

OUR VIEW

JOB STATS OVERSTATE PROBLEM

The job numbers were bound to be disheartening for the Mankato area. According to the latest figures from the state, Blue Earth and Nicollet counties lost 2.6 percent of their jobs during the past year.

In May of 2009, 52,740 jobs existed compared to 51,383 jobs this May.

The figures have a bit more sting when compared to two other regional centers — Rochester and St. Cloud — which saw modest job gains over the year.

But, when put in perspective, the numbers are not so harsh, nor are they an indication Mankato is falling behind other regional centers.

As Jonathan Zierdt of Greater Mankato Growth points out, Mankato's economic indicators — good and bad — generally lag behind many other cities. And that's a good thing.

The area's economy is diverse, powered by a wide array of small- and medium-size business doing everything from manufacturing and professional services to retail and agribusiness. A large health care and public sector add to the diverse mix. That diversity means economic upturns and downturns happen slower and have a less dramatic effect than on communities heavily dependent on a few major companies.

Greater Mankato's job losses took the biggest hit last August when they reached a four-year low of 50,367. State data suggest other regions' biggest job losses happened earlier.

Mankato's unemployment rate peaked in June of last year at 7.2 percent. Meanwhile, Rochester's rate peaked a few months earlier at 7.4 percent and St. Cloud's peaked even earlier at 9.7 percent.

(Since then, all the cities' unemployment rates have steadily dropped: Mankato and Rochester are now at 5.6 percent and St. Cloud at 6.9 percent.) While the economic lagging effect means Mankato's job creation numbers are behind others, the important data is that they are now trending up. The area has gained more than 1,000 jobs since that low point in August and job creation has increased each of the last four months.

The Mankato region has without question been battered by the recession and revival will be slow. But the region's diverse economy puts it in an enviable position.

Why it matters

Area's job numbers are not as dire as they might appear.