2017 Annual Workforce Report
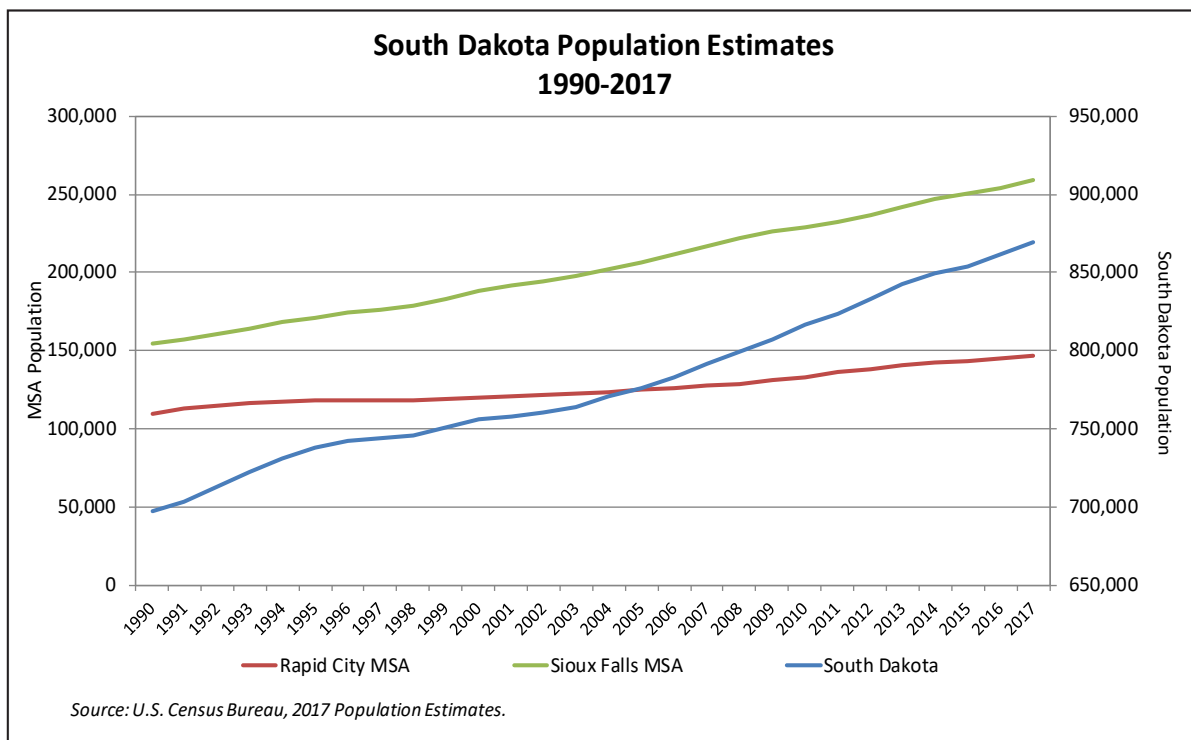
SOUTH DAKOTA
DEPT. OF **LABOR**
& **REGULATION**

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Population

South Dakota's total population began an upward trend in 1990 which continued through 2017. According to estimates published by the U.S. Census Bureau, our population increased by 78,000 or 9.9 percent between 2007 and 2017, reaching 869,700. This growth exceeds the U.S. population increase of 8.1 percent over the same time period. Some of the largest growth has taken place in our two Metropolitan Statistical Areas (MSAs), Rapid City and Sioux Falls. Population in those two metro areas increased by 13.9 percent and 19.4 percent, respectively, over the last 10 years. Nearly half (405,900 or 46.7 percent) of South Dakota's population resides in either the Sioux Falls or Rapid City MSAs. Between 2016 and 2017 growth remained consistent to previous years, with the MSAs growing at a slightly faster pace than the rest of the state.

Source: U.S. Census Bureau, 2017 Population Estimates.

South Dakota Population Estimates		
(as of July 1 each year)		
	2016	**2017**
South Dakota	861,500	869,700
Rapid City MSA	144,900	146,900
Sioux Falls MSA	254,400	259,100
Source: U.S. Census Bureau, 2017 Population Estimates.		

The 2016 American Community Survey (ACS) data produced by the U.S. Census Bureau shows the greatest percent of the state population by race is comprised of White residents (87.0 percent), followed by American Indian and Alaskan (10.4 percent). Regarding ethnicity, 3.7 percent of South Dakota's population is Hispanic or Latino.

South Dakota Population by Race and Ethnicity	Number	Percent
Total Population	865,454	100.0%
White	753,376	87.0%
Black or African American	20,501	2.4%
American Indian and Alaska Native	89,660	10.4%
Asian	15,830	1.8%
Native Hawaiian and Other Pacific Islander	1,708	0.2%
Some other race	7,531	0.9%
Hispanic or Latino (of any race)	32,227	3.7%
Source: 2016 American Community Survey, U.S. Census Bureau.		

Data available from the 2016 American Community Survey (ACS) for the linguistics of our state population show a large majority of state residents (95.3 percent) speak only English. Of those residents who have the ability to speak in other languages (52,065), a relatively small portion struggle with language barriers; an estimated 7,700 (1.0 percent) speak English 'not well' or 'not well at all.'
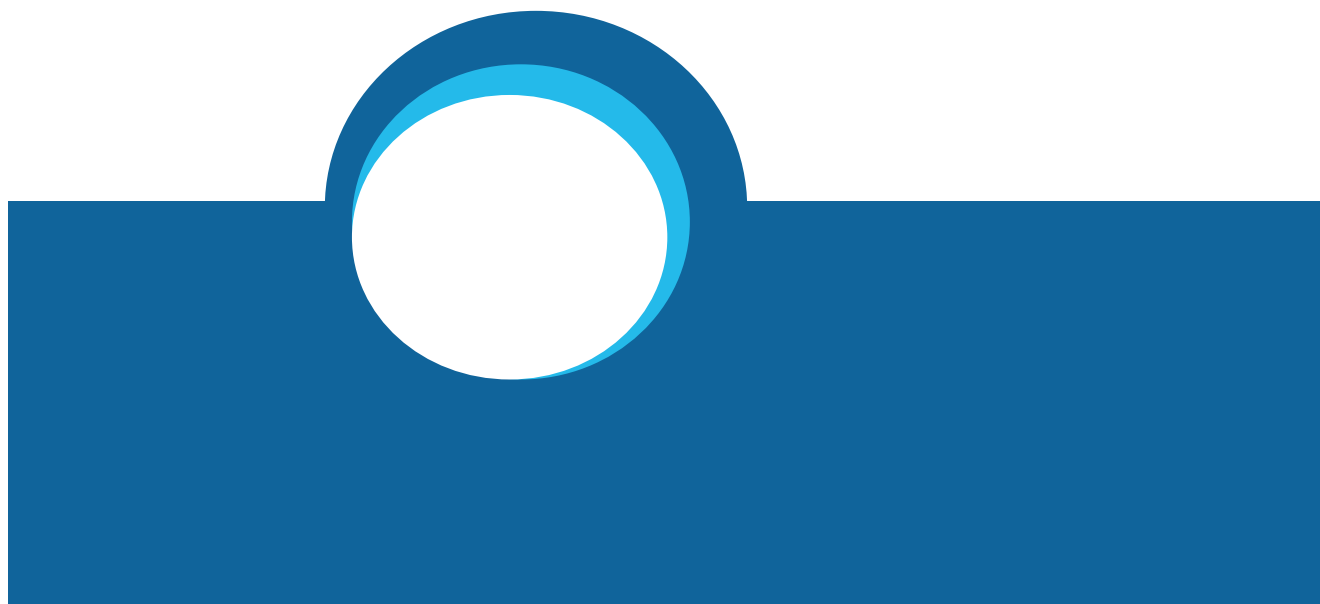
Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over					
Language Spoken	**5 to 17 years**	**18 to 64 years**	**65+ years**	**Total**	**Percent of Total**
Total	153,009	513,984	137,569	804,562	100.0%
Speak only English	141,360	478,452	132,685	752,497	93.5%
Speak Spanish:	**4,132**	**12,136**	**314**	**16,582**	**2.1%**
Speak English "very well"	3,444	6,348	221	10,013	1.2%
Speak English "well"	449	2,517	6	2,972	0.4%
Speak English "not well"	141	1,948	0	2,089	0.3%
Speak English "not at all"	98	1,323	87	1,508	0.2%
Speak other Indo-European languages:	**1,982**	**7,357**	**2,194**	**11,533**	**1.4%**
Speak English "very well"	1,600	6,020	1,644	9,264	1.2%
Speak English "well"	349	787	342	1,478	0.2%
Speak English "not well"	0	475	208	683	0.1%
Speak English "not at all"	33	75	0	108	0.0%
Speak Pacific Island languages:	**2,523**	**4,978**	**776**	**8,277**	**1.0%**
Speak English "very well"	1,187	2,066	185	3,438	0.4%
Speak English "well"	1,197	1,937	585	3,719	0.5%
Speak English "not well"	139	649	6	794	0.1%
Speak English "not at all"	0	326	0	326	0.0%
Speak other languages:	**3,012**	**11,061**	**1,600**	**15,673**	**1.9%**
Speak English "very well"	1,597	8,065	1,444	11,106	1.4%
Speak English "well"	317	2,003	84	2,404	0.3%
Speak English "not well"	422	482	52	956	0.1%
Speak English "not at all"	676	511	20	1,207	0.2%

Source: 2016 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. Analysis of the change in South Dakota GDP data from 2016 to 2017 reflects overall (all industry total) growth of 2.6 percent, which is down slightly from the previous year's growth of 3.0 percent. All but four industries experienced GDP growth from 2016-2017 with the Mining, Educational Services, and Health Care and Social Assistance industries tied for the greatest percentage growth in GDP of 5.7 percent. The industries that experienced declines include Agriculture, Forestry, Fishing and Hunting; Utilities; Construction; and Manufacturing.

The Agriculture, Forestry, Fishing and Hunting industry continued to decline, with GDP dropping 4.7 percent from $3.5 billion in 2016 to $3.3 billion in 2017. This industry has been declining since 2013 in both South Dakota and the United States. Other industries with GDP declines were Information (down 0.4 percent), and Utilities and Construction (down 0.2 percent).

| South Dakota Gross Domestic Product (GDP) by Industry Sector (Millions of Dollars)					
Industry	2015 GDP	2016 GDP	2017 GDP	Change from 2015-2016	Change from 2016-2017
All Industry Total	**47,231**	**48,652**	**49,928**	**3.0%**	**2.6%**
Private Industries	41,902	43,071	44,092	2.8%	2.4%
Agriculture, Forestry, Fishing and Hunting	3,777	3,471	3,307	-8.1%	-4.7%
Mining	128	159	168	24.2%	5.7%
Utilities	773	841	839	8.8%	-0.2%
Construction	1,940	2,066	2,061	6.5%	-0.2%
Manufacturing	4,549	4,583	4,789	0.7%	4.5%
Wholesale Trade	3,441	3,558	3,684	3.4%	3.5%
Retail Trade	3,582	3,592	3,645	0.3%	1.5%
Transportation and Warehousing	1,155	1,166	1,179	1.0%	1.1%
Information	1,124	1,135	1,130	1.0%	-0.4%
Finance, Insurance, Real Estate, Rental and Leasing	11,484	12,211	12,554	6.3%	2.8%
Professional and Business Services	2,772	2,771	2,864	0.0%	3.4%
Education Services, Health Care and Social Assistance	4,418	4,666	4,930	5.6%	5.7%
Arts, Entertainment, Recreation, Accommodation and Food Services	1,740	1,794	1,833	3.1%	2.2%
Other services, Except Government	1,019	1,059	1,109	3.9%	4.7%
Government	5,329	5,580	5,837	4.7%	4.6%
Notes: NAICS Industry detail is based on the 2007 North American Industry Classification System (NAICS). Last updated May 4, 2018, reflecting U.S. Census Bureau midyear population estimates available as of December 2017. *Source: U.S. Bureau of Labor Statistics.*					

Labor Force

Labor Force Participation Rate

Current Population Survey (CPS) figures show South Dakota's labor force participation rate was 69.4 percent in 2017. In other words, nearly 70 percent of all (non-institutionalized) residents age 16 years and older were in the labor force, meaning they were either working or looking for work. This compares to a 2017 national average of 62.9 percent. Historically, South Dakota has consistently had higher rates of labor force participation compared to the nation.

South Dakota's participation rate of 69.4 percent was the fifth highest rate of all states and the District of Columbia. North Dakota had the highest rate at 71.5, followed by Minnesota at 71.2 percent, the District of Columbia at 70.5 percent and Utah at 69.8 percent.

Youth in South Dakota were also active labor force participants. In 2017, 48.9 percent of the state's youth (age 16-19 years) were in the labor force, compared to the national rate of 35.2 percent. At the other end of the age spectrum, South Dakota's labor force participation rate of 65 and over is 26.8 percent compared to the national average of 19.3 percent.

Labor Force Participation Rates
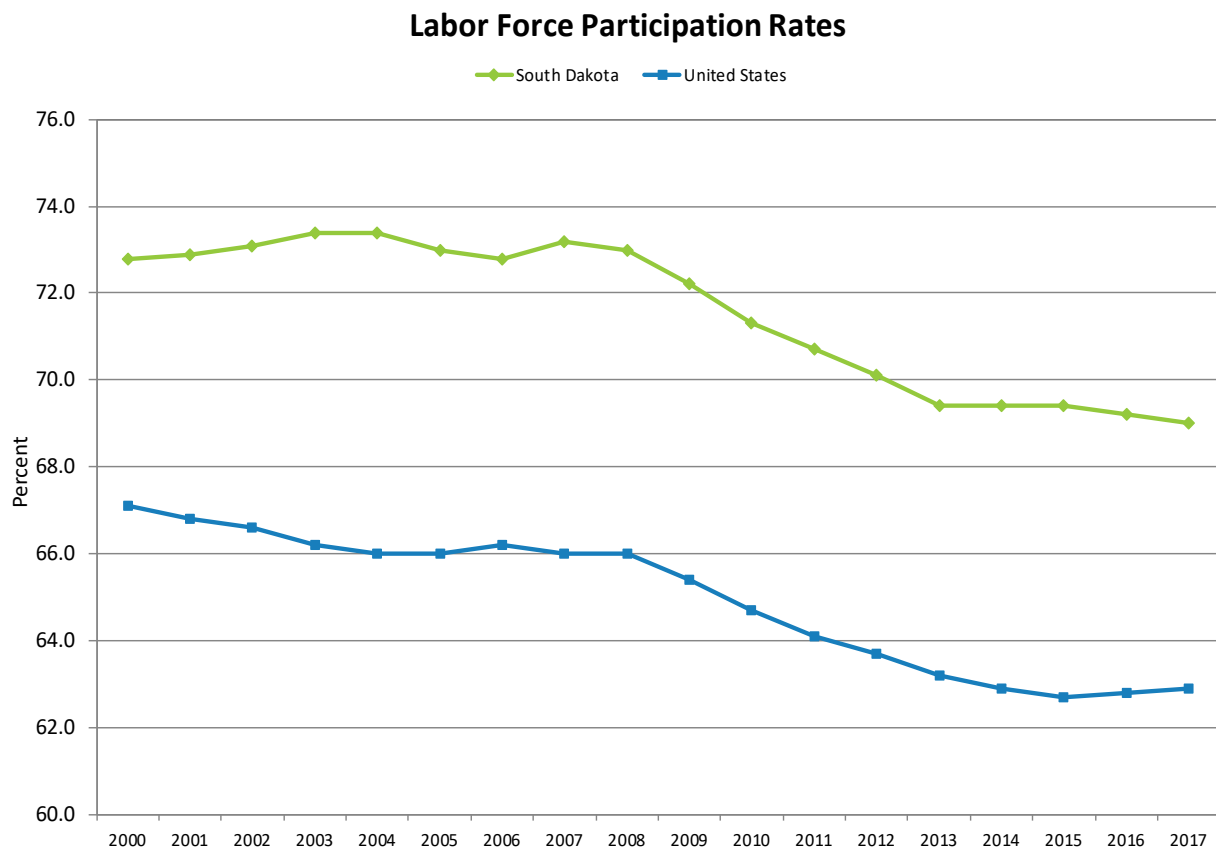
Source: Current Population Survey, U.S. Bureau of Labor Statistics.

2017 Annual Average Labor Force Participation Rates								
	Total	**16-19**	**20-24**	**25-34**	**35-44**	**45-54**	**55-64**	**65+**
United States	62.9	35.2	71.3	82.1	82.7	80.3	64.5	19.3
South Dakota	69.4	48.9	78.5	86.3	86.9	86.5	78.6	26.8
Source: Geographic Profile of Employment, U.S. Bureau of Labor Statistics.								

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 65.1 percent, South Dakota ranked fourth, behind the District of Colombia at 67.3 percent, Minnesota at 67.0 percent and North Dakota at 66.3 percent. The national labor force participation rate for women in 2017 was 57.0 percent. The state's male labor force participation rate ranked ninth at 73.7 percent behind highest ranking Utah at 78.1 percent. The national labor force participation rate for men was 69.1 percent in 2017.
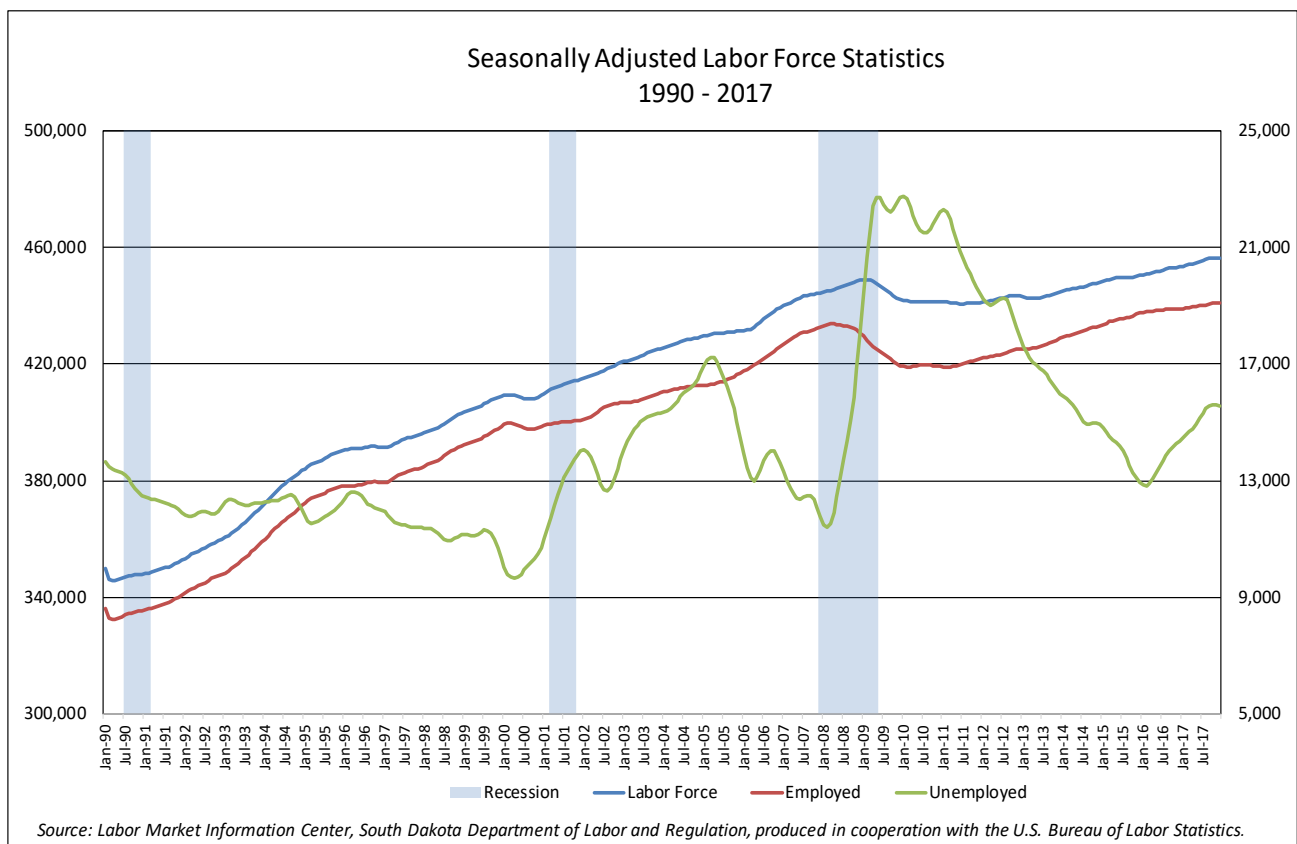
There are several reasons why South Dakota civilians are not in the labor force, a few of which include specific barriers to employment such as discouragement and poor job prospects, as detailed in the following table.

South Dakota Civilians Not in the Labor Force by Age and Sex						
			Age		**Sex**	
	Total	**16 to 24**	**25 to 54**	**55 years**	**Men**	**Women**
Total not in the labor force	**202,800**	**37,800**	**39,500**	**125,400**	**86,900**	**115,800**
Do not want a job now	189,100	33,000	34,500	121,600	80,700	108,400
Want a job	**13,700**	**4,800**	**5,000**	**3,800**	**6,200**	**7,500**
Did not search for work in previous year	8,200	2,200	2,700	3,300	3,800	4,400
Searched for work in previous year	5,400	2,600	2,300	500	2,400	3,000
Not available to work now	1,300	900	300	100	400	900
Available to work now	4,100	1,700	2,000	400	2,000	2,200
Reason not currently looking for a job:						
Discouragement over job prospects	1,600	400	1,000	200	1,100	500
Reasons other than discouragement	2,600	1,400	900	300	900	1,700
Note: Subject to high rates of variability; January 2017 - December 2017 reference period.						
Source: Special tabulations of unpublished Current Population Survey (CPS), U.S. Bureau of Labor Statistics.						

Unemployed

South Dakota's labor force, which consists of the employed and unemployed, continues to grow, indicating a healthy labor market. The number of unemployed began to increase in March 2016 and continued this movement through most of 2017 before it began to level off. The unemployed category 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. An example is stay-at-home parents who return to the labor force after their children have entered school. The level of employed also began an upward trend about a year after the recession ended in May 2009, and growth has remained steady.

The 2017 annual unemployment rate was 3.3 percent in South Dakota, compared to the national rate of 4.4 percent. South Dakota's unemployment rate has progressively decreased since the end of the recession, peaking at an annual average of 5.0 percent in 2010.

Seasonally Adjusted Labor Force Statistics
1990 - 2017

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

Unemployment rates by educational attainment level indicate the highest unemployment rates in South Dakota correlate with residents who have an educational attainment level of 'less than a high school diploma' (8.7 percent). In contrast, the lowest unemployment rates are for those residents who have an educational attainment level of 'bachelor's degree and higher' (1.3 percent). 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

	Population*	Civilian Labor Force		Employment		Unemployment	
		Total	Rate	Total	Rate	Total	Rate
Less than a high school diploma	41,900	22,500	53.7%	20,500	49.0%	1,900	8.7%
High school graduates, no college[1]	174,100	109,800	63.1%	105,300	60.5%	4,500	4.1%
Some college or associate degree	171,300	120,300	70.3%	117,200	68.4%	3,100	2.6%
Bachelor's degree and higher[2]	161,100	130,800	81.2%	129,100	80.1%	1,700	1.3%

Notes:
[1] includes persons with a high school diploma or equivalent.
[2] includes persons with bachelor's, master's, professional and doctoral degrees.
*Non-institutionalized population.
Subject to high rates of variability; December 2017 - December 2017 reference period.
Source: Special tabulations of unpublished Current Population Survey (CPS), U.S. Bureau of Labor Statistics.

Total Employment

The U.S. Bureau of Economic Analysis (BEA) also publishes employment data for state and local areas which includes an estimate of the total number of jobs, including detail by full-time or part-time status and by place of work. Full-time and part-time jobs are counted at equal weight. 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.

The chart below shows, using the BEA data, annual employment change during the 2000-2016 period. Comparative data is included for the United States, South Dakota and the Plains Region (Iowa, Kansas, Missouri, Nebraska, North Dakota and South Dakota).

BEA Total Employment Growth
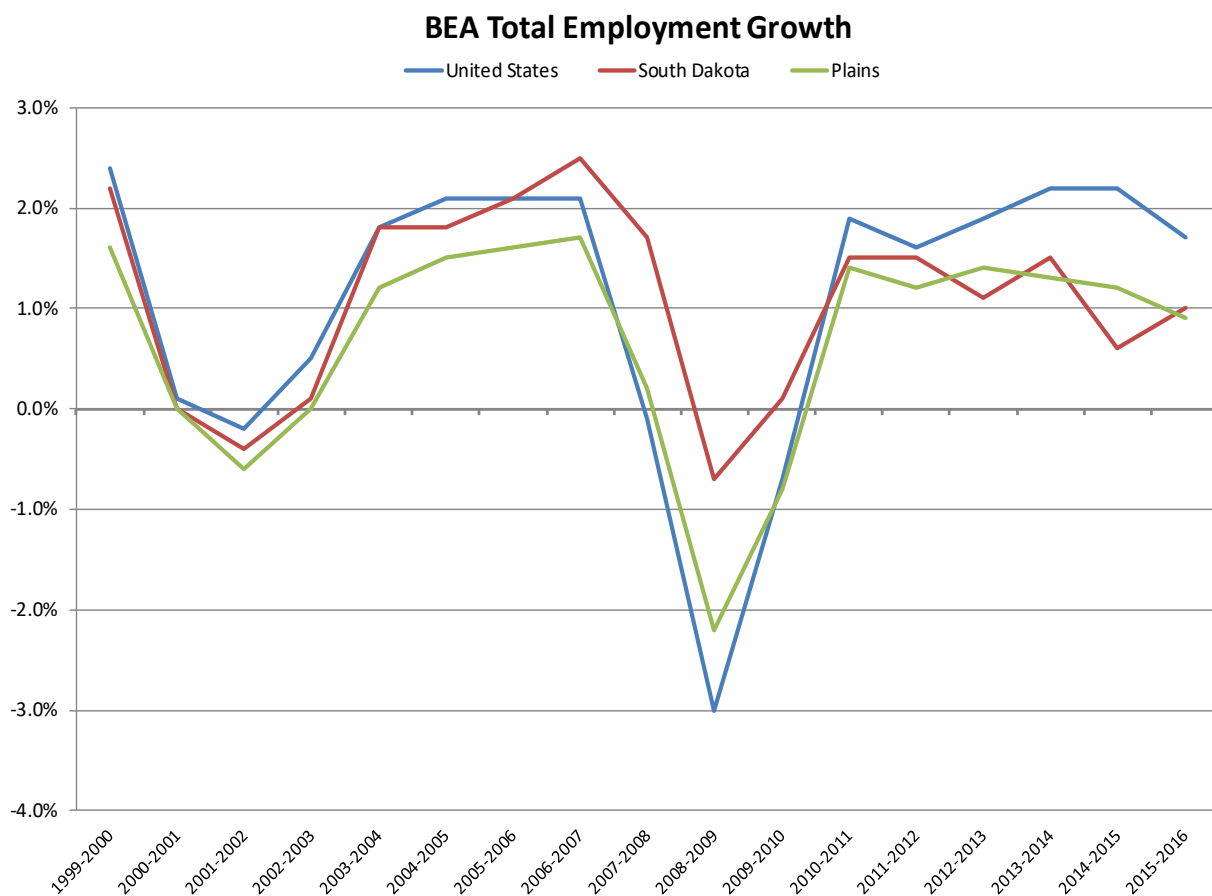
Source: U.S. Bureau of Economic Analysis

For the 2008-2009 period, which reflected the worst impact of the recession, South Dakota had a total employment loss rate of 0.7 percent, compared to a loss rate of 2.2 percent for the Plains Region and 3.0 percent for the nation. South Dakota's total employment began an uphill trend after 2008-2009 which continued through 2016. Total employment increases in South Dakota outpaced the Plains Region slightly, but growth was still 0.7 percent slower than the nation.

The two employment sectors which comprise total employment include proprietor employment and wage and salary employment. Total employment for all three areas had positive growth between 2011 and 2016. The largest percent employment increases come from proprietor employment; however, wage and salary employment also showed positive growth annually.

In South Dakota employment growth slowed slightly between 2014 and 2015 according to the most recently available statistics, but rebounded slightly (around 1.0 percent) in 2015-2016. South Dakota's proprietor employment grew at a faster rate than wage and salary employment between 2015 and 2016. Both the Plains Region and the United States experienced this trend.

Self-Employment

Growth by Employment Sector					
Total Employment	**2011-2012**	**2012-2013**	**2013-2014**	**2014-2015**	**2015-2016**
South Dakota	1.50%	1.10%	1.50%	0.60%	1.0%
Plains Region	1.20%	1.40%	1.30%	1.20%	0.90%
United States	1.60%	1.90%	2.20%	2.20%	1.70%
Proprietor Employment	**2011-2012**	**2012-2013**	**2013-2014**	**2014-2015**	**2015-2016**
South Dakota	0.50%	2.30%	1.50%	0.30%	1.50%
Plains Region	-0.30%	1.50%	1.10%	0.90%	1.90%
United States	0.50%	2.60%	2.80%	2.80%	2.30%
Wage and Salary Employment	**2011-2012**	**2012-2013**	**2013-2014**	**2014-2015**	**2015-2016**
South Dakota	1.80%	0.70%	1.50%	0.70%	0.90%
Plains Region	1.60%	1.30%	1.40%	1.30%	0.70%
United States	1.90%	1.60%	2.00%	2.00%	1.50%
Source: U.S. Bureau of Labor Statistics.					

The Bureau of Labor Statistics (BLS) also publishes national estimates of the self-employed, for both the agriculture (and related industries) and the nonfarm industry sectors, based on the Current Population Survey (CPS) data. Total self-employed workers decreased slightly in 2017, 78,000 or 0.8 percent, following growth in the two previous years. Of the two components that make up total self-employed workers, the Agriculture, Forestry, Fishing and Hunting industry had the largest decrease in 2017 of 63,000 workers (7.4 percent) compared to the small nonagricultural worker decrease of 15,000 (0.2 percent).

Total self-employed increase by 118,000 between 2013 and 2017 for a modest gain of 1.3 percent. After steady growth in 2014, 2015 and 2016 the agriculture industry had a tough year in 2017, with employment almost back to where it was five years ago. The non-agricultural industries continued to show modest growth over the five-year period.

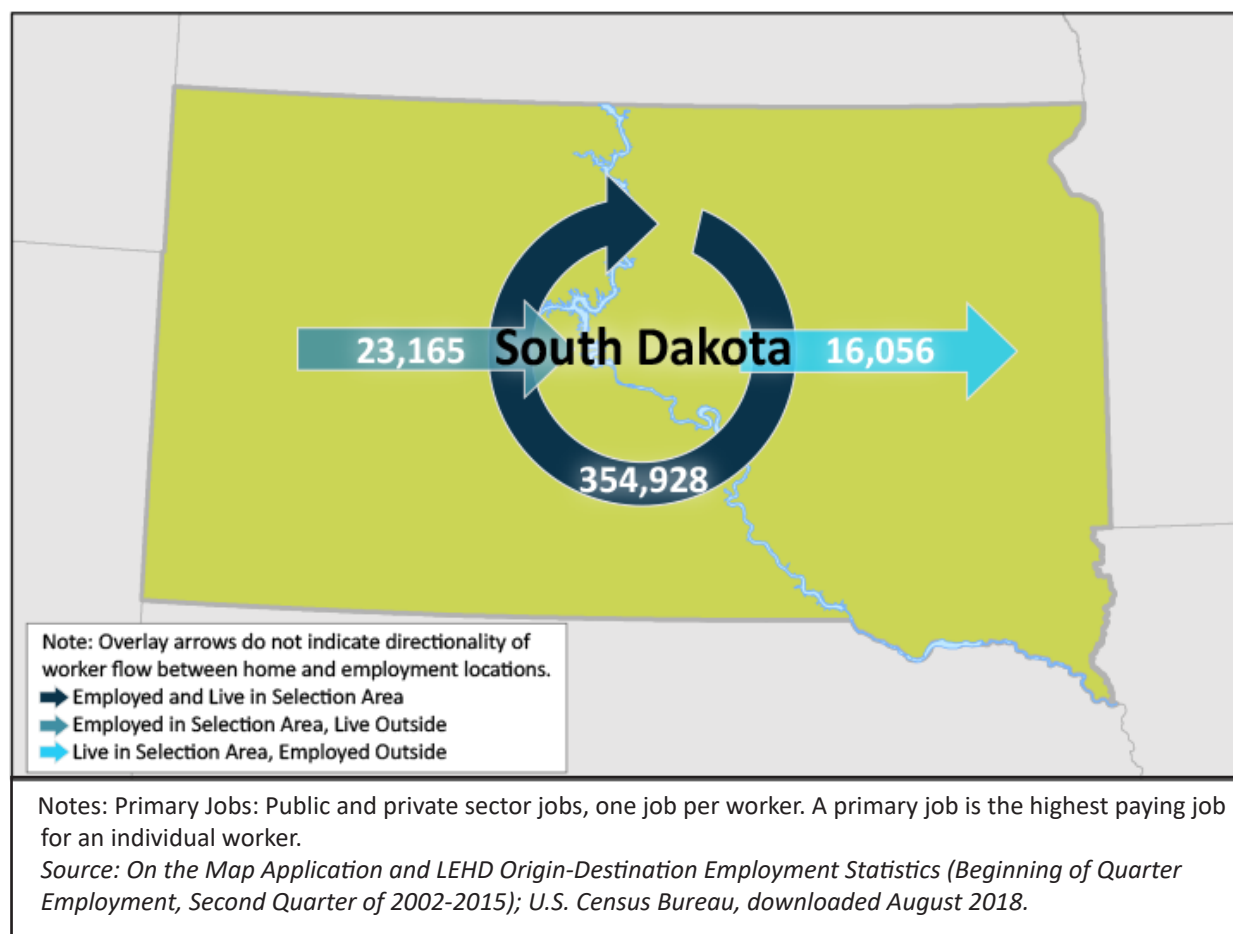| Self-Employed Workers			
Year	Total	Agriculture, Forestry, Fishing and Hunting	Nonagricultural Industries
2013	9,408,000	789,000	8,619,000
2014	9,358,000	756,000	8,602,000
2015	9,509,000	844,000	8,665,000
2016	9,604,000	853,000	8,751,000
2017	9,526,000	790,000	8,736,000
Net Change 2013-2017	118,000	1,000	117,000
Percent Change	1.3%	0.1%	1.4%
Source: Current Population Survey, U.S. Bureau of Labor Statistics.			

South Dakota Worker Commuting

Inflow and Outflow of Workers (Primary Jobs)

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

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

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

South Dakota Worker Commuting Flows – 2015

Note: Overlay arrows do not indicate directionality of worker flow between home and employment locations.
- Employed and Live in Selection Area
- Employed in Selection Area, Live Outside
- Live in Selection Area, Employed Outside

Notes: Primary Jobs: Public and private sector jobs, one job per worker. A primary job is the highest paying job for an individual worker.
Source: On the Map Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, Second Quarter of 2002-2015); U.S. Census Bureau, downloaded August 2018.

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

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

Workers by Industry

Nonfarm Wage and Salaried Workers

South Dakota's total nonfarm employment increased by 2,000 workers (0.5 percent) from 2016 to 2017. The 2017 annual average number of workers was 434,400. Since 2010, average annual nonfarm employment has steadily trended upward. Total private industry had an average annual gain of 1,100 workers (0.3 percent) over the year.

The total nonfarm annual average of workers can be broken down into two groups: Goods Producing and Service Providing. Goods Producing industries (Mining, Logging and Construction sector plus the Manufacturing sector) in South Dakota increased by 600 workers (0.9 percent) from 2016 to 2017. Service Providing industries (all other sectors) gained 1,500 workers (0.4 percent).

South Dakota Statewide Nonfarm Wage & Salaried Workers by Industry (Not Seasonally Adjusted)				
Industry	**2016 Annual Average**	**2017 Annual Average**	**Actual Change**	**Percent Change**
Total Nonfarm	**432,400**	**434,400**	**2,000**	**0.5%**
Total Private	**354,000**	**355,100**	**1,100**	**0.3%**
Goods Producing	65,900	66,500	600	0.9%
Service Producing	366,500	368,000	1,500	0.4%
Mining, Logging, and Construction	23,700	23,400	-300	-1.3%
Manufacturing	42,200	43,100	900	2.1%
Wholesale Trade	21,200	20,900	-300	-1.4%
Retail Trade	53,700	52,800	-900	-1.7%
Transportation, Warehousing & Utilities	13,300	13,200	-100	-0.8%
Information	5,800	5,700	-100	-1.7%
Financial Activities	29,300	29,300	0	0.0%
Professional & Business Services	31,200	31,300	100	0.3%
Educational & Health Services	70,300	72,000	1,700	2.4%
Leisure & Hospitality	46,700	46,800	100	0.2%
Other Services (except Public Administration)	16,600	16,800	200	1.2%
Government	78,500	79,300	800	1.0%
Note: Numbers may not add due to rounding. *Source: Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics.*				

The **Mining, Logging and Construction sector** had a loss of 300 workers (1.3 percent) from 2016 to 2017. The Construction subsector makes up a large portion of this sector with Specialty Trade Contractors accounting for more than half of its workers. Historically, this subsector's worker levels fluctuate during the year, with higher worker levels in the spring and lower worker levels in the winter. The Mining and Logging subsector had a slight increase of 100 workers over the year; however, this subsector makes up a small portion of the overall sector.

Manufacturing gained 900 workers (2.1 percent) from 2016 to 2017. The Manufacturing sector has remained consistent with its worker levels over the past five years. The manufacturing of non-durable goods is the driving force behind this sector's growth. Non-durable goods are immediately consumed in one use or have a lifespan of less than three years. Examples of non-durable goods are cosmetics, cleaning supplies, food and fuel. South Dakota's increase in manufacturing can be attributed to a favorable business climate and low cost of doing business.

The **Wholesale Trade** worker level decreased over the year by 300 workers (1.4 percent) to a 2017 annual average of 20,900 workers. The Wholesale Trade sector consists of establishments engaged in wholesaling merchandise and rendering services incidental to merchandise. The Wholesale Trade sector and Retail Trade sector have a direct relationship. Wholesalers buy goods from manufacturers, and then distribute those goods to retailers. Retail Trade showed a decrease over the year, which decreased demand for the goods Wholesale Trade distributes.

Retail Trade lost 900 workers (1.7 percent), decreasing to an annual average of 52,800 workers in 2017. Traditionally, the Retail Trade sector fluctuates during the year with highs in the months of August (start of school), November and December (holiday season). A driving force for the decrease in workers has been technology. Retailers have been adapting constantly to new technologies and market trends with some switching their focus from brick and mortar stores to more of an online presence. Some large retailers have replaced cashiers with self-checkouts. The more consumers purchase online and out of state, the less demand there will be for retail trade workers.

Transportation, Warehousing and Utilities decreased by 100 workers (0.8 percent) over the year. The Transportation, Warehousing and Utilities sector has remained consistent over the past 10 years. The slight decrease in workers can be attributed to gains in productivity due to technology. The **Information** sector also had a loss of 100 workers (1.7 percent) from 2016 to 2017. Over the past 10 years, the Information sector has trended downward. The Information sector is made up of publishing, motion picture and sound recording, broadcasting, web hosting, internet search web sites and telecommunications industries.

Financial Activities remained stable over the year with 29,300 workers in South Dakota. According to the Bureau of Labor Statistics (BLS), Financial Activities has added 143,000 jobs nationally over the past 12 months. The Professional and Business Services sector also remained stable in South Dakota with a gain of 100 workers (0.3 percent) from 2016 to 2017. The Financial Activities and Professional and Business Services sector both have a strong presence in the Sioux Falls Metropolitan Statistical Area (MSA). Growth or decline in both sectors can be attributed to consumer expectations and economic outlook. Business activities along with the demand for financial activities increase when the economy is doing well.

Educational and Health Services showed the biggest growth over the year, adding 1,700 workers (2.4 percent). Educational and Health Services increased from a 2016 annual average of 70,300 workers to a 2017 annual average of 72,000. Health Care and Social Assistance accounts for the majority of the workers in this sector. The worker levels in Health Care and Social Assistance have increased each year since 1990 when the annual average of workers tallied 32,200. The high worker demand in this industry is related to many factors, including continued population growth, an aging population and specialized procedures which require additional staff.

The **Leisure and Hospitality** sector increased by 100 workers (0.2 percent) to a 2017 annual average of 46,800 workers. Over the last 10 years, this sector has remained consistent with higher worker levels in July and August and lower numbers in January. Tourism is a driving force in this sector with the Accommodation and Food Service subsector accounting for majority of the workforce. Looking at past years, this sector had an average annual gain of 800 workers (1.8 percent) from 2014 to 2015 and a gain of 500 workers (1.1 percent) from 2015 to 2016. The smaller gain from 2016 to 2017 may be attributed to this sector's larger gains during the previous years due to big events such as the 75th anniversary of the Sturgis Motorcycle Rally in 2015 and the 75th anniversary of the Mount Rushmore National Memorial in 2016. Each of these events drew large numbers of visitors to the state and increased the demand for workers in this sector. While there isn't an exact way to track the number of tourists each event drew, indicators such as visitor spending can provide insight. According to the South Dakota Department of Tourism, visitor spending in Meade County in 2015 was $53.25 million, the largest amount in the past five years.

Other Services gained 200 workers (1.2 percent) from 2016 to 2017 to reach a 2017 annual average of 16,800 workers. Other Services include a wide variety of activities including repair and maintenance, personal and laundry services, religious, grant making, private households and other similar organizations. Historically, Other Services fluctuates throughout the year with worker levels being highest throughout the summer months.

Total Government had a growth of 800 workers (1.0 percent) over the year. **Federal Government** rose by 100 workers (0.9 percent) and **State Government** gained 200 workers (1.1 percent). **Local Government** had the largest gain in this sector, adding 700 workers (1.4 percent).

Rapid City Metropolitan Statistical Area (RCMSA) Nonfarm Worker Trends

The Rapid City MSA's total nonfarm worker level rose 1,000 (1.5 percent) from 2016 to 2017. Most of the sectors either gained workers or remained unchanged over the year.

Gains occurred in Educational and Health Services (600 workers or 5.3 percent), Government (300 workers or 2.7 percent), Leisure and Hospitality (200 workers or 2.0 percent), and Professional and Business Services (100 workers or 1.9 percent).

Mining, Logging and Construction (5,000 workers), Manufacturing (2,800 workers), Wholesale Trade (2,400 workers), Transportation, Warehousing and Utilities (1,800 workers), Financial Activities (4,000 workers) and Other Services (3,400 workers) remained unchanged over the year.

There were small losses in Retail Trade (100 workers or 1.0 percent) and Information (100 workers or 11.1 percent).

Rapid City Metropolitan Statistical Area (MSA) Nonfarm Wage & Salaried Workers by Industry (Not Seasonally Adjusted)				
Industry	2016 Annual Average	2017 Annual Average	Actual Change	Percent Change
Total Nonfarm	**67,600**	**68,600**	**1,000**	**1.5%**
Total Private	**56,600**	**57,400**	**800**	**1.4%**
Goods Producing	7,800	7,800	0	0.0%
Service Providing	59,800	60,800	1,000	1.7%
Mining, Logging & Construction	5,000	5,000	0	0.0%
Manufacturing	2,800	2,800	0	0.0%
Wholesale Trade	2,400	2,400	0	0.0%
Retail Trade	9,700	9,600	-100	-1.0%
Transportation, Warehousing & Utilities	1,800	1,800	0	0.0%
Information	900	800	-100	-11.1%
Financial Activities	4,000	4,000	0	0.0%
Professional & Business Services	5,200	5,300	100	1.9%
Educational & Health Service	11,400	12,000	600	5.3%
Leisure & Hospitality	10,100	10,300	200	2.0%
Other Services (except Public Administration)	3,400	3,400	0	0.0%
Government	11,000	11,300	300	2.7%

Notes: Numbers may not add due to rounding. The Rapid City MSA includes Meade, Custer and Pennington counties.
Source: Source: Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics.

Sioux Falls Metropolitan Statistical Area (SFMSA) Nonfarm Worker Trends

The Sioux Falls MSA's total nonfarm worker level increased by 2,100 (1.4 percent) from 2016 to 2017. Gains occurred in Educational and Health Services (900 workers or 2.9 percent), Government (500 workers or 3.6 percent), Manufacturing (400 workers or 3.0 percent), Leisure and Hospitality (300 workers or 2.0 percent), Mining, Logging and Construction (300 workers or 3.7 percent), and Professional and Business Services (200 workers or 1.4 percent).

Three sectors were unchanged over the year: Other Services (5,900), Transportation, Warehousing and Utilities (5,500 workers), and Information (2,600).

Losses occurred in Retail Trade (500 workers or 2.6 percent), Wholesale Trade (100 workers or 1.2 percent) and Financial Activities (100 workers or 0.6 percent).

Sioux Falls Metropolitan Statistical Area (MSA) Nonfarm Wage & Salaried Workers by Industry (Not Seasonally Adjusted)				
Industry	2016 Annual Average	2017 Annual Average	Actual Change	Percent Change
Total Nonfarm	**153,500**	**155,600**	**2,100**	**1.4%**
Total Private	**139,600**	**141,200**	**1,600**	**1.1%**
Goods Producing	21,800	22,400	600	2.8%
Service Providing	131,700	133,200	1,500	1.1%
Mining, Logging & Construction	8,200	8,500	300	3.7%
Manufacturing	13,500	13,900	400	3.0%
Wholesale Trade	8,300	8,200	-100	-1.2%
Retail Trade	18,900	18,400	-500	-2.6%
Transportation, Warehousing & Utilities	5,500	5,500	0	0.0%
Information	2,600	2,600	0	0.0%
Financial Activities	15,800	15,700	-100	-0.6%
Professional & Business Services	14,700	14,900	200	1.4%
Educational & Health Service	31,100	32,000	900	2.9%
Leisure & Hospitality	15,100	15,400	300	2.0%
Other Services (except Public Administration)	5,900	5,900	0	0.0%
Government	13,900	14,400	500	3.6%

Notes: Numbers may not add due to rounding. The Sioux Falls MSA includes Lincoln, Minnehaha, McCook and Turner counties.
Source: Source: Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics.

Balance of State Nonfarm Worker Trends

The Balance of State data is comprised of all counties not defined as part of an MSA; therefore, it includes all counties except Pennington, Meade, Custer, Lincoln, Minnehaha, McCook and Turner. The Balance of State data allows one to see how industries are doing in the more rural areas of South Dakota.

Total nonfarm employment in this area decreased by 1,100 workers (0.5 percent). Gains were listed in Manufacturing (500 workers or 1.9 percent), Educational and Health Services (200 workers or 0.7 percent), Other Services (200 workers or 2.7 percent) and Financial Activities (100 workers or 1.1 percent). Information (2,300 workers) and Government (53,600 workers) remained unchanged from 2016 to 2017.

Balance of State Nonfarm Wage & Salaried Workers by Industry (Not Seasonally Adjusted)				
Industry	**2016 Annual Average**	**2017 Annual Average**	**Actual Change**	**Percent Change**
Total Nonfarm	**211,300**	**210,200**	**-1,100**	**-0.5%**
Total Private	**157,800**	**156,500**	**-1,300**	**-0.8%**
Goods Producing	36,300	36,300	0	0.0%
Service Providing	175,000	174,000	-1,000	-0.6%
Mining, Logging & Construction	10,500	9,900	-600	-5.7%
Manufacturing	25,900	26,400	500	1.9%
Wholesale Trade	10,500	10,300	-200	-1.9%
Retail Trade	25,100	24,800	-300	-1.2%
Transportation, Warehousing & Utilities	6,000	5,900	-100	-1.7%
Information	2,300	2,300	0	0.0%
Financial Activities	9,500	9,600	100	1.1%
Professional & Business Services	11,300	11,100	-200	-1.8%
Educational & Health Service	27,800	28,000	200	0.7%
Leisure & Hospitality	21,500	21,100	-400	-1.9%
Other Services (except Public Administration)	7,300	7,500	200	2.7%
Government	53,600	53,600	0	0.0%
Notes: Numbers may not add due to rounding. Balance of State includes all counties of South Dakota except those included in the Metropolitan Statistical Areas (Pennington, Meade, Custer, Lincoln, Minnehaha, McCook and Turner counties). *Source: Source: Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the U.S. Bureau of Labor Statistics.*				

Quarterly Census of Employment and Wages
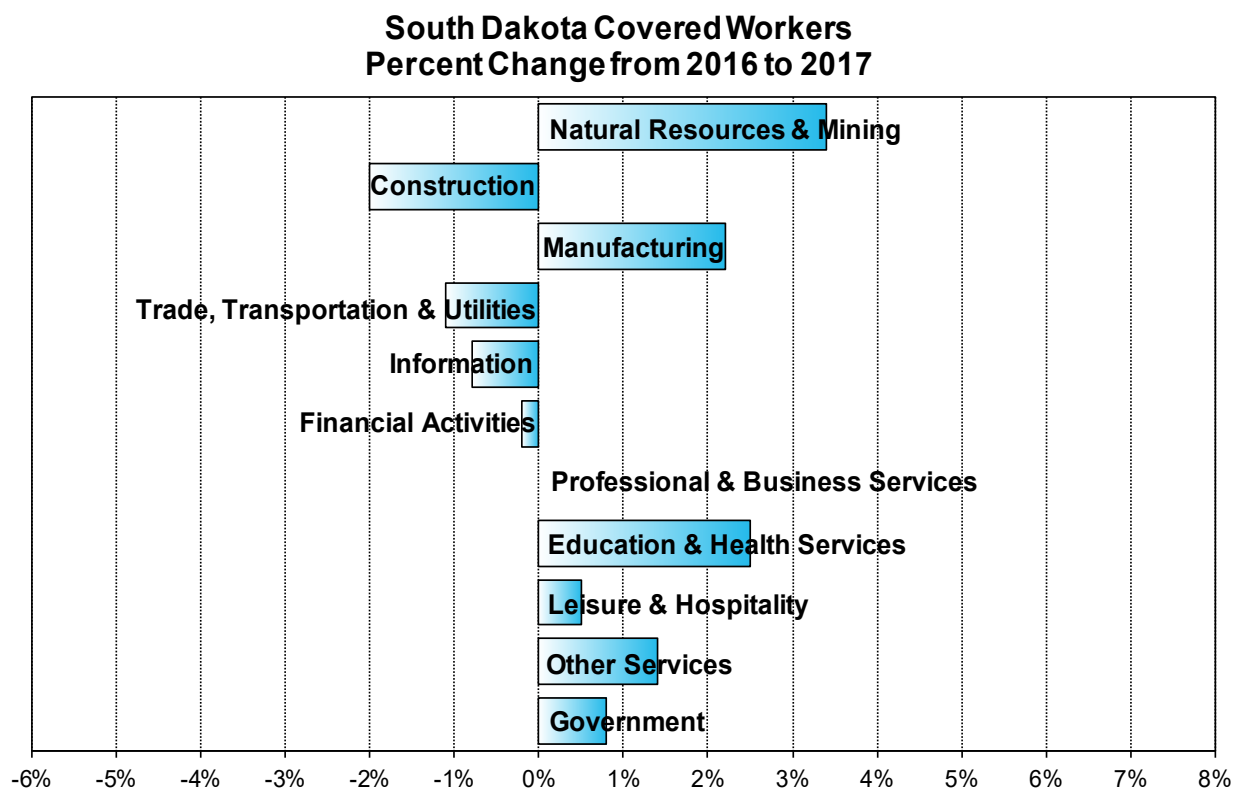
Number of Covered Workers

The number of employees covered by unemployment insurance in 2017 was 422,755 workers. This represents an increase of 0.5 percent from 2016. This chart indicates that six industries showed worker gains while four industries decreased and one industry remained unchanged during 2017. In 2017, the number of covered wage and salaried workers equaled 96.0 percent 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.

Covered Workers by Ownership and Industry Supersector 2016-2017 Change			
Private Ownership	**2016**	**2017**	**Percent Change**
Natural Resources and Mining	6,426	6,646	3.4%
Construction	22,797	22,350	-2.0%
Manufacturing	42,157	43,081	2.2%
Trade, Transportation and Utilities	87,393	86,428	-1.1%
Information	5,765	5,720	-0.8%
Financial Activities	28,810	28,761	-0.2%
Professional and Business Services	31,257	31,267	0.0%
Education and Health Services	65,247	66,897	2.5%
Leisure and Hospitality Services	46,732	46,964	0.5%
Other Services	10,919	11,077	1.4%
Total Private Ownership	**347,503**	**349,191**	**0.5%**
Federal Government	11,316	11,350	0.3%
State Government	14,873	14,934	0.4%
Local Government	46,774	47,279	1.1%
Total Government	**72,963**	**73,564**	**0.8%**
Statewide Total	**420,466**	**422,755**	**0.5%**

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 2017 was $42,424. This represents an increase of 3.1 percent from 2016.

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. Many of the industries with the lowest annual pay have a sizable percentage of part-time jobs. Industry specific annual pay is determined by the mix of full-time and part-time workers and high-paying and low-paying jobs. The Leisure and Hospitality industry group has the lowest industry annual pay of $16,459 because these types of businesses typically hire many part-time workers. Federal government workers have the highest annual pay at $64,412.

South Dakota Covered Workers
Percent Change from 2016 to 2017

Source: Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation wtih the U.S. Bureau of Labor Statistics.

Annual Pay of Covered Workers by Ownership and Industry Supersector 2016-2017 Change			
Private Ownership	**2016**	**2017**	**Percent Change**
Natural Resources and Mining	$40,821	$41,459	1.6%
Construction	$47,680	$47,387	-0.6%
Manufacturing	$45,987	$47,877	4.1%
Trade, Transportation and Utilities	$37,535	$38,279	2.0%
Information	$46,739	$47,228	1.0%
Financial Activities	$55,399	$47,507	3.8%
Professional and Business Services	$52,668	$55,289	5.0%
Education and Health Services	$48,011	$49,429	3.0%
Leisure and Hospitality Services	$16,053	$16,459	2.5%
Other Services	$30,250	$31,405	3.8%
Total Private Ownership	$41,131	$42,344	2.9%
Federal Government	$62,364	$64,412	3.3%
State Government	$48,598	$49,358	1.6%
Local Government	$33,954	$35,548	4.7%
Total Government	$41,346	$42,804	3.5%
Statewide Total	$41,168	$42,424	3.1%

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.

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.
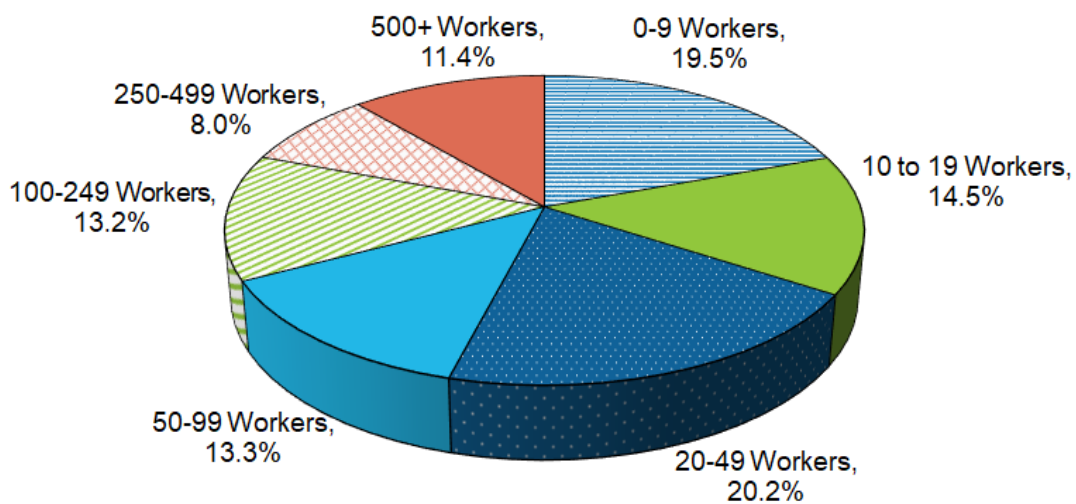
The table on page 24 shows small businesses are predominate in South Dakota. During 2017, the 0-9 workers size class had the largest number of establishments, accounting for 77.8 percent of all establishments.

The distribution of employees by establishment size shows a different perspective. As the pie chart following the table shows, smaller businesses (less than 10 workers) employed only 19.5 percent of the covered workers in South Dakota in 2017.

Number of Establishments, Workers and Pay by Establishment Size and by Industry Group 2017							
	Number of Workers						
Industry Group	**0-9**	**10-19**	**20-49**	**50-99**	**100-249**	**250-499**	**500+**
Natural Resources & Mining							
Establishments	933	88	39	11	3	0	0
Workers	3,042	1,171	1,094	748	592	0	0
Annual Pay	$37,546	$41,935	$41,265	$46,080	$55,073	$0	$0
Construction							
Establishments	3,573	297	188	40	11	*	*
Workers	8,675	3,923	5,404	2,850	1,498	*	*
Annual Pay	$37,642	$46,617	$54,509	$59,439	$57,213	*	*
Manufacturing							
Establishments	634	155	166	84	55	23	12
Workers	1,987	2,125	5,085	5,721	9,219	7,224	$11,720
Annual Pay	$34,523	$40,610	$46,758	$49,129	$49,493	$49,076	$49,325
Trade, Transportation & Utilities							
Establishments	6,272	1,266	670	179	64	26	*
Workers	18,759	17,028	19,599	11,955	9,566	8,969	*
Annual Pay	$39,808	$37,030	$42,364	$40,220	$37,556	$27,469	*
Information							
Establishments	470	59	48	18	3	*	*
Workers	1,003	805	1,451	1,189	419	*	*
Annual Pay	$47,014	$42,349	$43,792	$42,421	$57,601	*	*
Financial Activities							
Establishments	2,944	256	126	28	27	8	6
Workers	7,171	3,378	3,746	1,943	4,288	3,159	5,076
Annual Pay	$50,486	$55,269	$69,044	$64,899	$67,256	$48,659	$54,840
Professional & Business Services							
Establishments	4,820	355	207	51	31	6	2
Workers	9,223	4,799	6,067	3,446	4,416	1,928	1,388
Annual Pay	$54,838	$47,648	$49,476	$55,482	$50,066	$89,090	$79,303
Education & Health Services							
Establishments	1,910	397	301	145	71	16	10
Workers	5,769	5,380	9,167	9,773	11,133	5,118	20,557
Annual Pay	$38,643	$39,983	$38,274	$40,297	$44,327	$45,265	$68,044

Industry Group	Number of Workers						
	0-9	10-19	20-49	50-99	100-249	250-499	500+
Leisure and Hospitality Services							
Establishments	1,857	689	596	120	30	0	0
Workers	6,799	9,629	17,417	7,946	4,017	0	0
Annual Pay	$14,515	$14,813	$16,134	$18,357	$20,760	$0	$0
Other Services							
Establishments	2,033	193	48	12	6	0	0
Workers	5,525	2,490	1,391	779	892	0	0
Annual Pay	$31,457	$32,678	$31,459	$36,319	$23,152	$0	$0
Total Private Ownership							
Establishments	25,446	3,755	2,389	688	301	84	32
Workers	67,952	50,728	70,421	46,351	46,040	27,838	39,861
Annual Pay	$39,241	$36,220	$38,422	$41,023	$44,852	$43,017	$60,519

Note: *Data was suppressed to prevent disclosure of confidential information. Data subject to revision.
Source: Labor Market Information Center, South Dakota Department of Labor and Regulation in cooperation with the Bureau of Labor Statistics.

Distribution of Employees by Establishment Size in 2017

- 500+ Workers, 11.4%
- 0-9 Workers, 19.5%
- 250-499 Workers, 8.0%
- 10 to 19 Workers, 14.5%
- 100-249 Workers, 13.2%
- 50-99 Workers, 13.3%
- 20-49 Workers, 20.2%

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

Personal Income

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

In South Dakota, the level of 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 57.4 percent, compared to a rate of 40.5 percent for the Plains Region and 39.9 percent for the nation.

Per Capita Personal Income
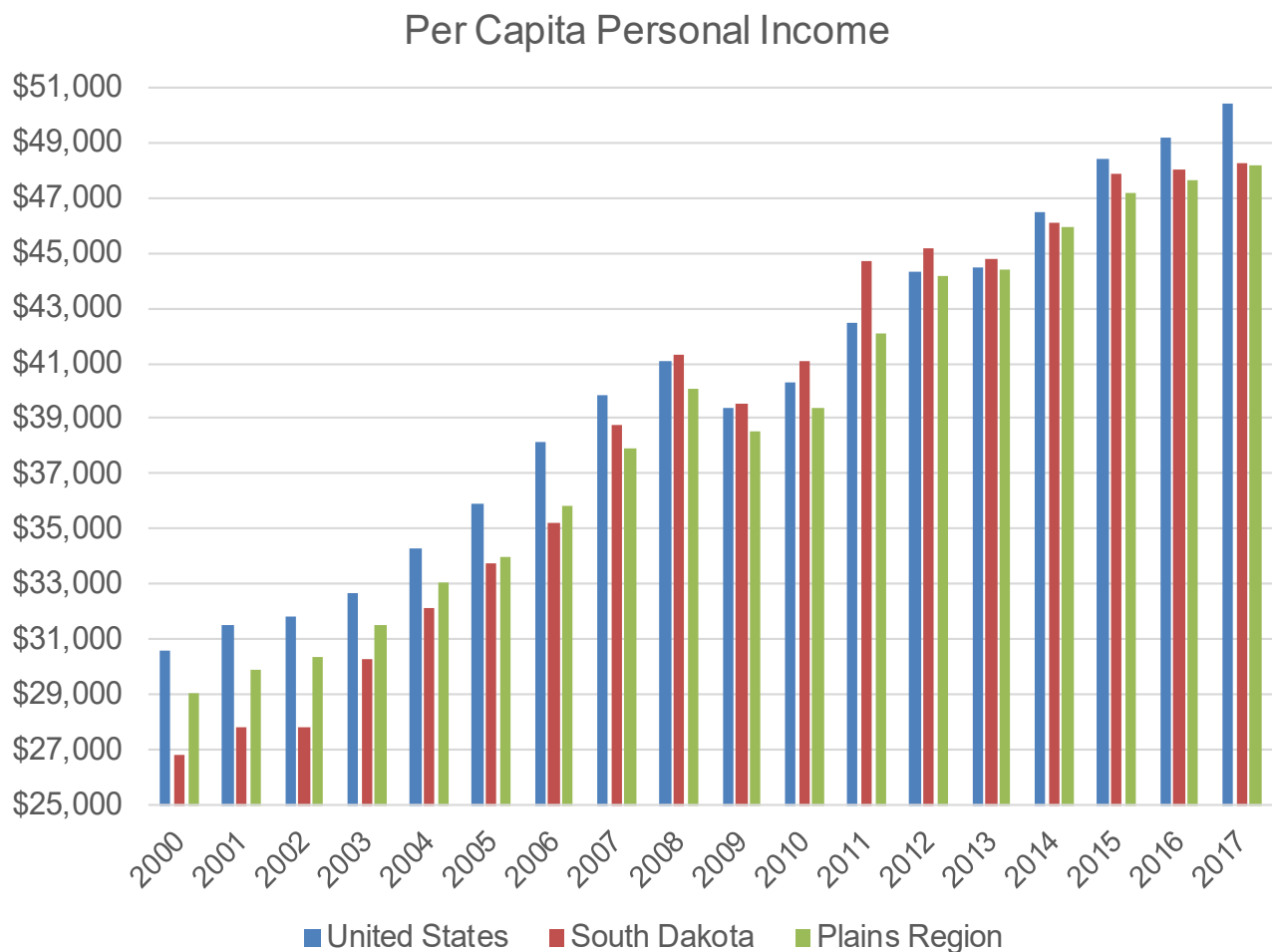
Source: U.S. Bureau of Labor Statistics.

Since the recession and during the economic recovery phase, South Dakota's personal income has grown comparably to the Plains Region and the nation. From 2010 to 2017, the nation's personal income increased 31.7 percent, followed by the Plains Region at 26.8 percent and South Dakota at 25.3 percent.

Dividing the personal income of an area by the residents of that given area produces a widely used economic indicator called per capita personal income. Since 2000, South Dakota's per capita personal income has increased by 80.1 percent, compared to 66.0 percent for the Plains Region and 64.7 percent for the nation. South Dakota ranked 22nd out of the 50 states with a per capita personal income of $48,281 in 2017.

Poverty

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

The percent of families in South Dakota with incomes below the poverty threshold decreased in 2015 and 2016 after increasing in the two previous years. Between 2010 and 2016, the percentage of South Dakota families in poverty decreased by one full percentage point, dropping from 9.2 to 8.2 percent. Nationally, the percent of all families in poverty decreased from 11.3 percent to 10.0 percent between 2010 and 2016. The percent of 'all people' in the United States and South Dakota with incomes below the poverty threshold also had modest decreases over that same time period.

The number of people living below the poverty level in South Dakota for the population in which poverty status was measured is approximately 111,000 or 13.3 percent. This is according to the 2016 American Community Survey (ACS). The race with the highest percentage of their population living below the poverty level is American Indian and Alaska Natives at 49.3 percent, and Black or African Americans at 20.2 percent. Females in South Dakota are slightly more likely to be living below the poverty level at 14.9 percent versus 11.6 percent of the male population. Children under the age of five are the most likely age demographic to be living below the poverty level. On page 28 is a table of poverty status by age demographic.

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	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
United States	11.3%	11.7%	11.8%	11.6%	11.3%	10.6%	10.0%
South Dakota	9.2%	9.6%	8.6%	9.2%	9.4%	8.3%	8.2%
All People	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
United States	15.3%	15.9%	15.9%	15.8%	15.5%	14.7%	14.0%
South Dakota	14.4%	13.9%	13.4%	14.2%	14.2%	13.7%	13.3%
Source: 2016 American Community Survey, U.S. Census Bureau.							

Population for Whom Poverty Status is Determined			
	Population	**Population Below Poverty Level**	**Percent of Population Below Poverty Level**
Total	837,292	110,962	13.3%
Under 5 Years	60,048	11,174	18.6%
5 to 17 Years	150,372	24,286	16.2%
18 to 64 Years	495,998	61,182	12.6%
65 Years and over	130,875	14,320	10.9%
Source: 2016 American Community Survey, U.S. Census Bureau.			

Projections

Population Projections

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

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

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.

Industry Employment Projections

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

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

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

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

The South Dakota projections include three categories of workers:

☑ Nonfarm wage and salaried workers

☑ Agriculture and related workers (farm employment)

☑ Non-agricultural self-employed and unpaid family workers

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

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

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

South Dakota Wage and Salaried Workers by Industry Division 2016-2026				
Industry Title	**2016 Workers**	**2026 Workers**	**Actual Change**	**Percent Growth**
Total of All Industries	**487,455**	**520,526**	**33,071**	**6.8%**
Non-Agricultural Self-Employed and Unpaid Family Workers	26,540	28,100	1,560	5.9%
Agriculture, Forestry, Fishing and Hunting (Farm Employment)	30,765	32,014	1,249	4.1%
Nonfarm Total Wage and Salaried Workers (excludes Self-Employed and Unpaid Family Workers)	430,150	460,412	30,262	7.0%
Notes: Data is preliminary and subject to revision. Data for industries with 2016 employment less than 200 not included. Data presented for industries will not sum to totals due to non-publishable data for additional industries being included in totals. Industry titles are based largely on the North American Industry Classification System (NAICS). *Source: Labor Market Information Center, South Dakota Department of Labor and Regulation.*				

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

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

Growth Industries

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

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

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

South Dakota Industry Employment Projections 2016 - 2026 Top Ten in Industry Growth				
Industry Title	**2016 Workers**	**2026 Workers**	**Actual Change**	**Percent Growth**
Warehousing and Storage	732	889	157	21.4%
Waste Management and Remediation Service	884	1,015	131	14.8%
Museums, Historical Sites and Similar Institutions	582	668	86	14.8%
Hospitals	25,736	29,239	3,503	13.6%
Support Activities for Transportation	984	1,114	130	13.2%
Chemical Manufacturing	1,085	1,224	139	12.8%
Professional, Scientific and Technical Services	12,902	14,457	1,555	12.1%
Ambulatory Health Care Services	16,338	18,246	1,908	11.7%
Sporting Goods, Hobby, Book and Music Stores	2,387	2,665	278	11.6%
Transportation Equipment Manufacturing	2,932	3,264	332	11.3%
Notes: Data is preliminary and subject to revision. Data for industries with 2014 employment less than 200 not included. Data presented for industries will not sum to totals due to rounding and non-publishable data for additional industries being included in totals. Industry titles are based largely on the North American Industry Classification System (NAICS). *Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2018.*				

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

Warehousing and Storage

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

Waste Management and Remediation Service

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

Museums, Historical Sites and Similar Institutions

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

Hospitals

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

Support Activities for Transportation

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

Chemical Manufacturing

The Chemical Manufacturing subsector is expected to increase 12.8 percent (139 workers) by 2026. This subsector is based on the transformation of organic and inorganic raw materials by a chemical process and the formulation of products. Above average growth at the four-digit NAICS level has propelled the Chemical Manufacturing subsector into one of the fastest growing. Specifically, Basic Chemical Manufacturing (NAICS 3251) and Soap, Cleaning Compound, and Toilet Preparation Manufacturing (NAICS 3256) are expected to have double-digit growth thru 2026. The Chemical Manufacturing subsector is driven by consumer demand and expectations. This subsector supplies a variety of products to the market, ranging from agricultural fertilizers and pesticides to pharmaceuticals and medicines.

Professional, Scientific and Technical Services

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

Ambulatory Health Care Services

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

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

Sporting Goods, Hobby, Book and Music Stores

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

Transportation Equipment Manufacturing

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

Declining Industries

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

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

South Dakota Industry Employment Projections 2016 - 2026 Declining or Slowest Growing Industries				
Industry Title	**2016 Workers**	**2026 Workers**	**Actual Change**	**Percent Growth**
Publishing Industries	1,391	1,257	-134	-9.6%
Textile Product Mills	487	459	-28	-5.7%
Printing and Related Support Activities	1,304	1,233	-71	-5.4%
Broadcasting (except Internet)	1,061	1,041	-20	-1.9%
Paper Manufacturing	708	696	-12	-1.7%
Nonstore Retailers	1,292	1,292	0	0.0%
Telecommunications	2,558	2,567	9	0.4%
Miscellaneous Store Retailers	2,740	2,761	21	0.8%
Furniture and Home Furnishing Stores	1,441	1,454	13	0.9%
Amusement, Gambling and Recreation Industries	4,653	4,700	47	1.0%
Notes: Data is preliminary and subject to revision. Data for industries with 2016 employment less than 200 not included. Data presented for industries will not sum to totals due to rounding and non-publishable data for additional industries being included in totals. Industry titles are based largely on the North American Industry Classification System (NAICS). *Source: Labor Market Information Center, South Dakota Department of Labor and Regulation.*				

In South Dakota the only two-digit sector projected to have a decline is Information. Several factors will contribute to this decline, including technological advances and the availability of information on the internet. Contained within the Information sector are three of the top 10 most rapidly declining or slowest growing subsectors at the three-digit NAICS level. Still, the industry declines in South Dakota are projected to be minimal at the subsector level. Since many South Dakota industries are considered very small, even a small employment projected decline can notably impact a subsector.

Publishing Industries (except Internet)

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

Textile Product Mills

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

Printing and Related Support Activities

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

Broadcasting (except Internet)

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

Paper Manufacturing

Worker levels in the Paper Manufacturing subsector are projected to decrease by 1.7 percent (12 workers). This subsector includes establishments that make pulp, paper or converted paper products. The manufacturing of pulp involves separating the cellulose fibers from other impurities in wood or used paper. The manufacturing of paper involves matting these fibers into a sheet. Converted paper products are made from paper and other materials by various cutting and shaping techniques. Improved manufacturing processes and automation have contributed to the reduced need for workers. The Paper Manufacturing and Publishing Industries (except internet) subsectors have a direct relationship. Therefore, the less demand for products publishing establishments produce a reduced demand for paper manufacturing establishments.

Nonstore Retailers

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

Telecommunications

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

Miscellaneous Store Retailers

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

Furniture and Home Furnishing Stores

Worker levels in the Furniture and Home Furnishing Stores subsector are projected to increase by 0.9 percent (13 workers) over the next decade. Furniture and Home Furnishings Stores subsector

retail their merchandise from fixed point-of-sale locations. The rise of e-commerce has also affected this subsector. While e-commerce poses a threat to the traditional brick-and-mortar furniture store, consumer expectations and preferences to help tip the scales back in favor of these stores. Many consumers want to see the quality and color of furniture and home furnishings in person and want to receive them fully assembled or even delivered and set in place in their homes.

Amusement, Gambling and Recreation Industries

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

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

Occupational Employment Projections

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

The table below shows the 2016-2026 employment projections in South Dakota for the 10 occupations projected to grow the fastest.

	Top 10 South Dakota Occupations Projected to be the Fastest Growing 2016-2026				
Rank	Occupation	2016 Estimated Employment	2026 Estimated Employment	Numeric Change	Percent Change
1	Nurse Practitioners	459	600	141	30.72%
2	Nursing Instructors and Teachers, Postsecondary	247	321	74	29.96%
3	Respiratory Therapists	339	438	99	29.20%
4	Software Developers, Applications	1,173	1.514	341	29.07%
5	Computer Numerically Controlled Machine Tool Programmers, Metal and Plastic	54	69	15	27.78%
6	Information Security Analysts	212	270	58	27.36%
7	Health Specialties Teachers, Postsecondary	136	173	37	27.21%
8	Physician Assistants	529	666	137	25.90%
9	Massage Therapists	143	179	36	25.17%
10	Orthotists and Prosthetists	31	38	7	22.58%

Notes: Data is preliminary and subject to revision.
Fastest Growing Occupations are defined as those occupations with the highest percent change of employment between 2016-2016.
Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2018.

Occupations Projected to Grow the Fastest

The table on the previous page features the 10 fastest growing occupations in South Dakota and the following narrative explores the reason for this predicted growth. Occupations with less than 200 workers were not included in the table or corresponding analysis.

Nurse Practitioners

The nurse practitioner occupation is projected to be the fastest growing occupation in South Dakota for the 2016-2026 round of projections. This occupation is projected to boast a 30.7 percent change in employment. Demographics certainly play a part in the fast-paced change in employment for this occupation. More people and an older population require health care. In many situations nurse practitioners fit the bill perfectly. Because South Dakota is such a rural state, many nurse practitioners work in small towns, sometimes in remote locations. These workers are the first line of defense in staving off everyday aliments, treating common injuries and broken bones. They are often the eyes and ears which detect more serious sicknesses and disease. These workers generally work at a satellite clinic or office for the larger, regional medical centers in the state. Using internet and satellite communications they serve their clients right where they are, most of the time. Many patients who used to travel great distances for medical treatment can now do most of their doctoring, even for serious illnesses, right in their own home town thanks, in part, to nurse practitioners.

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

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

Nursing Instructors and Teachers, Postsecondary

Coming in as the second fastest-growing occupation (at 30 percent) is post-secondary nursing instructors and teachers. Because of the high demand for health care workers, and especially nursing occupations, it should come as no surprise this occupation made the top 10 fastest growing occupations list. Remember, though registered nurses did not make the list of fastest growing occupations, it does not mean this occupation is not growing. The registered nurse occupation is a large occupation in South Dakota, so although this occupation is growing at a fast clip (twice as fast as the state average), because of the sheer number of workers this occupation, the percentage is not high enough to make the top 10 fastest growing occupations. But, because of the need to train new

workers to enter nursing occupations, post-secondary nursing instructors and teachers are projected to grow rapidly from 2016-2026.

Respiratory Therapists

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

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

And finally, growth in this occupation is occurring because these therapists are increasingly found in more types of establishments. Just a few years ago most respiratory therapists worked in hospitals; today, it is becoming common to find these workers in nursing homes and doctors' offices and clinics. Not only is it more convenient for residents and patients, but it cuts down on hospital re-admissions, which lowers medical expenses for treatment.

Software Developers, Applications

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

Technology is here to stay and filtering into everyday life in ways few would have thought of years ago. From door bells which allow you to see whom is at your door even when you aren't home, to refrigerators which can create a grocery list you can view on your smartphone while at the store, and television remotes to which you can quote a few lines from a show and it will find a channel with

the show on, the need for applications software developers is all around us. And, because this occupation can be found in so many industries (including workers who are self-employed and work on a contract basis) and virtually in any location, this occupation is projected to see strong growth for a long time to come.

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

Metal and Plastic Computer Numerically Controlled (CNC) Machine Tool Programmers round off South Dakota's top five fastest growing occupations at 27.8 percent. This is a small occupation, however. Because it is relatively new, it is significant to the economic landscape of South Dakota's production industry. These workers develop computer programs to control the machining or processing of metal or plastic parts by automatic machine tools, equipment or systems. Though CNC machine tool operators have been around for a while, those who create specific programs to perform specific tasks have not been as commonplace in South Dakota's production industry. Most employers purchased machines with preloaded programming the CNC operator would set up and run. Now, companies are going one step further and hiring their own CNC machine tool programmers who write code which is specific for the product their company produces.

Many South Dakota manufacturers are adopting technologies such as computer numerically controlled (CNC) machine tools and robots to improve quality and lower production costs. This industry restructuring to embrace new technologies will require the skills of CNC programmers rather than the machine setters, operators and tenders. Therefore, demand for manual machine tool operators and tenders is likely to be reduced by these new technologies, and conversely, demand for CNC machine programmers is expected to be strong in the 2016-2026 decade in South Dakota.

Information Security Analysts

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

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

Over the 2016-2026-decade demand for this occupation is expected to be high. Cyberattacks have grown in frequency and the demand for managed security by these analysts will be required to come

up with innovative solutions to prevent hackers from stealing critical information or creating problems for networks.

Health Specialties Teachers, Post-Secondary

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

Physician Assistants

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

Massage Therapists

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

1. State standards set to meet licensing and certification requirements for this occupation. Licensing requirements in South Dakota include not only passage of a national board exam, but applicants must also meet educational requirements and provide proof of liability or malpractice insurance.

2. Scientific studies which validated the healing qualities touch and massage therapy can have on the overall wellbeing of a person.

The massage therapist occupation benefited from these two legitimizing events and has been growing in popularity since. One reason for the fast growth for massage therapists is the variety of industries they are expanding into. There was a time when massage therapy was viewed as a luxury

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

Orthotists and Prosthetists

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

South Dakota's population increase and the age of the state's residents will certainly play a large role in the growth of this occupation during the 2016-2026 projections round. Both vascular disease and uncontrolled diabetes can lead to limb loss, and both diseases are more common among older people. In addition, with today's medical advancements, more traumatic injury patients are surviving, increasing the need for artificial limbs etc., which will increase the demand for orthotic and prosthetic devices and these healthcare specialists.

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

Occupational Demand Projections

An even more relevant indicator of the workforce skills needed in the future are occupational demand projections. Employment projections include average annual demand estimates for each specific occupation—or an estimate of the workers who will be needed to fill job openings not only created by employment growth within the industries where the occupation is found, but also those needed to fill openings created by replacement need. In other words, demand estimates include job openings expected to be needed to replace current workers in the occupation who will a.) leave the labor force entirely (for reasons such as staying home to raise a family, retirement and death) and b.)

permanently transfer out of the occupation to another occupation (such as a licensed practical nurse who increases his education and licensing and gets a job in the registered nurse occupation).

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

South Dakota's Highest Demand Occupations to 2026					
Occupational Title	2016 Workers	2026 Workers	Numeric Change 2016-2026	Percent Change 2016-2026	Average Annual Demand
Total, All Occupations	**487,455**	**520,526**	**33,071**	**6.78%**	**58,885**
Cashiers*	13,043	13,326	283	2.17%	2,474
Retail Salespersons*	15,884	17,033	1,149	7.23%	2,463
Combined Food Preparation and Serving Workers, Including Fast Food*	9,475	11,204	1,729	18.25%	2,047
Farmers, Ranchers and Other Agricultural Managers	19,926	20,997	1,071	5.37%	1,607
Waiters and Waitresses*	7,221	7,753	532	7.37%	1,456
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	9,669	10,540	871	9.01%	1,381
Bookkeeping, Accounting and Auditing Clerks*	10,810	10,754	-56	-0.52%	1,180
Laborers and Freight, Stock and Material Movers, Hand*	7,214	7,936	722	10.01%	1,095
Heavy and Tractor-Trailer Truck Drivers*	8,604	9,257	653	7.59%	1,005
Customer Service Representatives*	7,605	7,816	211	2.77%	993
Notes: Data is preliminary and subject to revision. Data for occupations with fewer than 20 workers in 2016 not included. Data presented for occupations will not sum to totals due to rounding and non-publishable data for additional occupations included in totals. Total openings are the summation of openings due to employment change, openings to replace individuals exiting the labor force entirely AND openings to replace workers permanently transferring from one occupation to another occupation. Annualized results are calculated by dividing by 10, the number of years in the projection period. For more information, see http://dlr.sd.gov/lmic/projections_technical_notes_2016_2026.aspx. *Source: Labor Market Information Center, South Dakota Department of Labor and Regulation, July 2018.*					

You will notice with just one exception, the occupations for which workers are projected to be in the greatest demand through 2026 were also among those which had high existing demand (as measured by advertised job openings in 2017). The occupational titles in the table above are noted with an asterisk if they are also in high demand using the 2017 job openings data.

When decision-makers are analyzing labor market data to make determinations of occupational training or educational programs to fund or provide assistance with, the Department of Labor and Regulation encourages the use of not only occupational demand data, but also wage estimates. This helps ensure an adequate return on investment—not only with the greater likelihood of a trainee or graduate finding employment in an occupation related to the program, but also of being able to improve his or her earning potential.

Hot Careers

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

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

☐ be projected to show employment growth

☐ be among the 30 occupations with the highest projected demand for workers (2016-2026)

☐ have an average wage above the median wage across all occupations ($32,338) using 2017 wage data

The table below shows the 2016-2026 projected employment and outlook information and the 2017 wage data for each of the Hot Careers.

Occupational Title	Annual Average Demand	2016 Workers	2026 Workers	Actual Change 2016-2026	Percent Change 2016-2026	Annual Median Wage	Annual Average Wage
Total, All Occupations	**58,885**	**487,455**	**520,526**	**33,071**	**6.8%**	**$32,338**	**$40,766**
Accountants and Auditors	513	5,073	5,570	497	9.8%	$61,515	$65,456
Automotive Service Technicians and Mechanics	238	2,364	2,506	142	6.0%	$37,839	$39,581
Carpenters	639	6,343	6,810	467	7.4%	$34,504	$35,774
Cement Masons and Concrete Finishers	229	1,904	2,080	176	9.2%	$36,526	$37,028
Child, Family and School Social Workers	187	1,701	1,817	116	6.8%	$38,163	$39,767
Clergy	209	1,790	1,901	111	6.2%	$44,146	$47,036
Coaches and Scouts	185	1,245	1,377	132	10.6%	$31,217	$33,978
Electricians	265	2,288	2,383	95	4.2%	$44,577	$45,951
Elementary School Teachers, Except Special Education	324	4,156	4,407	251	6.0%	$40,781	$41,575
First-Line Supervisors of Construction Trades and Extraction Workers	157	1,461	1,585	124	8.5%	$61,284	$63,210
First-Line Supervisors of Food Preparation and Serving Workers	301	1,929	2,109	180	9.3%	$32,852	$33,470
First-Line Supervisors of Office and Administrative Support Workers	190	1,871	1,934	63	3.4%	$47,648	$49,263
First-Line Supervisors of Retail Sales Workers	435	3,813	4,061	248	6.5%	$42,695	$47,039

	Annual Average Demand	2016 Workers	2026 Workers	Actual Change 2016-2026	Percent Change 2016-2026	Annual Median Wage	Annual Average Wage
South Dakota Hot Careers 2017, continued							
Occupational Title							
General and Operations Managers	380	4,094	4,459	365	8.9%	$110,150	$123,306
Heavy and Tractor-Trailer Truck Drivers	1,005	8,604	9,257	653	7.6%	$38,550	$40,853
Highway Maintenance Workers	173	1,665	1,711	46	2.8%	$33,322	$33,685
Insurance Sales Agents	315	2,884	3,171	287	10.0%	$47,648	$64,762
Loan Interviewers and Clerks	236	2,105	2,371	266	12.6%	$32,718	$33,425
Loan Officers	155	1,620	1,808	188	11.6%	$60,177	$63,988
Maintenance and Repair Workers, General	313	2,873	3,118	245	8.5%	$35,770	$36,597
Management Analysts	299	2,935	3,310	375	12.8%	$67,496	$79,099
Middle School Teachers, Except Special and Career/Technical Education	166	2,126	2,257	131	6.2%	$41,901	$42,518
Operating Engineers and Other Construction Equipment Operators	229	1,976	2,075	99	5.0%	$42,706	$43,753
Parts Salespersons	226	1,627	1,793	166	10.2%	$32,395	$34,537
Plumbers, Pipefitters, and Steamfitters	170	1,436	1,579	143	10.0%	$41,096	$43,195
Registered Nurses	837	12,334	14,052	1,718	13.9%	$55,658	$57,014
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	640	5,650	6,151	501	8.9%	$57,176	$62,175
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	187	1,601	1,776	175	10.9%	$71,907	$84,582
Secondary School Teachers, Except Special and Career/Technical Education	268	3,509	3,724	215	6.1%	$41,475	$41,985
Welder, Cutters, Solderers, and Brazers	391	3,150	3,555	405	12.9%	$36,910	$37,614

Notes: Data is preliminary and subject to revision. Data for occupations with fewer than 20 workers in 2016 not included. Data presented for occupations will not sum to totals due to rounding and non-publishable data for additional occupations included in totals. Total openings are the summation of openings due to employment change, openings to replace individuals exiting the labor force entirely AND openings to replace workers permanently transferring from one occupation to another occupation. Annualized results are calculated by dividing by 10, the number of years in the projection period. For more information, see http://dlr.sd.gov/lmic/projections_technical_notes_2016_2026.aspx. Wage data are 2017 estimates. Annual Median Wage is the wage at which 50 percent of workers in the occupation earn less than or equal to the amount, and 50 percent earn more. The Annual Average Wage represents the arithmetic mean of the wage data collected, calculated by dividing the estimated total wages for an occupation by the number of workers in that occupation. The average wage is also referred to as the mean wage. For more information on wage data, see http://dlr.sd.gov/lmic/occupational_wages_technical_notes.aspx.

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

Estimated Worker Supply for South Dakota Hot Careers							
Occupational Title	SD Educational Requirement	Current Job Openings (09/06/18)	Current Candidates Available (09/06/18)	Current Candidates as a Percentage of Current Openings	Projected Average Annual Demand to 2026	Completers of Related Public Postsecondary Training Programs 2016	Completers as a Percentage of Average Annual Demand
Total, All Occupations		**17,786**	**4,447**	**25.0%**	**58,885**	**n/a**	**n/a**
Accountants and Auditors							
Bachelor's degree		89	62	69.7%	513	160	31.2%
Automotive Service Technicians and Mechanics							
High school diploma or equivalent		35	16	45.7%	238	39	16.4%
Carpenters							
High school diploma or equivalent		47	22	46.8%	639	3	0.5%
Cement Masons and Concrete Finishers							
Less than high school		35	14	40.0%	229	0	0.0%
Child, Family, and School Social Workers							
Bachelor's degree		4	21	525.0%	187	70	37.4%
Clergy							
Bachelor's degree		9	2	22.2%	209	26	12.4%
Coaches and Scouts							
High school diploma or equivalent		17	2	11.8%	185	174	94.1%
Electricians							
High school diploma or equivalent		49	16	32.7%	265	48	18.1%
Elementary School Teachers, Except Special Education							
Bachelor's degree		13	2	15.4%	324	318	98.1%
First-Line Supervisors of Construction Trades and Extraction Workers							
High school diploma or equivalent		15	7	46.7%	157	100	63.7%

Estimated Worker Supply for South Dakota Hot Careers, continued

Occupational Title	SD Educational Requirement	Current Job Openings (09/06/18)	Current Candidates Available (09/06/18)	Current Candidates as a Percentage of Current Openings	Projected Average Annual Demand to 2026	Completers of Related Public Postsecondary Training Pro	Completers as a Percentage of Average Annual Demand
First-Line Supervisors of Food Preparation and Serving Workers							
High school diploma or equivalent		144	15	46.7%	157	100	63.7%
First-Line Supervisors of Office and Administrative Support Workers							
High school diploma or equivalent		24	22	91.7%	190	1	0.5%
First-Line Supervisors of Retail Sales Workers							
High school diploma or equivalnet		130	24	18.5%	435	3	0.7%
General and Operations Managers							
Associate degree		83	69	83.1%	380	819	215.5%
Heavy and Tractor-Trailer Truck Drivers							
High school diploma or equivalent		264	35	13.3%	1,005	0	0.0%
Highway Maintenance Workers							
High school diploma or equivalent		15	2	13.3%	173	9	5.2%
Insurance Sales Agents							
High school diploma or equivalent		28	5	17.9%	315	4	1.3%
Loan Interviewers and Clerks							
High school diploma or equivalent		12	2	16.7%	236	34	14.4%
Loan Officers							
Associate degree		30	9	30.0%	155	28	18.1%
Maintenance and Repair Workers, General							
High school diploma or equivalent		88	51	58.0%	313	6	1.9%
Management Analysts							
Bachelor's degree		21	10	47.6%	299	708	236.8%

				Current Candidates as a Percentage	Projected Average Annual	Completers of Related Public Postsecondary	Completers as a Percentage of Average
Occupational Title	**SD Educational Requirement**	**Current Job Openings (09/06/18)**	**Current Candidates Available (09/06/18)**	**of Current Openings**	**Demand to 2026**	**Training Programs 2016**	**Annual Demand**
Middle School Teachers, Except Special and Career/Technical Education							
Bachelor's degree		0	1	n/a	166	272	163.9%
Operating Engineers and Other Construction Equipment Operators							
High school diploma or equivalent		59	16	27.1%	229	9	3.9%
Parts Salespersons							
Less than high school		30	5	16.7%	226	0	0.0%
Plumbers, Pipefitters, and Steamfitters							
High school diploma or equivalent		55	1	1.8%	170	7	4.1%
Registered Nurses							
Associate degree		972	22	2.3%	837	1,119	133.7%
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products							
High school diploma or equivalent		28	11	39.3%	640	35	5.5%
Secondary School Teachers, Except Special and Career/Technical Education							
Bachelor's degree		6	4	66.7%	268	1,187	442.9%
Welders, Cutters, Solderers and Brazers							
High school diploma or equivalent		89	41	46.1%	391	90	23.0%

Notes: Current job openings (jobs advertised online) and current job candidates (potential candidates in the workforce system) data was extracted from the virtual labor market data system for September 6, 2018. Projected average annual demand is the same data as used in the table above and was taken from South Dakota occupational employment projections for 2016-2026 completed by the Labor Market Information Center. Completers of Related Public Postsecondary Training Programs 2016 data was extracted from the virtual labor market data system, using a query by occupational title. The source of the completer data is the U.S. Department of Education.

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