which comprise total employment include proprietor employment and wage and salary employment. All Employment sectors for the Plains Region, South Dakota and the United States had negative growth between 2019-2020. The largest percent employment losses came from wage and salary; however, proprietor employment also had negative growth.

In South Dakota, total employment decreased 2.7% from 2019-2020 which is about half the United States loss of 5.4% and 1.8 percentage points less than the Plains Region at 4.5%. Wage and salary employment decreased by 3.0% in South Dakota, which was more than 2.0% less than the Plains Region and nearly 3.0% less than the United States. Proprietor employment fell for the second year in a row in all areas. South Dakota and the Plains Region fared better from 2019-2020 than 2018-2019, while the United States proprietor employment losses accelerated over the 2019-2020 time period.

Growth by Employment Sector					
Total Employment	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
South Dakota	0.8%	0.7%	1.5%	0.1%	-2.7%
Plains Region	0.6%	0.5%	1.0%	0.1%	-4.5%
United States	1.6%	1.5%	2.0%	0.7%	-5.4%
Proprietor Employment	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
South Dakota	1.0%	0.7%	2.5%	-2.0%	-1.8%
Plains Region	0.7%	0.2%	1.7%	-2.7%	-2.1%
United States	1.8%	2.3%	3.3%	-1.8%	-3.5%
Wage and Salary Employment	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
South Dakota	0.7%	0.7%	1.1%	0.8%	-3.0%
Plains Region	0.6%	0.6%	0.8%	0.8%	-5.1%
United States	1.6%	1.3%	1.6%	1.4%	-5.9%
Source: U.S. Bureau of Economic Analysis					

SELF EMPLOYMENT

The Bureau of Labor Statistics (BLS) 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 704,000 or 7.6% in 2021, following a decrease of 3.0% in 2020. The total number of self-employed workers are comprised of two components: agriculture, forestry, fishing and hunting industries and nonagricultural industries. The agricultural, forestry, fishing and hunting industries decreased by 15,000 (2.0%) while the nonagricultural industries increased by 719,000 (8.4%) from 2020 to 2021.

South Dakota Self-Employed Workers			
Year	Total	Agriculture, Forestry, Fishing and Hunting	Nonagricultural Industries
2017	9,526,000	790,000	8,736,000
2018	9,707,000	766,000	8,941,000
2019	9,540,000	741,000	8,799,000
2020	9,253,000	742,000	8,511,000
2021	9,957,000	727,000	9,230,000
Net Change 2017-2021	431,000	-63,000	494,000
Percent Change	4.5%	-8.0%	5.7%
Source: Current Population Survey, U.S. Bureau of Labor Statistics			

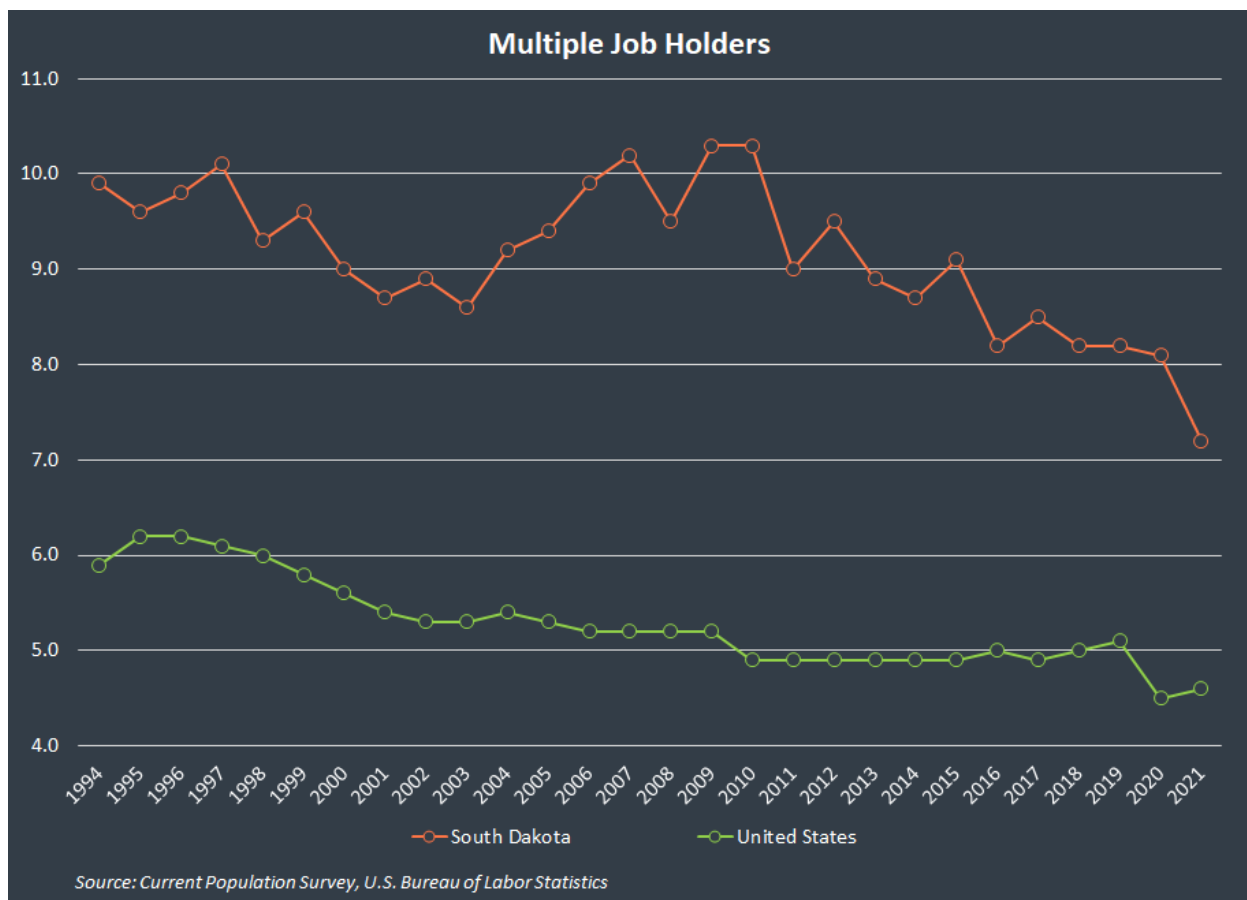
MULTIPLE JOB HOLDING

Data on workers who hold more than one job provides another important perspective on the labor market and health of the economy. Multiple job holding data is available from the Current Population Survey (CPS), a household survey conducted monthly by the U.S. Census Bureau for the Bureau of Labor Statistics. Multiple jobholders are those who report, during the reference week of the survey, they are:

- wage or salary workers who hold two or more jobs
- self-employed workers who also hold a wage or salary job, or
- unpaid family workers who also hold a wage or salary job.

As shown in the graph below, South Dakota has traditionally had a much higher rate of multiple job holding than the nation. In 2021, of the state's 461,000 employed, 33,000 (7.2%) held more than one job. Nationally, the rate was 4.6%.

A drop in multiple job holding during the COVID-19 pandemic was not too surprising, given the “sheltering at home” practice and temporary changes in the availability of unemployment benefits. (Because of federal programs aimed to help citizens



States with Highest Multiple Jobholding Rate 2021				
Area	Total Employed (thousands)	Multiple Job- holders (thousands)	Multiple Jobholding Rate	Rank
United States	152,581	7,007	4.6%	
Montana	531	43	8.0%	1
Iowa	1,605	120	7.5%	2
Nebraska	1,011	74	7.4%	3
Maine	649	47	7.3%	4
South Dakota	461	33	7.2%	5
Kansas	1,436	96	6.7%	6
Wyoming	280	19	6.7%	6
Idaho	875	55	6.3%	8
Hawaii	605	37	6.2%	9
Minnesota	2,906	180	6.2%	9
Vermont	311	19	6.2%	9
Wisconsin	2,990	175	5.9%	12
Alaska	328	19	5.8%	13
Colorado	3,000	172	5.7%	14
North Dakota	388	22	5.7%	14
<i>Source: Current Population Survey, U.S. Bureau of Labor Statistics</i>				

and businesses weather the pandemic's economic impact, guidelines to qualify for benefits were much more liberal, and the amount of payments was also much higher than usual for many).

Indeed, South Dakota's multiple job holding rate did drop slightly from 2019 to 2020 (from 8.2% to 8.1%). The rate dropped more substantially to the 2021 rate of 7.2%. But as the line graph shows, those year-to-year declines were not markedly sharper than at other points in recent years. The overall trend-line for multiple job holding

has been downward both in South Dakota and nationally.

Multiple job holding data shows the strong work ethic is still alive and well not only here but in surrounding states as well. South Dakota's 7.2% rate in 2021 ranked fifth in the nation for highest multiple job-holding rate, ranking behind only our neighbors Montana (8.0%), Iowa (7.5%) and Nebraska (7.4%), plus Maine (7.3%). All surrounding states ranked within the top 15 slots with the highest multiple job holding rates.

WORKER COMMUTING

INFLOW AND OUTFLOW OF WORKERS

At the beginning of the second quarter of 2019 (most current data available), 388,719 people were employed in South Dakota. Of this total, 363,267 (93.5%) lived and worked in the state, while 25,452 (6.5%) worked in the state but lived outside its borders.

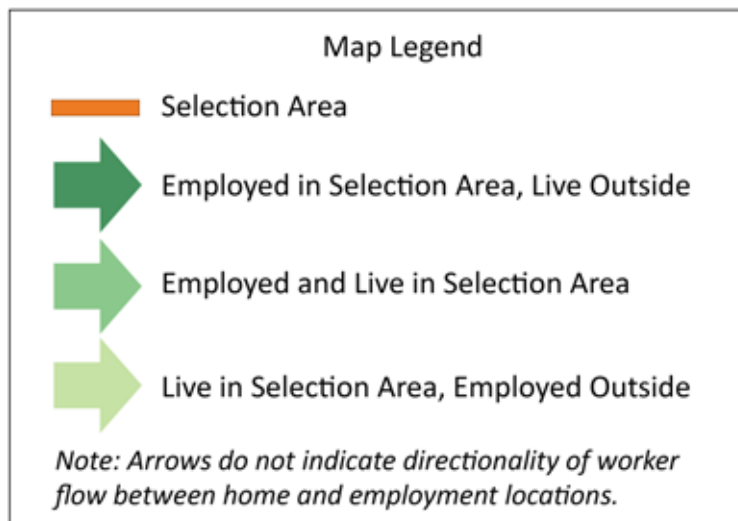
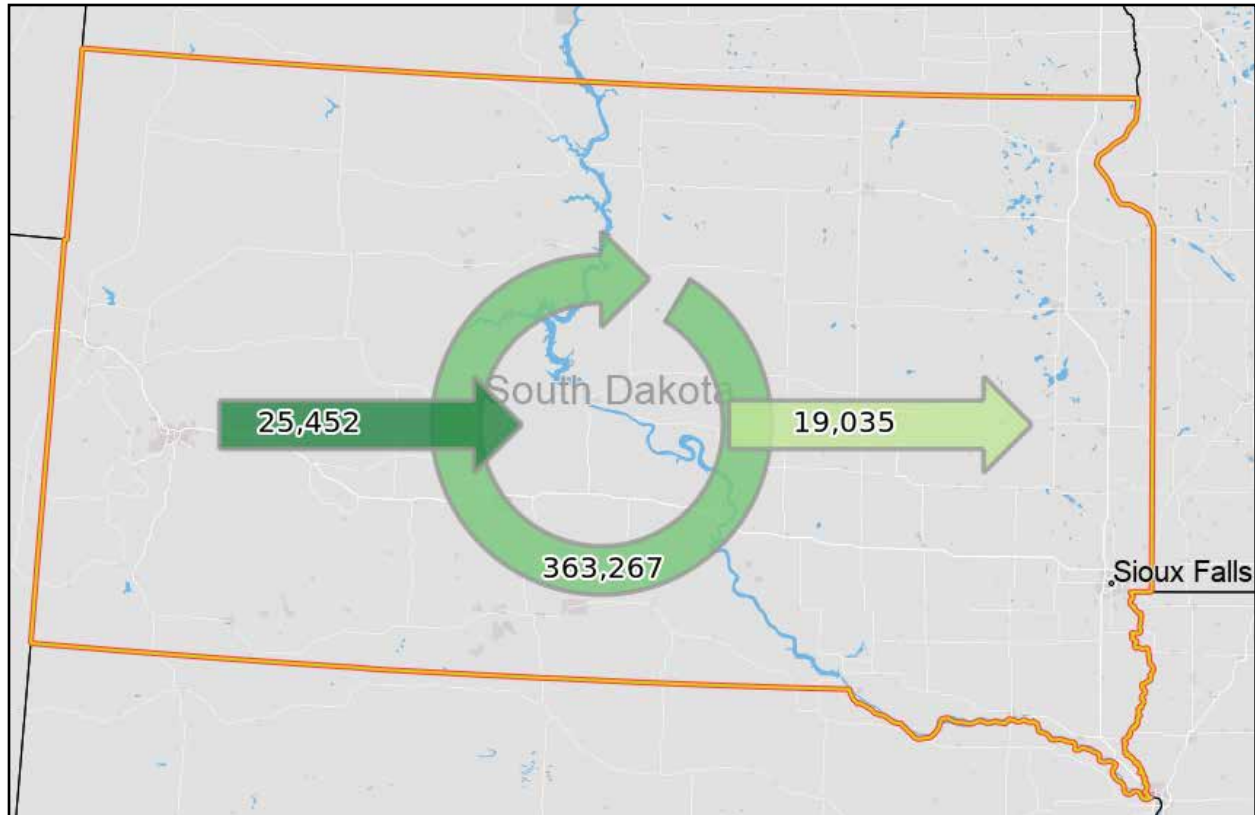
During the same period, 382,302 individuals with jobs lived in the state, but not all of them were employed in South Dakota. Of this total, 363,267 (95.0%) called South Dakota home. The remaining 19,035 (5.0%) workers lived in South Dakota but commuted to another state for work.

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.



Home Destination Report Home Location of Workers Employed in South Dakota Job Counts by State Secondary Quarter 2019			Work Destination Report Work Location of Workers Living in South Dakota Job Counts by State Second Quarter 2019		
State	Count	Share	State	Count	Share
South Dakota	363,267	93.5%	South Dakota	363,267	95.0%
Iowa	6,959	1.8%	Iowa	5,123	1.3%
Minnesota	6,770	1.7%	Minnesota	3,907	1.0%
Nebraska	4,714	1.2%	North Dakota	3,180	0.8%
North Dakota	1,477	0.4%	Nebraska	2,710	0.7%
Wyoming	1,241	0.3%	Wyoming	1,622	0.4%
Colorado	479	0.1%	Colorado	526	0.1%
California	347	0.1%	Montana	244	0.1%
Texas	344	0.1%	California	236	0.1%
Illinois	246	0.1%	Kansas	148	0.0%
All Other Locations	2,875	0.7%	All Other Locations	1,339	0.4%
Total Primary Jobs	388,719	100.0%	Total Primary Jobs	382,302	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. This data does not include federal government employment.					
Source: OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2019), U.S. Census Bureau					

South Dakota Working Commuting Flows



Take note:

Commuting to work data is possible through a partnership between the U.S. Census Bureau and LMIC on the Longitudinal Employer-Household Dynamics program. Call the Labor Market Information Center at 605.626.2314 if you are interested in similar data for your specific area of the state.

ADVERTISED JOB OPENINGS



This data is developed by Geographic Solutions, Inc. (GSI), the vendor of the virtual labor market data system. GSI uses “spidering” to collect content from job openings posted by a wide variety of entities, from major job boards to employers’ websites.



Although a rather erratic measure, data on the number of job openings advertised online (available in the virtual labor market data system)

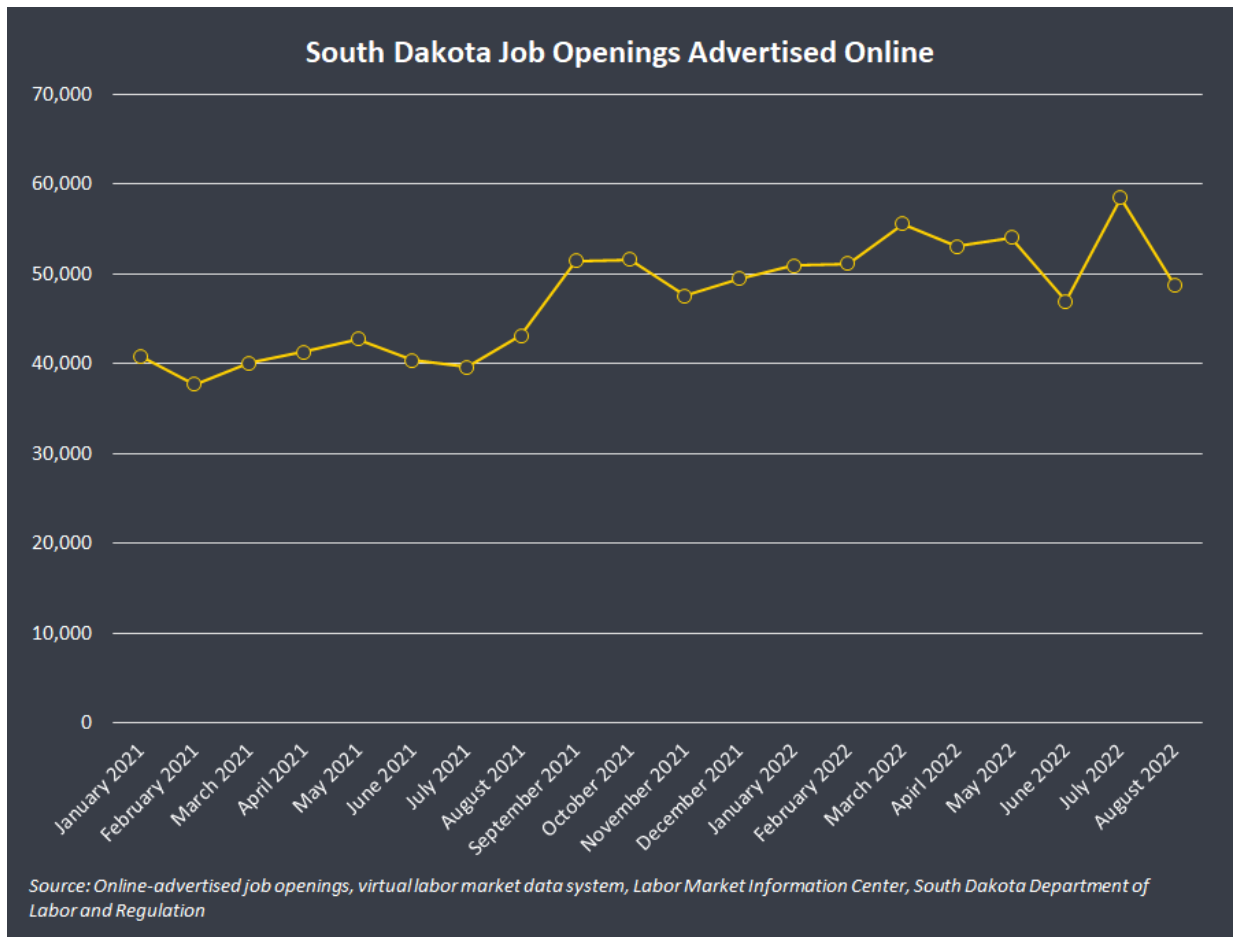
provides an indicator of more recent activity in the labor market than the more traditional workforce data sets allow. This measure includes all job openings advertised online, whether those openings are advertised on employer websites or major job boards, including SDWORKS, the state’s jobs database.

There were 214,139 South Dakota jobs advertised online in 2021. As the line graph on the next page shows, the highest peak in advertised job openings during 2021 was in October, at 51,640. Job opening numbers dropped in November, then

started slowly climbing again to a new high point of 55,606 by March 2022. After hitting a rather low point in June, job openings numbers again climbed, reaching a new high of 58,480 in July 2022. There were 48,827 job openings advertised in August 2022.

The top 10 counties in South Dakota with the highest number of job openings in 2021 were:

- Minnehaha County, 72,228
- Pennington County, 32,453
- Lincoln County, 11,136
- Hughes County, 9,697
- Brown County, 9,145
- Brookings County, 8,605
- Codington County, 7,602
- Yankton County, 6,852
- Beadle County, 5,441
- Davison County, 5,36



Take note:

Historical and current (prior day) data on job openings are available in the virtual system by specific area (statewide, metro areas and county), industry, occupation and educational level required. From the left-hand menu of [LMIC's website](#), see the "Virtual Labor Market Data System" options.

NONFARM WAGE AND SALARIED WORKERS



South Dakota's nonfarm industries had strong gains in 2021 after having significant declines in 2020, largely showing recovery of losses sustained during the worst of the COVID-19 pandemic. Total nonfarm employment increased 3.1% from 2020 to 2021 with the addition of 13,300 workers. The 2021 annual average number of workers was 439,500.

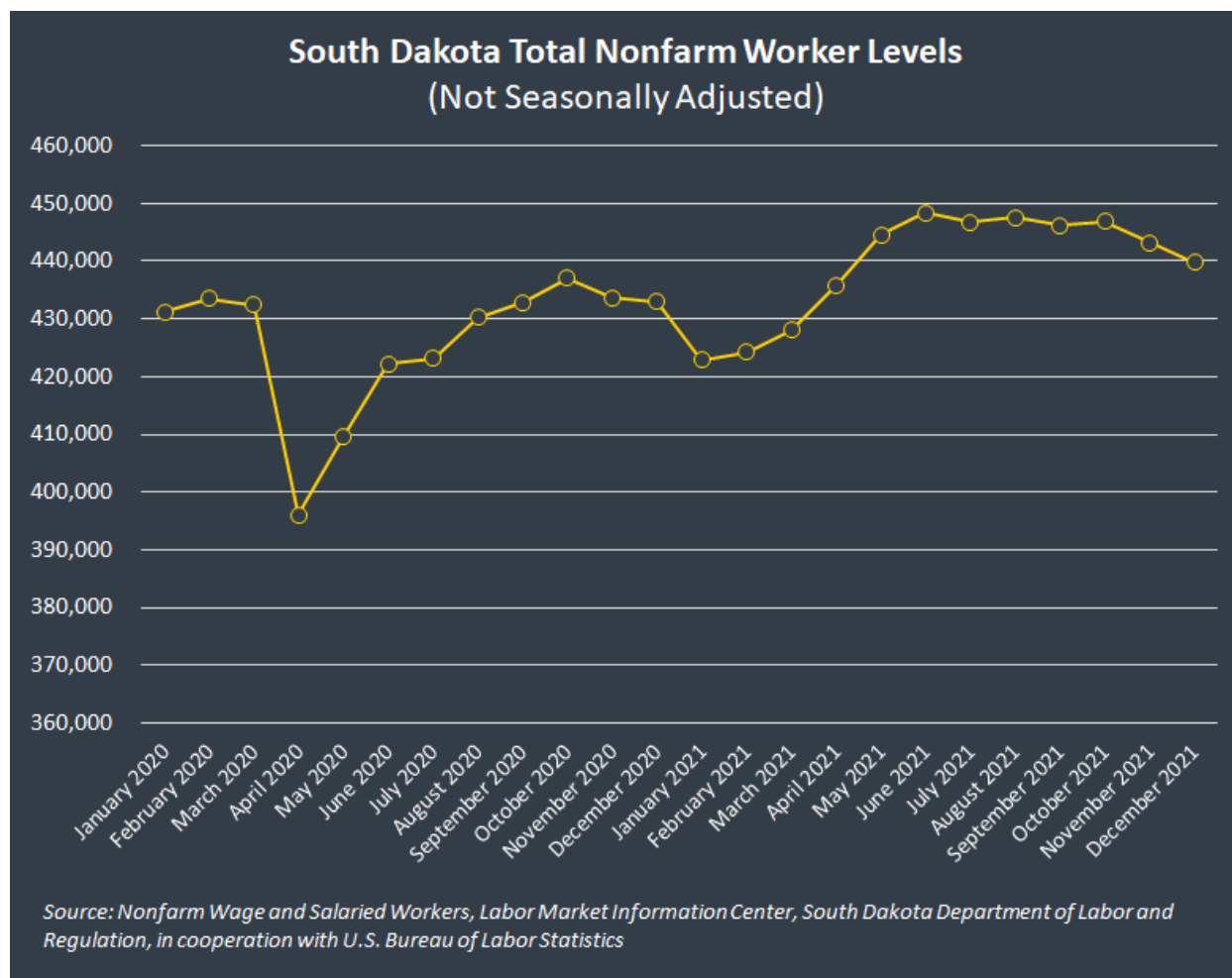


Nonfarm industry worker data can be divided into two major components:

- Goods Producing
- Service Providing

Goods Producing industries (Mining, Logging and Construction sector and the Manufacturing sector), increased by 1,400 workers (2.0%) from 2020 to 2021. Service Providing industries (all other sectors listed in the table above) gained 11,800 workers (3.3%).

South Dakota Statewide Nonfarm Wage & Salaried Workers by Industry (Not Seasonally Adjusted)				
Industry	2020 Annual Average	2021 Annual Average	Actual Change	Percent Change
Total Nonfarm	426,200	439,500	13,300	3.1%
Total Private	349,300	360,600	11,300	3.2%
Goods Producing	68,600	70,000	1,400	2.0%
Service Providing	357,700	369,500	11,800	3.3%
Mining, Logging & Construction	25,400	26,200	800	3.1%
Manufacturing	43,200	43,800	600	1.4%
Wholesale Trade	20,900	21,300	400	1.9%
Retail Trade	49,700	51,400	1,700	3.4%
Transportation, Warehousing & Utilities	13,400	13,800	400	3.0%
Information	5,100	5,000	-100	-2.0%
Financial Activities	28,300	28,200	-100	-0.4%
Professional & Business Services	32,800	34,300	1,500	4.6%
Education & Health Services	73,000	74,200	1,200	1.6%
Leisure & Hospitality	41,000	45,300	4,300	10.5%
Other Services (except Public Administration)	16,600	17,000	400	2.4%
Government	77,000	78,900	1,900	2.5%
Note: Numbers may not add due to rounding.				
Source: Nonfarm Wage & Salaried Workers, Labor Market Information Center, South Dakota Department of Labor and Regulation, in cooperation with U.S. Bureau of Labor Statistics				



Mining, Logging and Construction

Mining, Logging and Construction gained 800 workers (3.1%) for a 2021 annual average of 26,200. A majority of the growth took place in the Sioux Falls MSA with an increase of 600 workers (6.3%). According to the City of Sioux Falls, the construction valuation totaled \$1.1 billion in 2021, which is a significant increase of the 2020 total construction valuation of nearly \$920 million.

Construction added 700 workers (2.9%). Specialty Trade Contractors paved the way to this growth in Construction with an increase of 700 workers (5.0%). Specialty Trade Contractors perform a specific activity, such as site preparation, pouring concrete, plumbing, painting or doing electrical work. Construction of Buildings also had growth from 2020 to 2021, adding 300 workers (5.1%). Somewhat offsetting

these gains was a loss of 200 (4.4%) in Heavy and Civil Engineering. Its 2021 annual average dropped to 4,300 workers. Gains in Construction have been driven by the increased demand for housing and new commercial projects that come with population increases. Mining and Logging added 100 workers (10.0%) from 2020 to 2021, reaching 1,100 workers.

Manufacturing

Manufacturing gained 600 workers (1.4%) over the year, from 43,200 workers in 2020 to 43,800 workers in 2021. Durable goods added 300 workers (1.1%) over the year, climbing to an annual average of 27,300 workers in 2021. 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.

2021 Nonfarm Industry Trends, continued

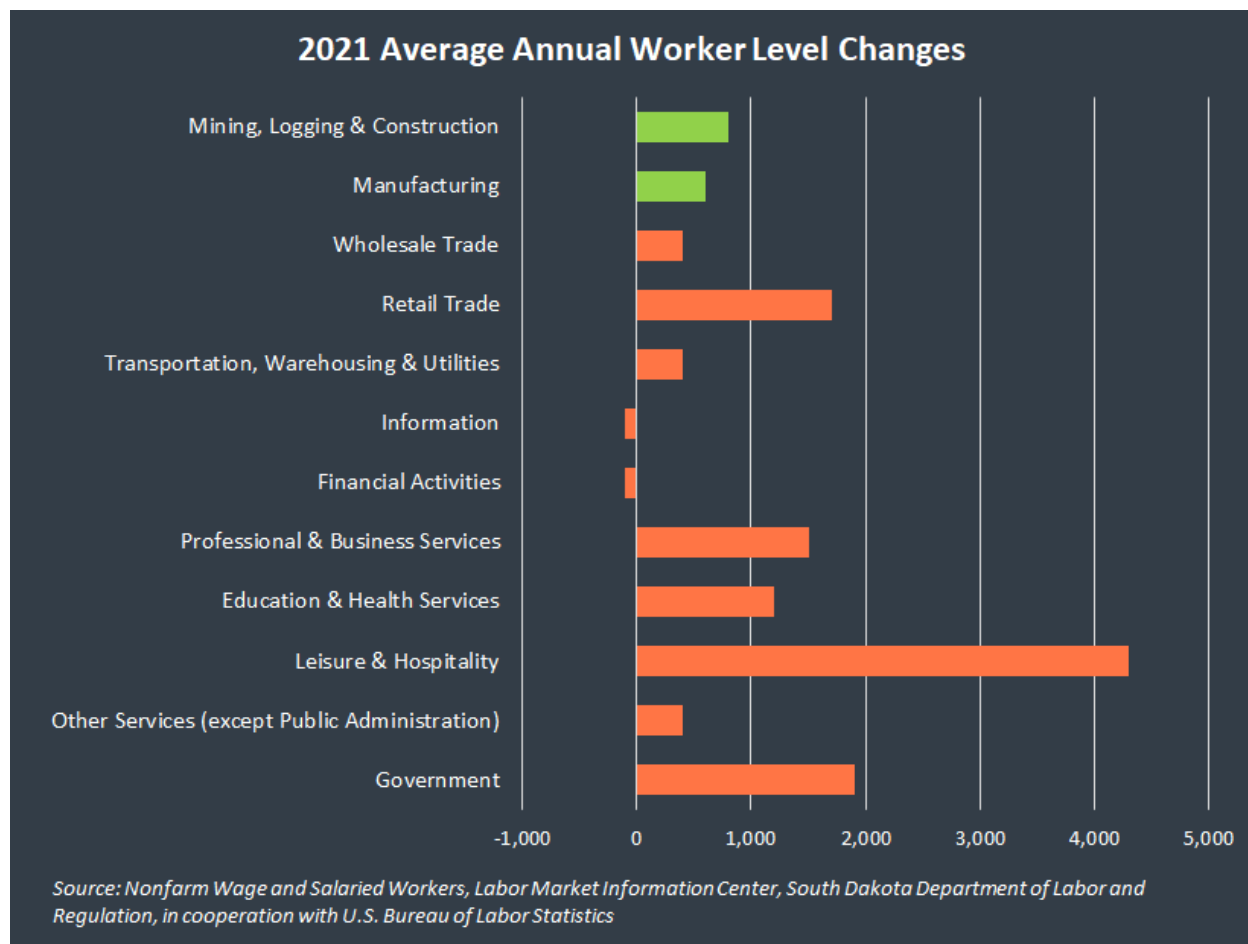
Non-Durable Goods Manufacturing gained 300 workers (1.9%) to reach a 2021 annual average of 16,500 workers. Non-durable goods are immediately consumed in one use or have a lifespan of less than three years. Examples of non-durable goods produced or processed in South Dakota include food and beverage products, paper products and fuel.

Worker levels in Manufacturing dipped in 2020 due to demand fluctuations and supply chain issues triggered by the pandemic. Worker levels have since been on the road to recovery, recouping 97.3% of the 2019 average annual worker level of 45,000. Gains in Manufacturing are

related to small recovery growth spread throughout multiple establishments.

Wholesale Trade

Wholesale Trade increased 1.9% with the addition of 400 workers from 2020 to 2021. 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

Retail Trade worker levels jumped up 3.4% with the addition of 1,700 in 2021. This sector went from 49,700 workers in 2020 to a 2021 annual average of 51,400 workers. Clothing boutiques, web retailers, home furnishing stores, department stores, hardware stores, supermarkets, gasoline stations, antique shops and souvenir stores are examples of some of the establishments in this sector.

Worker levels in Retail Trade during 2021 not only recovered from the 2020 pandemic impacts but exceeded the 2019 annual average of 51,200. Many establishments that were temporarily closed or open with reduced hours due to COVID-19 in 2020 were able to remain open for consumers in 2021.

The pandemic changed how consumers shop, encouraging many to support local establishments to combat issues with shipping and delivery. Looking for ways to remain afloat during the pandemic, many progressive retailers found opportunities to customize and expand their services, such as offering curb-side pick-up and delivery as well as pumping up social media marketing to target audiences.

Larger retailers increased the number of time slots and parking spots available for at-store pickup. It appears such new practices not only helped many retailers survive the pandemic but grow. South Dakota's Retail Trade in 2021 enjoyed the first year of worker level gains after four consecutive years of loss.

Transportation, Warehousing and Utilities

Transportation, Warehousing and Utilities gained 400 workers (3.0%) over the year. Most of the growth (75%) took place outside of the Sioux Falls and Rapid City MSAs. Examples of establishments in this industry include tow truck services, natural gas distribution, taxicab services, local

and long-distance trucking, scheduled air passenger transportation and general warehousing.

Worker levels in Transportation, Warehousing and Utilities have recouped and exceeded pre-pandemic levels. Gains in Transportation, Warehousing and Utilities are attributed to increases in demand. Multiple industries played a role in this growth. As Manufacturing levels increase, so does the demand for transportation and warehousing needed to move the product to the retailer. Retail Trade has also played a part as a shift to online consumer purchasing continued and intensified during the pandemic. More online shopping has increased the need for couriers and messengers who deliver the packages.

Information

Information continued a downward trend with an average annual loss of 100 workers (2.0%). Declines in this sector took place outside of the Sioux Falls and Rapid City MSAs. The Information sector is comprised of establishments engaged in publishing, internet publishing, motion picture and sound recording, broadcasting, movie theaters, internet service providers, data processing and all other information services. This modest loss is due to fluctuations in demand due to advancements in technology. While some establishments in this sector are growing, others are contracting. Newspapers, books and calendars are just a few examples of areas evolving from print to digital format. As the transition continues, worker levels in this sector will continue to fluctuate.

Financial Activities

Financial Activities decreased 100 workers (0.4%) over the year with a 2021 annual average of 28,200 workers in South Dakota. Over half of the workers in the Financial Activities supersector are in the Sioux Falls MSA (15,200 workers). The Financial Activities supersector consists of the Finance and Insurance sector and the Real Estate and Rental and Leasing sector.

Credit card banks, saving institutions, portfolio fund managing, insurance claims adjusting, real estate agencies, residential property management and home health equipment rental are examples of establishments in this supersector.

While the need for the activities in the supersector has increased due to population growth, the demand for workers had minimal changes from 2020 to 2021 due to advancements in technology. With continued advancements, consumers can complete many transactions without having to step foot inside an establishment. Although online options have been around for a while, the current pandemic encouraged more consumers toward these electronic options for transferring funds, depositing checks, applying for loans, submitting applications and signing documents.

Professional and Business Services

Professional and Business Services had significant gains (1,500 workers, 4.6%) from 2020 to 2021, reaching a 2021 annual average of 34,300 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.

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.

Worker levels have not only recouped but exceeded pre-pandemic levels. (Professional and Business Services had an annual average of 33,200 workers in 2019). This growth is good indication other industries are expanding to the point additional help from professional and business services is needed.

Education and Health Services

Education and Health Services gained 1,200 workers (1.6%), jumping up to a 2021 annual average of 74,200 workers. Most of this growth took place in the Sioux falls MSA and the Rapid City MSA, adding 700 workers and 400 workers, respectively. Health Care and Social Assistance accounted for most of the growth in Education and Health Services, adding 800 workers (1.2%).

Establishments in Health Care and Social Assistance include dentist offices, chiropractors, childcare centers, assisted living facilities and vocational rehabilitation agencies. Hospitals had significant gains from 2020 to 2021, adding 800 workers (3.0%). Health Care and Social Assistance has been on an upward trend for the last 20 years. Continued gains in Health Care and Social Assistance are related to several factors, including population growth and an increase of specialized medical procedures which increase the demand for additional staff.

Educational Services increased 4.5% with the addition of 300 workers. This number includes private educational services, as public educational services are included in government worker levels. This growth is related to establishments in Educational Services rebuilding their workforce after dipping in 2020.

Leisure and Hospitality

Leisure and Hospitality had the largest increase of all supersectors in 2021 with an addition of 4,300 workers (10.5%). Establishments included in this supersector include performing arts, fitness centers, museums, parks, hotels and restaurants. Worker levels in Leisure and Hospitality are on the road to recovery after taking a significant dip in 2020 due to the pandemic. While many people avoided typical socializing activities and postponed travel plans in 2020 because of COVID-19, 2021 brought on a return of such activities and travel. According to the South Dakota Department of Tourism, 13.5 million visitors

traveled to South Dakota in 2021 compared to 10.7 million visitors 2020. As the number of visitors increase, the demand for workers in this supersector also increased.

Other Services

Other Services (except Public Administration) increased 400 workers (2.4%) over the year, reaching a 2021 annual average of 17,000 workers. Examples of establishments in this sector include beauty salons, car washes, wedding planning services, civic and social organizations, general automotive repair shops and pet boarding services. Growth in this sector is population driven. As the population trends up, so does the demand for workers who provide this wide variety of services.

Government

Government worker levels increased 1,900 (2.5%), reaching a 2021 annual average

of 78,900 workers. Local Government accounted for most of the growth in Government, adding 1,800 workers (3.7%). Tribal, city and county governments, along with public and tribal school districts, are included in Local Government.

Local Government Educational Services added 1,000 (4.0%), and Local Government excluding Educational Services gained 900 workers (3.9%). State Government added 300 workers (1.7%). State Government Educational Services worker levels rose 200 (2.4%). Over-the-year growth is related to establishments reopening in 2021 that were closed in 2020 due to COVID-19. This includes the return of summer recreation programs and schools returning to in-person education and activities after having to offer only remote learning in the spring of 2020. Federal Government declined 100 workers (0.9%), dropping to a 2021 annual average of 11,500.



2022 to Date

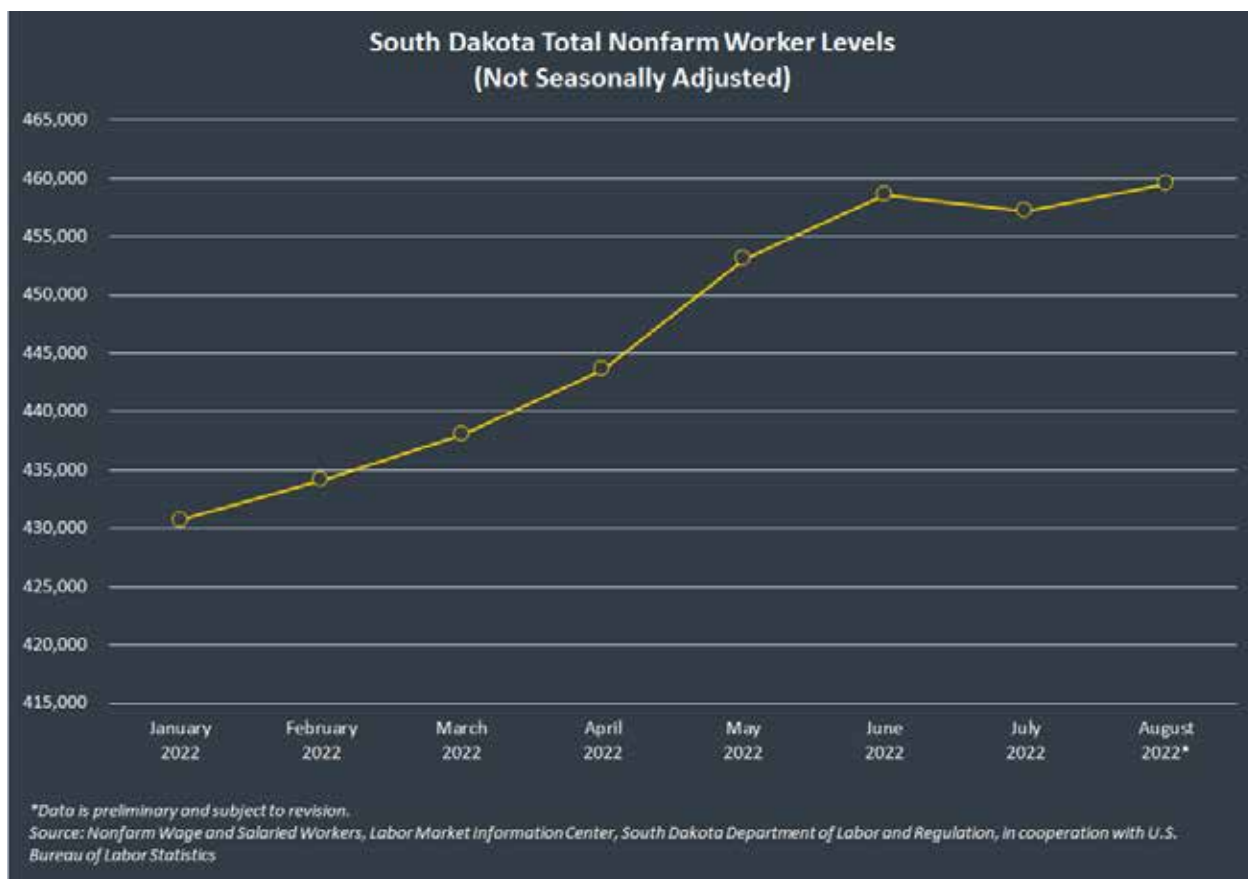
Nonfarm Workers Update

As shown in the graph at the top of the next page, South Dakota nonfarm worker levels have been trending up in 2022. The total worker level increased 28,800 from 430,700 in January to 459,500 in August 2022. Gains over this time period are expected, as many seasonal establishments (Construction and Leisure and Hospitality) hire more workers as activity and demand rise along with temperatures. But the incline of the uptrend is steeper this year. Over the last 10 years, the January to August increase in nonfarm workers has averaged 18,500.

Let's take a closer look at month to month trends so far in 2022. From January to February 2022, the South Dakota nonfarm worker level increased 3,400, reaching

434,100 workers in February 2022. Gains in Government accounted for half of this growth (1,700 workers). State and Local Government Educational Services paved the way to this growth, increasing worker levels after taking a quick dip in January. This is typical, with state and local government-run schools, colleges and universities adding back to their payrolls in February those workers not on 12-month contracts who are dropped from payrolls during winter break.

Worker levels trended up in March and April, jumping to 443,600 workers by April 2022. Gains were related to strong increases in industries such as Construction; Professional and Business Services; and Leisure and Hospitality.



Worker levels continued an upward climb, reaching 453,100 workers in May 2022. This gain was primarily due to strong seasonal hiring in Leisure and Hospitality as businesses ramped up staffing to prepare for the inflow of visitors.

The momentum continued to June, with the worker level increasing 5,500 and reaching 458,600 workers. This was the result of significant gains in Leisure and Hospitality; Construction; Professional and Business Services; and Retail Trade.

Worker levels changed course in July 2022, dropping to 457,200 workers. Worker losses

in July were primarily due to the decrease of educational workers in Government, with most schools on summer break.

Worker levels bounced back in August 2022, adding 2,300. Gains were concentrated in Leisure and Hospitality (2,000 workers). Historically, worker levels in Leisure and Hospitality peak in the month of August as tourists travel throughout the state to enjoy outdoor activities before kids return to school and the weather turns cooler. County fairs and the Sturgis motorcycle rally are just a few examples of August events which contributed to this increase.



Take note:

For the most current Nonfarm Wage & Salaried Worker data available at any point in time, please see our menu page for a link to the virtual data system and instructions. Contact us as needed for assistance.

dlr.sd.gov/lmic/menu_nonfarm_workers.aspx

QUARTERLY CENSUS OF EMPLOYMENT AND WAGES (QCEW)

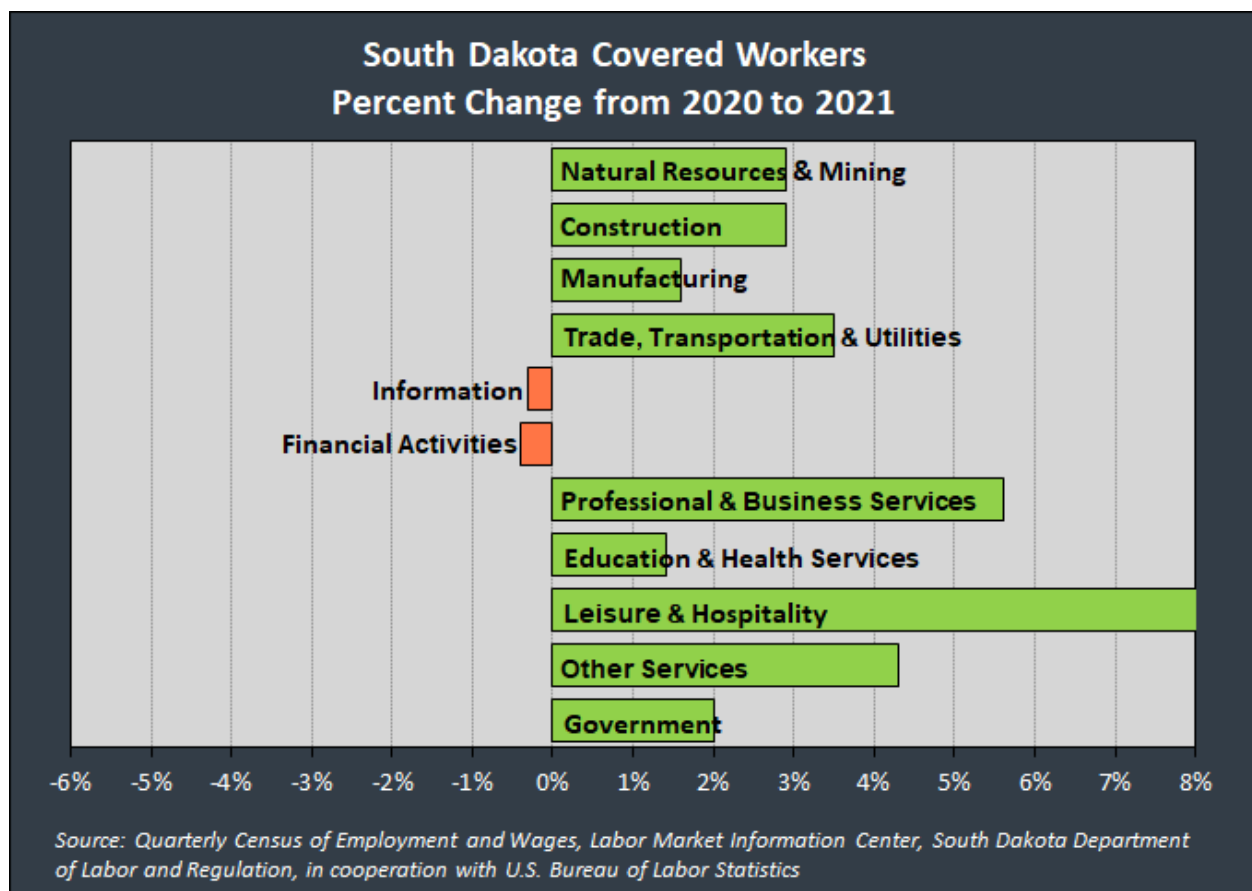
The Quarterly Census of Employment and Wages program provides information about workers covered by South Dakota unemployment insurance law and the Unemployment Compensation for Federal Employees (UCFE) program. In 2021, these “covered workers” accounted for 96% of South Dakota’s wage and salaried workers. Covered workers are counted at their place of work. A person who works for more than one covered employer is counted at each job.

96%
of the state’s
wage and
salaried
workers

NUMBER OF COVERED WORKERS

South Dakota had 430,812 covered workers in 2021, up 3.3% from 2020. The bar graph below indicates nine supersectors showed worker gains while two supersectors

decreased during 2021. This illustrates great recovery from the COVID-19 pandemic in 2021 since during 2020, just three industries experienced growth.



South Dakota Average Number of Covered Workers by Ownership and Supersector			
	2020	2021	Percent Change 2020-2021
Private Ownership			
Natural Resources and Mining	7,137	7,342	2.9%
Construction	24,411	25,128	2.9%
Manufacturing	43,131	43,812	1.6%
Trade, Transportation and Utilities	83,190	86,076	3.5%
Information	5,074	5,060	-0.3%
Financial Activities	27,810	27,686	-0.4%
Professional and Business Services	32,773	34,604	5.6%
Education and Health Services	68,991	69,978	1.4%
Leisure and Hospitality Services	41,003	45,633	11.3%
Other Services	11,078	11,557	4.3%
Total Private Ownership	344,598	356,876	3.6%
Public Administration			
Federal Government	11,569	11,455	-1.0%
State Government	14,371	14,372	0.0%
Local Government	46,573	48,109	3.3%
Total Government	72,512	73,936	2.0%
Statewide Total	417,110	430,812	3.3%
Note: Data subject to revision. Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics			

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 2021 was \$51,254. This represents an increase of 4.2% from 2020.

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** supersector has the lowest industry annual pay of \$20,633, because these types of businesses typically hire many part-time workers. **Federal Government** workers have the highest annual pay at \$72,641.

Annual Pay of Covered Workers by Ownership and Supersector			
	2020	2021	Percent Change 2020-2021
Private Ownership			
Natural Resources and Mining	\$45,582	\$49,061	7.6%
Construction	\$54,005	\$55,866	3.4%
Manufacturing	\$53,290	\$56,072	5.2%
Trade, Transportation and Utilities	\$44,154	\$46,686	5.7%
Information	\$58,065	\$60,837	4.8%
Financial Activities	\$69,344	\$73,408	5.9%
Professional and Business Services	\$63,709	\$69,037	8.4%
Education and Health Services	\$57,051	\$58,852	3.2%
Leisure and Hospitality Services	\$18,828	\$20,633	9.6%
Other Services	\$38,161	\$39,236	2.8%
Total Private Ownership	\$49,498	\$51,788	4.6%
Public Administration			
Federal Government	\$70,047	\$72,641	3.7%
State Government	\$53,128	\$54,640	2.8%
Local Government	\$40,282	\$41,195	2.3%
Total Government	\$47,578	\$48,680	2.3%
Statewide Total	\$49,165	\$51,254	4.2%
Note: Data subject to revision. <i>Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics</i>			

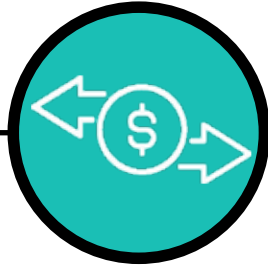
NOTEWORTHY INDUSTRY TRENDS

The three industry supersectors listed at the right are being highlighted on the following pages because they showed the most significant employment growth during 2021.

The supersectors are identified by North American Industry Classification System (NAICS) codes. [Learn more about NAICS.](#)

- Trade, Transportation and Utilities Supersector
- Professional and Business Services Supersector
- Leisure and Hospitality Services Supersector

Trade, Transportation and Utilities Supersector



The **Trade, Transportation and Utilities** supersector is comprised of the Wholesale Trade sector, the Retail Trade sector, the Transportation and Warehousing sector and the Utilities sector. 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.

From 2020 to 2021, this supersector added 249 establishments and 2,886 workers. Trade, Transportation and Utilities has the largest workforce of all the supersectors in South Dakota with an average of 86,076 workers in 2021. The supersector's average annual pay increased 5.7% from 2020 to 2021, reaching \$46,686 in 2021.

Wholesale Trade

NAICS Sector 42

Wholesale Trade worker levels bounced back in 2021, adding 463 workers (2.2%). This sector went from 20,919 workers in 2020 to 21,382 in 2021. The average annual pay increased by \$4,762 (7.2%), climbing to an average annual pay of \$71,040. Most of this growth was a result of gains in the Merchant Wholesalers, Durable Goods subsector. Growth in Wholesale Trade is related to establishments recouping and increasing worker levels after they dipped in 2020 due to the pandemic.

The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise and rendering services incidental to the sale of merchandise. The wholesaling process is an intermediate step in the distribution of merchandise

as wholesalers sell merchandise to other businesses, normally operating from a warehouse or office.

Merchant Wholesale, Durable Goods

(NAICS 423) had the largest growth in workers with the addition of 413 workers (4.1%). The annual pay increased \$5,268 (7.4%), reaching 2021 average annual pay of \$76,735. Businesses in this subsector sell capital or durable goods to other businesses. Durable goods are new or used items that have a normal life expectancy of three years or more. They include construction equipment, farm machinery, furniture, computer equipment, jewelry and household appliances. Gains were spread throughout many of the industries as establishments increased their workforce to keep up with increases in demand. The top three contributors to worker level growth in Merchant Wholesale, Durable Goods were in the following industries:

- Machinery and Supply Merchant Wholesalers (NAICS 4238)
- Commercial Equipment Merchant Wholesalers (NAICS 4234)
- Motor Vehicle and Parts Merchant Wholesalers (NAICS 4231)

The **Merchant Wholesale, Nondurable Goods** subsector (NAICS 424) gained 73 workers (0.7%) from 2020 to 2021. The average annual pay increased \$3,604 (6.0%). Establishments in this industry sell nondurable goods to other businesses. Nondurable goods generally have a normal life expectancy of less than three years. Examples include paper and paper products, chemicals, drugs, petroleum, food, apparel and newspapers.

A majority of the worker level growth in this subsector occurred in Miscellaneous Durable Goods Merchant Wholesalers. Farm supply firms that sell seed, fertilizer and chemicals for farming operations contributed to the growth. Florist's supply and tobacco products wholesalers also added workers during 2021.

**South Dakota Covered Workers and Pay
in the Trade, Transportation & Utilities Supersector
2021**

Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay
Trade, Transportation and Utilities	8,759	86,076	\$46,686
Wholesale Trade	3,134	21,382	\$71,040
Merchant Wholesalers, Durable Goods	1,608	10,458	\$76,735
Merchant Wholesalers, Nondurable Goods	1,328	10,451	\$63,493
Electronic Markets and Agents and Brokers	198	473	\$111,874
Retail Trade	3,912	51,659	\$34,235
Motor Vehicle and Parts Dealers	544	8,046	\$58,035
Furniture and Home Furnishings Stores	175	1,508	\$43,623
Electronics and Appliance Stores	154	1,287	\$51,851
Building Material and Garden Supply Stores	389	5,858	\$38,486
Food and Beverage Stores	359	9,304	\$22,536
Health and Personal Care Stores	249	1,976	\$38,239
Gasoline Stations	611	6,655	\$24,842
Clothing and Clothing Accessories Stores	363	2,416	\$22,515
Sporting Goods, Hobby, Book and Music Stores	180	2,204	\$26,175
General Merchandise Stores	200	8,611	\$27,894
Miscellaneous Store Retailers	466	2,675	\$30,359
Nonstore Retailers	222	1,118	\$53,311
Transportation and Warehousing	1,534	11,076	\$49,457
Air Transportation	30	265	\$46,637
Truck Transportation	1,108	5,324	\$56,262
Transit and Ground Passenger Transportation	90	1,153	\$24,386
Pipeline Transportation	14	128	\$107,118
Scenic and Sightseeing Transportation	12	113	\$31,568
Support Activities for Transportation	138	938	\$54,239
Postal Service	9	28	\$24,592
Couriers and Messengers	88	2,225	\$44,231
Warehousing and Storage	45	902	\$44,924
Utilities	179	1,960	\$93,464
Utilities	179	1,960	\$93,464

Note: Data subject to revision.

Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics

The last subsector in this industry is **Electronic Markets and Agents and Brokers** (NAICS 425). This subsector had a loss of 22 workers (4.4%) in 2021, dropping to 473 workers in 2021. Despite a loss in employees over the year, this subsector's annual pay increased by \$16,821 (17.7%). This subsector had the highest annual pay out of the three Wholesale Trade subsectors with a 2021 annual wage of \$111,874.

Brokers and agents in this subsector act on behalf of buyers or sellers in the wholesale distribution of durable or nondurable goods. Independent sales representatives and brokers in some cases are being reclassified into durable and nondurable wholesale activities. The pay structure is usually salaried with distribution of bonuses and profits, resulting in elevated pay some years.

Retail Trade

NAICS Sectors 44-45

Retail Trade had an increase of 1,974 workers (4.0%) from 2020 to 2021. This was the first year of worker gains after four consecutive years of loss. Annual pay increased \$1,977 (6.1%) to an annual average of \$34,235 in 2021. Every subsector in Retail Trade had growth in worker levels and annual pay. Retail Trade ranks third out of all sectors in the number of establishments (3,912) and second in employment (51,659 workers) in the state.

The 2021 growth in Retail Trade was related to establishments rebuilding worker levels after having significant losses in 2020 due to the pandemic. The retail landscape changed significantly from 2020 to 2021. Some establishments that temporarily closed or worked with reduced hours in 2020 were able to stay open throughout 2021. Retail Trade establishments quickly adapted their procedures during the pandemic, adjusting how they do business to get product to their customers. Larger establishments increased delivery and in-store pick up options. Other Retail Trade establishments turned to social media platforms to sell their product. The

demand for shopping locally picked up in 2021 as shipping times lagged, increasing the need for additional workers.

General Merchandise Stores (NAICS 452) had the largest growth in worker levels from 2020 to 2021. This subsector added 352 workers (4.3%), climbing to 8,611 workers in 2021. Annual pay increased \$1,008 (3.7%). Department stores, super centers, dollar stores and general stores are the type of establishments included in this subsector. These stores sell a variety of products and are considered a one-stop solution for the average person in need of any day-to-day life household goods.

Miscellaneous Store Retailers (NAICS 453) also had strong growth in worker levels, adding 322 workers (13.7%) in 2021. Annual pay increased \$1,445 (5.0%) to a 2021 average annual pay of \$30,359. Retail establishments in this subsector include florists, souvenir stores, gift shops, swimming pool supply stores, cigar stores, mobile home dealers, antique shops, pet shops, fireworks shops and cemetery memorial dealers.

Electronics and Appliance Stores (NAICS 443) had the largest increase in annual pay in Retail Trade from 2020 to 2021. The average annual pay increased \$6,211 (13.6%), jumping to \$51,851 in 2021. Worker levels in Electronics and Appliance Stores had modest growth from 2020 to 2021, adding 14 workers (1.1%). Establishments include camera shops, computer stores, appliance stores and sewing machine stores.

Motor Vehicle and Parts Dealers' (NAICS 441) average annual pay increased 9.8%, increasing \$5,163 in 2021. With a 2021 average annual wage of \$58,035, the Motor Vehicle and Parts Dealers subsector has the highest annual wage in Retail Trade. This subsector added 175 workers (2.2%), jumping to 8,046 workers in 2021. Boat dealers, utility trailer dealers, new and used car dealers, motor home dealers and tire dealers are examples of establishments in this subsector.

Transportation and Warehousing

NAICS Sectors 48-49

The **Transportation and Warehousing** sector include industries that provide passenger and cargo transportation, warehousing and storage for goods, scenic and sightseeing transportation, and support activities for transportation. It is common for a business in this sector to operate a network of facilities, workers and equipment over a widespread area.

The Transportation and Warehousing sector splits into several subsectors:

- Each mode of transportation (Air, Rail, Water, Truck, Transit and Ground Passenger, and Pipeline)
- Warehousing and Storage
- Establishments providing Support Activities for Transportation
- Establishments providing Passenger Transportation for Scenic and Sightseeing purposes
- Postal Services and Courier Services

The Transportation and Warehousing sector added 412 workers (3.9%), jumping to 11,076 workers in 2021. The annual pay increased \$1,751 to \$49,457 in 2021. This sector added 52 establishments in 2021. Four out of the nine subsectors in Transportation and Warehousing had increases in worker levels, establishments and earnings from 2020 to 2021.

The Transportation and Warehousing sector not only recouped worker levels lost in 2020 due to the pandemic but exceeded pre-pandemic levels. Multiple industries paved the way to this growth. When Manufacturing increases, so does the demand for transportation and warehousing needed to store and move products to the retailers. Retail Trade also played a part as more consumers turned to online shopping during the pandemic, increasing the need for couriers and messengers who deliver the packages.

The **Couriers and Messengers** (NAICS 492) subsector had the largest increase in the number of workers in this sector with the addition of 222 workers, reaching 2,225 workers in 2021. The Couriers and Messengers subsector accounted for over half of the worker growth in this sector. Establishments increased 13 from 2020 to 2021. Despite gains in worker levels and establishments, the average annual wage decreased \$324 (0.7%), dropping to \$44,231 in 2021. 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. Worker gains can be tied to increases in couriers and express delivery services.

The **Truck Transportation** (NAICS 484) gained 85 workers (1.6%) from 2020 to 2021. The Truck Transportation subsector accounted for just under half of the workforce in Transportation and Warehousing with 5,324 workers in 2021. Annual pay increased 5.9%, up \$3,139 over the year. The number of establishments increased by 38, reaching 1,108 in 2021. Establishments included in this subsector are used furniture moving, farm products hauling (local and long-distance) and container trucking services (local and long-distance).

The largest percentage and numerical increase in pay among the Transportation and Warehouse subsectors was in the **Postal Service** (NAICS 491) subsector. Annual pay increased \$4,400 (21.8%) in 2021, reaching \$24,592. This subsector's worker level remained stable over the year, adding just one worker (3.7%) from 2020 to 2021.

Utilities

NAICS Sector 22

The Utilities sector (NAICS 22) contains just one subsector at the three-digit NAICS classification level (NAICS 221), also titled **Utilities**. The Utilities sector

added one establishment and increased by 34 workers (1.8%) over the year. As of 2021, there were 1,960 workers in the Utilities sector. The annual pay for 2021 was \$93,464, an increase of \$2,471 (2.7%) compared to 2020. The Utilities sector generally experiences one of the highest annual pay statistics. This sector ranked second overall in annual wage in 2021, ranking behind only the Management of Companies and Enterprises (NAICS Sector 55).

Establishments in this subsector provide electric power, natural gas, steam supply, water supply and sewage removal through a permanent infrastructure of lines, mains and pipes. Within this sector, the specific activities associated with the utilities services provided vary by utility. Electric power encompasses transmission and distribution; natural gas includes distribution; steam supply involves distribution; water supply offers treatment and distribution; while sewage removal includes collection and disposal of waste. Waste management services are excluded from this sector since they do not use sewer systems or sewage treatment facilities; however they do collect, treat and dispose waste materials.

The importance of these workers remains high, even though total employment and the number of establishments rank relatively low among all the sectors. Utility workers provide services that allow consumers to enjoy modern living. Many examples can be provided as to why there is continued demand in South Dakota.

One example is the planned phase out of 3G communication networks in favor of 5G. According to the South Dakota Public Utilities Commission, “The decommissioning of 3G networks, which rely on older technology, is part of a larger plan that will allow providers to focus more of their resources on building out newer networks, like 5G, to meet consumer demands instead of maintaining an older one.” Also contributing to Utilities growth has been South Dakota’s increasing

population. As the population expands, so does the need for utilities—as well as the demand for more modern and high-tech improvements. According to the U.S. Census Bureau, the 2020 population of South Dakota was 886,667 (growth of 8.9% from 2010).

Professional and Business Services Supersector



The **Professional and Business Services** supersector is comprised of the Professional, Scientific and Technical Services sector; the Management of Companies sector; and the Administrative and Support and Waste Management and Remediation Services sector. Businesses within this supersector perform professional services, hold securities of companies or perform routine support activities for the day-to-day operations of other businesses.

Compared to other supersectors during 2021, the Professional and Business Services supersector had the second highest growth, percentage-wise, in both the number of workers and annual pay. The number of workers increased 5.6% to 34,604 in 2021. The average annual pay grew to \$69,037, an increase of 8.4%.

Professional, Scientific and Technical Services

NAICS Sector 54

The **Professional, Scientific and Technical Services** sector’s annual average employment in 2021 was 16,033, an increase of 7.8% over 2020. The average annual wage increased 7.9% to \$73,590.

The Professional, Scientific and Technical Services sector is one of few sectors that

South Dakota Covered Workers and Pay in the Professional and Business Services Supersector 2021			
Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay
Professional and Business Services	7,610	34,604	\$69,037
Professional, Scientific and Technical Services	4,980	16,033	\$73,590
Professional and Technical Services	4,980	16,033	\$73,590
Management of Companies and Enterprises	233	5,111	\$119,051
Management of Companies and Enterprises	233	5,111	\$119,051
Administrative and Support and Waste Management and Remediation Services	2,397	13,461	\$44,620
Administrative and Support Services	2,249	12,544	\$44,273
Waste Management and Remediation Services	148	917	\$49,366
Note: Data subject to revision. <i>Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics</i>			

contains only one subsector. But, within the **Professional, Scientific and Technical Services** (NAICS 541) subsector are many industry groups. The distinguishing feature of the subsector is the fact most of the industries grouped in it have output almost solely dependent on worker skills. In most of these industries, equipment and materials are not of major importance, unlike healthcare, for example, where “high tech” machines and materials are important collaborating inputs to labor skills in the production of healthcare. The establishments classified in this subsector sell expertise. Much of the expertise requires advanced education, though not in every case.

Seven out of nine industry groups within the subsector experienced worker increases from 2020 to 2021:

- Legal Services (NAICS 5411)
- Accounting, Tax Preparation, Bookkeeping and Payroll Services (NAICS 5412)

- Architectural, Engineering and Related Services (NAICS 5413)
- Computer Systems Design and Related Services (NAICS 5415)
- Management, Scientific and Technical Consulting Services (NAICS 5416)
- Scientific Research and Development Services (NAICS 5417)
- Other Professional, Scientific and Technical Services (NAICS 5419)

Each industry group above had significant employment growth in 2021, but the main drivers of growth were the Computer Systems Design and Related Services and the Management, Scientific and Technical Consulting Services industry groups.

Coming out of the COVID-19 pandemic, South Dakota saw sharp increases in establishments in these specific industries as well. With the switch to teleworking and technology driven workplaces, there has been an increase in demand for performing duties as either custom computer programmers, software

developers, management consultants or marketing consultants.

Most of these companies are small scale, hiring just one or two workers. General business management consulting services continue to increase, largely due to changes in business operations. Business problems can be complex, and consultants are professional experts who provide solutions and strategies to improve the financial and operational health of an organization. Recommendations by these professionals are backed by large amounts of research and data.

The two remaining industry groups within the subsector experienced very small worker decreases from 2020 to 2021:

- Specialized Design Services (NAICS 5414)
- Advertising, Public Relations, and Related Services (NAICS 5418)

Management of Companies and Enterprises

NAICS Sector 55

The **Management of Companies and Enterprises** sector is comprised of establishments that either hold the securities of companies and enterprises for the purpose of owning a controlling interest or administer, oversee and manage establishments of the company. Primary duties of employees in this industry include influencing management decisions and undertaking the strategic or organizational planning and decision-making within the company. Essential activities of these establishments are often performed in-house. By consolidating the performance of activities of multiple businesses at one establishment, economies of scale are achieved.

The number of workers in 2021 was 5,111, a decrease of 0.6% from 2020. Average annual pay rose by \$6,963 to \$119,051, an increase of 6.2%. The sector's annual average wage ranks as the highest out of all sectors in South Dakota because

most workers are in high-level positions compensated for their expertise and business acumen.

Professionals in the Management of Companies and Enterprises industry are typically responsible for major decision making and are privy to a lot of confidential information and data. In some cases, actions taken by key members on staff can directly impact the financial well-being of both the companies being managed and their shareholders. As a result, there can be a significant risk of liability lawsuits in this industry. Therefore, risk management is a priority, and individuals are also compensated accordingly for the degree of accountability and stress involved.

The bulk of this industry is comprised of managing offices. These offices are part of a company and administer, oversee and manage establishments of that company. They normally undertake the strategic planning and decision-making role of the company. Typically corporate offices, centralized administrative offices and district or regional offices fall within this industry.

Administrative and Support, Waste Management and Remediation Services

NAICS Sector 56

The **Administrative and Support and Waste Management and Remediation Services** sector's annual employment in 2021 was 13,461, an increase of 5.5%. The average annual pay for this sector increased \$5,681 (14.6%) to \$44,620. Hurt by the COVID-19 pandemic, this sector has since recovered from worker loss in 2020 and has exceeded levels in some prior years.

Nearly 93% of employment in this industry belongs to the **Administration and Support Services** (NAICS 561) subsector. The average annual employment for this subsector was 12,544 in 2021 with an average annual wage of \$44,273. Five out

of eight industry groups in this subsector showed positive employment growth while the remaining three fell slightly.

Industry groups with worker gain:

- Office Administrative Services (NAICS 5611)
- Employment Services (NAICS 5613)
- Investigation and Security Services (NAICS 5616)
- Services to Buildings and Dwellings (NAICS 5617)
- Other Support Services (NAICS 5619)

Industry groups with worker loss:

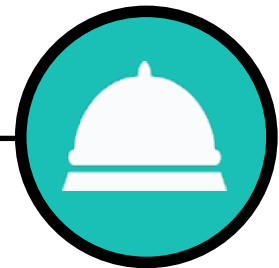
- Facilities Support Services (NAICS 5612)
- Business Support Services (NAICS 5614)
- Travel Arrangement and Reservations Services (NAICS 5615)

The Employment Services and Services to Buildings and Dwellings industry groups were responsible for most of the employment growth in the sector. An increased number of employment placement agencies and temporary help service establishments in South Dakota has led to this growth. With widespread workforce shortage challenges, establishments are more than ever utilizing staffing agencies to supplement their employment rosters. This has become a successful recruiting tool as staffing firms recruit and sort through candidates, identifying the best possible candidates to make the right hire. The Services to Buildings and Dwellings industry group saw worker loss during the COVID-19 pandemic but has since recovered to previous employment levels.

The **Waste Management and Remediation Services** (NAICS 562) subsector employs only 917 workers. Employment growth has been passive in recent years, growing just 0.2% in 2021. The average annual pay was \$49,366.

Establishments in this subsector collect, treat and dispose of waste materials. This can include local hauling of waste materials; sorting recyclable materials from the trash stream; providing for the cleanup of contaminated buildings, mine sites, soil, or ground water; and providing septic pumping and other miscellaneous waste management services. Employment gain occurred in the Remediation and Other Waste Services industry group, whereas the Waste Collection and Waste Treatment and Disposal group's worker level fell slightly.

Leisure and Hospitality Services Supersector



The **Leisure and Hospitality Services** supersector is comprised of the Arts, Entertainment and Recreation sector, and the Accommodation and Food Services sector. Businesses within this supersector provide cultural, recreational or entertainment services or provides customers with lodging and/or food for immediate consumption.

Out of all the supersectors, Leisure and Hospitality saw the largest change in employment in 2021. This was largely due to the recovery from the COVID-19 pandemic in 2020. The pandemic was particularly hard on this supersector, which is largely dependent on accommodating South Dakotans and visitors to our state. But recovery is underway. The average annual employment in 2021 was 45,633, an increase of 11.3%. Annual pay also increased during this time. The average for 2021 was \$20,633 compared to \$18,828 in 2020.

South Dakota Covered Workers and Pay in the Leisure and Hospitality Services Supersector 2021			
Supersector, Sector and Subsector	Number of Establishments	Average Number of Workers	Annual Pay
Leisure and Hospitality Services	3,433	45,633	\$20,633
Arts, Entertainment and Recreation	768	6,927	\$21,390
Performing Arts and Spectator Sports	188	1,121	\$24,258
Museums, Historical Sites, Zoos and Parks	54	591	\$29,775
Amusements, Gambling and Recreation	526	5,215	\$19,823
Accommodation and Food Services	2,665	38,705	\$20,498
Accommodation	649	7,884	\$24,720
Food Services and Drinking Places	2,016	30,822	\$19,418
Note: Data subject to revision. Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics			

Arts, Entertainment and Recreation

NAICS Sector 71

In 2021, the **Arts, Entertainment, and Recreation** sector gained back the workers it lost in 2020. The number of workers decreased by 751 in 2020, whereas 2021 saw an increase of 759 (12.3%) for a new total of 6,927. The average annual wage increased 3.1% to \$21,390.

The Arts, Entertainment, and Recreation sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment and recreational interests of their patrons. The following three subsectors make up the sector:

- Performing Arts, Spectator Sports, and Related Industries (NAICS 711)
- Museums, Historical Sites, and Similar Institutions (NAICS 712)
- Amusement, Gambling, and Recreation Industries (NAICS 713)

The **Performing Arts, Spectator Sports and Related Industries** (NAICS 711) subsector contains establishments that produce or organize and promote live presentations involving the performances of actors and actresses, singers, dancers, musical groups and artists, athletes and other entertainers, including independent (i.e., freelance) entertainers and the establishments that manage their careers.

The subsector's employment level increased 10.3% to 1,121 in 2021. The average annual wage grew 2.3% to \$24,258. Significant employment gain was seen in the Spectator Sports and Promoters of Performing Arts, Sports and Similar Events industry groups. With many more events happening in 2021 compared to 2020, a higher demand for workers in these industries led to the higher employment level.

Establishments in the **Museums, Historical Sites and Similar Institutions** (NAICS 712) subsector engage in the preservation and exhibition of objects, sites and natural wonders of historical, cultural and/or educational value. Art galleries and

museums, natural science museums and observatories are examples. This subsector saw an increase of 80 workers (15.7%). Wages decreased \$761 (2.5%) to an annual average of \$29,775. The pandemic slightly halted an employment growth trend in museums. Along with museums, historical sites, zoos, botanical gardens and nature parks have remained stable and have recovered to pre-pandemic employment levels.

The **Amusement, Gambling and Recreation Industries** (NAICS 713) subsector was responsible for most of the Arts, Entertainment and Recreation sector's employment gain in 2021. Employment in 2021 was 5,215, an increase of 12.4%. The average annual wage for the year was \$19,823. Establishments in this subsector operate facilities where patrons can primarily engage in sports, recreation, amusement or gambling activities. Establishments also provide other amusement and recreation services, such as supplying and servicing amusement devices in places of business operated by others; operating sports teams, clubs or leagues engaged in playing games for recreational purposes; and guiding tours without using transportation equipment. Operations of golf courses, skiing facilities, fitness centers and bowling alleys also fall within this subsector. Hampered by concerns about socializing during the pandemic in 2020, these facilities appeared to be back to more normal daily operations and staffing levels in 2021.

Accommodation and Food Services

NAICS Sector 72

The **Accommodation and Food Service** sector gained 3,874 workers (11.1%) in 2021 for a new total of 38,705. Still recovering from impacts of the COVID-19 pandemic, these businesses' worker levels have yet to reach what they were in previous years. Workforce shortages have also been especially challenging for this sector, where entry-level positions are prevalent. The average annual wage was \$20,498

in 2021, increasing by \$2,009 (10.9%). Establishments included in this sector offer a variety of services to patrons. The range of activities in this industry can vary from providing lodging facilities to preparing meals, snacks and beverages to patrons for immediate consumption. Since both types of service are often found in the same establishment, they are included in the same sector.

The **Accommodation** (NAICS 721) subsector's employment level in 2021 was 7,884. The average annual wage increased 12.1% to \$24,720. Establishments within this subsector provide lodging or short-term accommodations for travelers, vacationers and others. Traveler Accommodation; RV Parks and Recreational Camps; and Rooming and Boarding Houses, Dormitories and Workers' Camps; are the three industry groups within this subsector.

The largest of the three industry groups by a wide margin, **Traveler Accommodation**, includes hotels, motels, casinos offering lodging, bed-and-breakfast inns and other traveler accommodations such as housekeeping cabins. Even though the amount of traveling in South Dakota increased sharply in 2021 after the height of the pandemic in spring 2020, the 2021 employment level in this industry group only recovered half of all workers lost during 2020. Establishments such as the ones listed above have found it difficult to hire workers for positions needed.

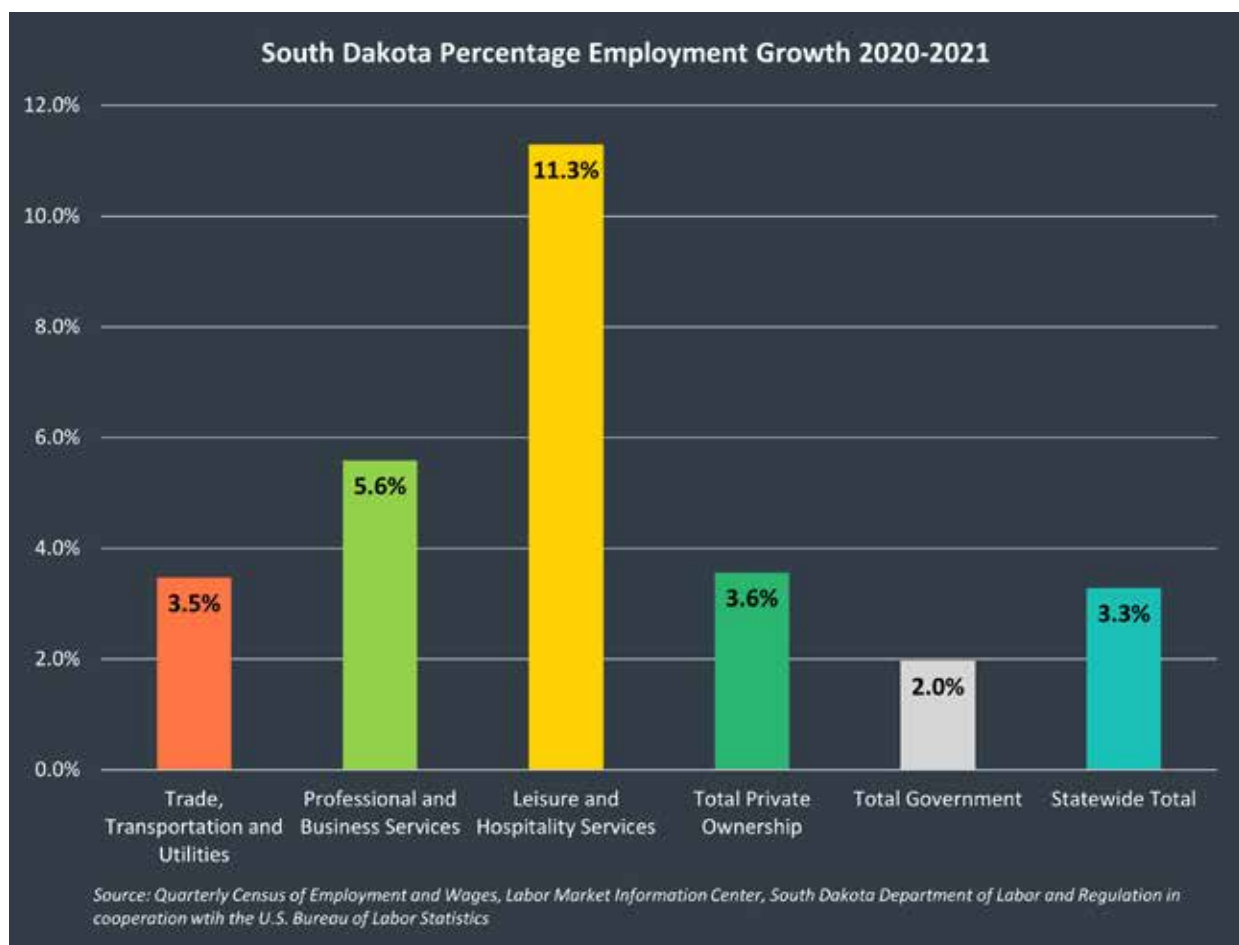
The RV Parks and Recreational Camps industry group saw an increase in employment. Slightly down in 2020, employment has returned to previous levels. Rooming and Boarding Homes, the last industry group in this subsector, has a very small number of establishments and typically sees no significant changes to employment year to year.

In 2021, the **Food Services and Drinking Places** (NAICS 722) subsector recovered 3,071 workers of the 3,946 it lost in 2020. The employment level was 30,822 in 2021. The average annual wage increased

10.5% to \$19,418. Special Food Services (food service contractors, caterers, mobile food services), Drinking Places (alcoholic beverages), and Restaurants and Other Eating Places are the three industry groups within this subsector. Establishments prepare meals, snacks and beverages to customer order for immediate on/off premises consumption. Some provide food and drink only, while others provide various combinations of seating space, waiter/waitress services and incidental amenities, such as limited entertainment. Full-service restaurants continue to expand and open, requiring

additional workers on a yearly basis. Limited service restaurants are edging forward as well. Consumers relish stores that offer specialized sandwiches, bagels, coffees and ice creams for eating pleasure.

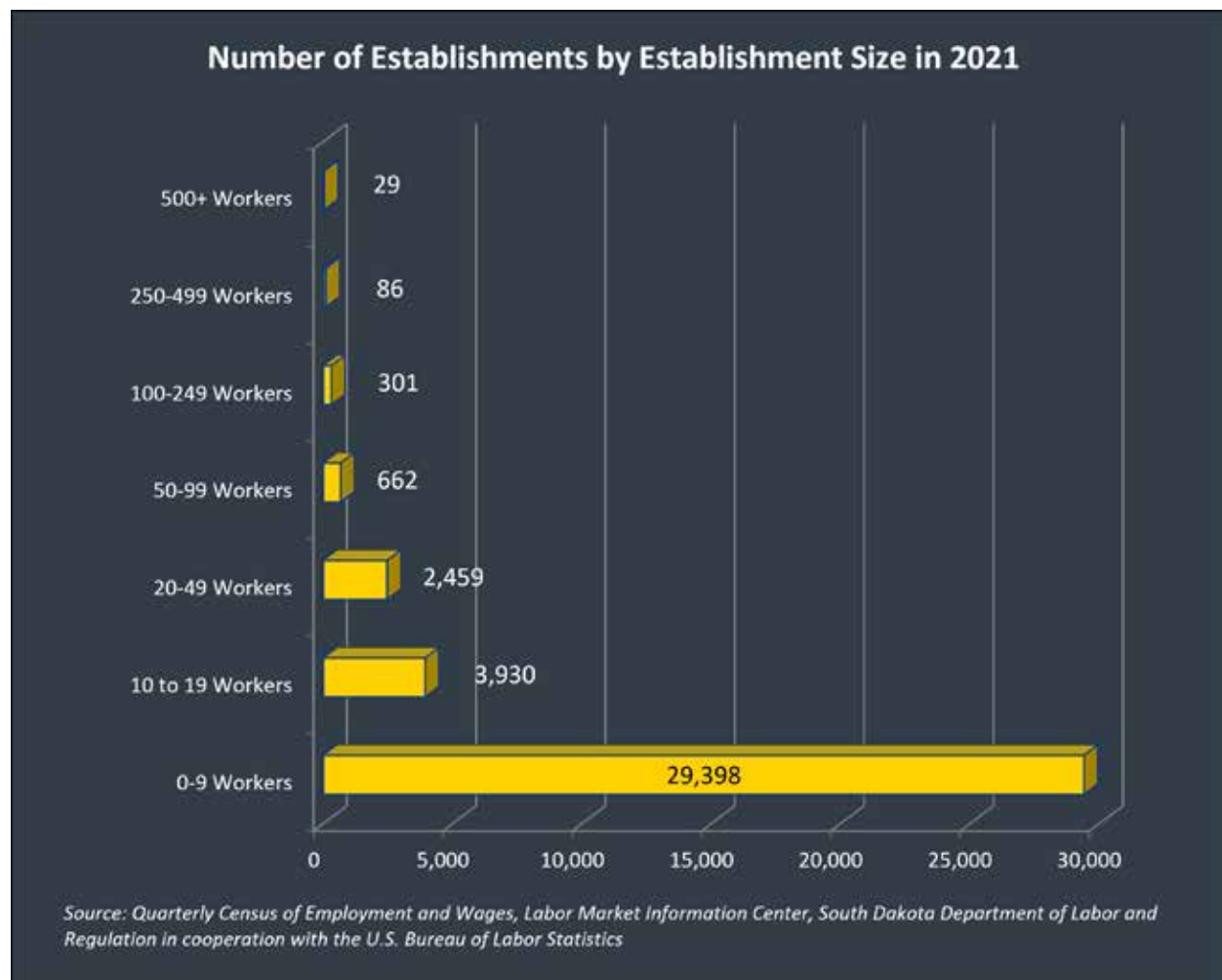
All three industry groups had positive employment change in 2021. The largest, Restaurants and Other Eating Places, was responsible for most of the gain. Although there was an increase in the number of workers, employment levels have not returned to pre-pandemic numbers. Availability of workers to staff restaurants and bars was especially challenging during the pandemic and continued in 2021.



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.

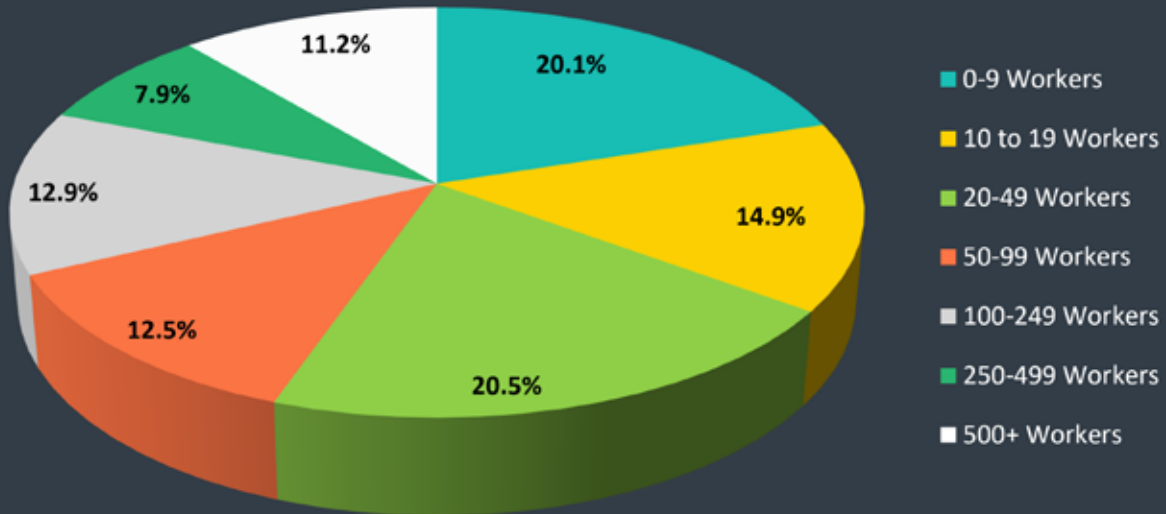
The graph at the left displays the number of South Dakota establishments by establishment size, showing the predominance of small businesses in South Dakota. During 2021 the 0-9 workers size class had the largest number of establishments, accounting for 79.7% of all establishments.



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 smaller businesses (with fewer than 10 workers) employed only 20.1% of the covered workers in South Dakota in 2021. The number of workers is evenly dispersed among the establishment size groups. The table on the following two pages provides detailed data on establishment size by industry supersector.

Distribution of Employees by Establishment Size in 2021

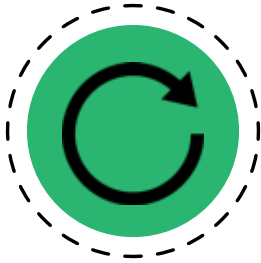


Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics

Number of Establishments, Workers and Pay by Establishment Size and by Supersector 2021

Supersector	Number of Employees						
	0-9	10-19	20-49	50-99	100-249	250-499	500+
Natural Resources & Mining							
Establishments	1,029	101	50	14	2	1	0
Workers	3,109	1,380	1,384	961	256	*	0
Annual Pay	\$42,917	\$44,734	\$49,461	\$62,307	\$57,562	*	\$0
Construction							
Establishments	3,735	345	191	45	18	0	0
Workers	9,181	4,688	5,699	3,128	2,432	0	0
Annual Pay	\$44,605	\$53,162	\$62,874	\$70,210	\$70,758	\$0	\$0
Manufacturing							
Establishments	594	153	169	86	51	25	11
Workers	1,916	2,097	5,403	6,090	8,759	8,081	11,466
Annual Pay	\$40,755	\$50,207	\$53,720	\$55,910	\$57,001	\$59,080	\$58,070
Trade, Transportation & Utilities							
Establishments	6,558	1,279	654	174	68	25	1
Workers	18,596	17,187	19,512	11,611	10,214	8,441	*
Annual Pay	\$49,876	\$44,061	\$50,321	\$52,324	\$45,756	\$31,470	\$0

Number of Establishments, Workers and Pay by Establishment Size and by Supersector 2021, continued							
	Number of Employees						
Supersector	0-9	10-19	20-49	50-99	100-249	250-499	500+
Information							
Establishments	648	58	42	8	4	*	*
Workers	1,110	797	1,255	499	472	*	*
Annual Pay	\$70,075	\$48,029	\$56,285	\$55,759	\$63,412	*	*
Financial Activities							
Establishments	3,417	244	137	33	24	9	4
Workers	7,889	3,247	3,988	2,268	3,916	3,064	3,314
Annual Pay	\$63,298	\$72,904	\$86,729	\$81,049	\$86,221	\$66,541	\$67,915
Professional & Business Services							
Establishments	6,902	383	242	45	31	5	2
Workers	11,100	5,085	6,999	3,075	4,713	1,836	1,797
Annual Pay	\$71,047	\$58,624	\$62,839	\$56,827	\$66,986	\$109,907	\$94,701
Education & Health Services							
Establishments	2,254	449	321	134	71	19	10
Workers	6,028	6,147	9,794	9,021	10,597	6,044	22,347
Annual Pay	\$44,094	\$44,033	\$47,458	\$43,855	\$54,750	\$61,578	\$79,166
Leisure & Hospitality Services							
Establishments	1,969	725	601	111	26	0	0
Workers	6,915	9,990	17,559	7,283	3,565	0	0
Annual Pay	\$18,646	\$18,570	\$20,228	\$22,735	\$28,157	\$0	\$0
Other Services							
Establishments	2,292	193	52	12	6	0	0
Workers	5,771	2,461	1,489	825	1,011	0	0
Annual Pay	\$38,152	\$40,911	\$43,235	\$37,401	\$36,956	\$0	\$0
Total Private Ownership							
Establishments	29,398	3,930	2,459	662	301	86	29
Workers	71,613	53,077	73,082	44,762	45,935	28,321	40,084
Annual Pay	\$49,212	\$43,399	\$47,065	\$49,282	\$55,615	\$55,376	\$71,986
Notes: *Data was suppressed to prevent disclosure of confidential information. Data subject to revision Source: Quarterly Census of Employment and Wages, Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics							



2022 to Date

QCEW Update

One of the greatest strengths of the QCEW program is the “census” concept; it is considered the most accurate and complete source of wage and salaried employment data. One of the downsides of that powerful data set is the inherent time lag involved with data availability.

Because of the various processes and procedures to ensure QCEW data is accurate and appropriately reflects the recent labor market, it generally takes a minimum of five months after the close of a quarterly reporting cycle until the new QCEW data can be published. For example, first quarter 2022 (January, February and March) data became available at a summary level in July 2022; more detailed data by industry became available in mid-August 2022.

The most current preliminary data available (second quarter 2022) show South Dakota's employment is continuing to grow in 2022. Total employment was 453,217 in June 2022, increasing 2.4% since June 2021.

South Dakota's number of establishments also continues to rise. The second quarter 2022 data shows the number of establishments remained at a historical high of 38,431. Sectors with especially noteworthy growth are Information Services, and Professional and Technical Services. Companies are opening in South Dakota to accommodate remote workers, adding to the overall employment and establishment growth.



Take note:

For the most current QCEW data available at any point in time, please see our QCEW menu page for a link to the virtual data system and instructions. Contact us as needed for assistance.

dlr.sd.gov/lmic/menu_covered_workers.aspx

PERSONAL INCOME



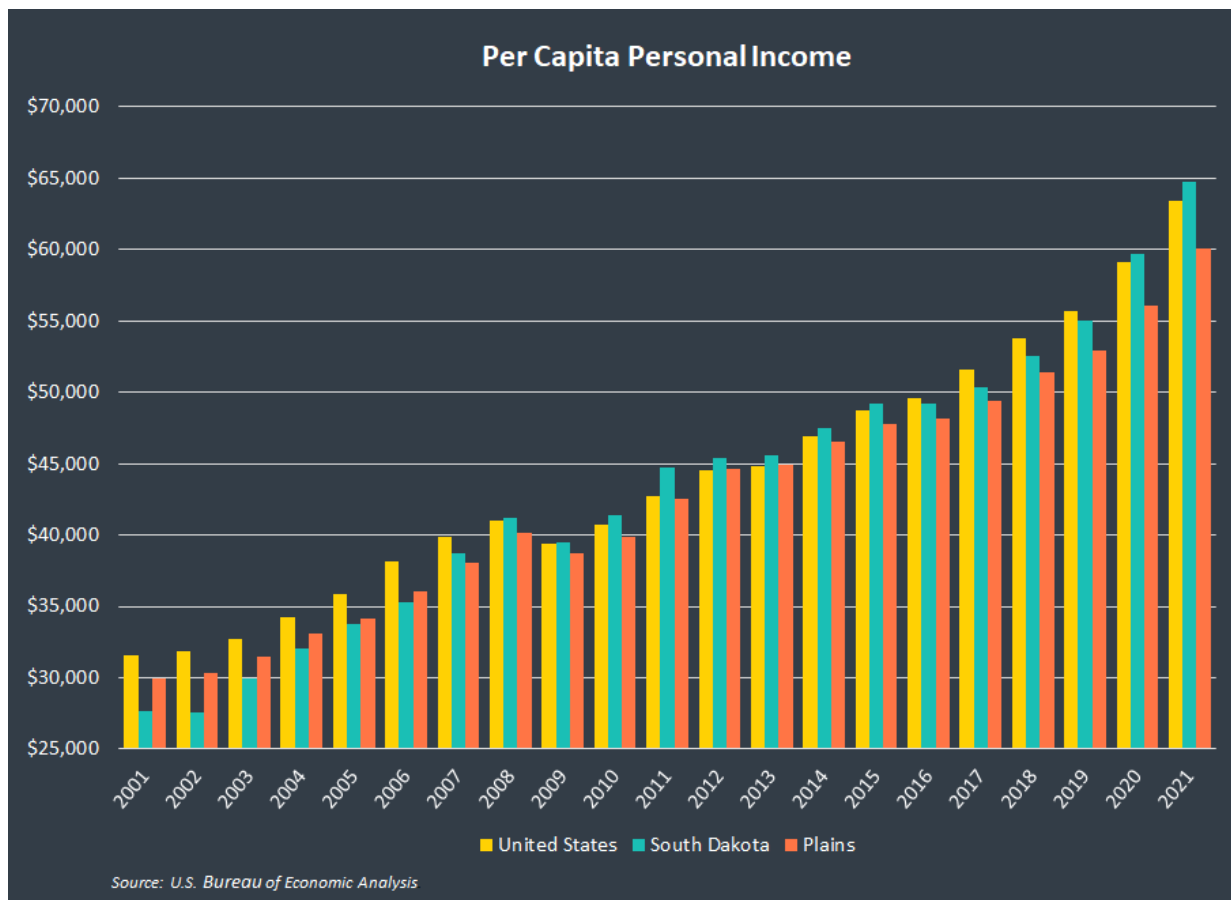
The Bureau of Economic Analysis (BEA) releases personal income data. The personal income of an area is the income received by, or on behalf of, all the individuals who live in a specific geographic area. The total payroll of workers covered by reemployment assistance is a component of wage and salary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

Dividing the total 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 trended upward since 2000 except for a small setback in 2009 following the recession. Between 2020 and 2021, South Dakota's per capita personal income increased \$5,064 (8.5%).

During that same time frame, the United States and Plains Region grew at slightly slower rates of 7.3% and 7.1% respectively.

South Dakota ranked 17th out of the 50 states and the District of Columbia with a per capita personal income of \$64,720 in 2021.

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,

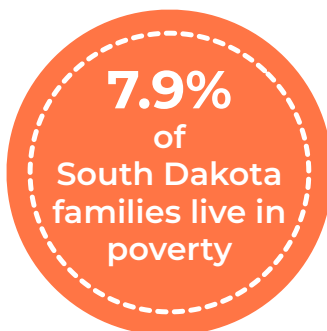


Nebraska, North Dakota and South Dakota) and the nation. South Dakota's personal income grew by 47.3% from 2000 to 2009, compared to a rate of 33.2% for the Plains Region and 28.3% for the nation.

Since the recession and during the economic recovery phase, South Dakota's

personal income has outpaced the Plains Region and the nation. From 2010 to 2021, South Dakota's increased by 56.2%, the United States increased by 55.9%, followed by the Plains Region at 50.6%.

POVERTY ●●●●●



Poverty data for the United States and each state is available from the American Community Survey conducted by the U.S. Census

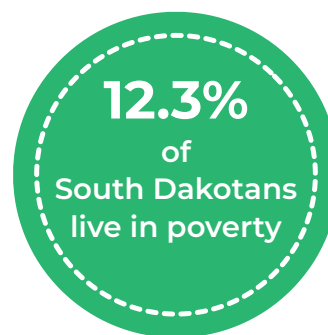
Bureau. Poverty status is determined by comparing annual income to a set of dollar values called thresholds that vary by family size, number of children and the age of the householder. If a family's before-tax money income is less than the dollar value of their threshold, then that family and every individual 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 increase slightly by 0.6% from 2019 to 2021. The percentage of South Dakota families in poverty is consistently below the number of families living in poverty at the national level.

Nationally the percent of all families in poverty in 2021 increased 0.5% to 9.1% which is 1.2 percentage points higher than South Dakota at 7.9%.

The percent of 'all people' in the U.S. and South Dakota with incomes below the poverty threshold was 12.8% and 12.3%, respectively, in 2021. The actual number of people living below the poverty level in South Dakota for the population in which poverty status was measured is approximately 106,500.



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	2015	2016	2017	2018	2019	2020	2021
United States	10.6%	10.0%	9.5%	9.3%	8.6%	n/a	9.1%
South Dakota	8.3%	8.2%	8.4%	8.0%	7.3%	n/a	7.9%
All People	2015	2016	2017	2018	2019	2020	2021
United States	14.7%	14.0%	13.4%	13.1%	12.3%	n/a	12.8%
South Dakota	13.7%	13.3%	13.0%	13.1%	11.9%	n/a	12.3%
Note: n/a indicates 2020 American Community Survey data is not available due to the impact of the pandemic on data quality.							
Source: American Community Survey, U.S. Census Bureau							

POVERTY BY RACE AND AGE

The races with the highest percentage of their population living below the poverty level in South Dakota are American Indian and Alaska Natives at 48.2% and Black or African Americans at 19.0%.

Females in South Dakota are slightly more likely to be living below the poverty

level with 13.3%, versus 11.3% of the male population.

Children under the age of five are the most likely age demographic to be living below the poverty level. Below is a table of poverty status by age demographic.

South Dakota Population for Whom Poverty Status is Determined by Age Group			
	Population	Population Below Poverty Level	Percent of Population Below Poverty Level
Total	867,039	106,548	12.3%
Under 5 years	56,875	10,292	18.1%
5 to 17 years	158,522	21,121	13.3%
18 to 64 years	499,443	58,427	11.7%
65 years and over	152,199	16,708	11.0%
<i>Source: 2021 American Community Survey, U.S. Census Bureau</i>			



Children under five are South Dakota's age demographic most likely to be living in poverty.



Take note:

Because of the close interrelationship between population demographics and workforce data, Labor Market Information Center staff are well versed in demographic information available from the U.S. Census Bureau. They are also proficient using the Census Bureau's website and other online tools. Contact LMIC at 605.626.2314 when you need demographic data.

POPULATION PROJECTIONS



Population projections to 2035 (using 2010 decennial population data for the base year) released by the South Dakota State Data Center several years ago show South Dakota's total population will reach 922,748 by the year 2025. This reflects an increase in the core potential workforce (age 16-64) of approximately 16,600 (3.2%).

Please note: updated South Dakota population projections using 2020 decennial data as the base year should be available from the State Data Center at some point. However, the U.S. Census Bureau has announced they will not be releasing the detailed 2020 decennial census data needed for the state population projections until May 2023.

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.

South Dakota Population Projections						
Medium Series						
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: South Dakota State Data Center, South Dakota State University, 2013						

EMPLOYMENT PROJECTIONS

INDUSTRY PROJECTIONS



Industry employment projections for 2020 to 2030 were completed and published by the Labor Market Information Center (LMIC) in July 2022. Long-term projections (for a 10-year period) are completed every other year and published on even-numbered years.

Employment levels were projected utilizing various statistical models incorporating historical employment data sets along with state and national economic trends. The projections are not intended to be precise point estimates of employment for each industry or occupation. It is unlikely the projections data will precisely predict actual employment developments due to unforeseen state, national and international trends and policies. However, the basic trends should prove accurate and aid in successful decision making. Users should view the projected worker estimates as indicators of relative magnitude and direction rather than estimates of absolute values and use the data as a starting point when studying expected occupational employment levels.

As part of the nationally used projections methodology, a general assumption is made that no major catastrophic events, national disasters, or pandemics which would significantly affect economic activities of industries will occur during the projections period. The COVID-19 pandemic did affect employment levels of a few industry sectors in the base year, for which 2020 annual averages were used. Some industries had a large employment downturn for a short period in 2020 due to shutdowns. The succeeding employment increases in those sectors were the result of economic recovery rather than actual growth or new jobs.

An analysis of which industries are rising or recovering, and which ones are decreasing or slightly growing, provides helpful insights as to the overall health of an economy. Many industries had an unprecedented shutdown for the second quarter of 2020, therefore recording unusually low employment levels which have since returned to more normal levels. Overall, South Dakota showed a healthy and fairly rapid recovery from the pandemic, with growth projected over the next decade. Several factors contributed to the fast recovery and expected prosperity in the future, including consumer demand, population growth, the needs of an aging population and technological advances.

South Dakota's growth rate is projected to slightly outpace the nation. The total number of workers in South Dakota is projected to increase by 41,121 or 8.5% (0.85% annually) from 2020 to 2030, reaching 525,014 by 2030. On the national level, according to the U.S. Bureau of Labor Statistics (BLS), the total employment level is expected to reach about 165.4 million (0.7% growth annually) over the 2020-2030 decade.

Nationally, the projected 0.7% annual growth in the next 10 years is less optimistic than the 0.8% growth rate experienced from 2010 to 2020. By 2030, all baby boomers will be at least 65 years old. The increasing share of people 65 and older contributes to a projected labor force growth rate slower than much of recent history. Likewise, the labor force participation rate is expected to continue declining, because older people (at traditional retirement ages) have lower participation rates compared with younger age groups.

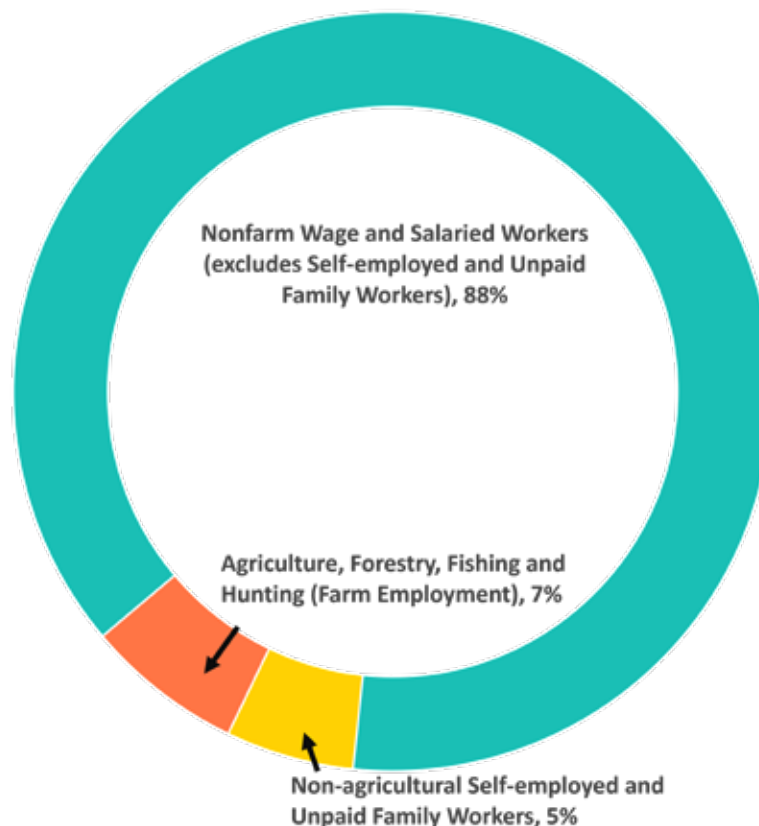
The South Dakota projections include three categories of workers:

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

South Dakota Wage and Salaried Workers by Employment Category				
Industry Title	2020 Workers	2030 Workers	Actual Change	Percent Growth
Total, All Employment Categories	483,893	525,014	41,121	8.5%
Non-agricultural Self-employed and Unpaid Family Workers	26,458	28,013	1,555	5.9%
Agriculture, Forestry, Fishing and Hunting (Farm Employment)	32,529	34,424	1,895	5.8%
Nonfarm Wage and Salaried Workers (excludes Self-employed and Unpaid Family Workers)	424,906	462,577	37,671	8.9%

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2022

Distribution of South Dakota Nonfarm Wage and Salaried Workforce by Employment Category



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

CATEGORIES OF EMPLOYMENT

Nonfarm Wage and Salaried Workers

The nonfarm wage and salaried workers category consists of only those wage and salaried workers who are covered under the South Dakota Reemployment Assistance program (unemployment insurance) and those who work for non-profit organizations, such as private colleges and religious organizations. Nonfarm wage and salaried workers compose the major element (87.8%) of South Dakota's labor force. This group is also projected to have the highest growth rate to 2030, at 8.9%.

Farm Employment

Another important element of South Dakota's labor force is agriculture and related workers (farm employment). This category is expected to grow slightly from 32,529 to 34,424 (5.8%) by 2030. In the past, according to the U.S. Bureau of Economic Analysis (BEA), farm employment in South Dakota decreased by 5,688 workers (15%) from 2000 to 2010. More recently, decreases in farm employment have tapered off, and the need for workers is increasing. Farm employment from 2010 to 2020 increased by 186 workers (0.6%). Nationally, employment in agriculture, forestry, fishing and hunting is expected to increase slightly, by 55,000 jobs (2.5%) through 2030. Nationally, the sluggish growth can be attributed to expected employment declines in the animal production and forestry subsectors.

Non-agricultural Self-employed and Unpaid Family Workers

The final component of the labor force in South Dakota is the non-agricultural self-employed and unpaid family workers category. According to 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. This smallest portion (5.5%) of South Dakota's labor force is expected to have

a growth rate of 5.9% (0.59% annually) in the coming decade. On a national level, this category is expected to have annual growth of 0.8%.

CLASSIFICATION OF INDUSTRIES

Industries are categorized at several different levels of detail using the North American Industry Classification System (NAICS) coding structure. Each digit level represents a greater level of detail in how business activities are categorized. NAICS categorizes businesses into one of 20 sectors at a two-digit code level. For example, the two-digit code 72 represents the Accommodation and Food Services sector. Businesses are then classified into more specific categories within a sector, represented by codes of up to six digits. The more digits a code has, the more specific the business activity.

At the very broadest level, industry supersectors are categorized into one of two groups: as being either goods-producing or service-providing. The goods-producing category includes the following supersectors: Natural Resources and Mining; Construction; and Manufacturing. The service-providing category is comprised of Trade, Transportation and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; Other Services; and Public Administration.

In 2020, the service-providing industries accounted for 73.7% of total employment in South Dakota. The service-providing industries are anticipated to employ an additional 31,645 workers by 2030, or 8.9% increase in employment. Meanwhile, the goods-producing industries are expected to increase by 7,921 workers (7.8%). BLS is expecting a national increase of 11.3 million in service-producing industries, reaching over 134.1 million jobs by 2030.

Looking at national trends projected at the two-digit NAICS level, we learn the Leisure and Hospitality sector is projected to increase employment the fastest,

driven largely by economic recovery from the pandemic. Healthcare and Social Assistance, Mining, and Educational Services are also projected to grow faster than average nationally.

In South Dakota, the fastest growing two-digit sectors are projected to be:

- Professional and Technical Services (18.5%)
- Arts, Entertainment and Recreation (17.8%)
- Accommodation and Food Services (16.4%)
- Administrative and Waste Services (12.9%)
- Management of Companies and Enterprises (11.8%).

These fastest growing sectors in South Dakota also contain four of the top 10 industries at the more detailed, three-digit NAICS level projected to grow the fastest to 2030.

FASTEST GROWING INDUSTRIES TO 2030

We ranked South Dakota's industries at the three-digit NAICS level to see which are projected to grow the most from 2020 to 2030. The next section of this article will focus on those 10 industries for which the greatest growth (absolute change) is projected to 2030. Only those industry subsectors with a minimum of 500 workers in 2020 were included.

1 Food Services and Drinking Places

The Food Services and Drinking Places subsector is projected to add the most workers (4,069) in South Dakota to 2030 (14.7% growth). Businesses in this subsector prepare meals, snacks and beverages to customer order for immediate on-premises or off-premises consumption. There is a wide range of

Let's look at Construction for an example of how a two-digit NAICS industry sector is broken down into more detailed three- and four-digit industry levels.

The two-digit Construction supersector NAICS 23 is broken down into more detailed three-digit subsectors:

- Construction of Buildings (NAICS 236)
- Heavy and Civil Engineering Construction (NAICS 237)
- Specialty Trade Contractors (NAICS 238)

Using Construction of Buildings (NAICS 236) from above, we'll illustrate the further break-down of businesses at the four-digit NAICS level:

- Residential Building Construction (NAICS 2361)
- Nonresidential Building Construction (NAICS 2362)

establishment types in this subsector. This subsector's employment projection is reflecting more recovery from the pandemic than actual growth. The base year (2020) data reflects lower employment levels due to the shutdowns which occurred in the second quarter of 2020 when the COVID-19 pandemic's effects hit South Dakota the hardest. The pandemic hit the food service industry harder than most due to the fact it relies on human-to-human interactions, which came nearly to a stop for a period of time in South Dakota. This is also reflected in the national data.

2 Hospitals

The Hospitals subsector is projected to increase by 3,958 workers (14.0%) over the next 10 years in South

South Dakota Industry Employment Projections 2020-2030 Top Ten in Industry Growth					
NAICS Code	Industry Title	2020 Workers	2030 Workers	Actual Change	Percent Growth
722	Food Services and Drinking Places	27,751	31,820	4,069	14.7%
622	Hospitals	28,255	32,213	3,958	14.0%
541	Professional, Scientific, and Technical Services	14,868	17,623	2,755	18.5%
621	Ambulatory Health Care Services	17,901	20,478	2,577	14.4%
611	Educational Services	37,346	39,415	2,069	5.5%
721	Accommodation, including Hotels and Motels	7,080	8,726	1,646	23.2%
561	Administrative and Support Services	11,848	13,389	1,541	13.0%
238	Specialty Trade Contractors	13,989	15,239	1,250	8.9%
311	Food Manufacturing	10,821	12,033	1,212	11.2%
903	Local Government, Excluding Education and Hospitals	21,920	23,117	1,197	5.5%
Notes: Data is preliminary and subject to revision. Data for industries with 2020 employment less than 500 not included in the calculations. The calculations are based on actual change. Data presented for industries will not sum to totals due to non-publishable data for additional industries being included in totals. <i>Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2022</i>					

Dakota. This subsector is comprised of establishments providing medical, diagnostic and treatment services and other specialized accommodations by inpatients. Hospitals may also provide outpatient services as a secondary activity.

Several factors are contributing to a continued uptrend in Hospitals. The population in South Dakota continues to age, which drives the demand for healthcare services. According to five-year estimates from the U.S. Census Bureau, South Dakota's population 65 and older increased 16.9% from 2015 to 2020. A rise in the number of citizens with chronic illnesses will also contribute to an increased demand for workers in this industry.

Professional, Scientific, and Technical Services

South Dakota's Professional, Scientific and Technical Services subsector is projected to add 2,755 workers (18.5%) over the next

decade. This subsector is comprised of establishments making 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 service provider.

Technological advancements continue to help businesses gain a competitive edge and reduce costs through automation, therefore driving demand in this subsector. The demand for consultants and experts in this subsector with unique, highly advanced knowledge and skill sets will remain high. As just one example, large retail stores are replacing cashiers with automation, many contracting with companies in this subsector for the technical expertise needed to navigate the transition.

4

Ambulatory Health Care Services

The number of workers in South Dakota's Ambulatory Health Care Services subsector is projected to increase by 2,577 workers (14.4%) over the next 10 years. This subsector is comprised of entities providing health care services directly or indirectly to ambulatory patients. Inpatient services are not usually included. Five of the seven more detailed, four-digit industries in this sector are expected to have double digit employment gains over the next 10 years.

The demands of an aging population will continue to raise the number of workers needed. According to the U.S. Census Bureau, South Dakota had 125,613 people who were 65 or older in 2015, compared to 146,831 in the age group by 2020. With an aging population typically comes an increase in chronic illness and other age-related problems such as diabetes, cardiovascular disease and dementia. According to the American Heart Association, as many as half of all people over 65 in the United States have pre-diabetes, and many people with Type 1 and Type 2 diabetes are unaware of their condition.

5

Educational Services

The Educational Services subsector is projected to add 2,069 workers (5.5%) in South Dakota to 2030. Industries in this subsector provide instruction and training in a wide variety of subjects. Included are schools, colleges, universities and training centers. Employment in Educational Services has remained relatively steady; however, there was an anomaly in the second quarter 2020 data due to the COVID-19 shutdowns. Comparing the last three years of annual data for this industry from the Quarterly Census of Employment and Wages program shows about 36,180 workers in 2019, 34,600 workers in 2020, and 35,460 workers in 2021. The pandemic forced schools to provide education virtually with about the same

level of educator employment; however, workers providing support activities such as food service, transportation and extracurricular activities associated with in-session school were temporarily dropped from payrolls in many cases.

Top 10 Industries

6

Accommodation, including Hotels and Motels

In South Dakota, the number of workers employed in the Accommodation, including Hotels and Motels subsector is projected to increase by 1,646 workers (23.2%) from 2020 to 2030. Businesses in this subsector provide lodging or short-term accommodations for travelers, vacationers and others. Some provide lodging only, while others also provide meals, laundry services and recreational facilities.

The projections for this subsector are essentially showing continued recovery rather than true growth. Like many service-related industries, the shutdowns caused by the pandemic negatively impacted the number of workers temporarily in South Dakota during 2020. Hotels not only in South Dakota but nationwide faced hard times after the pandemic struck in 2020, with travel nearly grinding to a halt to curb the spread of COVID-19. In South Dakota, the shutdowns were more isolated to the second quarter of the year. By 2021, this subsector was getting back to normal in South Dakota and thrived as travel resumed.

According to the South Dakota Department of Tourism's 2020 Annual Report, the 2020 visitor and visitor spending results were significantly impacted by the pandemic. Both the limitations and restrictions to mobility and economic disruption of the pandemic hit travel-reliant businesses hard. But they

rebounded strongly in 2021. According to the 2021 Tourism annual report, key metrics like room revenues hit peaks in the summer months, registering 30% higher than what had ever been reported in the state previously. Sales tax collections in tourism-influenced industries like restaurants and gasoline stations affirmed the explosion of visitor activity the state saw in 2021.

7 Administrative and Support Services

The number of workers employed in South Dakota's Administrative and Support Services subsector is projected to increase by 1,541 workers (13%) to 2030. Businesses included in this subsector are engaged in activities supporting the day-to-day operations of other organizations. The processes provided by this sector are often integral parts of the activities of establishments found in all sectors of the economy. At the four-digit level, Office Administrative Services, Facilities Support Services, Employment Services, and Services to Buildings and Dwellings are all expected to have double digit growth over the next 10 years. As the economy recovers to previous levels and workers are welcomed back to their offices, the demand for administrative and support services will continue to increase. Businesses which shut down and reopened have a greater awareness of cleanliness and a greater need to employ support staff to take on the additional responsibilities. In many cases, those businesses contract with establishments in this subsector for those services.

8 Specialty Trade Contractors

The Specialty Trade Contractors subsector is projected to add 1,250 workers (8.9%) in South Dakota over the next decade. Businesses in this subsector perform specific activities (such as site preparation, concrete pouring, plumbing, painting and electrical work) involved in building construction or other similar activities for all types of construction

but are not responsible for an entire construction project. The work performed by specialty trade contractors is usually subcontracted from a general contractor type or for-sale builder. But specialty trade contractors may also work directly for the owner of the property; this is especially true in the case of repair work and minor remodeling projects.

The demand for home improvements has risen substantially the past few years, in part due to the transition for many to working from home. The pandemic intensified this trend, often out of necessity. Housed under this subsector are Building Foundation and Exterior Contractors, Building Equipment Contractors, Building Finishing Contractors, and Other Specialty Trade Contractors. According to the City of Sioux Falls as referenced in their 2021 annual report, although impacting overall spending in the prior year, COVID-19 did not dampen building activity and investment within the city. Building upon 2020's momentum, 2021 was another record-setting year, with the valuation of building permits eclipsing the 1 billion mark (1.1 billion) for the first time in the city's history.

9 Food Manufacturing

The Food Manufacturing subsector is projected to add 1,212 workers (11.2%) over the next 10 years in South Dakota. This subsector consists of entities which transform livestock and agricultural products into products for intermediate or final consumption. The industry groups are distinguished by the raw materials (generally of animal or vegetable origin) processed into food products. Entities included in this subsector transform livestock and agricultural products into products for intermediate or final consumption. The industry groups are distinguished by the raw materials (generally of animal or vegetable origin) processed into food products. The driving force behind this subsector is consumer demand. South Dakota's population

has been increasing, and the “open for business” mentality during and following the pandemic attracted many to South Dakota for a lower cost of living and policies geared toward fiscal responsibility. According to five-year estimates from the U.S. Census Bureau, South Dakota’s population was 843,190 in 2015; by 2020, it grew to 879,336, reflecting growth of 4.3% or 36,146 residents. Within this subsector, Other Food Manufacturing, Animal Slaughtering and Processing, Dairy Product Manufacturing, and Animal Food Manufacturing are expected to have respectable growth, driving the subsector’s overall growth.

10 Local Government, excluding Education and Hospitals

The number of workers employed in Local Government, excluding Education and Hospitals is projected to increase by 1,197 (5.5%) to 2030. Employees who work in government-operated schools and hospitals are not included, but are instead included in their respective industry classifications. Local government is the public management of districts, counties or cities to satisfy the public service needs of citizens in the area. Local government worker levels are driven by population, funding and public service needs. Employment and population trends are closely correlated.

DECLINING INDUSTRIES TO 2030

Several factors can contribute to the declining or slow growth of an industry not only in South Dakota but also nationally. Nationally the largest declines are expected to be in the Utilities, Retail and Federal Government sectors over the next decade.

In South Dakota the only sector expected to decline overall is the Information sector. Three of the eight three-digit NAICS industries expected to decline are in the Information sector. Since many South Dakota industries are considered small, even a small employment loss over the projections period can substantially impact a subsector. Consumer demand, consumer preferences, the rise of electronic content and other technology changes have all impacted the industries projected to decline.

Publishing Industries (except Internet)

The Publishing Industries (except Internet) subsector is projected to decrease by 171 workers (17.7%) through 2030 in South Dakota. Establishments in this

sector publish newspapers, magazines, periodicals, books, directories, mailing lists and software. Publishing Industries (except Internet) is extremely reliant on consumer preference. Consumers over the past decade have accepted technology, and most prefer the ease of viewing content online rather than in print form. According to the U.S. Census Bureau, 90.2% of households in South Dakota have a computer, and 83.2% have a broadband internet subscription. Another important factor is the availability of news, sports and other content consumers are enjoying with smartphones. For the first time in 2016, the U.S. Census Bureau measured ownership or use of smart-phones and tablets separately from more traditional desktop or laptop computers. They found nationally, 76% of households had a smartphone, and 58% had a tablet. Desktop or laptop computers still led the way, at 77% of households.

Electronics and Appliance Stores

In South Dakota, the Electronics and Appliance Stores subsector is projected to decline 95 workers (7.5%) by 2030.

Industries in the Electronics and Appliance Stores subsector sell new electronics and appliances from point-of-sale locations. Establishments in this subsector often operate from locations with special provisions for floor displays, requiring special electrical capacity to accommodate the proper demonstration of the products. The use and availability of items for purchase on the internet has had a negative effect on consumer demand in this subsector. According to the U.S. Census Bureau, from 1998 to 2018, total U.S. retail trade sales grew from \$2,581.8 billion to \$5,269.5 billion, and the share of e-commerce soared from \$5.0 billion to \$519.6 billion. Retail sales are increasing, but the bulk of growth is in e-commerce.

Printing and Related Support Activities

The number of workers employed in the Printing and Related Support Activities subsector in South Dakota is expected to decrease by 75 (6.0%). This subsector includes establishments which print products such as newspapers, books, labels, business cards, stationery, business forms and other materials, and perform support activities like data imaging, plate-making and bookbinding. The Printing and Related Support Activities subsector has a direct relationship with and depends on the Publishing Industries (except Internet) subsector. As consumer preferences continue to shift toward online resources, this subsector's decline is expected to continue. The rise of the internet has allowed people to easily access news, pay bills and read for pleasure without any print involved.

Miscellaneous Store Retailers

South Dakota's Miscellaneous Store Retailers subsector is projected to decrease by 57 workers (2.4%) over the next 10 years. This retail trade subsector is a catch-all for retailers who sell specific products not otherwise categorized in another retail code. Included here are florists, used merchandise stores, and pet and pet supply stores. These normally

smaller unique retailers have struggled to compete with larger retail stores offering the same or similar goods at lower prices due to less overhead.



As inflation rises, consumers become increasingly conscious of prices, saving money when and where they can by shopping at larger chain or discount stores. The Consumer Price Index (CPI) for All Urban Consumers in the Midwest Urban Region had been increasing every month since December 2020 until July 2022. The July 2022 number of 276.525 was a 0.2% decrease over June. Prior to this newest minor decrease, the CPI rose 15.0% from July 2020 to July 2022.

Motion Picture and Sound Recording Industries

The number of South Dakotans employed in the Motion Picture and Sound Recording Industries is projected to decline 17 workers (4.2%) over the next 10 years. Entities in this subsector produce and distribute motion pictures and sound recordings. While producers and distributors of motion pictures and sound recordings issue works for sale as traditional publishers do, the processes are sufficiently different to warrant placing establishments engaged in these activities in a separate subsector. At the four-digit NAICS level there are two small categories: Motion Picture and Video Industries, and Sound Recording Industries. The industries are very small, so even a projected loss of a few workers can dramatically affect the percent change. For example, when a movie is filmed in South Dakota, this industry shows a dramatic rise in employment levels; once the movie is concluded, there is a dramatic drop in employment. In 2020, this subsector took a hit due to shutdowns in the filming

industry. The decline is expected to continue over the next decade.

Broadcasting (except Internet)

Worker levels in the Broadcasting (except Internet) subsector are projected to decrease slightly, by 14 workers (1.6%) in South Dakota over the projections period. This subsector includes establishments that create content or acquire the right to distribute content and subsequently broadcast the content. In South Dakota, this is largely radio and television broadcasting companies and those providing cable television service on a subscription basis.

Consolidation of radio and TV stations and implementation of technology have decreased the number of workers needed to continue operations in this industry. Increased consumer subscriptions to internet- and satellite-based streaming services for news and entertainment purposes have impacted this subsector as well.

Nonstore Retailers

South Dakota's Nonstore Retailers subsector is projected to decrease slightly by seven workers (0.6%) over the next decade. Establishments included in this subsector retail merchandise using methods such as broadcasting infomercials, publishing direct-response advertising, publishing paper and electronic catalogs, doing door-to-door solicitation, providing in-home demonstrations, selling from portable

stalls and distributing through vending machines. Consumer preferences in the last decade trended away from these types of sales. The convenience and product variety available with shopping online has had an adverse impact on employment levels among nonstore retailers

Paper Manufacturing

Worker levels in the Paper Manufacturing subsector are projected to decrease by two workers (0.3%) in the state. This subsector includes manufacturers of 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. Several factors can be pointed to for the relative slow decrease, but the main factors are consumer demand and technology. The availability of information on the internet has had a negative impact on the paper manufacturing industry. There is simply less demand for information in print form. Technology and increased automation in these manufacturing processes has also lowered the demand for workers.

Please note: Population data referenced above is from the U.S. Census Bureau's American Community Survey. Data are from the five-year estimates, using the 2011-2015 estimates for 2015 and the 2016-2020 estimates for the 2020 data.



Take note:

Employment projections data for 2020 to 2030 is available for all three-digit NAICS industries in the virtual [labor market data](#) system and on our website in Adobe PDF and Microsoft Excel format. Please visit our [Industry Employment Projections menu page](#) for the latest options and data at any point in time.

South Dakota Industry Employment Projections 2020-2030 Declining Industries					
NAICS Code	Industry Title	2020 Workers	2030 Workers	Actual Change	Percent Growth
511	Publishing Industries (except Internet)	964	793	-171	-17.7%
443	Electronics and Appliance Stores	1,273	1,178	-95	-7.5%
323	Printing and Related Support Activities	1,260	1,185	-75	-6.0%
453	Miscellaneous Store Retailers	2,354	2,297	-57	-2.4%
512	Motion Picture and Sound Recording Industries	404	387	-17	-4.2%
515	Broadcasting (except Internet)	863	849	-14	-1.6%
454	Nonstore Retailers	1,094	1,087	-7	-0.6%
322	Paper Manufacturing	710	708	-2	-0.3%
Notes: Data is preliminary and subject to revision. Data for industries with 2020 employment less than 500 not included in the calculations. The calculations are based on actual change. Data presented for industries will not sum to totals due to non-publishable data for additional industries being included in totals. <i>Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2022</i>					

OCCUPATIONAL PROJECTIONS

SOUTH DAKOTA AND U.S. EMPLOYMENT SNAPSHOT FOR 2020-2030

U.S. occupational employment is projected to increase 7.7% from 2020-2030, from 153.5 million jobs in 2020 to 165.4 million in 2030. According to the U.S. Bureau of Labor Statistics (BLS), employment at the national level is projected to increase or remain the same in 626 detailed occupations and decline in 164 detailed occupations.

Comparatively, South Dakota's occupational growth is projected to be faster than the nation for the 2020-2030 decade at 8.5%. The Labor Market Information Center (LMIC) released projections for 521 detailed occupations. Employment for 467 occupations is projected to increase or remain the same,

while 54 occupations are projected to decline.

LMIC completed the 2020-2030 statewide projections using the nationally adopted projections methodology, which allows for comparability of this data across states, as well as to the nation. This methodology incorporates historical time-series employment data as well as state and national economic trends and utilizes a variety of statistical models.

It is important to note: a general assumption is made no major catastrophic event or natural disaster will significantly affect the economic activities of the occupations during the projections period. An example of a catastrophic event would be the COVID-19 pandemic, which rocked the United States and the world in 2020. Even though past projections would not

and could not account for the ramification of this pandemic, and there was no way to predict for it, this round of employment projections was and continues to be impacted by the pandemic. Though most of the occupational growth we will be looking at for South Dakota was not necessarily directly an impact of the pandemic, some of it was. For those occupations impacted by the pandemic, we will examine the reasons they were either directly or indirectly impacted.

It is important to keep in mind most businesses in South Dakota did not shut down due to the pandemic. Many who did shut down were closed for a short while to assess and address safety issues and concerns and develop a different business approach which would allow them to remain open while keeping employees and customers as safe as possible. While many states' and the nation's occupational projections look very different this round, South Dakota's projections, like the state, weathered the pandemic well. While there were a few speed bumps we will analyze, for the most part, we continue to find our projections moving at about the same trajectory we were headed before the pandemic.

Early in the pandemic, we stated whether or not it would significantly impact future rounds of projections would depend on how long the economic downturn lasted and how well state and national labor markets recovered from its effects. That still remains true. From here on, we will analyze where we believe South Dakota occupations are headed in the future.

At a macro level, two factors affect employment change in an occupation:

1. Changes in industry employment. This is easy to understand. If an industry's employment grows or contracts, occupations within the industry will do the same.
2. Changes in the mix of occupations (commonly known as a staffing pattern) in an industry. This factor

is more complicated and requires more research and analysis. Research includes examining historical staffing pattern data and analyzing factors which may affect the mix of occupations within the given industry.

Some examples of micro level factors include but are not limited to demographics, technology, replacement of one product or service for another, outsourcing and organizational/work restructuring. Many of the occupations on South Dakota's top 10 fastest growing list are growing due to one or more of these micro-factors.

- **Demographics.** Demographic data refers to data which is statistically socio-economic in nature, such as age of the population, race, income, educational attainment and employment. The data vary by geographic location and often over time. South Dakota's demographics play a definitive role in the state's economic landscape.
- **Technology.** Changes in technology, such as new machines or software, can affect the growth of an occupation. Technology can increase productivity, which usually leads to the need for fewer workers, or in some cases even eliminates the need for workers all together. However, on the flip side, technology can bring with it the advent of new or emerging occupations, which creates new jobs. Very often, technology can cause a decrease in one occupation while creating a demand for a different occupation within the same industry. An industry may expand or contract, or it may remain at the same employment level; but because of technological changes in the industry, the occupational composition can change significantly.
- **Replacement of one service or product for another.** Changes in the need or preference for different services and/or products by

consumers can also affect the growth of an occupation.

● **Organizational/work restructuring.**

A change in job duties can result in the same output but increases/decreases the utilization of some occupations relative to others within the same industry. These changes cause occupations to grow at different rates. Many times, organizational/work restructuring results in the consolidation of job duties.

SOUTH DAKOTA'S MAJOR OCCUPATIONAL GROUPS

There are 22 major occupational groups. All of South Dakota's major occupational groups are expected to add jobs over the projected decade. Fourteen of these groups are projected to show growth as fast or faster than the state average.

South Dakota's computer and mathematical occupations (16%), food preparation and serving related occupations (13%) and health care practitioners and technical occupations (12%) are projected to be among some of the fastest growing occupational groups during the 2020-2030 projections decade. When combined these three major groups account for most of the top 10 fastest growing occupations in South Dakota.

Factors such as the increased need by individuals and businesses for information security and technology and an aging population, longer life expectancies, and growing rates of chronic conditions will continue to be driving forces in the demand for computer technology and health related occupations. Another reason health care services in South Dakota will continue to see fast occupational growth is the influx of population. Each year United Van Lines conducts a national migration study which reveals where and why Americans move. In the 44th study (which occurred in 2020) South Dakota ranked 4th in the nation for inbound migration. In the 2021 study, South Dakota jumped

from fourth to second (68%) for inbound migration.

Strong inbound migration is not a new phenomenon for South Dakota. Inbound migration has been on the uptick for the past few years, even though neighboring states have experienced either balanced in-to-out migration or moderate out-migration rates. What is new is the brisk pace at which it has picked up. In 2018 South Dakota was tied with North Carolina for 8th and 9th place in inbound migration according to the United Van Lines study. In 2020, South Dakota moved into fourth place, and in 2021 it was second only to Vermont.

"For 45 years now, our annual United Van Lines study, with its data-driven insights, has allowed us to explore a deeper understanding of Americans' overall migration patterns," Eily Cummings, director of corporate communications at United Van Lines said. "As the pandemic continues to impact our day-to-day, we're seeing that lifestyle changes – including the increased ability to work from home – and wanting to be closer to family are key factors in why Americans are moving today."

When polled by United Van Lines for this study, the statistics indicate 52% of those who responded said they were looking to live closer to family and/or because of the lifestyle offered to them in South Dakota. Thirty-three percent said they moved because they were looking for or had a job, 20% said they wanted to retire here and 11% cited cost of living. Four percent indicated health was their primary reason for moving to South Dakota in 2021. These statistics may not total 100% due to respondents having the ability to opt out of answering survey questions and/or to select more than one survey response per question.

With South Dakota's population growth, occupations in health services will continue to grow to meet the demand for these services. And this growth is evident as health care related occupations

dominate the top 10 fastest growing occupations through 2030 list.

SOUTH DAKOTA'S TOP 10 FASTEST GROWING OCCUPATIONS TO 2030

Occupational employment is expected to increase by 8.5% in South Dakota between 2020 and 2030. The table below features the 10 occupations projected to grow the fastest. The narrative following the table explores the reasons for the predicted growth.

We defined fastest growing occupations as those with employment of at least 100 workers during the base year, which is 2020 this projections cycle, and the highest percent change of employment between 2020 and 2030. Keep in mind, fastest growing does not necessarily mean many new jobs. However, because of the role fastest growing occupations play in the occupational and economic landscape, whether many or a few, occupations all are important and noteworthy.

1 Wind Turbine Service Technicians

South Dakota's fastest growing occupation is a relatively new occupation to a relatively new industry. In 2003 South Dakota's first wind farm was established. As more wind turbines have dotted South Dakota's horizon, Wind Turbine Service Technicians have been added to South Dakota occupational ranks at a high velocity as well. Windtechs, as they are commonly referred to, install, maintain and repair wind turbines. These workers work on wind turbines which are large mechanical devices which convert wind energy into electricity. The turbine is made up of three major components: a tower, three blades and a nacelle, which is composed of an outer case, generator, gearbox and brakes. Wind turbine service technicians install and repair the components of these structures.

Windtechs are projected to see a whirlwind of growth from 2020 to 2030, increasing by 77% in South Dakota. This

occupation is growing at a slightly faster pace in South Dakota than nationally. However, nationwide this industry is slated to see a tornado of activity as well, with projected growth of 68%.

2 Nurse Practitioners

Coming in at number two on South Dakota's fastest growing list to 2030 is the Nurse Practitioner occupation, boasting a 55% change in employment. This occupation has been seeing fast growth for the last few years, and this round of projections is not showing any sign of it slowing down. Some may question whether the growth in this occupation is related to the COVID-19 pandemic. Perhaps a small portion of the growth on a short-term basis might be contributed to the pandemic, but it is doubtful it will continue to see growth directly because of the pandemic.

As in past years of substantial growth, South Dakota's demographics will likely account for the lion's share of the growth. As our population increases and ages, the need for Nurse Practitioners will continue to grow.

And, while demographics certainly plays a part in the growth of this occupation in South Dakota, just as important is the state's cultural structure. South Dakota, though growing at a significant clip, still remains a rural state with unique small state growing pains. While many of the state's small to mid-sized cities are seeing significant and diverse population growth, they are still not in a position to become a healthcare hub. In order to meet the healthcare needs of their citizens, these communities provide rural health care facilities manned by Nurse Practitioners. These practitioners work with doctors throughout the state's larger health care systems (as well as specialists across the nation/world) to provide their clients with the best and most affordable health care possible. Virtual visits and conference calls became the norm during the pandemic and are fast becoming the preferred way

South Dakota Occupations Projected to Growth the Fastest 2020 to 2030					
Rank	Occupation	2020 Workers	2030 Workers	Actual Change	Percent Growth
	Total, All Occupations	483,893	525,014	41,121	8.5%
1	Wind Turbine Service Technicians	273	483	210	76.9%
2	Nurse Practitioners	604	936	332	55.0%
3	Cooks, Restaurant	1,440	2,058	618	42.9%
4	Information Security Analysts	431	613	182	42.2%
5	Physical Therapist Assistants	273	364	91	33.3%
6	Occupational Therapy Assistants	104	138	34	32.7%
7	Respiratory Therapists	342	447	105	30.7%
8	Physician Assistants	523	681	158	30.2%
9	Software Developers and Software Quality Assurance Analysts and Testers	2,649	3,440	791	29.9%
10	Industrial Machinery Mechanics	1,119	1,452	333	29.8%
<p>Notes:</p> <p>Data is preliminary and subject to revision.</p> <p>Fastest growing occupations are defined as those occupations with employment of 100 or more workers in the base year (2020 Workers) and the highest percent change in employment from 2020 to 2030.</p> <p>Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2022</p>					

to stave off everyday ailments and handle follow-up appointments. 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. Some of these workers even take their services right to their patients. The elderly, shut-ins and those recovering from serious illnesses, injuries or operations often have nobody to take them to follow-up or even regular checkups. This is where the traveling Nurse Practitioners come in. Some of these workers travel great distances to see and treat their patients.

South Dakota is not the only state enjoying the luxury of health care right at home. Nationally, this versatile occupation is projected to see a growth rate of 45%.

3 Restaurant Cooks

Coming in as the third fastest growing occupation in South Dakota is Restaurant Cooks. Much of the fast growth this occupation will see over the next decade is most likely due to changes which occurred in this industry during the COVID-19 pandemic. Though most businesses in South Dakota did not shut down due to the pandemic, some did, and eating and drinking establishments were among those who voluntarily shut their doors, at least for a time, during the worst part of the pandemic. As soon as employers had safety protocols in place so they could keep staff and customers safe, they were up and running again. But some business practices changed dramatically. Some businesses began to cater meals and provide delivery options. Others provided limited menus and added

outdoor eating areas. Some restaurants regulated the number of patrons in their establishment. For those restaurants where drive through service was a viable option, they often shut eating areas and limited lobby use.

But as people have either reached natural immunity or been vaccinated, South Dakota restaurants eagerly opened their doors again to long-time and new customers alike. After sheltering in place most people were hungry for the comfort, comradery and sense of return to normal only their favorite eating places could fulfill. As business returned, employers once again expanded their menus and added new services while returning to their more traditional ways of doing business. In addition, restaurants have found a new niche as the influx of more people with diverse tastes and ethnic backgrounds has led to an explosion of demand for new and tasty eating options throughout South Dakota. Many of the state's mid-sized and small towns are beginning to see more than just their normal restaurants and cafés, chain fast-food drive-in and pizza joints; new niche and ethnic eating establishments are opening their doors as well.

While much of the 43% growth of Restaurant Cooks will likely occur early on in this projections cycle as establishments navigate to their new normal following the pandemic, South Dakota will continue to see good growth in this occupation throughout the projection period.

4 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 cyber attacks and skills of hackers continue to increase.

These analysts take the number four spot in South Dakota's fastest growing occupations list. This projected growth is outpacing the nation's projected growth for this occupation. South Dakota is projecting growth of 42%, and nationally Information Security Analysts are projected to grow by 33%.

It is expected demand for this occupation will be very high through 2030. As cyber attacks have grown in frequency, the demand for managed security has increased. These analysts will be depended upon for innovative solutions to prevent hackers from stealing critical information or creating problems for networks.

5 Physical Therapist Assistants

Physical Therapist Assistants, sometimes called PTAs, work under the direction and supervision of physical therapists. They help patients recovering from injuries and illnesses to regain movement and manage pain. These assistants treat patients through exercise, massage, gait and balance training and other therapeutic interventions. They record patients' progress and report the results of each treatment to the physical therapist.

According to the U.S. Census Bureau's South Dakota profile, the median age in South Dakota was 37.2 in the 2020 American Community Survey, compared to the nation's median age of 38.2. According to the same survey, 16.7% of South Dakotans were 65 years of age compared to 16.0% at the national level. Both at the national and statewide level our population is continuing to grow older.

As our population ages and continues to increase in size, demand for physical therapy is expected to increase along with health care needs. Physical Therapist Assistants are projected to round out the top five occupations, with a growth rate of 33% in South Dakota through 2030.

6

Occupational Therapy Assistants

Coming in at number six on the top 10 list of the fastest growing occupations in South Dakota from 2020-2030 are Occupational Therapy Assistants. These assistants work with patients and help them develop, recover, improve and maintain the skills needed for daily living after the patient has suffered a traumatic event. Events can include, but are not limited to, an accident, disease such as a stroke or heart attack, or surgery such as hip replacement, etc.

Like the fast-paced growth of Physical Therapist Assistants, most of the growth in this occupation (33%) will be in order to keep up with the demand of South Dakota's aging population as well as the influx of people migrating into the state. Regardless of age, a larger population equates to more health care needs. In addition to an older and larger population, some of the growth in this occupation is because of the availability of these workers to patients. As more insurance companies cover the expense of this therapy, the demand for these workers has increased. Not too many years ago a broken hip would likely have resulted in a move to a nursing home. However, with medical advancements and treatments, today after a successful surgery many people can return to their everyday lives with the help of these assistants to rehabilitate.

And, finally, some of the growth for Occupational Therapist Assistants will be economic in nature. Healthcare providers, especially those specializing in long-term care, will continue to employ these assistants to reduce the cost of occupational therapy services. After the therapist has evaluated a patient and designed a treatment plan, the Occupational Therapy Assistant provides many aspects of the treatment the therapist prescribed.

7

Respiratory Therapists

Health related occupations take up several of the top 10 fastest growing occupational slots in South Dakota. Coming in at number seven are Respiratory Therapists. These therapists are expected to grow at nearly four times the state rate for all occupations at 31% from 2020 to 2030. Respiratory therapists care for patients who have trouble breathing for a variety of reasons, ranging from acute COVID-19 health related issues to chronic respiratory diseases such as, asthma or emphysema. Other types of patients range from premature infants with under-developed lungs to those suffering from heart attack, 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 incidence 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, doctors' offices and clinics. Not only is it more convenient for residents and patients, but it cuts down on hospital readmissions, which lowers medical expenses for treatment.

8

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' employment is projected to grow fast, increasing by 30% from 2020 to 2030. The reasons for the fast growth in employment are mirroring that of Nurse Practitioners in South Dakota.

9

Software Developers and Software Quality Assurance Analysts and Testers

Applications Developers and Software Quality Assurance Analysts and Testers are projected to grow at nearly 30% from 2020 to 2030 in South Dakota. This occupation is expected to grow faster in South Dakota than even the nation's expected fast-paced rate of 22%. Unlike most of the occupations we have just looked at, these developers, analysts and testers work in a wide variety of industries, not just one industry. Therefore, the quick clip at which this occupation is growing is caused by many different reasons.

First and foremost, this occupation is growing due to technological changes occurring in nearly every industry and aspect of our lives. Whether it is a virtual gaming system, smart watch, or home security service, to a refrigerator which makes a grocery list for you and sends it to your smart phone when you walk into your favorite grocery, they all run off software applications.

In South Dakota, many government and private employers hire these workers to develop software relevant to their business or the services they offer their clients and/or customers. The health and medical insurance and reinsurance carriers' industry will need innovative software to manage new healthcare policy enrollments and administer existing

policies digitally. Some developers work on a contract basis and may enjoy living in South Dakota while programming for a client halfway around the world.

Concerns over threats to computer security could result in more investment in security software to protect computer networks and electronic infrastructure. Technology is here to stay and filtering into everyday life in ways few would have thought of just a few years ago. 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 nationally and in South Dakota for a long time to come.

10

Industrial Machinery Mechanics

Industrial Machinery Mechanics maintain and repair factory equipment and other industrial machinery, such as conveying systems, production machinery and packaging equipment. They keep machines in working order by detecting and correcting issues and errors before the machine or products it produces is damaged.

This occupation is projected to see swift growth through 2030 in South Dakota at nearly 30%. This is much faster than the overall statewide projected growth rate of 8.5% and also outpaces the national projected growth of 19% to 2030.

The continuing adoption of automated manufacturing machinery will require more Industrial Machinery Mechanics to keep machines in good working order over the next decade. The use of automated conveyors to move products and materials in factories is an area of high demand for these workers because the conveyor belts, motors and rollers need regular care and maintenance. As production equipment is designed to perform more tasks and continue to be more automated, the skills these workers possess will remain in high demand.

OCCUPATIONAL DEMAND PROJECTIONS

The previous section of this report covered occupational employment growth projected through 2030 and focused on those occupations projected to grow the fastest. However, growth is only one portion of the demand for workers in each occupation. In fact, when considering future workforce needs, employment growth is a relatively minor factor in the number of workers who will be needed. The second component of demand is created when workers leave one occupation for a job in another occupation (known as transfer) or leave the workforce entirely (called exit). The separation component of occupational demand combines both transfers and exits. In this article we will examine total annual demand for workers (expressed in terms of projected average annual openings) including the separation components.

The table below shows the occupations projected to have the greatest demand for workers in South Dakota each year, on average, through 2030. As you can see, annual demand (for workers) due to employment growth accounts for a relatively small portion of the total annual demand for workers.

The methodology used for employment projections at the national level and by all state agencies like South Dakota's is developed by the U.S. Bureau of Labor Statistics (BLS). Use of the BLS methodology ensures not only statistically sound, reliable data, but also allows for comparability of the data among geographic areas.

National employment projections for 2020 to 2030 based on the new methodology were released in September 2021; state projections were rolled out in June 2022.

Top 10 Occupations With the Highest Annual Projected Demand in South Dakota 2020-2030					
Rank	Occupational Title	Average Annual Openings			
		Due to Employment Growth	Due to Labor Force Exits	Due to Occupational Transfers	Total Openings
	Total, All Occupations	4,112	22,423	33,345	59,880
1	Fast Food and Counter Workers	153	1,238	1,350	2,741
2	Retail Salespersons	93	773	1,143	2,009
3	Cashiers	16	936	1,053	2,005
4	Janitors and Cleaners, except Maids and Housekeeping Cleaners	100	597	671	1,368
5	Stockers and Order Fillers	98	465	797	1,360
6	Waiters and Waitresses	84	451	734	1,269
7	Bookkeeping, Accounting, and Auditing Clerks	15	642	559	1,216
8	Customer Service Representatives	21	414	693	1,128
9	Heavy and Tractor-Trailer Truck Drivers	69	330	546	945
10	Registered Nurses	161	380	358	899
Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2022					

The methodology used is known as separations methodology and was designed by BLS to better understand and project what will happen within the dynamic economy in which workers will likely have multiple occupations in a lifetime. This methodology incorporates past data, patterns and trends to general employment projections and captures two types of separations:

1. Workers who leave the labor force entirely (shown in the table above as “Annual Demand Due to Labor Force Exits”).
2. Workers who leave one major occupational group for another one (shown in the table above as “Annual Demand Due to Occupational Transfers”).

Every person’s career journey varies, but certain trends are common.

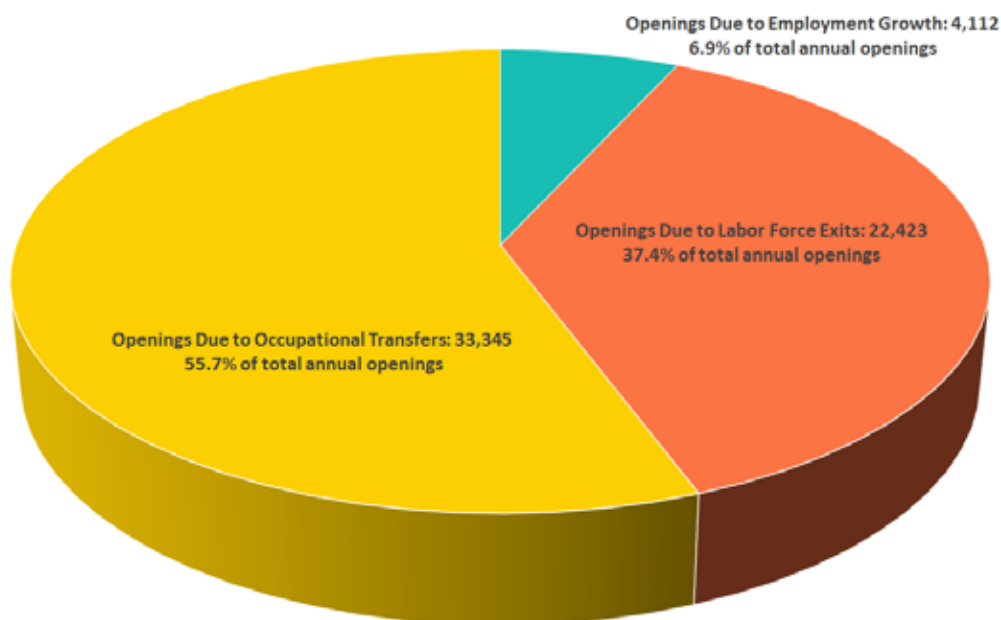
- Transfers between major occupational groups are more common at younger ages, as workers explore possible careers.

- Transfers between occupations also tend to be more common in occupations often considered “entry level,” where working conditions such as work schedules and the offering of employee benefits are less desirable.
- Movements out of the labor force, known as exits, happen at any age, but are more common at older ages, when workers retire.

HOW OCCUPATIONAL TRANSFERS AND EXITS IMPACT SOUTH DAKOTA’S PROJECTED OCCUPATIONAL OUTLOOK

As the pie graph below illustrates, nearly all of South Dakota’s annual demand for workers during the 2020-2030 projections decade will be due to separations, which include occupational transfers and labor force exits: 56% and 37%, respectively. About 7% of the state’s annual openings are projected to be new growth. South Dakota’s percentage breakout of annual demand virtually mirrors that of the nation for the 2020-2030 projections period.

South Dakota Annual Openings by Category 2020 to 2030



Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2022

Nationally, transfers (57%) and exits (37%) will make up the lion's share of the nation's annual demand for occupations, with 6% being caused by growth.

Exits

In 2020, 49.2% of South Dakota's civilian non-institutionalized population age 55 and over were in the state's labor force. In 2018, 48.6% of South Dakota's civilian non-institutionalized population age 55 and over were in the state's labor force. This is a slight increase in the labor force participation rate for this age cohort from 2018 to 2020. This indicates workers exited the labor force at about the same pace in 2020 as they did in 2018. It is anticipated as this population continues to age over the 10-year projection period, workers will continue to retire, thereby exiting the labor force.

Retirement is only one reason workers cite for exiting the labor force. Many workers are in the labor force on a temporary basis. People enter the labor force temporarily

for a variety of reasons and once those reasons have been met, they will exit the labor force, causing a demand for the opening they have left behind.



Reasons vary for entering an occupation for a limited amount of time. For some, it might be a necessity because family events bring a lifestyle change. Events such as a family member losing a job or becoming unable to work, a divorce or perhaps the death of a loved one sometimes create the need for a temporary cash flow. Therefore, people not normally involved in the labor force will enter it for a while and then exit again once the situation is resolved.

There are also workers who have always been in the labor force but either leave out of necessity or because they choose

Top 10 South Dakota Occupations with the Highest Projected Annual Demand Due to Labor Force Exits 2020-2030		
Rank	Occupational Title	Annual Labor Force Exits
	Total, All Occupations	22,423
1	Fast Food and Counter Workers	1,238
2	Cashiers	936
3	Retail Salespersons	773
4	Bookkeeping, Accounting, and Auditing Clerks	642
5	Janitors and Cleaners, except Maids and Housekeeping Cleaners	597
6	Stockers and Order Fillers	465
7	Waiters and Waitresses	451
8	Nursing Assistants	415
9	Customer Service Representatives	414
10	Registered Nurses	380
Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2022		

to for a variety of reasons. During the first part of the 2020-2030 projections decade, some workers chose to exit the labor force because of the pandemic. Whether it was to remain home to care for ill relatives, fear of getting COVID-19 or spreading the disease to family members at high risk, or to stay home to attend to children who were schooling at home during the pandemic, workers who had previously been in the labor force chose to step out of the labor force for a time. Many employees may have initially not worked for a short time while their employer formulated a plan of return to work that kept them safe. While most returned to work, others reevaluated what was most important to them. This evaluation may have led some workers to retire earlier than they had planned, while others chose to remain out of the labor force in order to continue to care for aged or ill relatives. Others chose to remain out of the labor force to continue home schooling students.

Regardless of the reasons, there were some workers who had been in the labor force when the pandemic hit who are currently no longer participating in the labor force. Eventually, they may return but some will remain out for the projection decade we are discussing. Others may never return to the labor force.

It is important to remember, not everyone who decided to exit the labor force during this projection-decade based their decision on the pandemic. In fact, for many South Dakotans the pandemic likely had little to no impact on their decision to leave the labor force. Some may just have wanted to be home while their children are little or chose to do home schooling; for others, perhaps taking care of an aging or chronically ill relative was a priority.

Another reason workers exit the labor force, which creates job openings, is the pursuit of education. The types of occupations experiencing the highest exit rates in South Dakota are a perfect fit for these labor force hoppers. Many will work

while school is not in session and then drop out when they start their educational pursuit again.

As is evident by the labor force exit table, job opportunities in many of these occupations are readily available because not only are they found in some of the state's largest industries, but they are also labor-intensive occupations. Food services, retail sales and health care industries account for the bulk of occupations on this list. Other reasons the occupations in the table below are popular with those workers jumping in and out of the labor force are that many don't require any special skills, and jobs are readily available. In addition, workers easily find hours that work well with their lifestyle. Part-time, evening, overnight or weekend workers are highly sought for many of these occupations and work well for many temporary labor force participants.

Registered nurses and nursing assistants are among the occupations with some of the highest annual demand due to exits. Many times, workers involved in the care for others are not just working in a career they chose but are working in a career that chose them. They do it because it is who they are. They are nurturers and caregivers. The value of their employment runs deep for these workers and is the very essence of who they are as human beings. They are invested in carrying for and helping others and will generally work in these occupations most of their working lives.

However, the pandemic was hard on these workers. Long hours, being away from family during a difficult and scary time and watching many patients die without their loved ones near took a tremendous toll on them. Some, who would have remained in the labor force for a while longer, chose to retire or exit the labor force sooner than they had planned. Some exited or retired because they were burned out, some left to care for family members in need, and others simply left for personal reasons.

Annual Occupational Transfers

With the new projections methodology that went into effect in 2016, another portion of the demand for workers in occupations comes from occupational transfers. This important separation component of occupational demand hinges on a worker's attachment to, or perhaps a better way to put it is a lack thereof, to an occupation. Not too many years ago, when a worker entered the labor force they worked in their vocation until they retired. But in recent years, workers are more likely than ever before to move from one major occupational group to another. In the following narrative we will take a closer look at those South Dakota occupations with high transfer rates and explore reasons for these high transfer rates, which in turn create many openings.

The South Dakota occupations with the highest projected demand due to occupational transfers are all large occupations with many workers. Simple logic tells us a large occupation with many

workers will also have more openings when compared to an occupation with less employment. However, the occupations in the table above have something more in common than just a lot of openings. What they have in common is many openings because many workers have transferred out of them to pursue employment in other occupations.

Many of the occupations with high occupational transfers also lean toward either part-time, seasonal and/or flexible scheduling, which makes them the perfect job for workers more loosely tied to the labor force (i.e. young workers who are likely obtaining additional education and older workers who are easing into retirement and/or those working part time). Many of these occupations also tend to require a minimal amount of



Top 10 South Dakota Occupations with the Highest Projected Annual Demand Due to Occupational Transfers 2020-2030		
Rank	Occupational Title	Annual Occupational Transfers
	Total, All Occupations	33,345
1	Fast Food and Counter Workers	1,350
2	Retail Salespersons	1,143
3	Cashiers	1,053
4	Stockers and Order Fillers	797
5	Waiters and Waitresses	734
6	Customer Service Representatives	693
7	Janitors and Cleaners, except Maids and Housekeeping Cleaners	671
8	Bookkeeping, Accounting, and Auditing Clerks	559
9	Heavy and Tractor-Trailer Truck Drivers	546
10	Laborers and Freight, Stock, and Material Movers, Hand	498
Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2022		

training and less extensive skills than other occupations.

With a few exceptions, most of the occupations with the greatest demand due to occupational transfers are transitory in nature. By transitory, we mean these occupations tend to work well as a steppingstone for employees who plan to be in the occupation for a brief time, want or need part-time work, or simply need basic work experience before accepting employment in another occupation in a different major occupational group.

Young or new labor force entrants create many openings when they transfer from one occupation to another occupation in a different vocation. These workers tend to accept employment in many of the occupations in the table above to gain work experience and begin creating a resume. Most employers who hire these workers know it is unlikely they will retain these workers, but they are also aware they are helping grow the labor force. When a special worker comes along, if possible, they make room in their business to retain their skills. However, most of the time, if this happens, even if they are working for the same employer, they advance in the ranks and move into a different occupation with the same employer. If this occurs, it is still an opening created by an occupational transfer.

For example, Olivia is attending a university to become an information security analyst. To help supplement her income while attending classes, she takes a job as a customer service representative at a local cable, internet and cell phone service company. She works full time between attending in-person and online classes. Olivia demonstrates great people skills and is gifted with the temperament and patience needed to walk people through technical difficulties they experience while trying to utilize the company's cable equipment and or including modems, Wi-Fi service and other computer equipment. She often goes the extra mile to ensure customer issues have been satisfied. The

company's customers love her, as do her teammates who often turn to her for advice when they aren't sure how to help a customer. Her employer is very impressed with Olivia. She fits into the company well and shares the company's vision for the future. Her computer knowledge, skills and ability to communicate well are just what the company needs.

While Olivia was busy working as a customer service representative and getting her bachelor's degree in information security networking, the company had been growing its security department. Her mentor at the company was promoted and went from a computer network architect to information technology manager.

About the same time her mentor was promoted, Olivia had obtained her degree as an information security analyst. Her mentor's position was changed up a little to include more security responsibilities, and Olivia was encouraged to apply for the new position. She applied and was hired as a security information analyst. Olivia has just filled an opening which was created by her mentor when she accepted more responsibility and transferred into a completely different position as a manager. Olivia's position as a customer service representative was opened when she transferred to a completely different position as an information systems analyst.

Because the company decided to open a new division, there were two different transfers within the company to two completely different occupations. Olivia's mentor moved from a computer network architect to an information technology manager. And Olivia left her position as a customer service technician to become the company's new information security analyst.

Finally, in the example above, a third opening was created when the company decided to grow their customer service department and opened not only the customer service position Olivia had left but also advertised an additional customer

service representative position. So, in total, the company filled a new manager position (which was a transfer by one of the current employees into a promotional position), the transfer Olivia took to become an information security analyst, and two customer service openings (one of which was new to the company and thus, became a growth opening for the company).

Most of the occupations on the top 10 transfer list fit well with transferability reasoning already discussed in this article. Occupations such as fast food and counter workers, retail salespersons, cashiers, and waiters and waitresses are all occupations with many employees, and they work well for first-time workers because the skills and knowledge needed are easily learned on the job. These positions also work well for those who are not new to the labor force but instead are seeking part-time or flexible work schedules, evening shifts or weekend shifts. Many of these occupations are also popular with those who are slowly phasing out of the labor force but are not ready to completely retire.

Other occupations on the list which are popular with those looking to partially retire are stockers and order fillers and janitors and cleaners. These occupations work well for those semi-retirees who don't mind working very early mornings or late nights and/or weekends. These workers tend to prefer being a little more independent while they work.

There are a couple of occupations with projected high demand due to occupational transfers which, for one reason or another, don't seem to fit the mold we've mentioned so far. Customer service representatives is one.

Customer service representatives provide information in response to customer inquiries about products and services, and handle and resolve their complaints. This occupation pays well, and health and profit-sharing packages are good, which leads many people to remain employed in these types of occupations for many



years. However, these workers must be available when customers need assistance, therefore, many work nights, weekends and holidays. These hours can be a double-edged sword for this occupation. On one hand, like Olivia in the example above, the non-traditional work hours offer flexibility allowing workers to meet other obligations, like attending classes on and offline. But over time these same hours often lead current workers to find other occupations which offer holidays, nights and/or weekends off. In addition, workers in these occupations tend to advance to higher positions—often within the same company. And, finally, people who work as customer service representatives experience “burn out” because dealing with unhappy customers can be stressful.

Bookkeeping, accounting and auditing clerks may also seem like an unlikely occupation to wind up on the top 10 list of occupations with the highest annual demand due to occupational transfers. But, perhaps after further investigation and analysis this is really not too surprising.

First, this occupation is found in many industries, so it is a large occupation. And, although the training time for this occupation is longer and does require a specific set of skills compared to many other occupations on the top 10 list, there are some reasons for it to make the list. It is a good part-time or first real career. There are many openings, and candidates are often able to work a flexible schedule. Some of these workers may also work from home. Many workers start out in this occupation and work part-time

while pursuing additional education. This education, in addition to the work experience, however, often opens the door for these workers to move into other major occupational groups where they continue their career path as accountants and/or auditors or as a manager in a wide variety of management positions. And, like other occupations on the transfer list, this is an occupation those involved in other careers may transition to as they start looking at retirement.

The other unique occupation on the top 10 occupational transfers list is heavy and tractor-trailer truck drivers. While it is a large occupation, the other reasons for this occupation having a high level of occupational transfers are different than most of the other occupations we've discussed. First, this occupation does not necessarily accommodate workers who are in the more transient portion of the workforce (the young, the older or part-time workers). In addition, this occupation requires a commercial driver's license, which does involve training and a cost to obtain.

So, why does this occupation have such a high degree of worker transfer? Perhaps the foremost reason is the work schedule. Truck drivers travel great distances, often being gone several days on end, including weekends and holidays. This occupation is also stressful. Not only do truckers travel unfamiliar roads in sometimes heavy traffic and adverse weather conditions, but they also are required to maintain travel logs, ensure weight of their vehicles comply with state and federal regulations, and ensure their product is delivered on

schedule. Occupational "burn-out" for heavy tractor-trailer truck drivers is high, which leads many workers to move on to other occupations.

This is also one occupation impacted by the pandemic. Initially, much trucking was shut down due to out of state travel restrictions and lack of goods to transport. Once the restrictions were lifted, this was one of the occupations workers tended to transfer out of. Often these workers had to find different employment during the pandemic. Reasons for this job hop varied, but some of the businesses they were employed with, or owned, failed during the pandemic. Others were simply tired of waiting for work to pick back up when travel restrictions were lifted.

Others decided to retire a little earlier than they had initially planned. Although heavy truck drivers didn't make the top 10 list for exits, this occupation did make the top 10 list for annual occupational openings, with exits accounting for 330 of those openings, 546 transfers and 69 openings due to employment growth.

More Information on South Dakota's projected occupational demand

Projected occupational demand data for 2020 to 2030 like that discussed above is available for 521 detailed occupations. See the link below to find options for getting the data, plus tips on finding the data in the virtual labor market data system, and links to occupational descriptions and technical notes about the projections data.



Take note:

Employment and demand projections for 2020 to 2030 are available for more than 500 detailed occupations in the virtual labor market data system and on our website in Adobe PDF and Microsoft Excel format.

dlr.sd.gov/lmic/menu_projections.aspx

OCCUPATIONAL PROJECTIONS BY EDUCATIONAL LEVEL

For another perspective on future employment and demand for workers in South Dakota, we summed the occupational employment and demand projections data by level of education recommended.

The U.S. Bureau of Labor Statistics determines the level of education recommended for each occupation. In some cases and for a variety of reasons, we believe the level of education preferred by South Dakota employers when hiring workers in occupations is slightly different than nationally. So we determine a South Dakota-specific level of education recommended for each occupation, using the categories listed at the right.

- Less than high school
- High school diploma or equivalent
- Some postsecondary education
- Associate degree
- Bachelor's degree
- Master's degree
- Doctoral or professional degree

The table below and the pie graph on the following page show the summed data.

This look at projected demand for workers in South Dakota may surprise many, who might expect demand to be greater in the postsecondary education categories.

South Dakota Occupational Employment and Demand Projections 2020-2030 Summed by Level of Education Recommended						
South Dakota Educational Category	Number of Workers in 2020	2020 Workers in Category as a Percent of Total Workers	Number of Workers in 2030	2030 Workers in Category as a Percent of Total Workers	Annual Openings 2020 to 2030	Annual Openings in Category as a Percent of Total Workers
Total, all occupations	483,893	100.0%	525,014	100.0%	59,880	100.0%
Less than high school	113,118	23.4%	123,712	23.6%	19,200	32.1%
High school diploma or equivalent	192,255	39.7%	203,846	38.8%	23,084	38.6%
Sum of high school or less	305,373	63.1%	327,558	62.4%	42,284	70.6%
Some postsecondary education	60,671	12.5%	66,484	12.7%	6,806	11.4%
Associate degree	15,500	3.2%	17,444	3.3%	1,565	2.6%
Bachelor's degree	85,863	17.7%	94,976	18.1%	7,918	13.3%
Master's degree	6,846	1.4%	7,909	1.5%	649	1.1%
Doctoral or professional degree	9,640	2.0%	10,643	2.0%	618	1.1%
Sum of bachelor's degree or higher	102,349	21.2%	113,528	21.6%	9,185	15.4%
Sum of education beyond high school	178,520	36.9%	197,456	37.6%	17,556	29.4%

Source: South Dakota 2020 to 2030 occupational employment and demand projections, with data for detailed occupations summed by level of education recommended, Labor Market Information Center, South Dakota Department of Labor and Regulation, August 2022

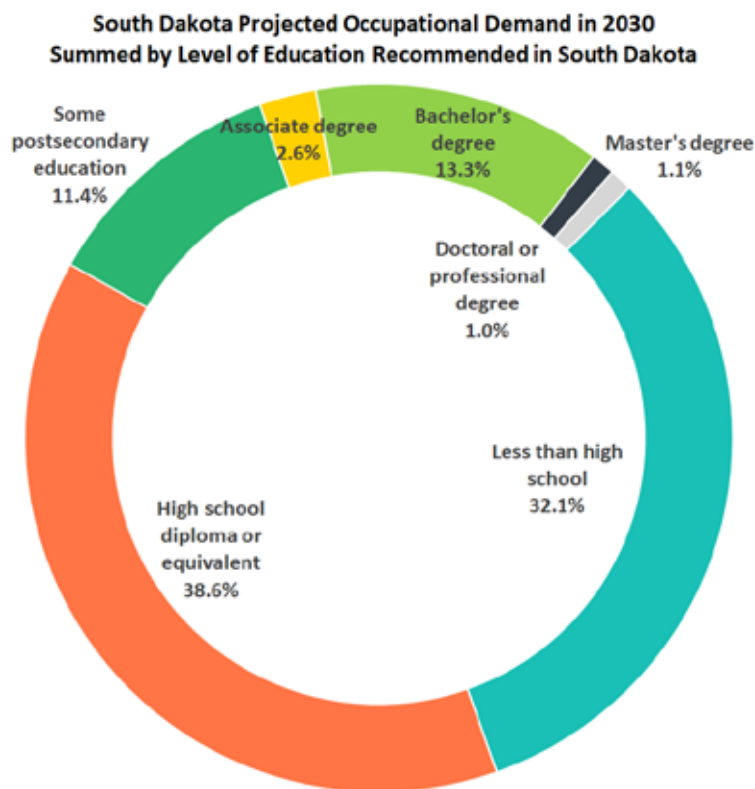
Something to keep in mind are the many huge occupations (employment-wise) for which a high school diploma is sufficient, and in many cases not required. Just a few examples are customer service representatives; stockers and order fillers; miscellaneous assemblers and fabricators; childcare workers; office clerks; and waiters and waitresses. These types of occupations, combined, employ thousands of South Dakotans and account for a large portion of projected demand for workers.

In many cases, positions in these categories are entry level with less than desirable working conditions—and therefore have high turnover. As discussed in the previous section of this report, high turnover often correlates with high projected demand due to occupational transfer and even labor force exits in some cases.

Some people may argue the data above is a disincentive to those considering postsecondary education or careers requiring postsecondary education.

We encourage consideration of the characteristics inherent in many of the occupations in the “less than high school” and “high school diploma or equivalent” categories. Many of those occupations have less than desirable working conditions (ranging from highly repetitive or even unpleasant tasks and lack of autonomy to the work schedules involved), lower pay, lack of employee benefits and limited opportunity for advancement compared to opportunities occupations for which postsecondary education is recommended.

The characteristics of many of the high demand yet less-desired occupations are exactly why (especially when making long-term career decisions) it is important to plan and prepare for more desirable occupations in other educational categories—so as not to have to accept employment in those occupations with more plentiful, but less desirable opportunities.



Source: South Dakota 2020 to 2030 occupational employment and demand projections, with data for detailed occupations summed by level of education recommended, Labor Market Information Center, South Dakota Department of Labor, July 2022

We also encourage career decision-makers to consider opportunities in the high school/less than high school occupational categories from a career ladder perspective. In many cases, a job in one of the entry-level occupations in those categories provides invaluable work experience and instills basic employment traits valued by employers—like responsibility, accountability, good communication and customer service. The work experience gained in that initial occupation, combined with postsecondary education, can serve the worker as a great stepping stone to more desirable, longer-term career opportunities in the other educational categories.

The nursing field provides a great example. Although it does require job-specific training (normally provided by the employer), the occupation of nursing assistant does not require formal postsecondary training. (In fact, some high school students work part-time as nursing assistants.) Although a vital part of attentive direct patient care, many of the tasks performed by nurse assistants are unpleasant, highly repetitive and menial.

Pay is considerably lower than in other nursing occupations; work schedules and benefits are often less desirable as well.

These factors are generally better for licensed practical nurses (an occupation for which some postsecondary education is required), and better yet for registered nurses (for which a bachelor's degree is recommended). Working as a nursing assistant provides invaluable experience and a great stepping stone for someone studying to be a licensed practical nurse. Similarly, work experience in either of those occupations is a great career ladder for registered nursing.

The bottom line from a broader labor market perspective is, the thousands of workers in occupations which do not require education beyond high school play a vital role in South Dakota's economy. Without their important contributions, the state's businesses and agencies would not be able to produce the output they do, and as a society we would be lost without the many services and conveniences these workers help provide.



HOT CAREERS

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 both occupational demand and wage estimates. This helps ensure an adequate return on investment—with a greater likelihood of a trainee or graduate finding employment in an occupation related to the program and also being able to improve his or her earning potential.

To that end, and also 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 current Hot Careers were identified in fall 2022 using the latest employment projections (2020-2030) and wage data (2021) available at the time. To be on the Hot Careers list, an occupation has to meet each of the three following criteria:

- Be projected to show employment growth to 2030.
- Have projected annual openings (a measure of demand for workers) greater than the average across all occupations (83) for 2020-2030.
- Have an average/mean wage greater than the median wage across all occupations in 2021 (\$37,708).

The 69 South Dakota occupations meeting the Hot Careers criteria are listed below and on the following pages.

South Dakota Hot Careers

Accountants and Auditors	Coaches and Scouts
Automotive Body and Related Repairers	Coating, Painting and Spraying Machine Setters, Operators and Tenders
Automotive Service Technicians and Mechanics	Compliance Officers
Bus and Truck Mechanics and Diesel Engine Specialists	Computer User Support Specialists
Carpenters	Correctional Officers and Jailers
Cement Masons and Concrete Finishers	Cutting and Slicing Machine Setters, Operators and Tenders
Chief Executives	Dental Assistants
Child, Family and School Social Workers	Electricians
Civil Engineers	Elementary School Teachers, except Special Education
Clergy	Farm Equipment Mechanics and Service Technicians
Clinical Laboratory Technologists and Technicians	

69 Hot Careers

First-Line Supervisors of Construction Trades and Extraction Workers	Loan Officers
First-Line Supervisors of Farming, Fishing and Forestry Workers	Machinists
First-Line Supervisors of Housekeeping and Janitorial Workers	Maintenance and Repair Workers, General
First-Line Supervisors of Mechanics, Installers and Repairers	Management Analysts
First-Line Supervisors of Non-Retail Sales Workers	Market Research Analysts and Marketing Specialists
First-Line Supervisors of Office and Administrative Support Workers	Medical and Health Services Managers
First-Line Supervisors of Production and Operating Workers	Medical Dosimetrists, Medical Records Specialists and Health Technologists and Technicians, All Other
First-Line Supervisors of Retail Sales Workers	Middle School Teachers, except Special and Career/Technical Education
First-Line Supervisors of Transportation & Material Moving Workers, except Aircraft Cargo Handling Supervisor	Network and Computer Systems Administrators
Food Service Managers	Operating Engineers and Other Construction Equipment Operators
General and Operations Managers	Painters, Construction and Maintenance
Heating, Air Conditioning and Refrigeration Mechanics and Installers	Parts Salespersons
Heavy and Tractor-Trailer Truck Drivers	Pesticide Handlers, Sprayers and Applicators, Vegetation
Highway Maintenance Workers	Plumbers, Pipefitters and Steamfitters
Human Resources Specialists	Police and Sheriff's Patrol Officers
Industrial Machinery Mechanics	Project Management Specialists and Business Operations Specialists, All Other
Industrial Truck and Tractor Operators	Property, Real Estate, and Community Association Managers
Insurance Sales Agents	Radiologic Technologists
Licensed Practical and Licensed Vocational Nurses	Registered Nurses
Light Truck or Delivery Services Drivers	Sales Representatives, Wholesale and Manufacturing, except Technical and Scientific Products
Loan Interviewers and Clerks	

South Dakota Hot Careers, continued

Sales Representatives, Wholesale
and Manufacturing, Technical and
Scientific Products

Secondary School Teachers, except
Special and Career/Technical
Education

Software Developers and Software
Quality Assurance Analysts and
Testers

Soil and Plant Scientists

Structural Iron and Steel Workers

Substance Abuse, Behavioral Disorder
and Mental Health Counselors

Welders, Cutters, Solderers and Brazers

TOP 30 CAREERS

Additionally, the Top 30 occupations were identified. In addition to meeting the criteria for the Hot Careers, South Dakota's Top 30 Careers are those which additionally meet this criteria:

- Rank in the top 30 for projected annual openings (a measure of demand for workers).

For each of the Top 30 careers, the table on the following pages shows the 2020-2030 projected employment and outlook information and the 2021 wage data. Also on the following page is a legend explaining the row colors.

Top
30
to
30

South Dakota Top 30 Hot Careers 2020 to 2030 Employment and Demand Projections and 2021 Wage Estimates						
Rank	Occupational Title	Annual Openings	2020 Employment	2030 Employment	Percent Change 2020 - 2030	Average Wage 2021
1	Heavy and Tractor-Trailer Truck Drivers	945	7,700	8,392	9.0%	\$47,642
2	Registered Nurses	899	13,436	15,046	12.0%	\$60,538
3	Sales Representatives, Wholesale & Manufacturing, except Technical and Scientific Products	604	5,309	5,903	11.2%	\$67,111
4	Carpenters	586	5,652	6,126	8.4%	\$40,261
5	Accountants and Auditors	538	5,228	5,801	11.0%	\$70,191
6	First-Line Supervisors of Retail Sales Workers	468	4,065	4,343	6.8%	\$50,450
7	Light Truck or Delivery Services Drivers	429	3,425	3,789	10.6%	\$39,443
8	General and Operations Managers	387	3,940	4,399	11.7%	\$129,373
9	Management Analysts	360	3,289	3,739	13.7%	\$82,762
10	Maintenance and Repair Workers, General	358	3,267	3,624	10.9%	\$40,695
11	Welders, Cutters, Solderers and Brazers	336	2,612	3,016	15.5%	\$42,559
12	Elementary School Teachers, except Special Education	333	4,184	4,454	6.5%	\$47,669
13	Electricians	307	2,495	2,835	13.6%	\$51,763
14	Software Developers and Software Quality Assurance Analysts and Testers	299	2,649	3,440	29.9%	\$85,913
15	Insurance Sales Agents	287	2,694	3,014	11.9%	\$66,372
16	Clergy	257	2,308	2,500	8.3%	\$48,272
17	Automotive Service Technicians and Mechanics	251	2,343	2,493	6.4%	\$45,925
18	Operating Engineers and Other Construction Equipment Operators	251	2,123	2,314	9.0%	\$48,464
19	Secondary School Teachers, except Special and Career/Technical Education	239	3,147	3,353	6.6%	\$48,624
Continued on next page						

Color Coding Key for Level of Education Recommended in South Dakota
High school diploma or equivalent
Some postsecondary education
Associate degree
Bachelor's degree

South Dakota Top 30 Hot Careers, continued
2020 to 2030 Employment and Demand Projections and 2021 Wage Estimates

Rank	Occupational Title	Average Annual Openings	2020 Employment	2030 Employment	Percent Change 2020 - 2030	Average Wage 2021
20	Industrial Truck and Tractor Operators	234	1,864	2,088	12.0%	\$38,508
21	Parts Salespersons	215	1,599	1,759	10.0%	\$39,824
22	Highway Maintenance Workers	204	1,870	1,961	4.9%	\$38,768
23	Plumbers, Pipefitters and Steamfitters	203	1,754	1,924	9.7%	\$47,458
24	First-Line Supervisors of Construction Trades and Extraction Workers	198	1,817	2,013	10.8%	\$70,598
25	Food Service Managers	194	1,471	1,675	13.9%	\$57,093
26	Coating, Painting, and Spraying Machine Setters, Operators and Tenders	191	1,596	1,815	13.7%	\$40,909
27	Coaches and Scouts	183	1,175	1,308	11.3%	\$41,312
28	Loan Interviewers and Clerks	181	1,955	2,026	3.6%	\$39,963
29	Loan Officers	180	2,069	2,241	8.3%	\$74,127
30	Child, Family and School Social Workers	176	1,772	1,877	5.9%	\$44,771

Notes:

For more information on average annual openings and other employment projections data used in the table above (2020 employment, 2030 employment, percent change 2020-2030), see our [Employment Projections Technical Notes](#) web page.

For more information on average annual wages, please see our [Occupational Wages Technical Notes](#) web page.

Employment projections for additional occupations are available on our website; please see our [Occupational Projections menu](#).

Wage data is also available for additional occupations on our website; please see our [Occupational Wages menu](#).

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

Color Coding Key for Level of Education Recommended in South Dakota
High school diploma or equivalent
Some postsecondary education
Associate degree
Bachelor's degree

**Take note:**

A number of resources on the Hot Careers and Top 30 Careers are available, as listed below. To learn more, visit our [Hot Careers](#) web page or call the Labor Market Information Center at 605.626.2314

HOT CAREER RESOURCES

[Current Job Openings in Hot Careers](#)

[Top 30 Hot Careers flier](#) (Adobe PDF format; also available in print upon request.)

[Learn even more about each Hot Career in the virtual labor market data system](#)

[Occupational Profiles](#)

The Top 30 Careers and many of the 69 Hot Careers are also featured in the career awareness and exploration materials LMIC develops for K-12 students. The materials are available in PDF format for downloading from the website, and are also available in print upon request.

[Career Peeks](#) (activity packet for students in kindergarten through second grade)

[Career Aware](#) (activity booklet for students in grades three through five)

[Career Cluster Poster Series](#)

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