



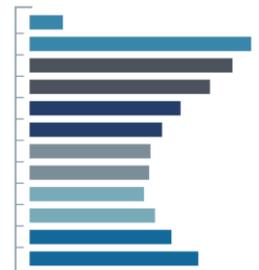
# What's on the horizon for demographics & the economy?



For Hamline University's Social Demographics class

**Andi Egbert, Assistant Director**  
Minnesota State Demographic Center

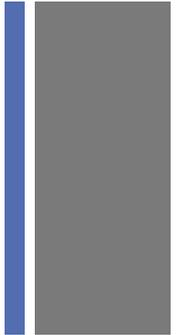
JUNE 16, 2015



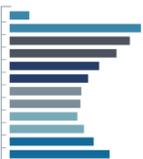


# What is the role of the MN State Demographic Center?

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- Serve as a liaison to the Census Bureau and assist with the decennial census counts
- Create MN population estimates and projections
- Analyze, interpret and distribute data from the state, U.S. Census Bureau and other sources
- Offer data and technical assistance to legislators, all levels of government, organizations and citizens across the state
- Monitor trends and help MN to make data-informed decisions





+ 3 { Aging  
Labor Force  
Migration & Diversity

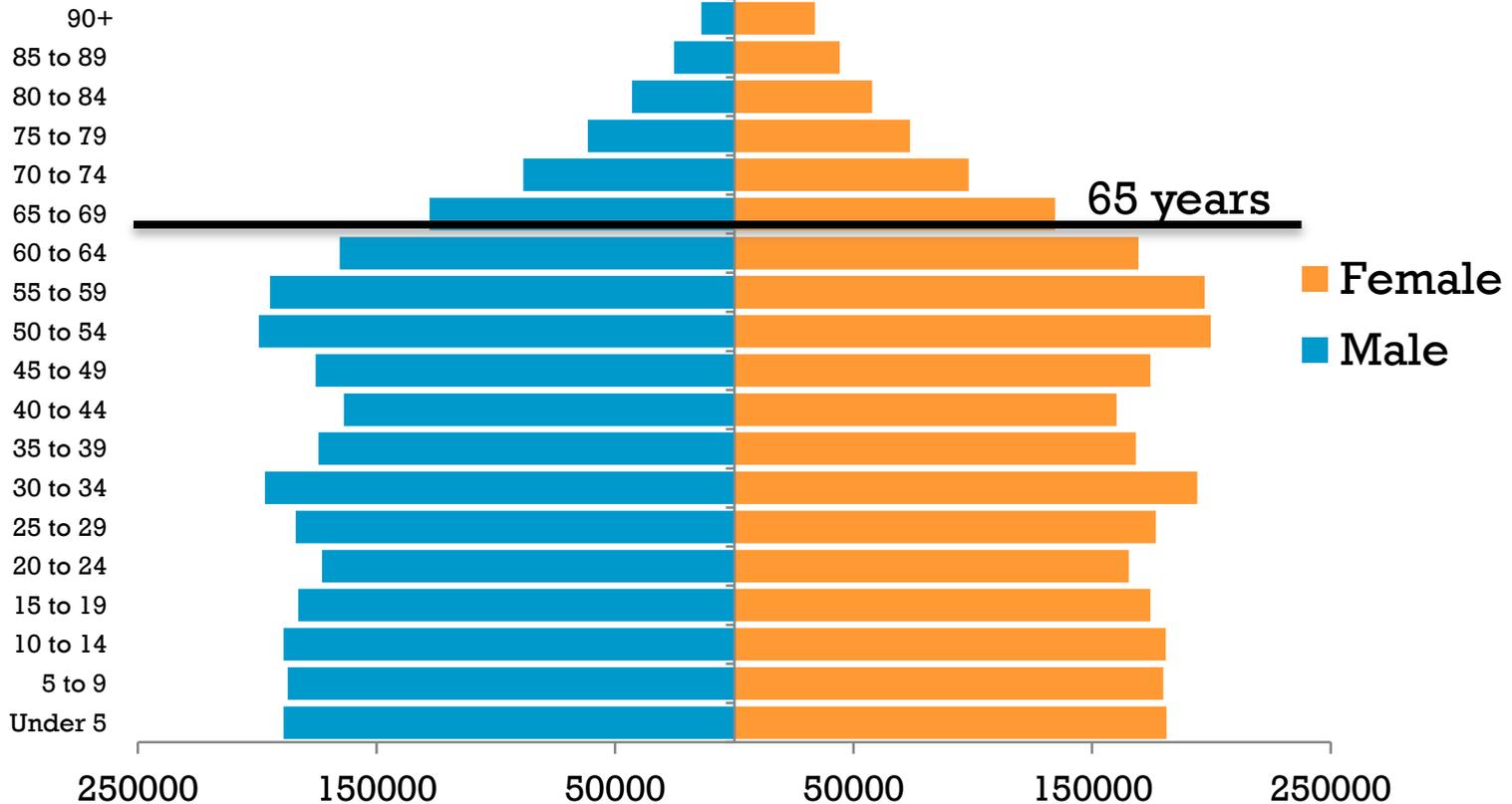
Major trends shaping  
Minnesota



# Aging Trends

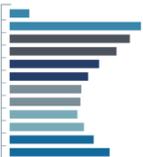
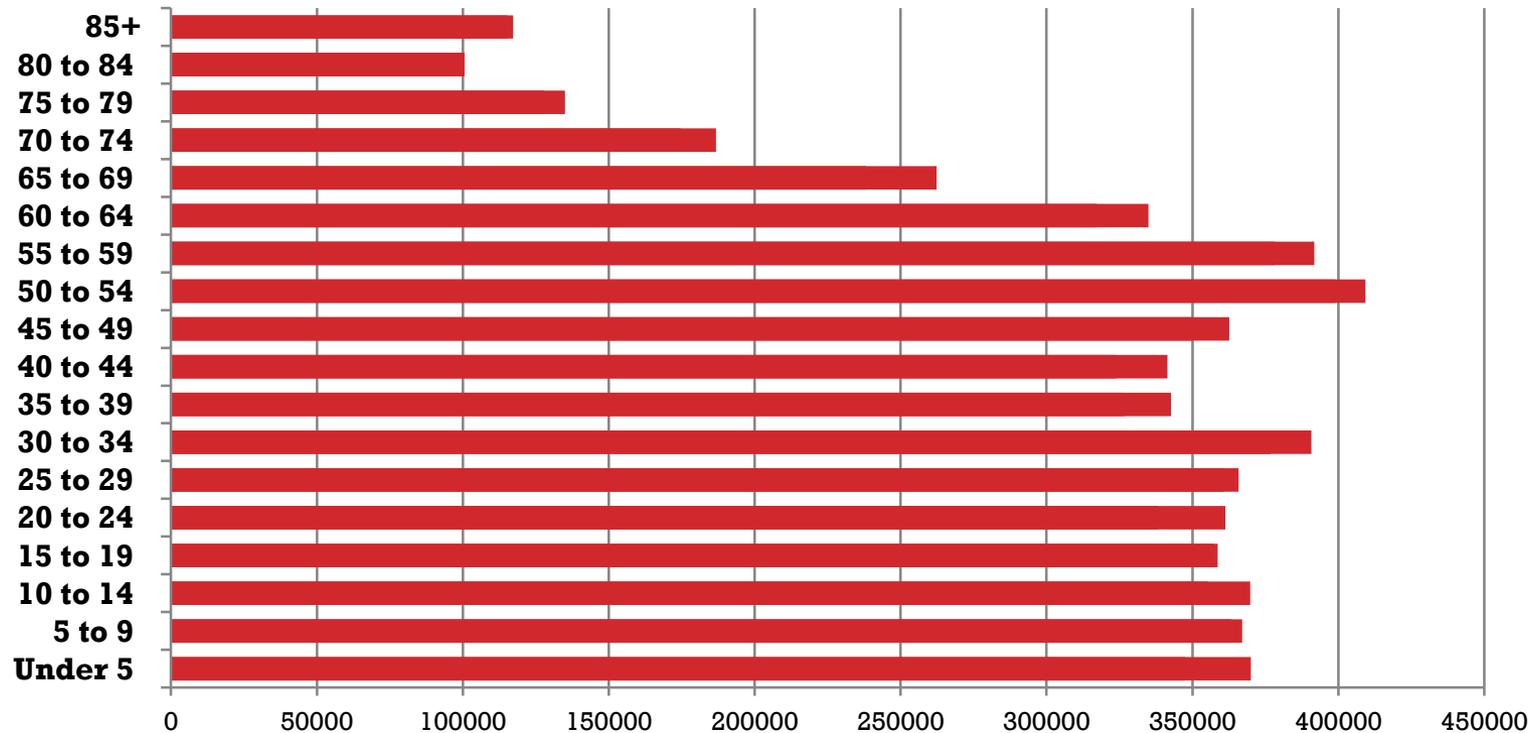
# + What Minnesota looks like... this year (2015)

## MN population by age and sex, 2015



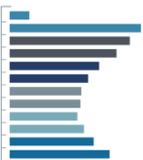
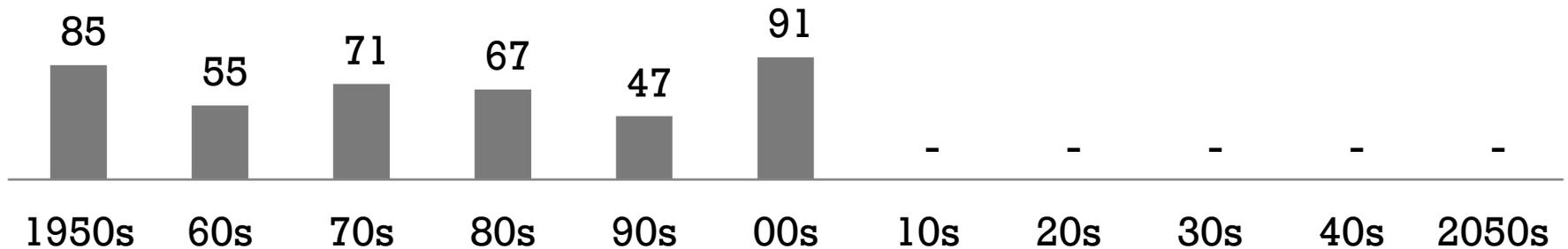
# + What Minnesota looks like... this year

**Population by age**  
Minnesota, 2015



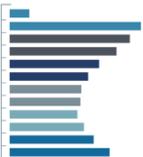
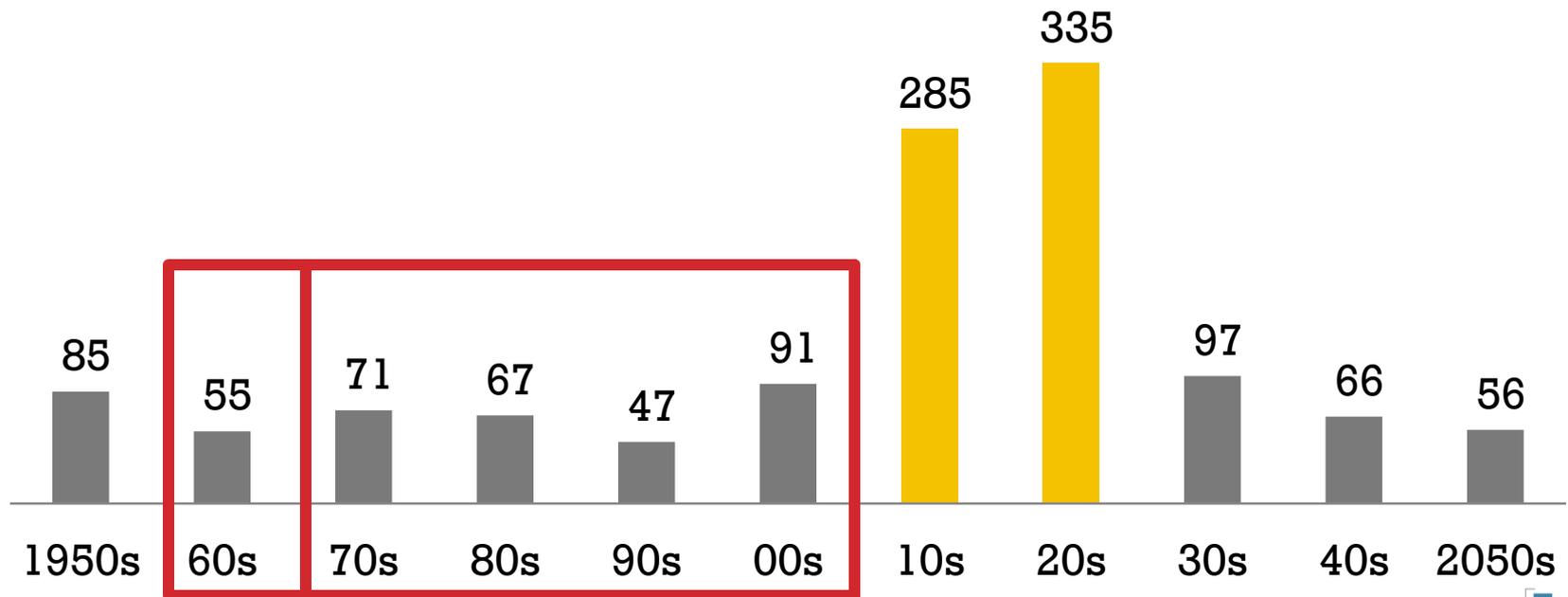
# + How many additional “older adults” will we gain during this decade?

**Change in older adults, age 65+ (Thousands)**



# + This decade and next: *Unprecedented* increases in MN's 65+ population

**Change in older adults, age 65+ (in thousands)**



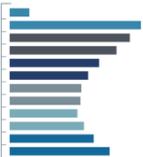


## QUIZ QUESTION:



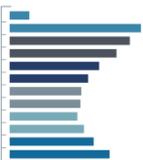
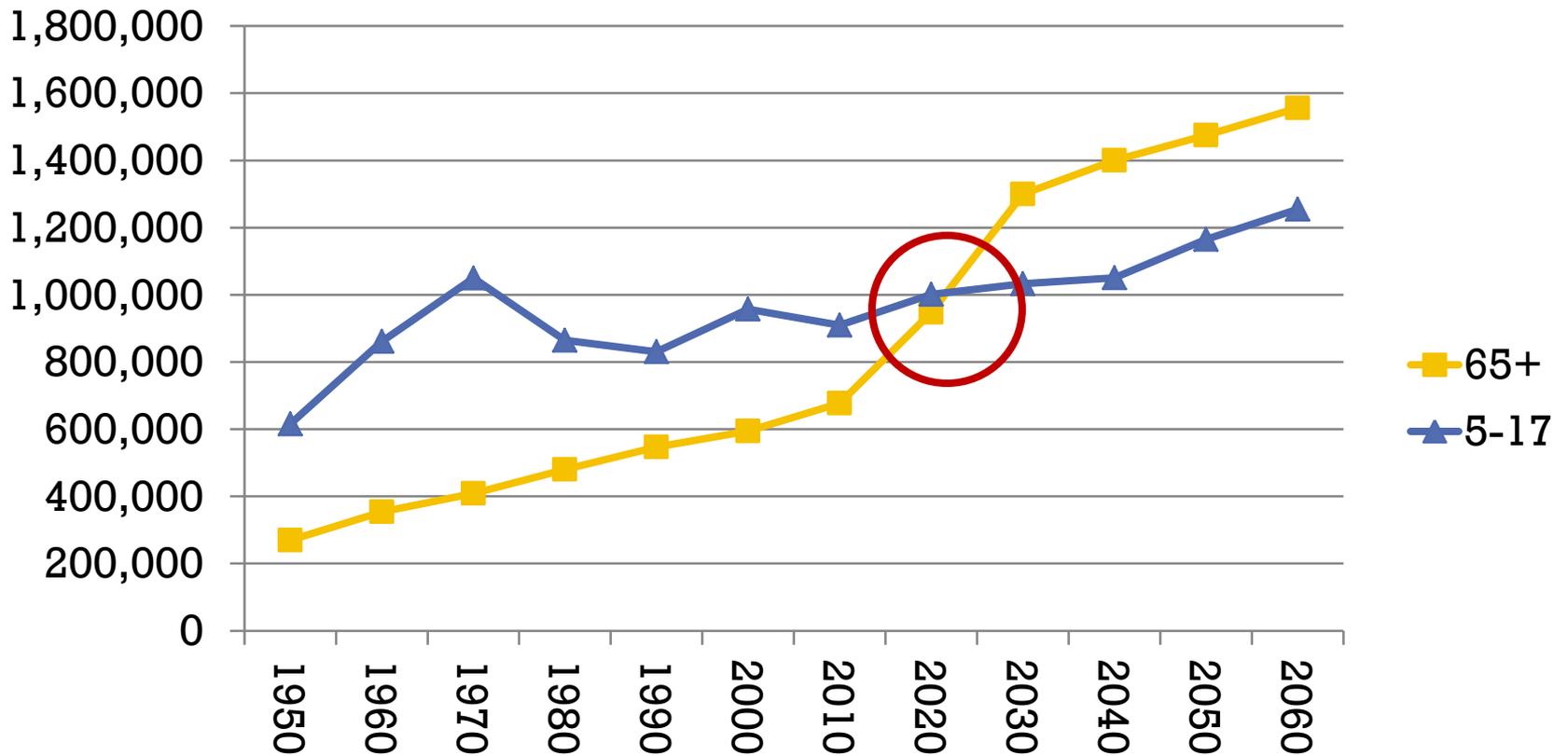
What event is predicted to happen in 2020 that has never before happened in the history of our state?

- A. The Vikings will win the Super Bowl
- B. MN will have more immigrants than U.S.-born residents
- C. MN will have more 65+ residents than school-age children, 5-17



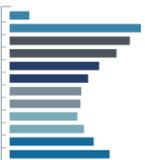
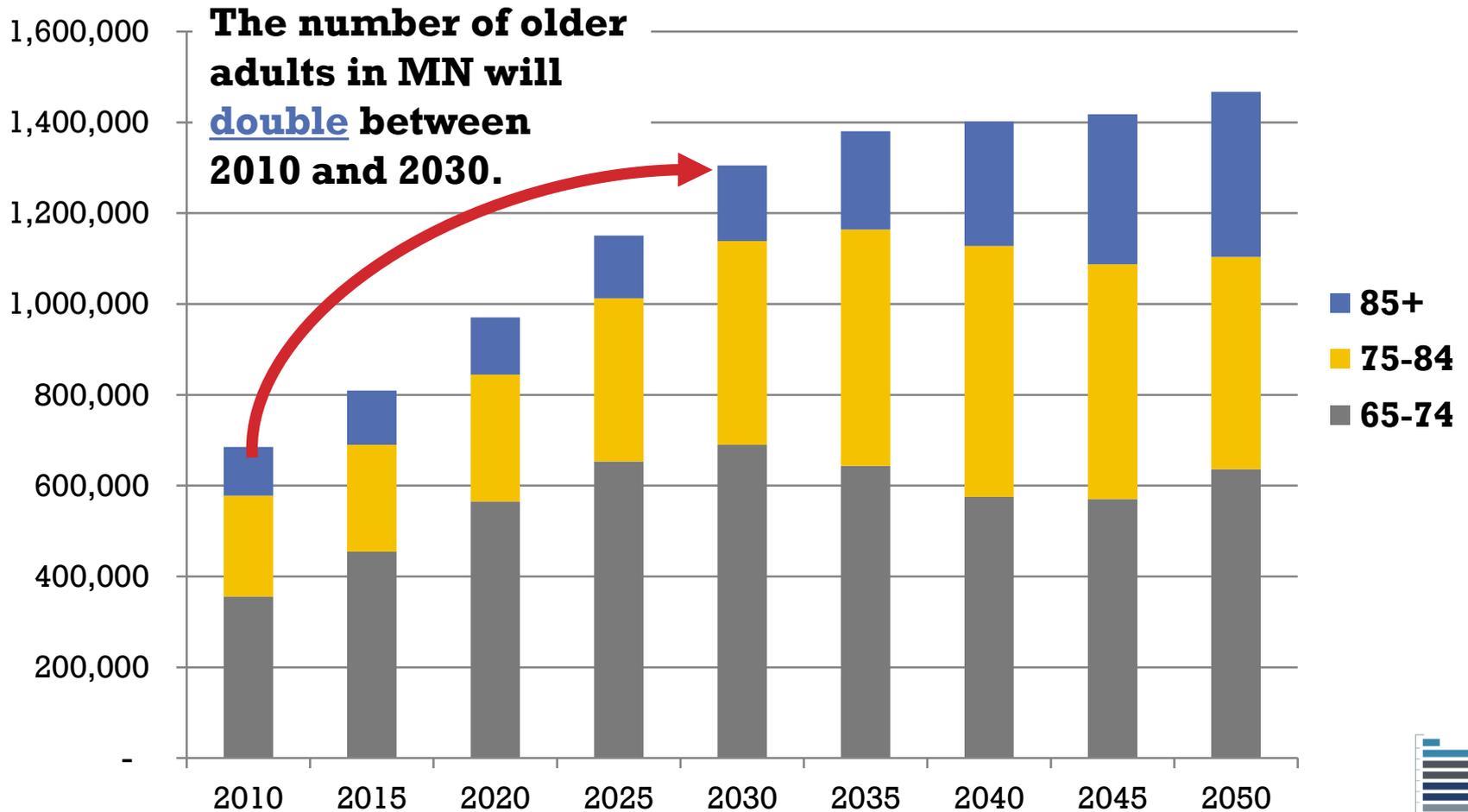
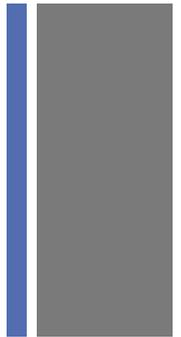


# For the first time in MN history: More 65+ than school-age by 2020



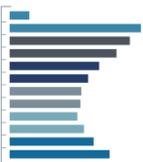
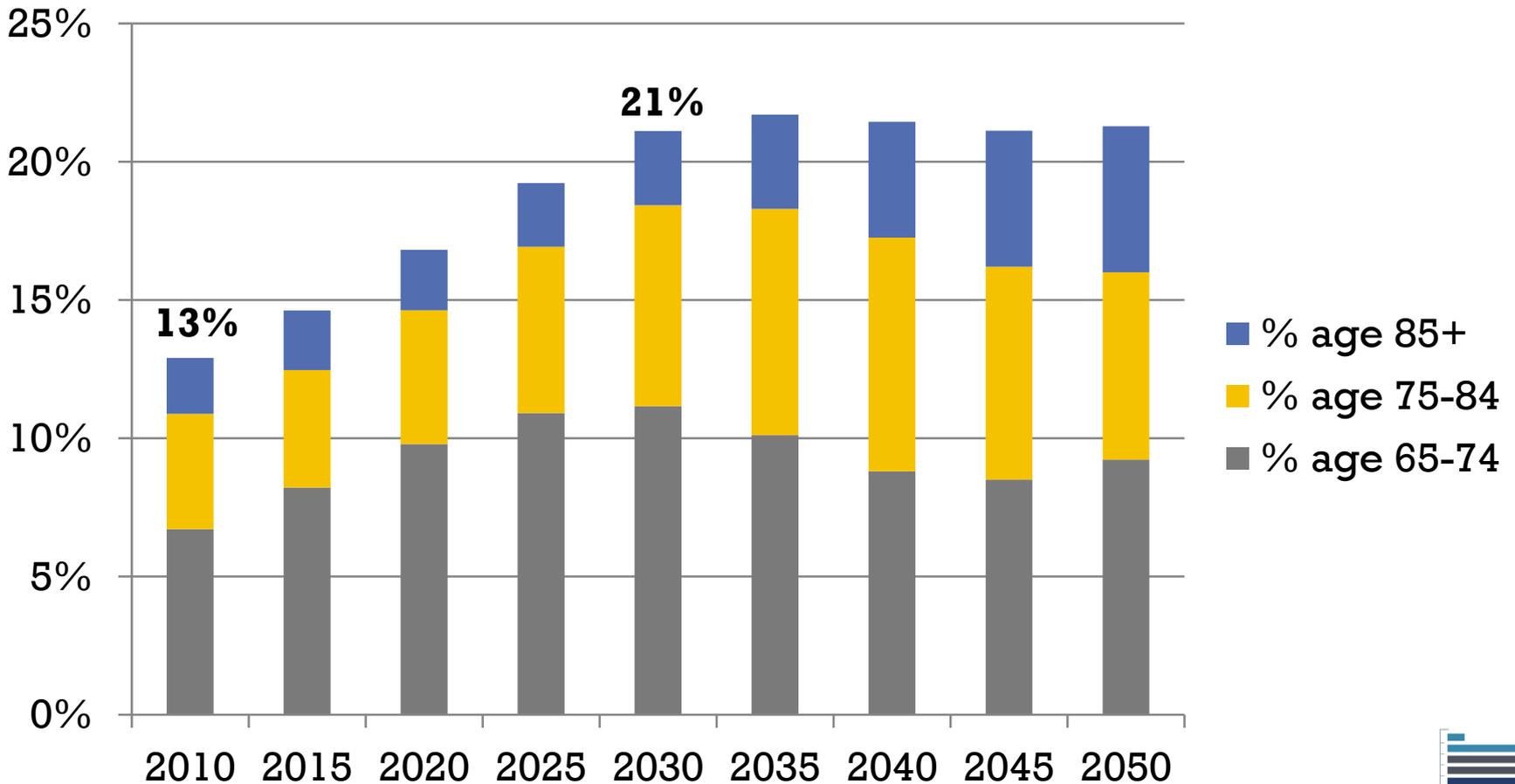


# Older adults in Minnesota by age cohort, 2010-2050



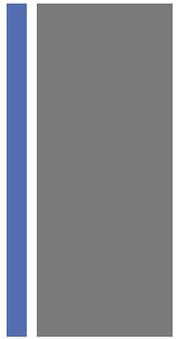


# By 2030, more than 1 in 5 Minnesotans will be 65+, including all Baby Boomers

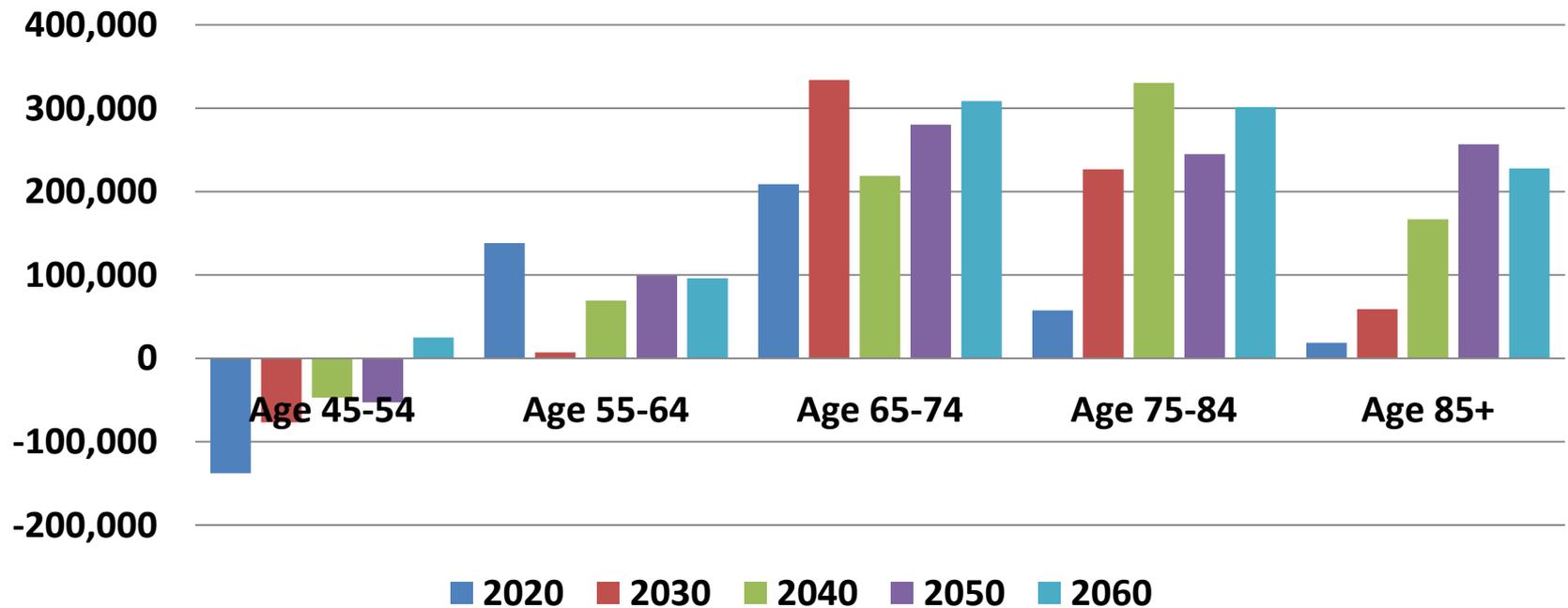




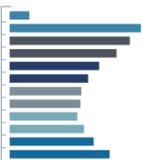
# The coming decades will see dramatic growth in older cohorts



Expected numeric change in people by age cohorts, between 2010 and given year, Minnesota



■ 2020 ■ 2030 ■ 2040 ■ 2050 ■ 2060





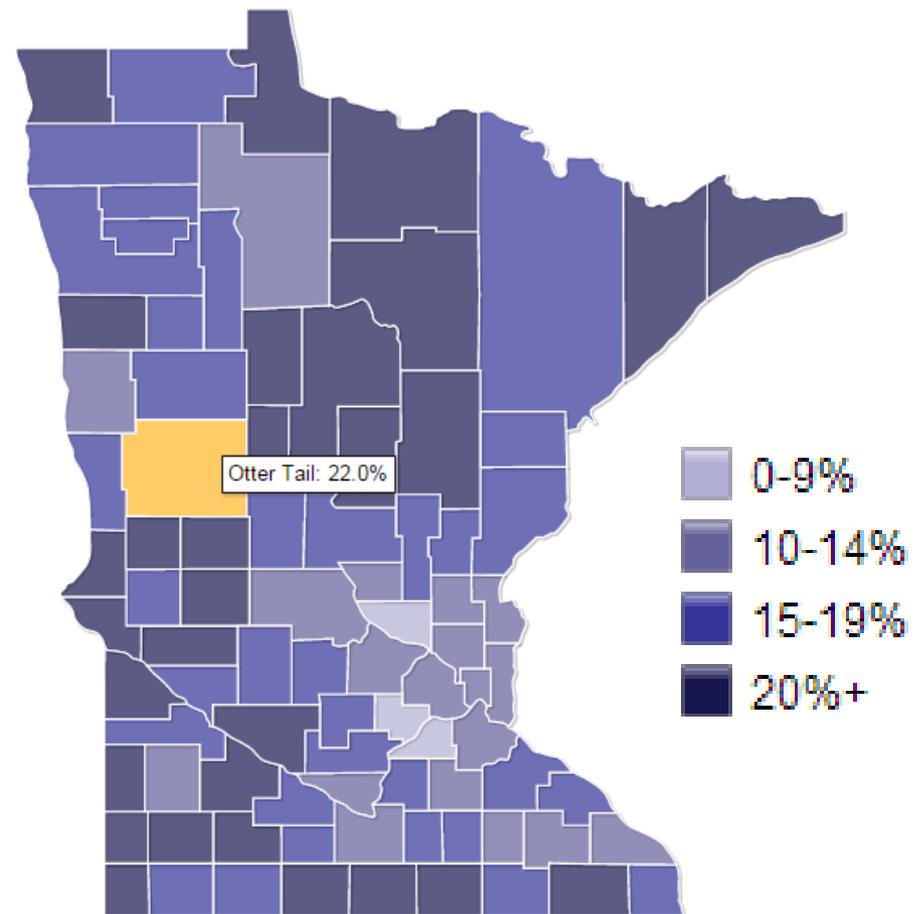
# County and regional differences in aging

\* Otter Tail has more than 1 in 5 residents age 65+ (22%)

\*15 counties have a higher % than OTC

## Population age 65 years and older

By county, 2013

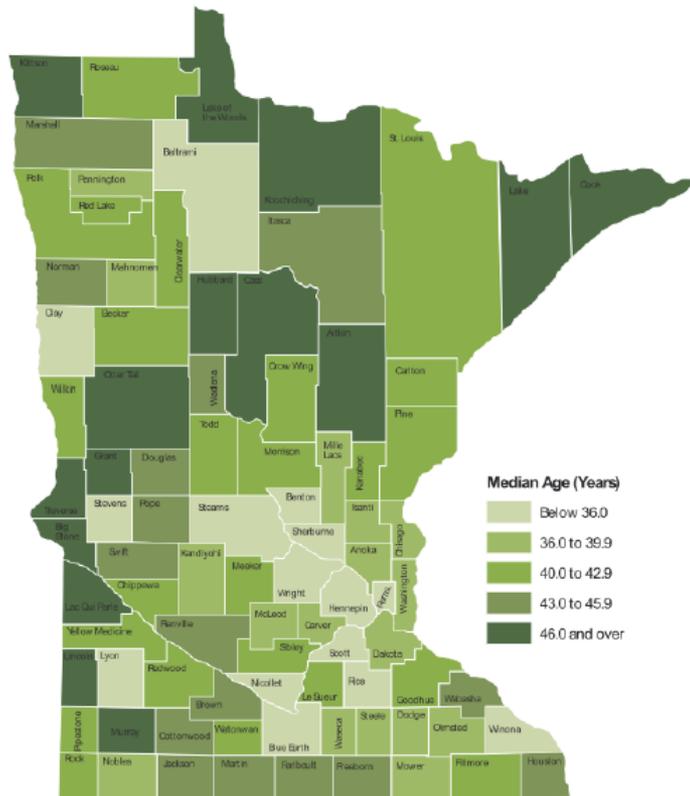


Sources: U.S. Census Bureau Population Estimates, via MNCompass.org.



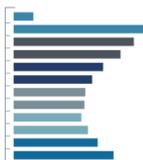
# Median age in the darkest counties is 46 or older

## Median Age, 2013



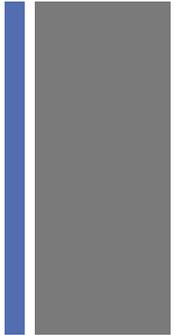
- Fast-growing counties with young families, large institutions of higher education, or large minority populations tend to have a lower median age.

Data source:  
U.S. Census Bureau  
© Center for Rural Policy and Development

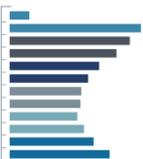




# Aging: not what it used to be...

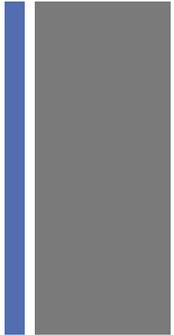


- Minnesota's older adults are healthier, living longer, and working longer than prior generations
  - Life expectancy for Minnesotans age 65 now is 20.1 more years (15.6 years in good health)
  - Variations across racial, educational, other groups
  - Minnesota's Boomers and older adults volunteer in record numbers

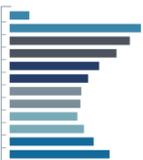
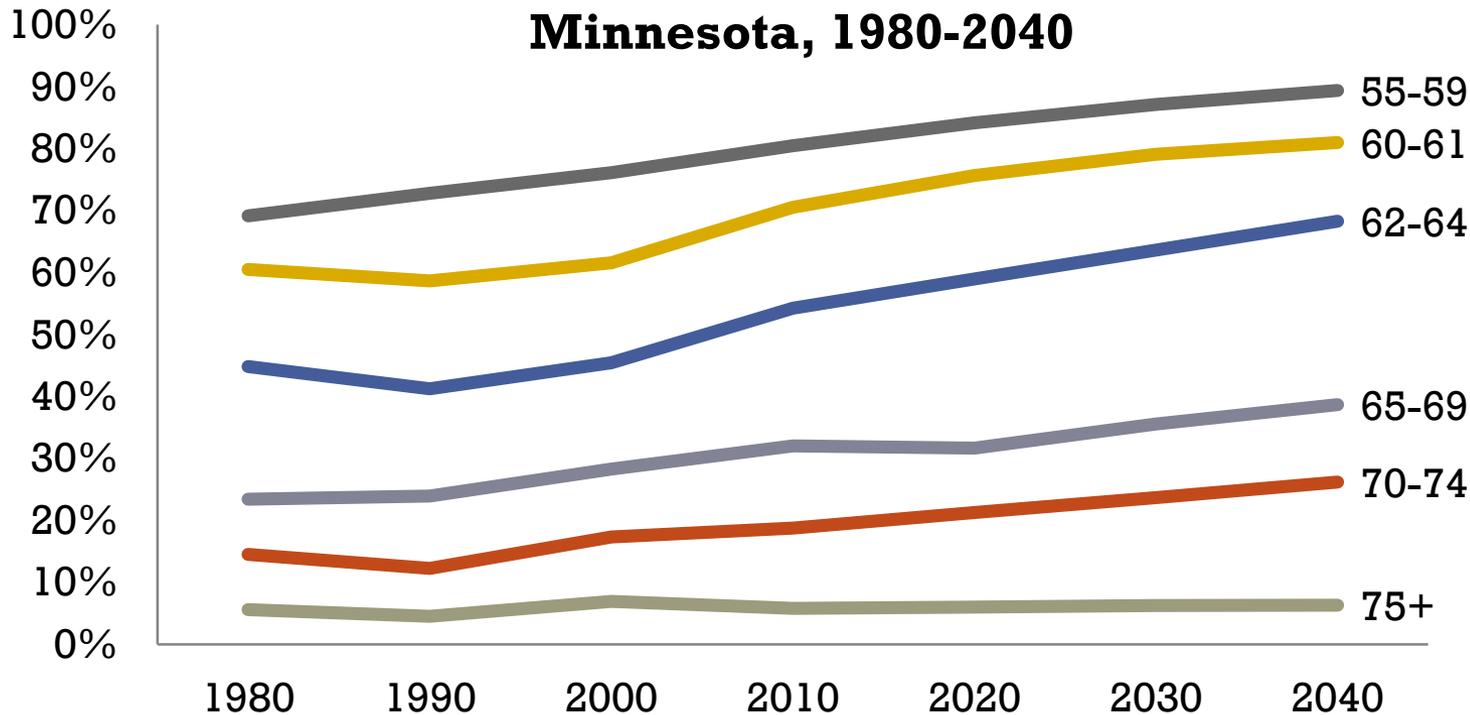




# Older adults projected to remain in the labor force longer than before



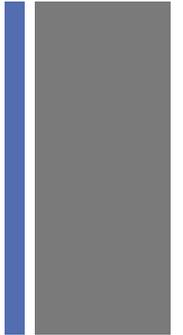
**Projected labor force participation rates of older adults  
Minnesota, 1980-2040**



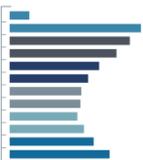


# Challenges related to our aging population

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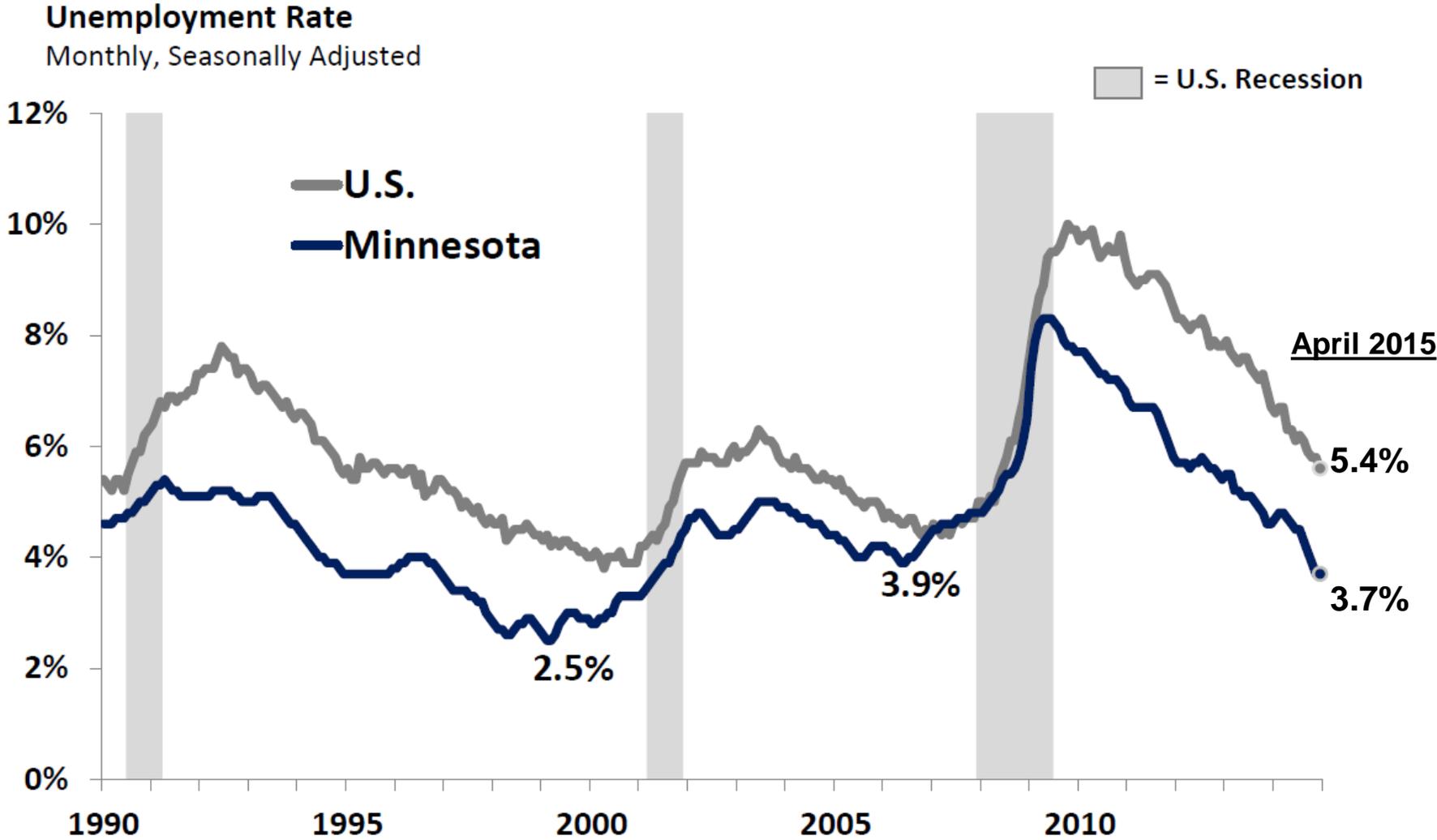
- Will we have or create sufficient **infrastructure** for more transportation, caregiving, health care, and social support needs, as **health challenges and disabilities increase**, especially when children live far away?
- Will we be able to **finance needed services**, especially long-term care? Private and public medical expenses will increase considerably.
- Will we have the workers to form a strong, skilled, highly **productive labor force** as the Boomers retire — for economic growth, tax revenues for needed services, and maintaining a high quality of life in MN?





# **Economy & labor force trends**

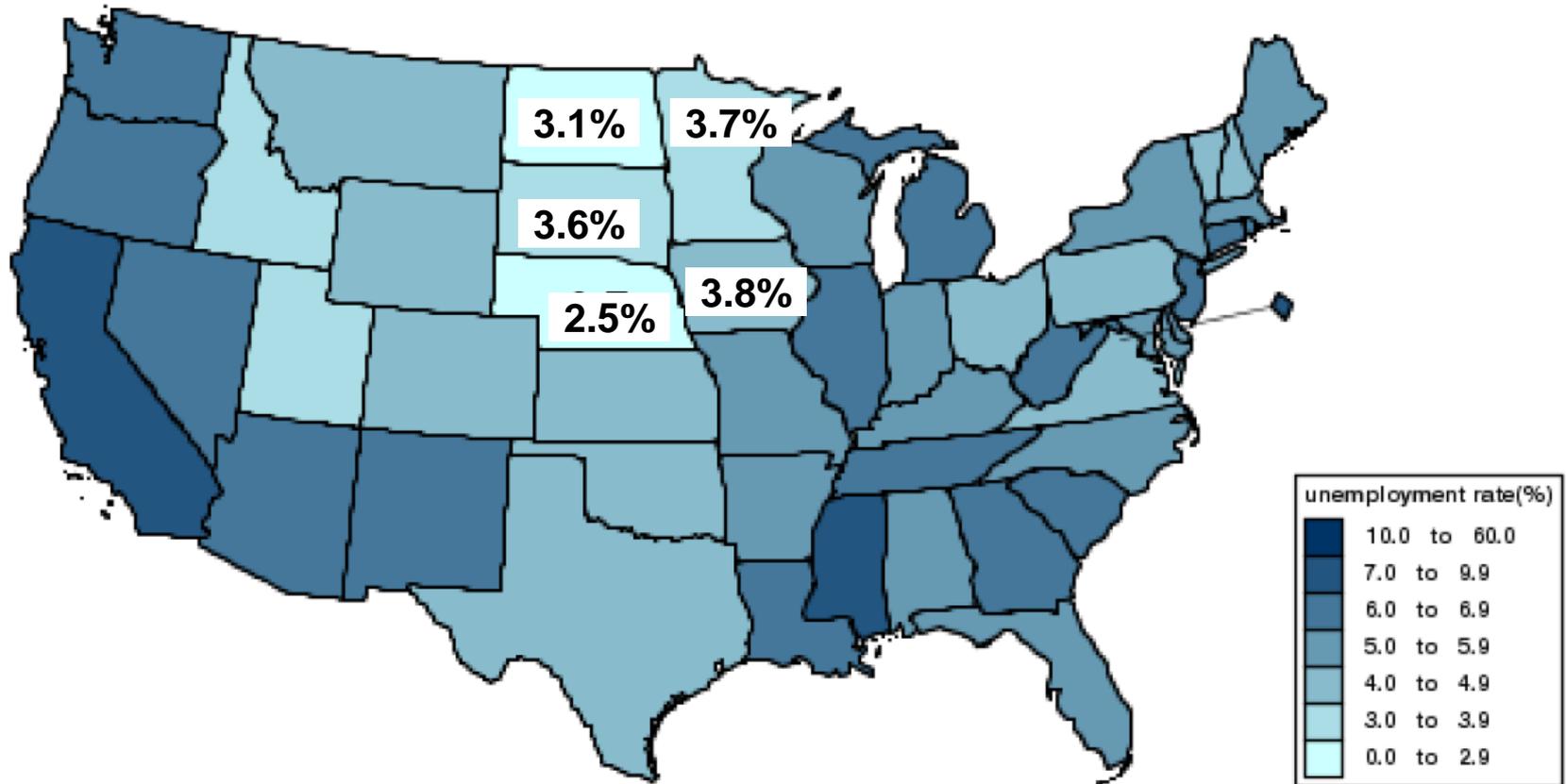
# Minnesota's economic expansion continues



Source: Minnesota Department of Employment and Economic Development (DEED)

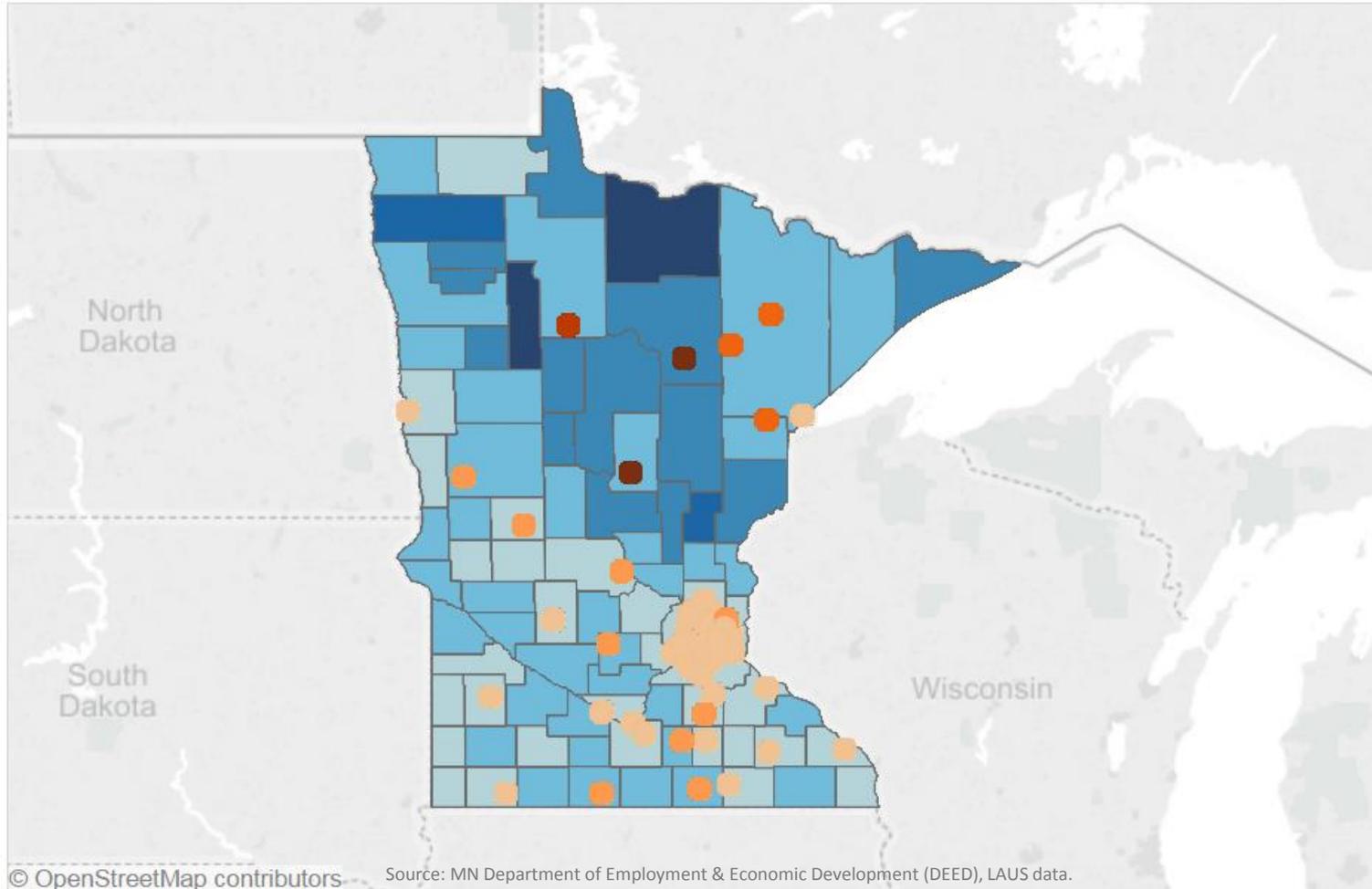
# Minnesota's low unemployment neighborhood

State unemployment rates  
Seasonally adjusted, April 2015

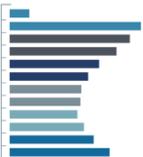




# County Unemployment Rates, April 2015 (Not seasonally adjusted)



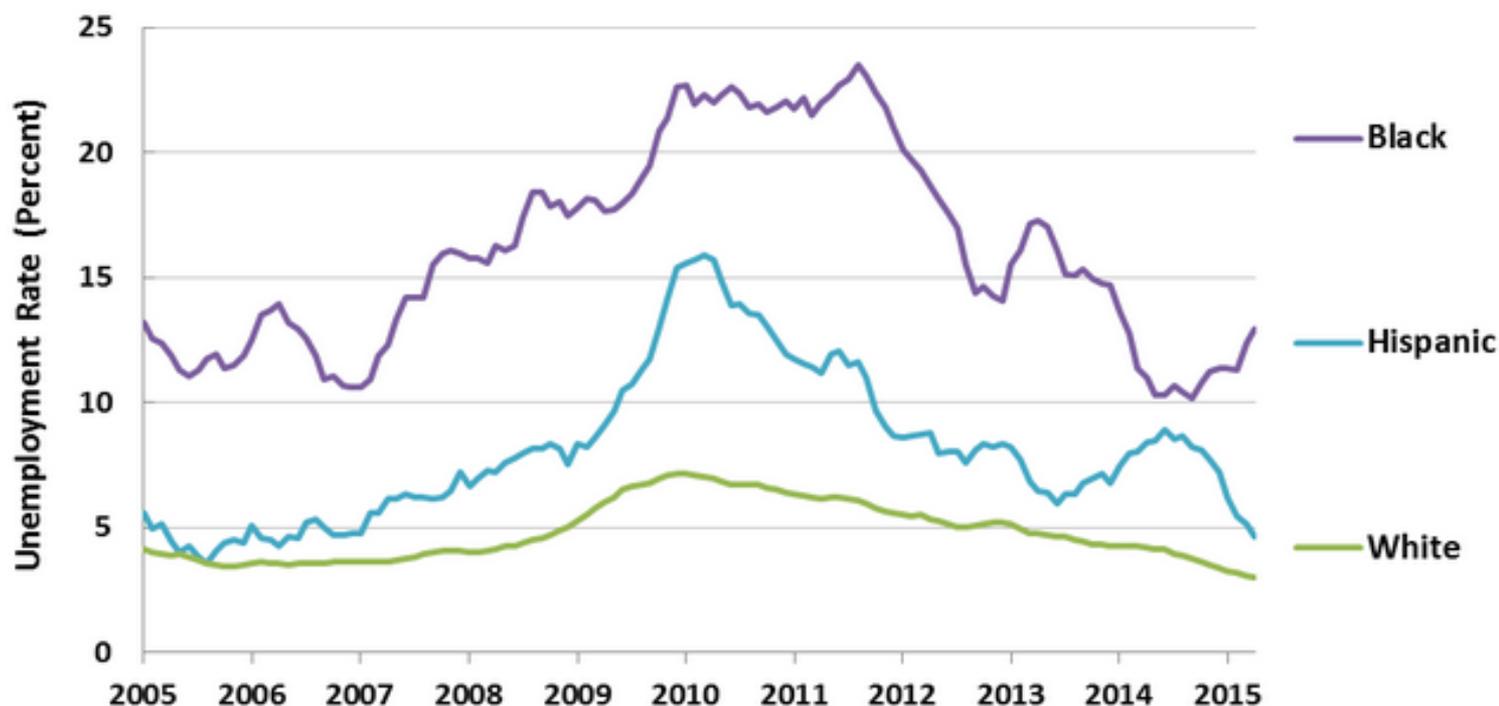
## Unemployment Rate



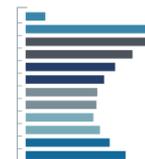
## Minnesota unemployment rates by race or ethnicity as of **April 2015**:

- Black or African American, 12.9 percent, compared to 11.0 percent 12 months ago
- Hispanic or Latino, 4.7 percent, compared to 8.4 percent 12 months ago
- White, 3.0 percent, compared to 4.2 percent 12 months ago
- All workers statewide, 3.9 percent, compared to 4.7 percent 12 months ago

### Minnesota Unemployment by Selected Race or Ethnicity



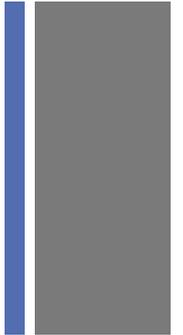
Source: Minnesota DEED, Labor Market Information, Current Population Survey



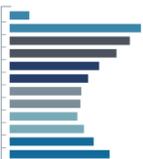


# Signs of a tightening labor market – in workers' favor

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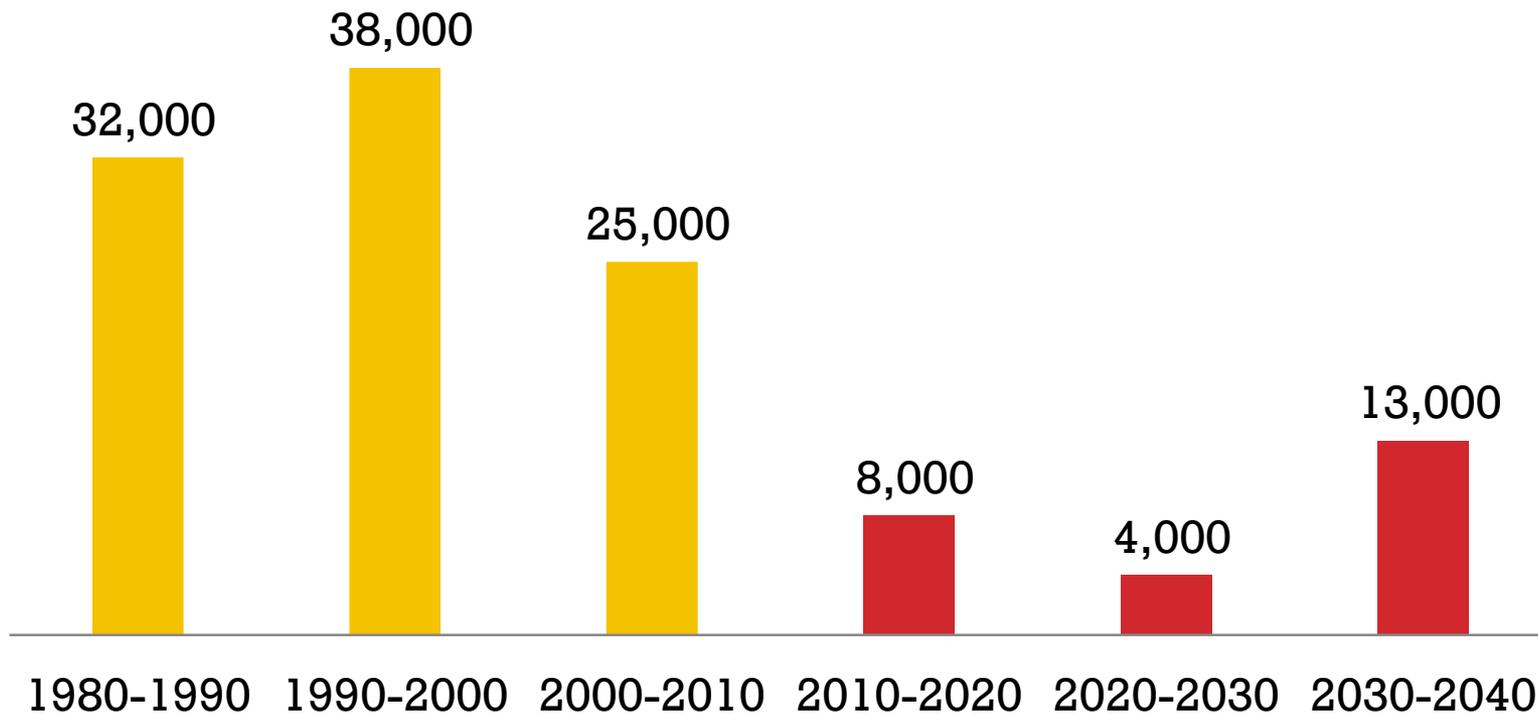
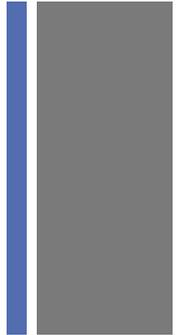


- Job openings rose to 5.4 million in April 2015, the highest since the series began in December 2000
- Over the 12 months ending in April 2015, the U.S. saw a net employment gain of 2.8 million (hires over separations)
- From June 2014-2015, about 430,000 more Americans with disabilities joined the workforce
  - Employment-to-Population Ratio (“EPOP”) up 2 percentage points, to 28%, for those with disabilities

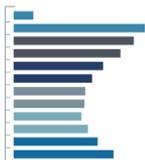




# Projected growth in MN labor force (Annual average, ages 16+)

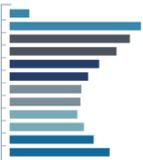
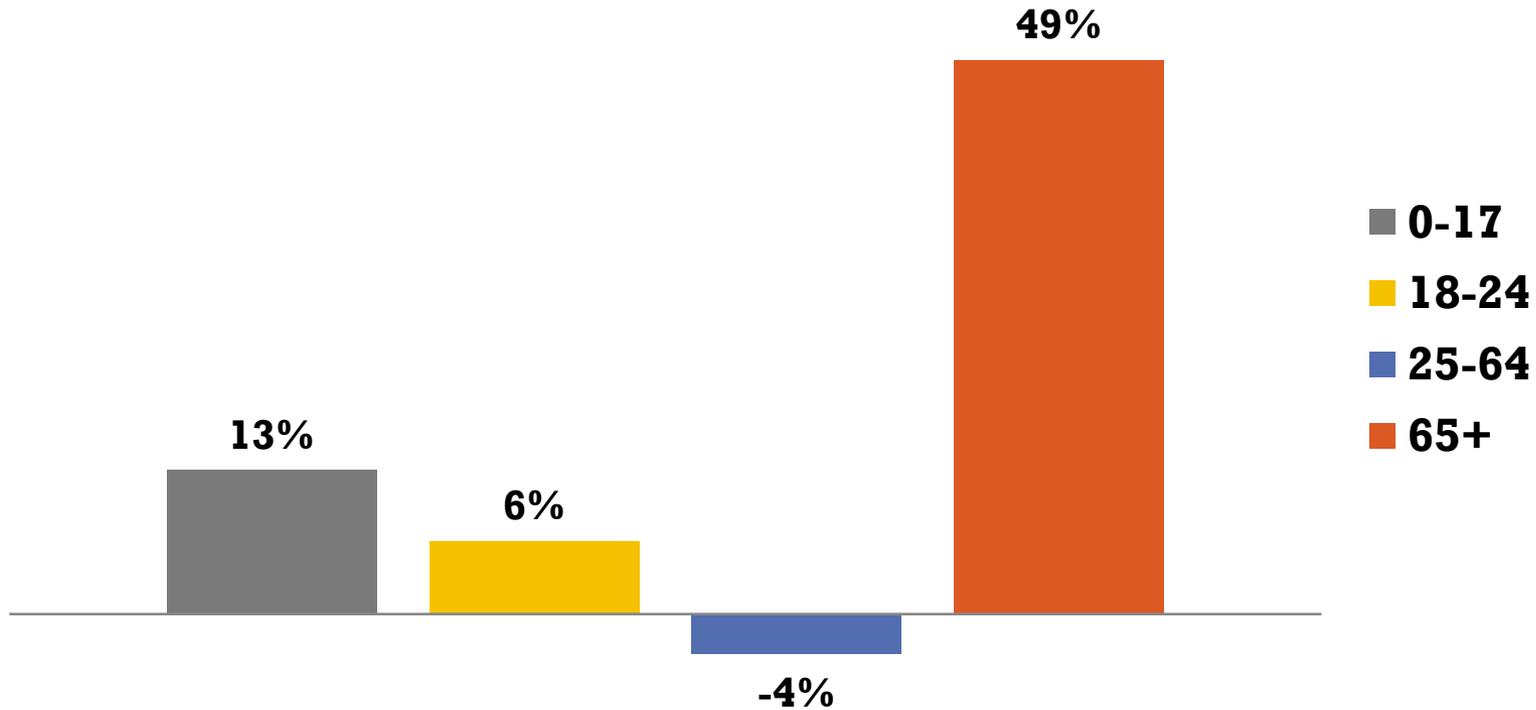
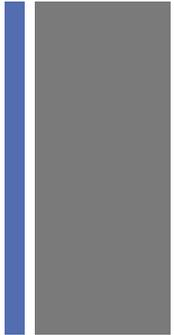


Source: U.S. Census Bureau, Minnesota State Demographic Center Projections



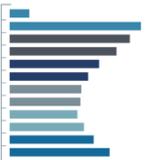
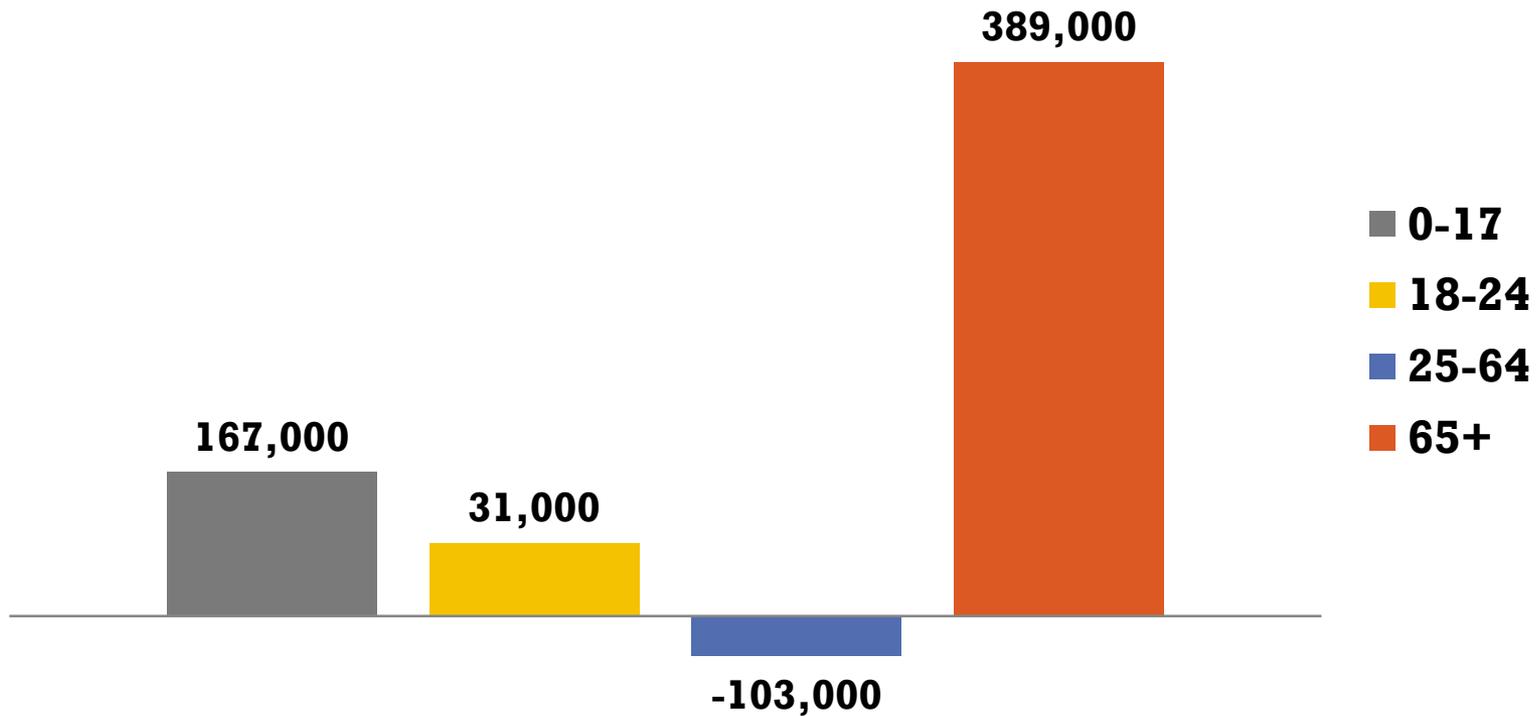
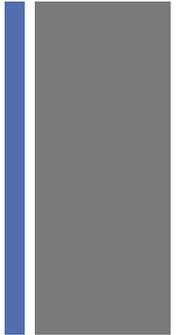


# Change in MN age groups between 2015 and 2030 (percent)



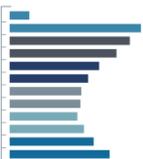
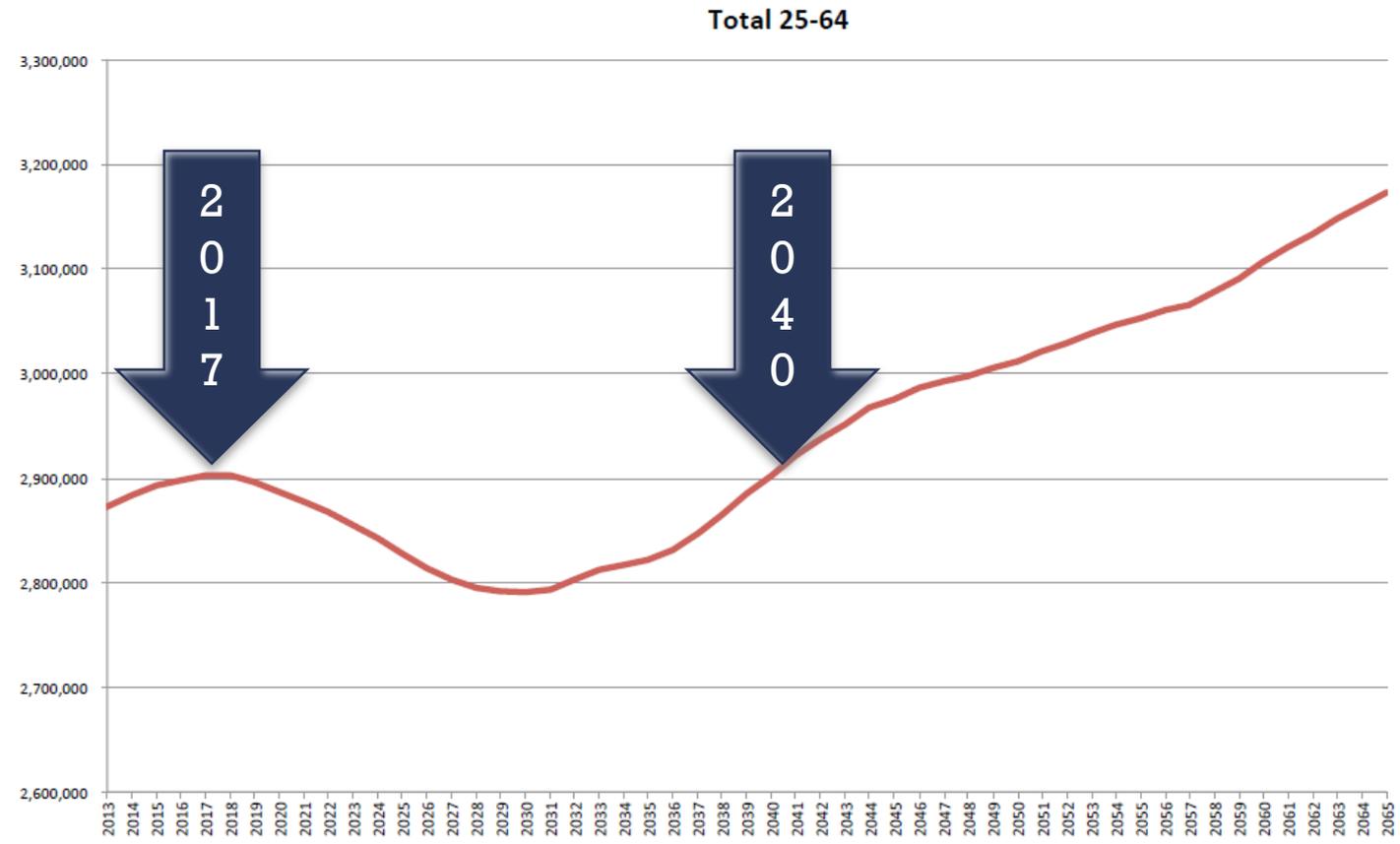


# Change in MN age groups between 2015 and 2030 (people)



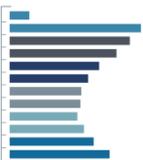
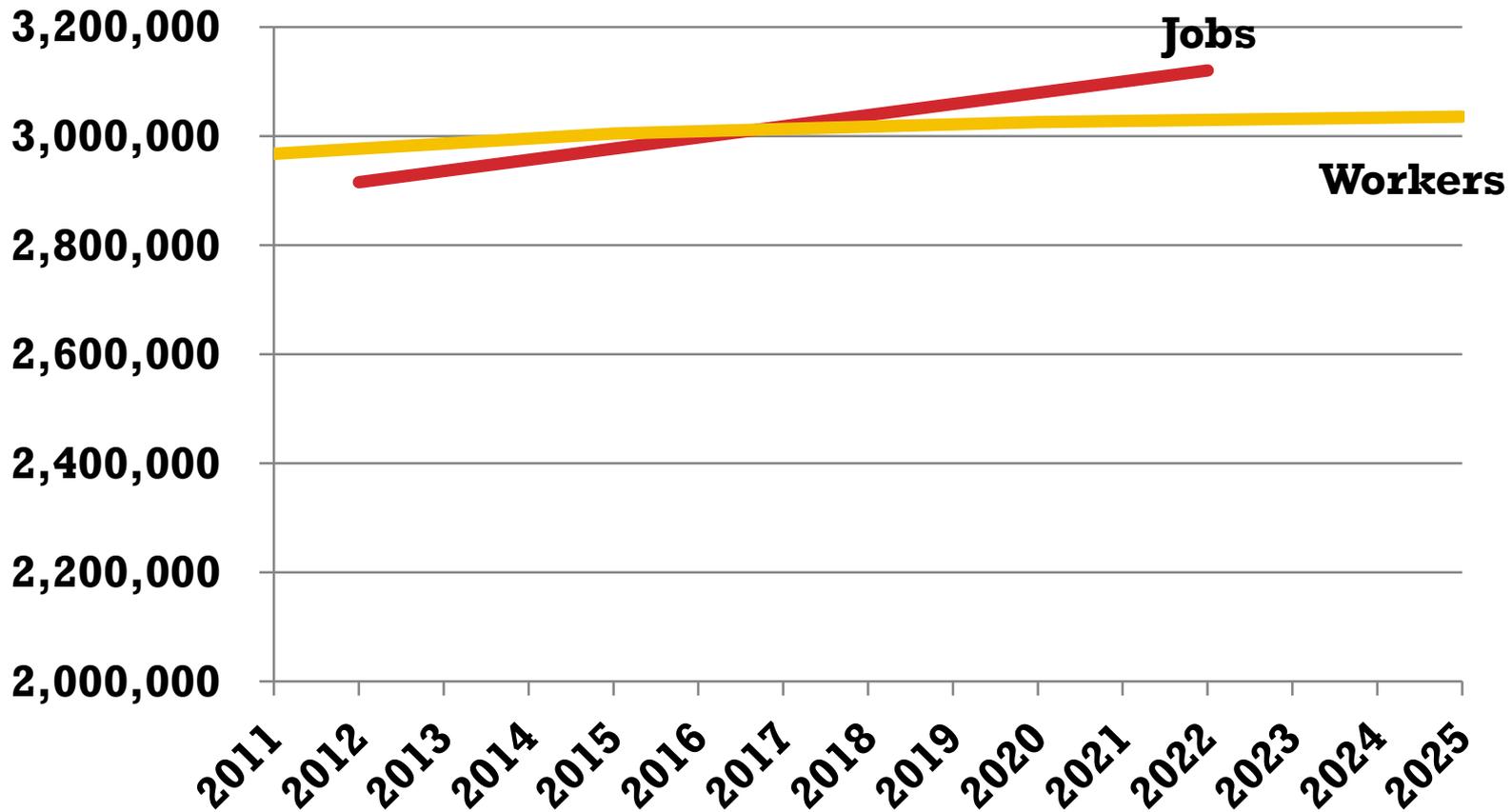


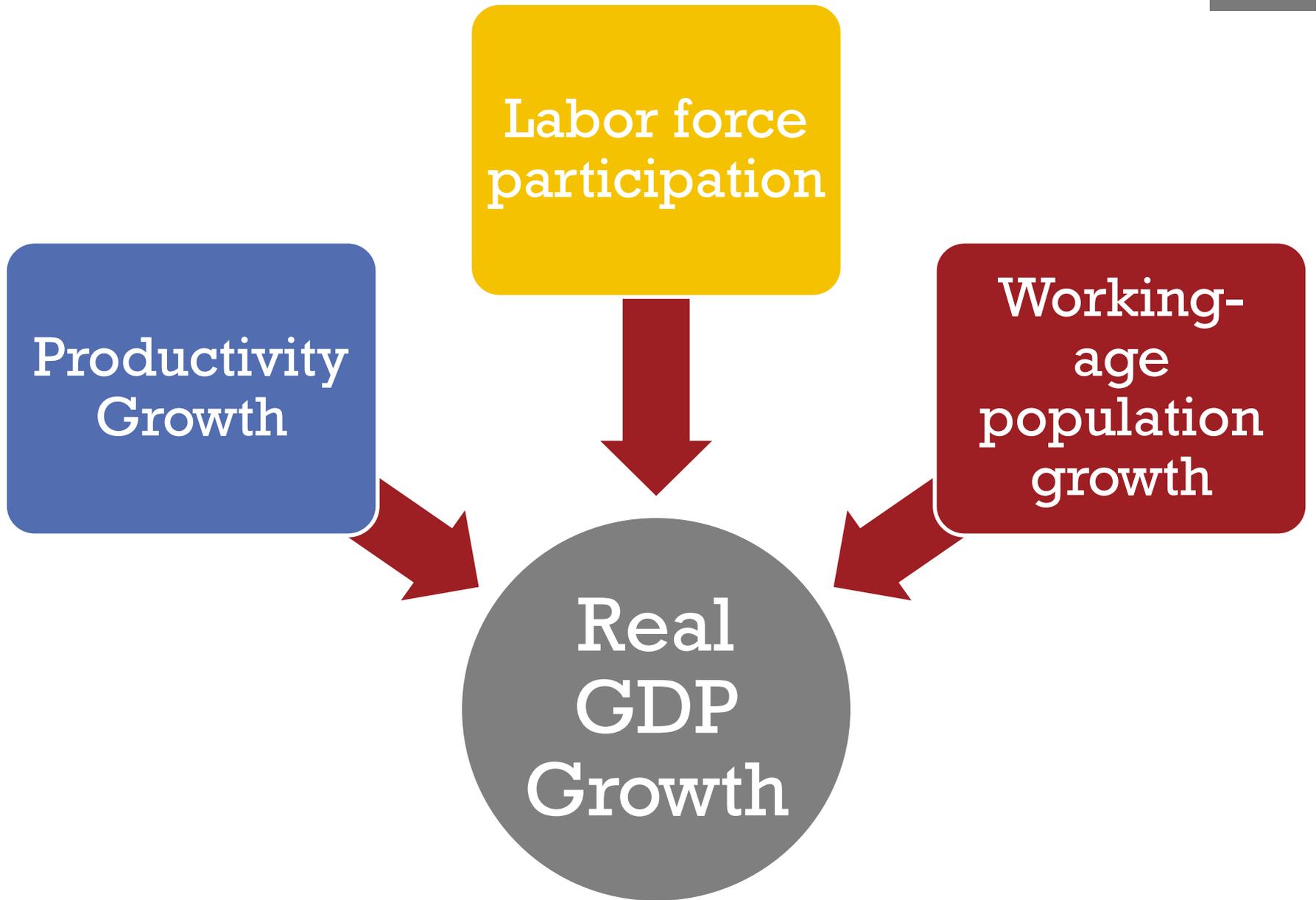
# Total 25- to 64-year-olds in MN will dip by about 100,000 individuals



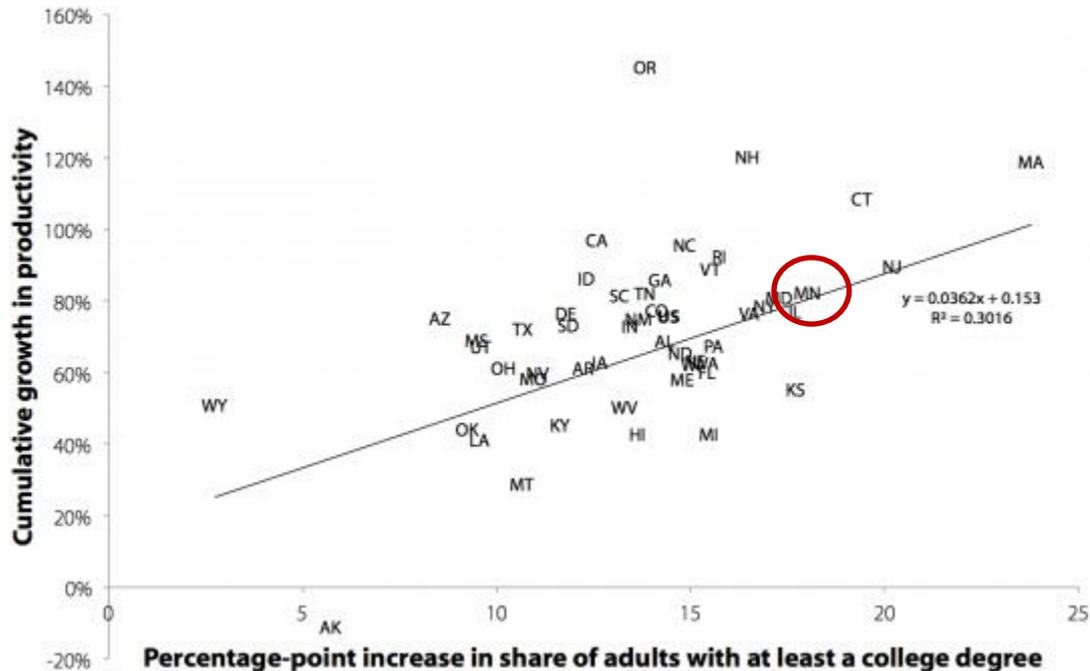


# Projected job growth and projected labor force growth

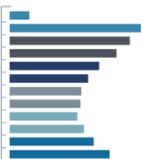




# + Rising educational attainment strongly associated with productivity growth at the state level (1979-2012)

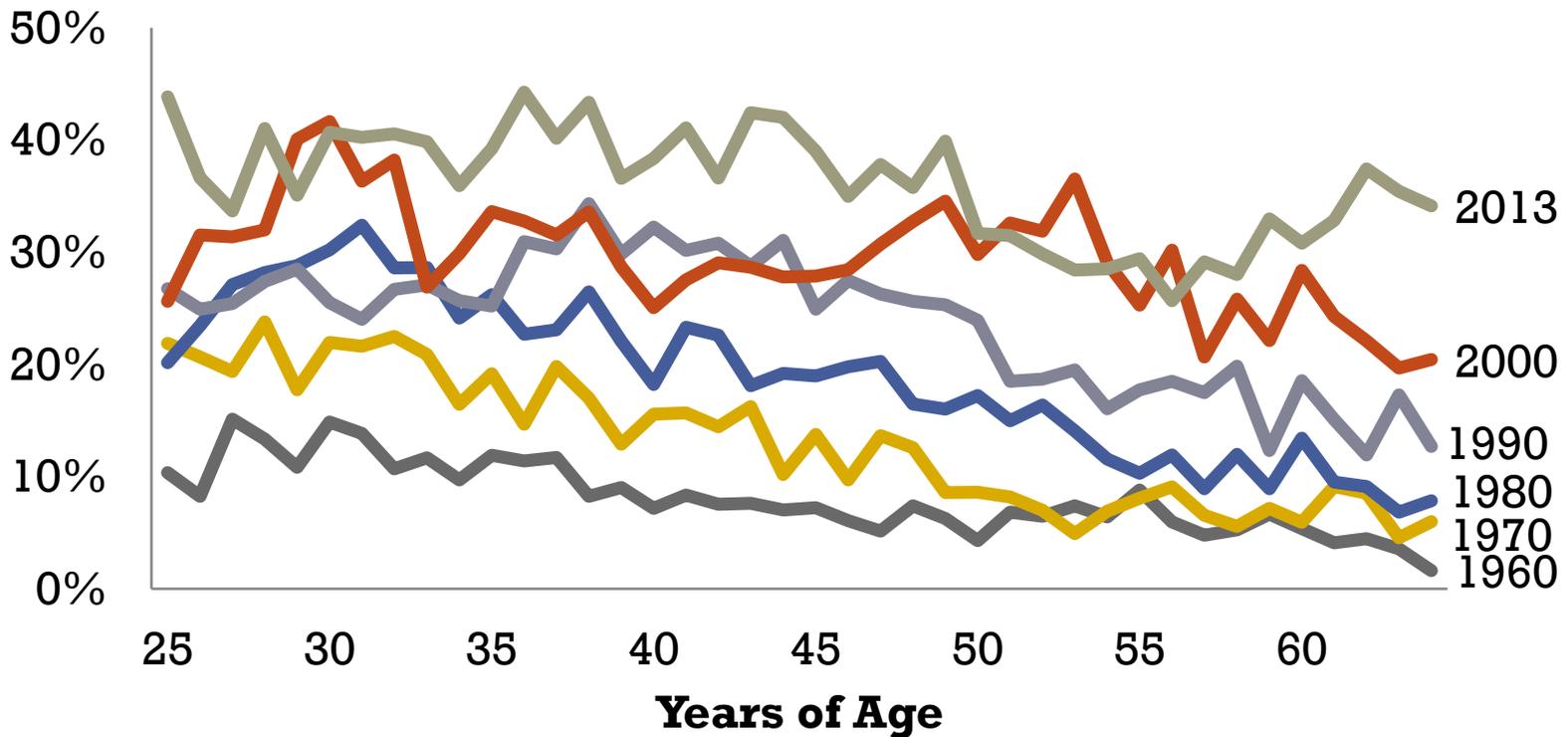


Source: EPI analysis of unpublished total economy productivity data from the Bureau of Labor Statistics (BLS) Labor Productivity and Costs program, state employment data from BLS Local Area Unemployment Statistics, and college attainment data from the Current Population Survey basic monthly microdata.

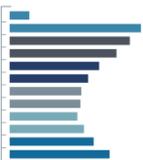




# Share of Minnesotans with 4 years of college or more



Source: Tabulated by the MN State Demographic Center from the Integrated Public Use Microdata Series



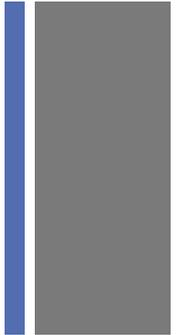


# MN bachelor's degrees yield very different employment outcomes

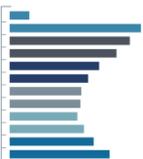
	<b>Minnesota Bachelor's Degree Awards by Instructional Program</b>	<b>Number of bachelor degree graduates</b>	<b>Annual median earnings of all employed graduates in 2<sup>nd</sup> year after graduation</b>	<b>Percent working F/T &amp; year-round in 2nd Year</b>	<b>Median earnings of F/T employed in 2nd Year</b>
<b>Well Aligned</b>	Engineering	1,217	\$55,489	69%	\$59,124
	Construction trades	25	\$53,675	76%	\$55,472
	Computer and information science	647	\$51,990	68%	\$56,277
	Health profession	2,577	\$50,021	40%	\$59,646
	Engineering technologies	165	\$47,688	68%	\$51,960
	Business, management, and marketing	6,272	\$38,667	64%	\$45,289
<b>Poorly Aligned</b>	Visual and performing arts	1,562	\$17,833	29%	\$31,039
	Transportation and materials moving	51	\$17,731	35%	\$26,447
	Area, ethnic, cultural, gender, and group studies	168	\$17,540	28%	\$30,300
	History	443	\$16,513	29%	\$34,154
	Theology and religious vocations	337	\$15,741	30%	\$33,185



# Alignment of training/education to labor force needs is crucial

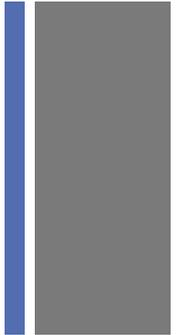


- Wage and employment rates are the outcome of interaction between supply and demand
- As college grads exhaust college-appropriate job options, they move down and displace lesser-educated people from their jobs. Thus, less skilled workers are left with fewer opportunities, so remain unemployed or leave the workforce altogether
- Thus ALIGNMENT helps workers of all levels of education/training
- Data for all fields of study are on DEED's website at under Graduate Employment Outcomes tool:  
<http://mn.gov/deed/data/data-tools/graduate-employment-outcomes/>

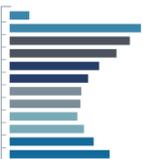




# Job outlook in MN through 2022 (from DEED)

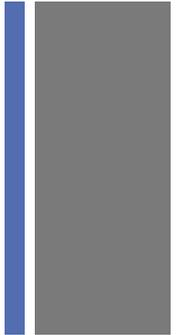


- Total jobs in MN projected to increase by 205,000 between 2012 and 2022. This is **7 times more job growth** than during previous 10 years (2002-2012), when MN added just 29,000 jobs (Great Recession)
  - However, by 2017-2022, labor shortages will limit job expansion in MN
- The two largest major occupational groups in Minnesota — 1) professional & related occupations, and 2) service occupations — will add the most jobs by 2022 (61% of all expected growth)
  - Include many occupations at the *opposite* ends of the educational attainment and earnings range.
  - Occupations adding the most jobs: personal care aides (+ 23,000), home health aides (+ 10,000), registered nurses (+ 9,000), retail salespersons (+ 7,000), food prep workers and servers (+ 5,000)

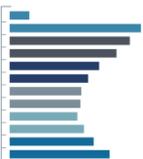




# Opportunities to impact labor force's quality, size, participation



- Grow your own (train, retrain, and retain your own)
  - More employers offering new benefits to distinguish themselves
- Attract new workers (domestic, int'l migration)
- Better alignment of preparation (& retooling)
- Pull (or keep) additional folks in the labor force:
  - Older workers
  - People with disabilities
  - Parents, especially mothers
  - Discouraged workers
  - People with less education/skills that align poorly with available jobs



# Migration & diversity

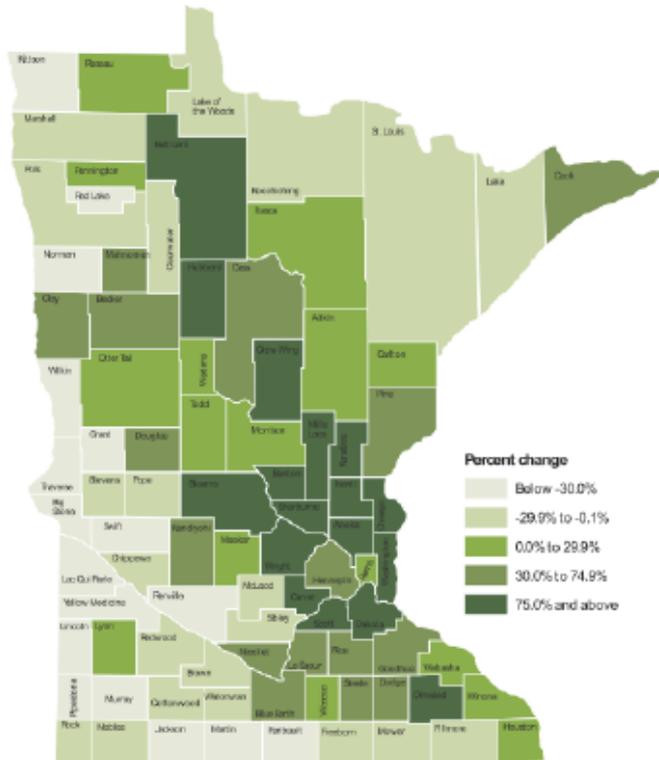


See our new “Minnesota on the Move” special report on migration – available off our homepage at [mn.gov/demography](https://mn.gov/demography)



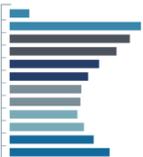
# The long, historic view... population change since 1960

Long-term population  
change, 1960-2013



- Looking at how the population has changed since 1960 shows the relentless shift from the rural counties to the urban and suburban cores of the Twin Cities, St. Cloud and Rochester. Sherburne County has seen the most growth, increasing by 601%.

Data source:  
U.S. Census Bureau,  
Population Estimate Program  
© Center for Rural Policy and Development

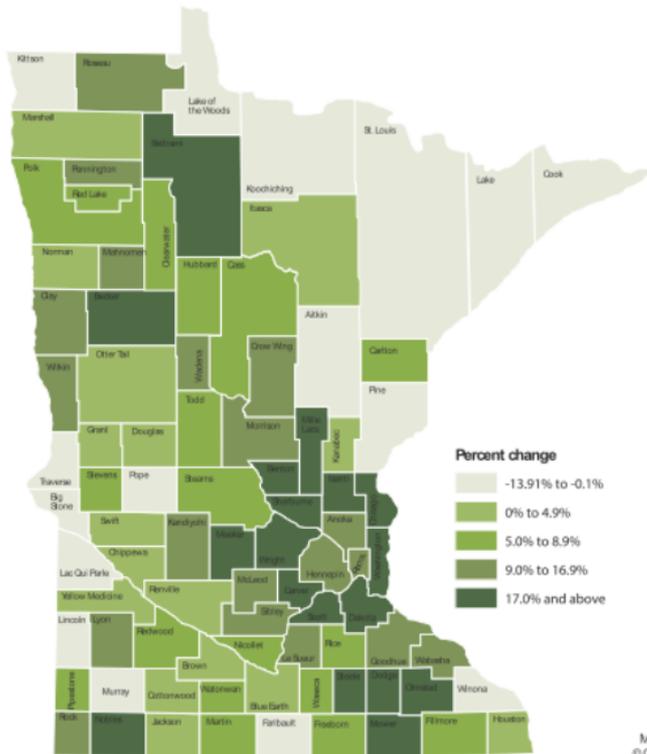




# Our county-level population projections through 2045

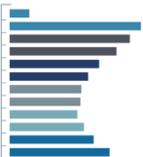
## Projected population change, 2010-2045

15 counties expected to decline in population



- Northeastern and southwestern counties will lose population while growth will continue to radiate out from the Twin Cities and north into the central lakes region, with some substantial growth in southeastern MN.

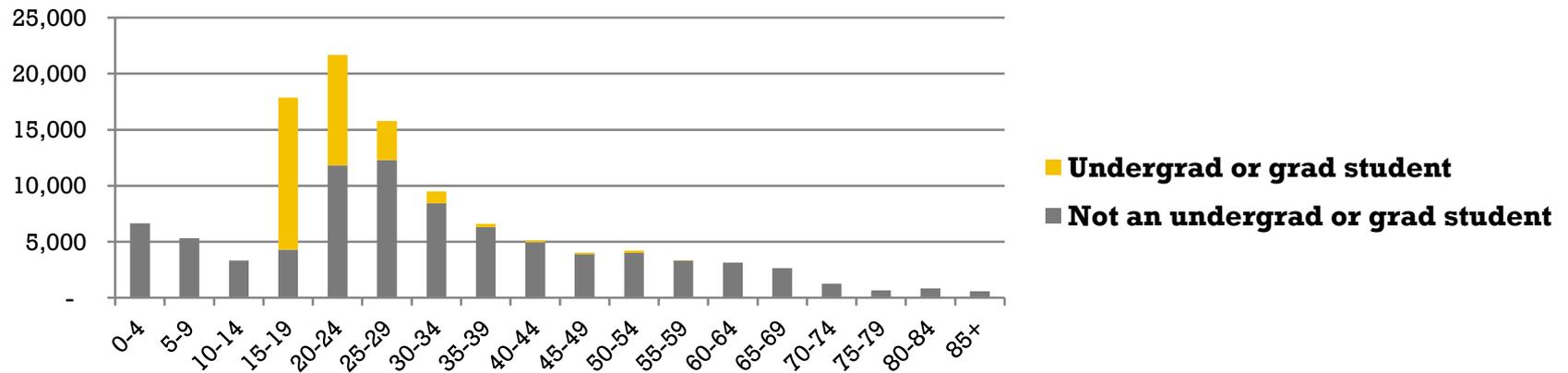
Data source:  
Minnesota State Demographic Center  
© Center for Rural Policy and Development



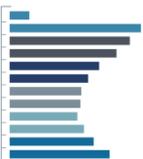


# About 113,000 people leave MN each year for other states

**Annual leavers from Minnesota, by age group and student status, 2008-2012**

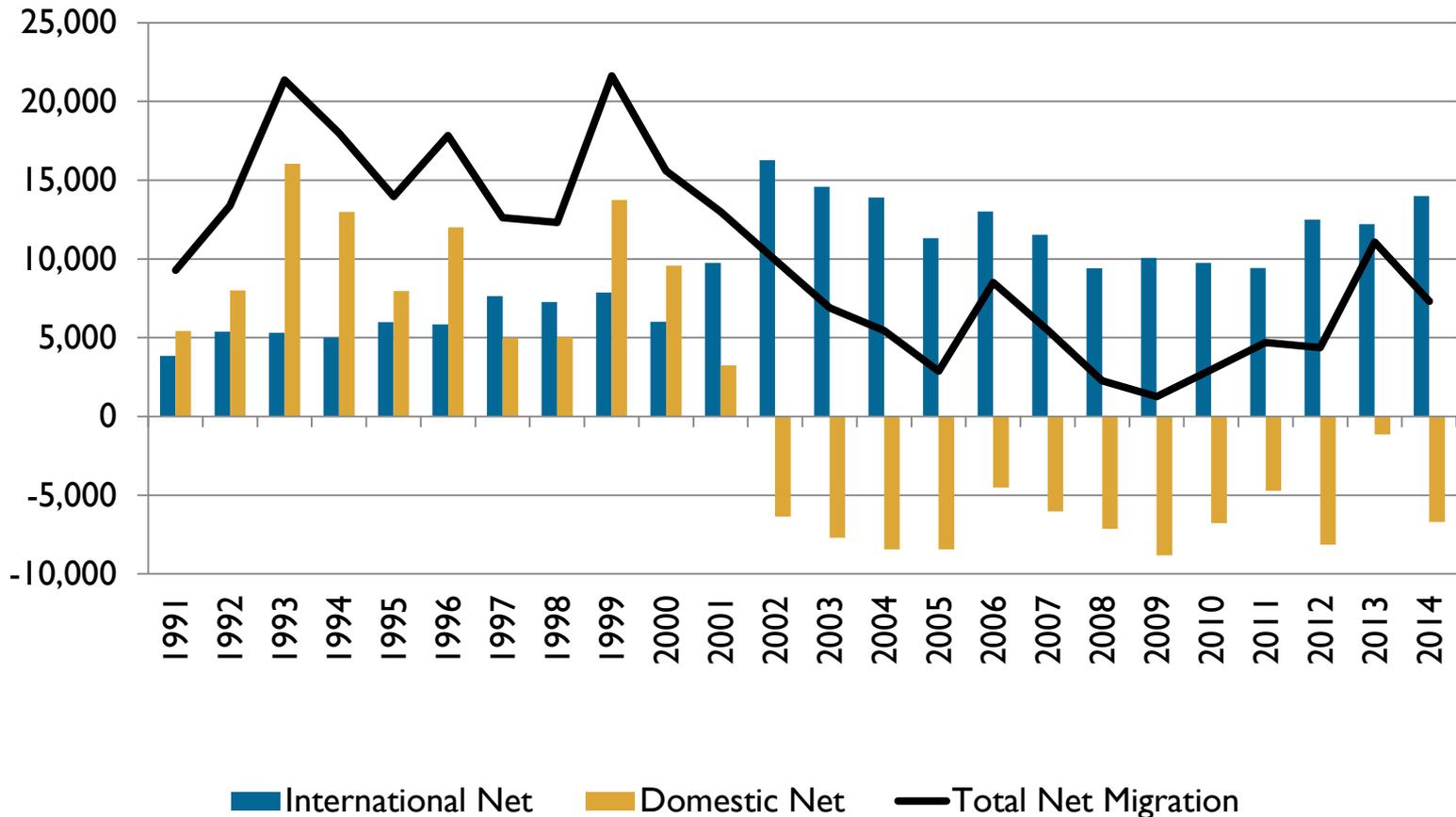


■ Only about 101,000 arrive from other states, resulting in domestic losses

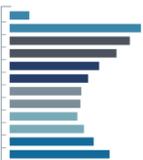




# Minnesota's net migration, by int'l and domestic components



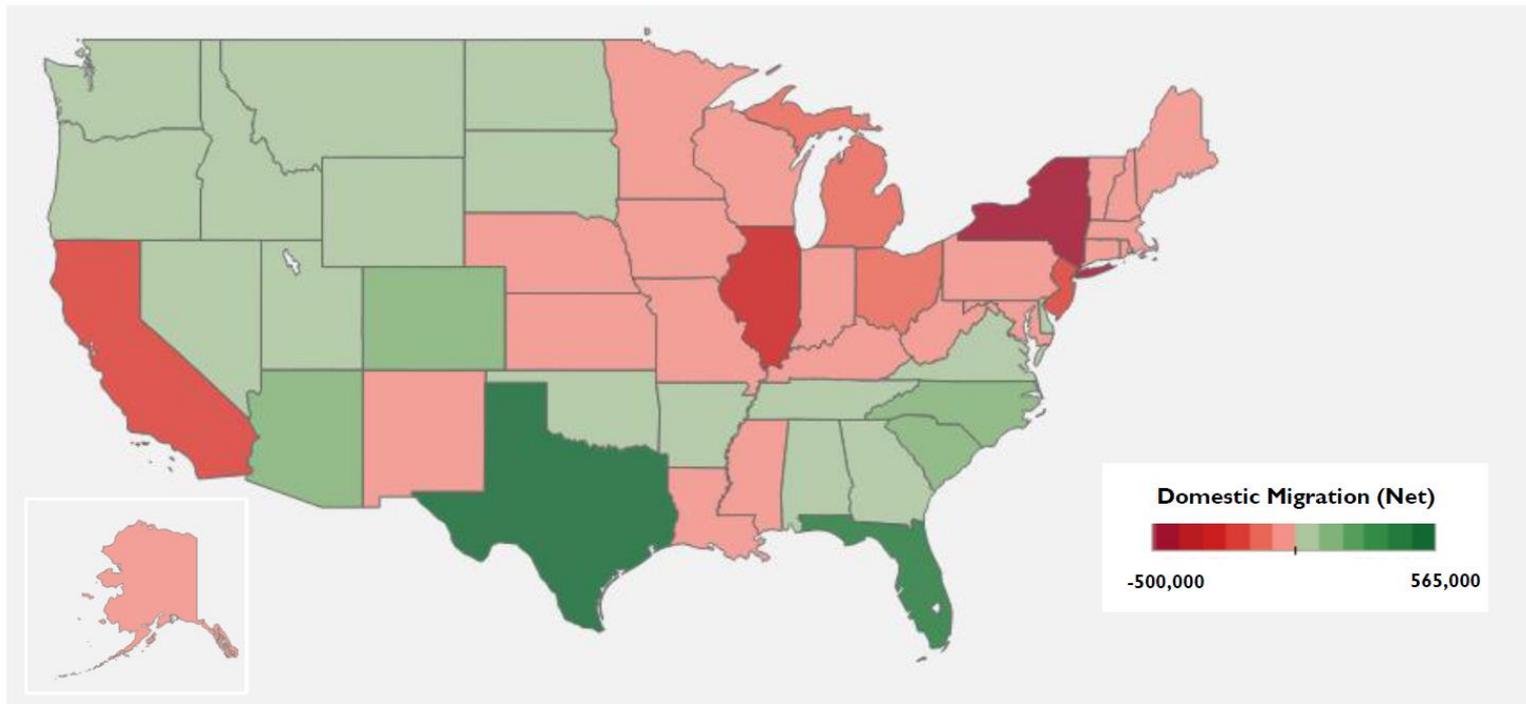
Source: U.S. Census Bureau, Population Estimates Program. Note: Data for 2009-2010 was unavailable and so estimates were interpolated.





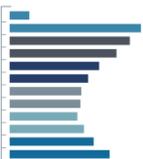
# Domestic net migration, by state, since 2010 census

**Figure 6: Domestic Net Migration, By State, April 1, 2010 – July 1, 2014**



Source: U.S. Census Bureau, 2014 Population Estimates. Note: Domestic plus international figures may not equal totals due to rounding and a "residual," the result of controlling county populations to the national population for the entire set of estimates.

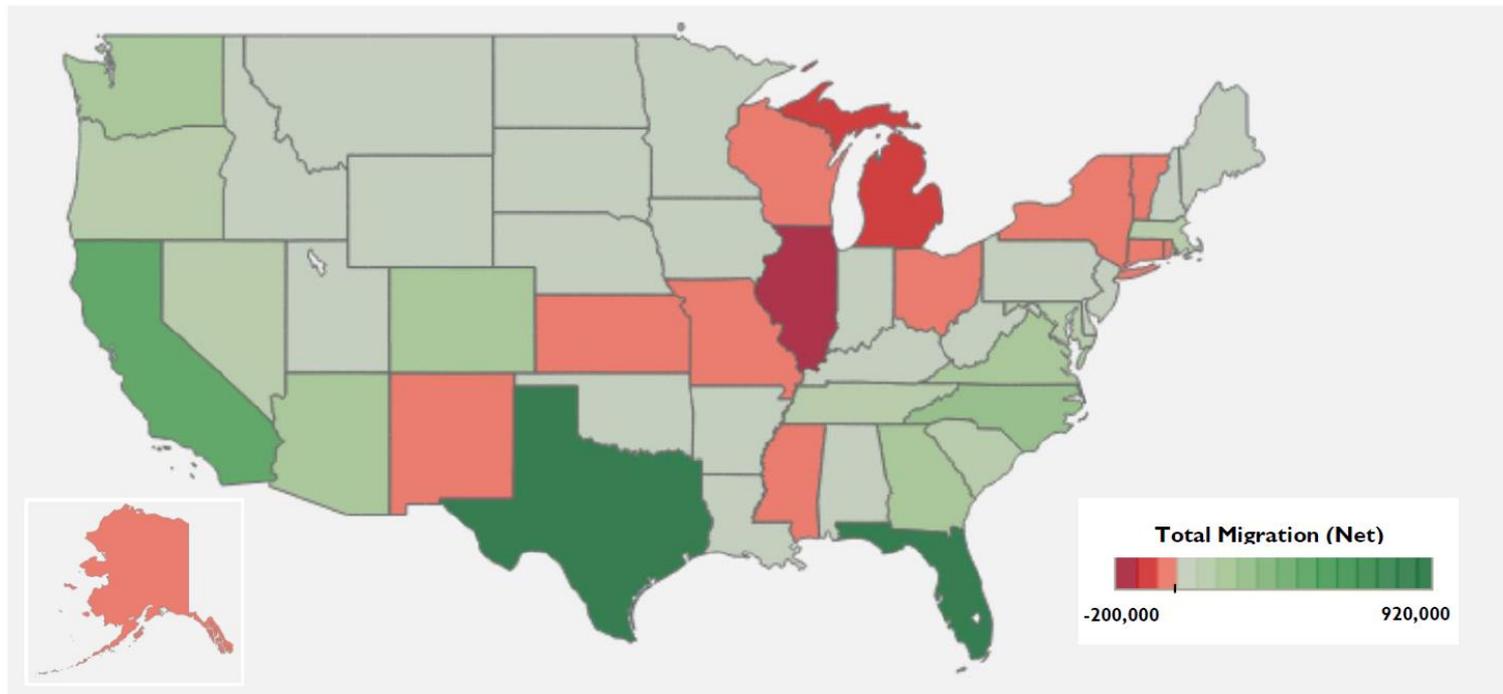
For interactive map online, see: [https://public.tableausoftware.com/views/MigrationReportMapping/DomesticMigrationNet?:embed=y&:display\\_count=no](https://public.tableausoftware.com/views/MigrationReportMapping/DomesticMigrationNet?:embed=y&:display_count=no)



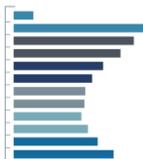


# Total net migration, by state, since 2010 census

Figure 5: Total Net Migration, By State, April 1, 2010 – July 1, 2014

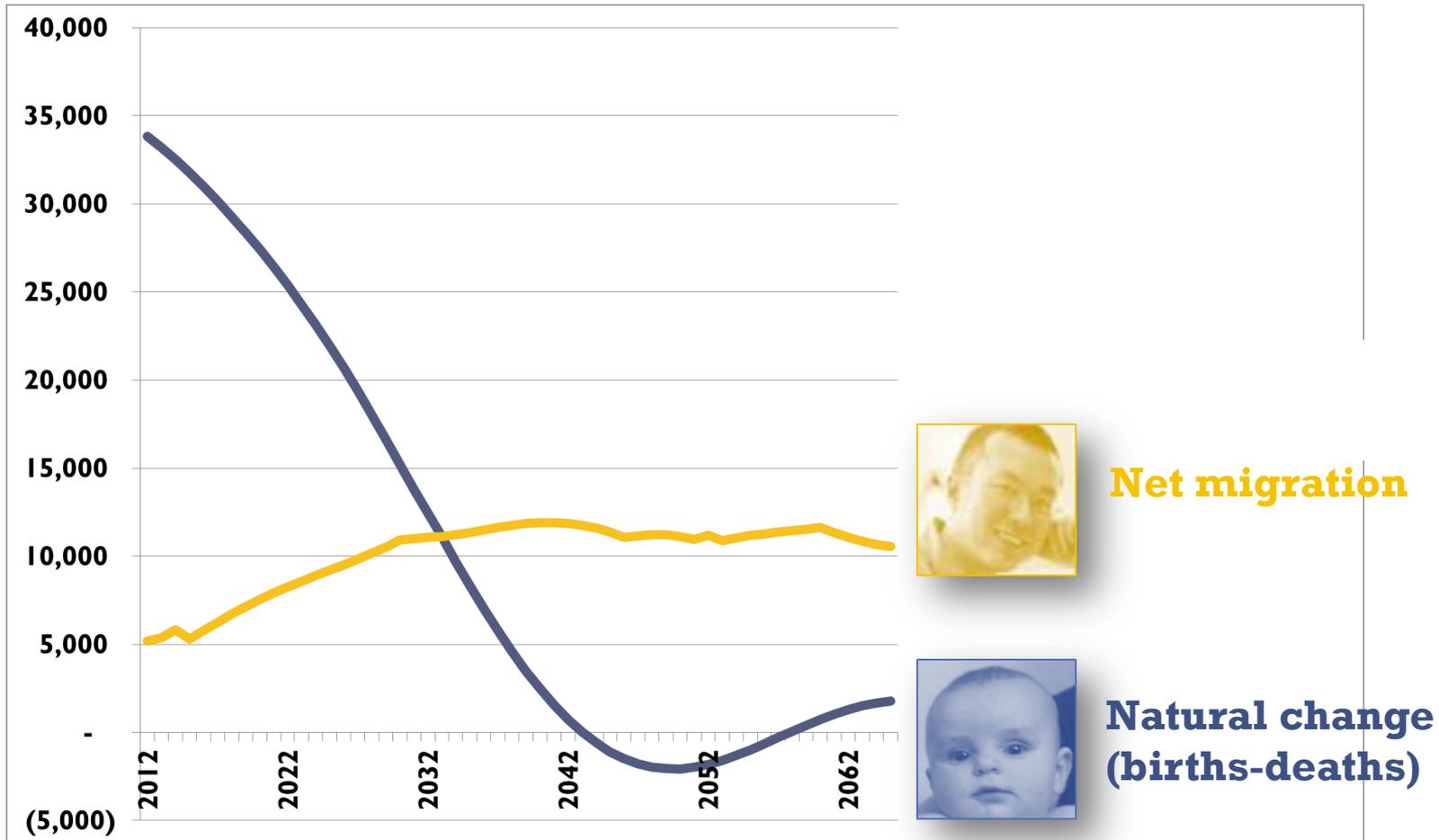


Source: U.S. Census Bureau, 2014 Population Estimates. Note: Domestic plus international figures may not equal totals due to rounding and a "residual," the result of controlling county populations to the national population for the entire set of estimates.  
For interactive map online, see: [https://public.tableausoftware.com/views/MigrationReportMapping/TotalMigrationNet?:embed=y&display\\_count=no](https://public.tableausoftware.com/views/MigrationReportMapping/TotalMigrationNet?:embed=y&display_count=no)

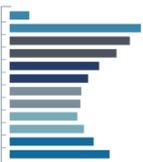




# Net migration will become the major driver of our state's growth



Source: MN State Demographic Center projections, October 2013.





# Minnesotans not as fond of making babies as they were in the past

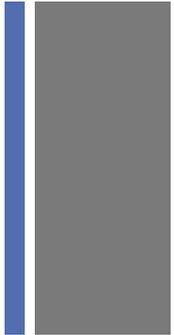
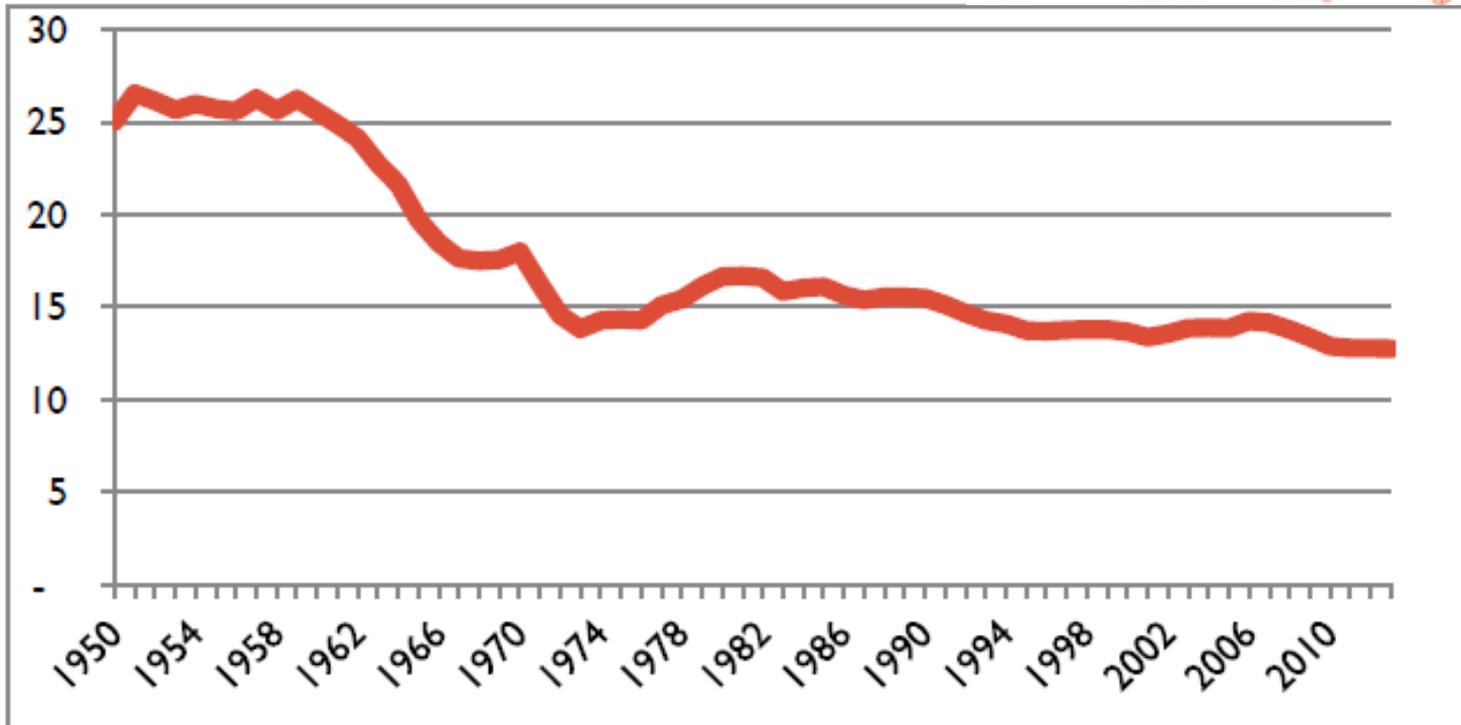
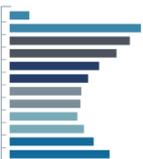
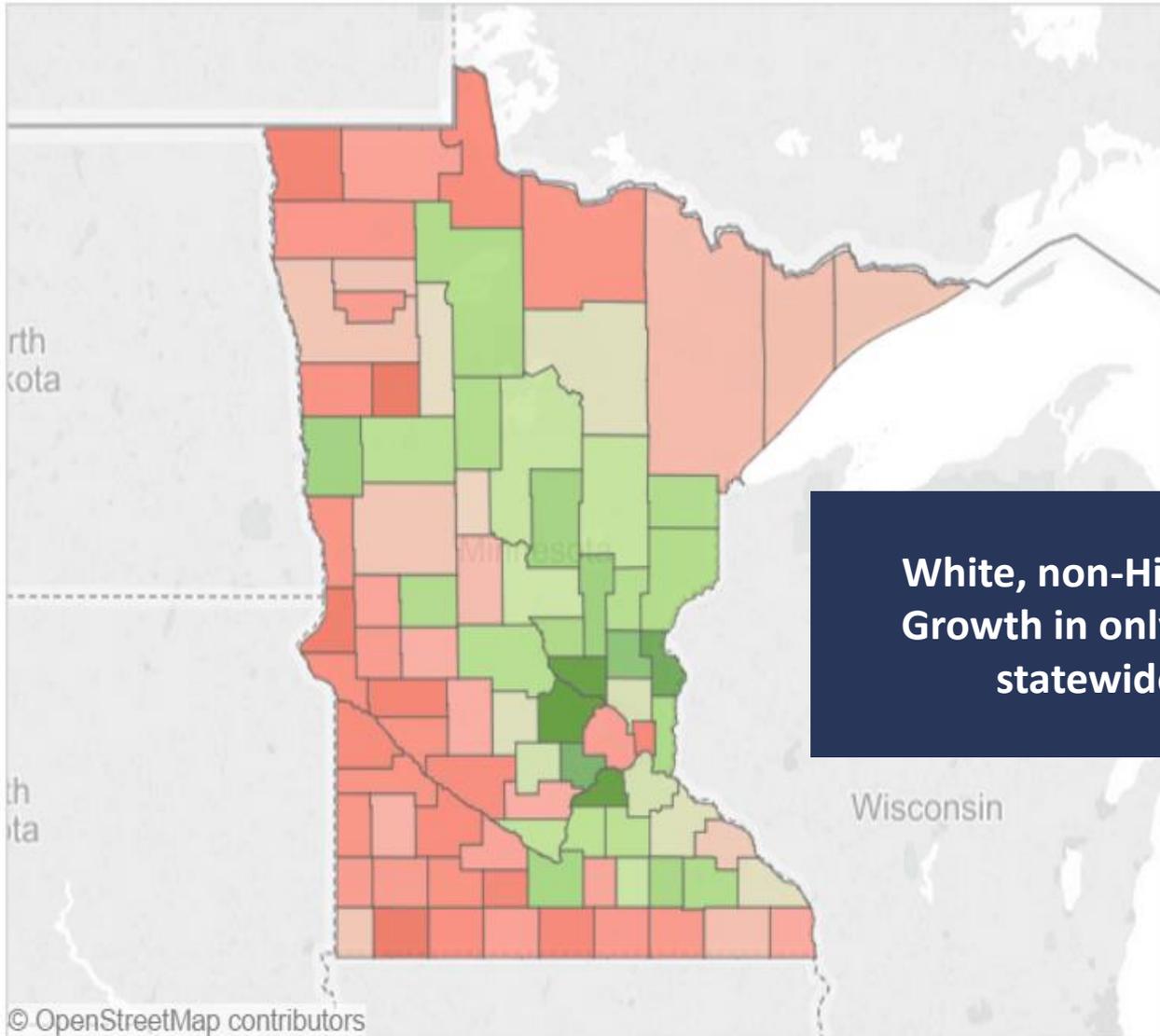


Figure 3: Births Per 1,000 Minnesotans, 1950-2013



Source: Minnesota Department of Health, Vital Statistics; U.S. Census Bureau, Population Estimates.





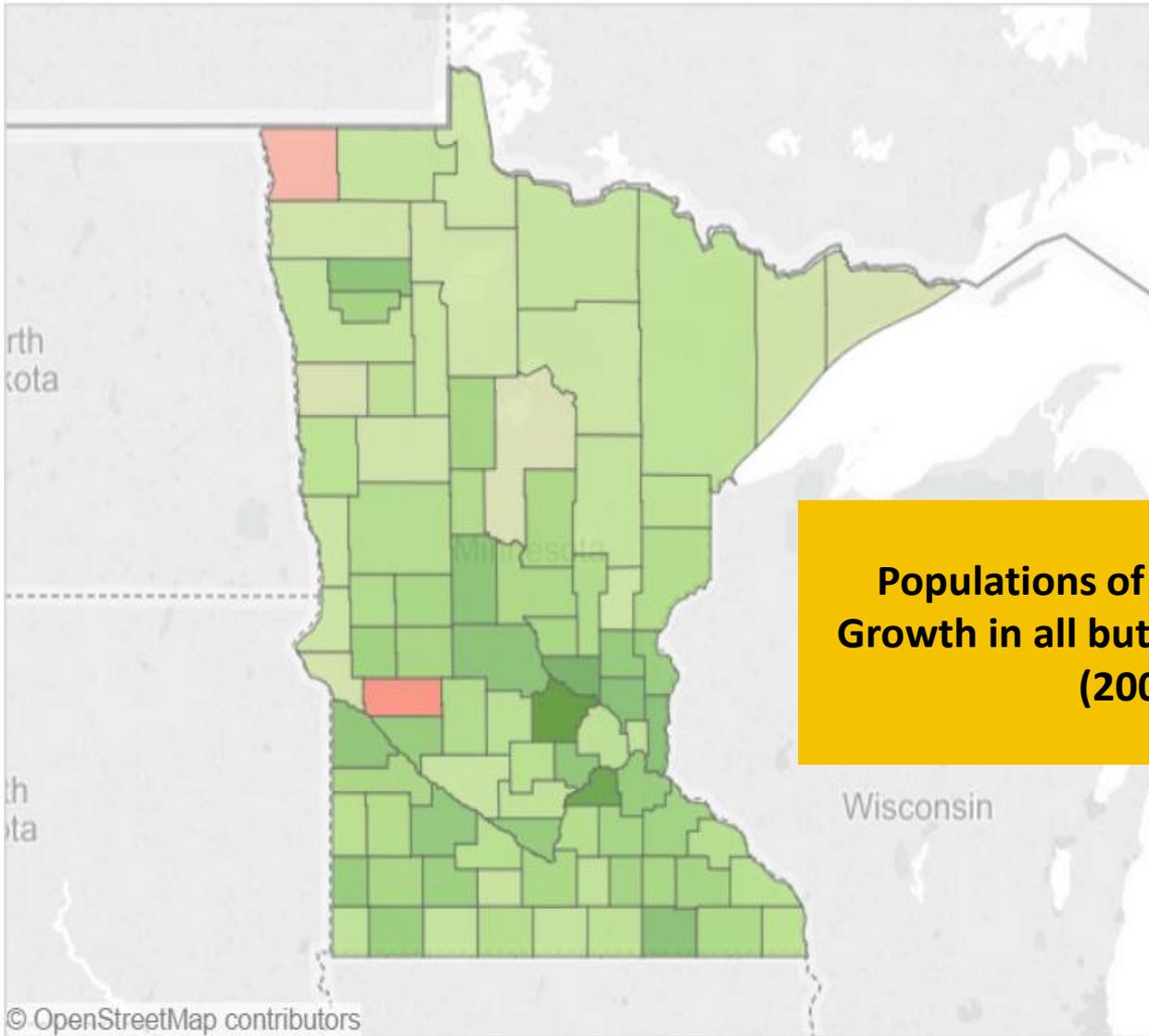
**% Change, 2000-2010**



**White, non-Hispanic population:  
Growth in only 37 of 87 counties  
statewide (2000-2010)**

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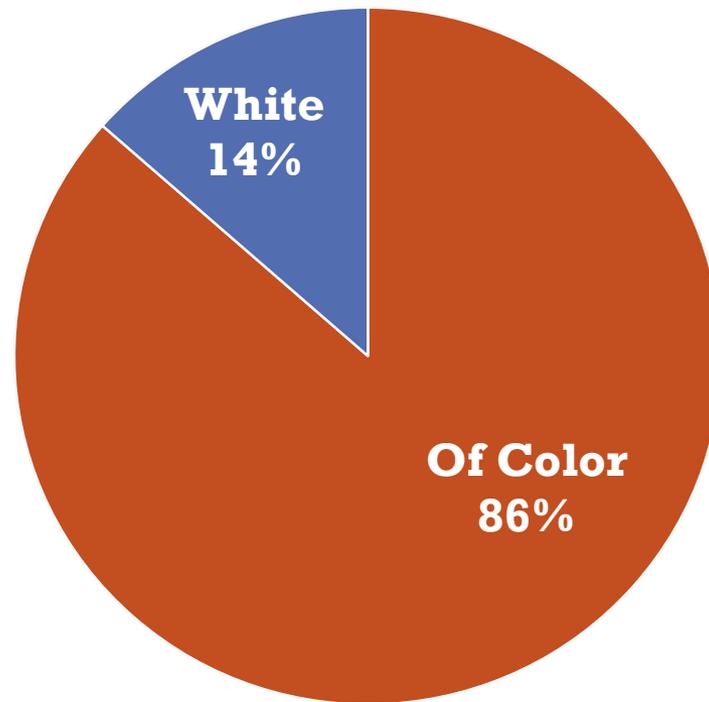
**Populations of Color (non-White):  
Growth in all but 2 counties statewide  
(2000-2010)**

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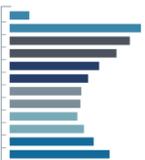




# Between 2000 and 2010 most of MN's growth was from populations of Color

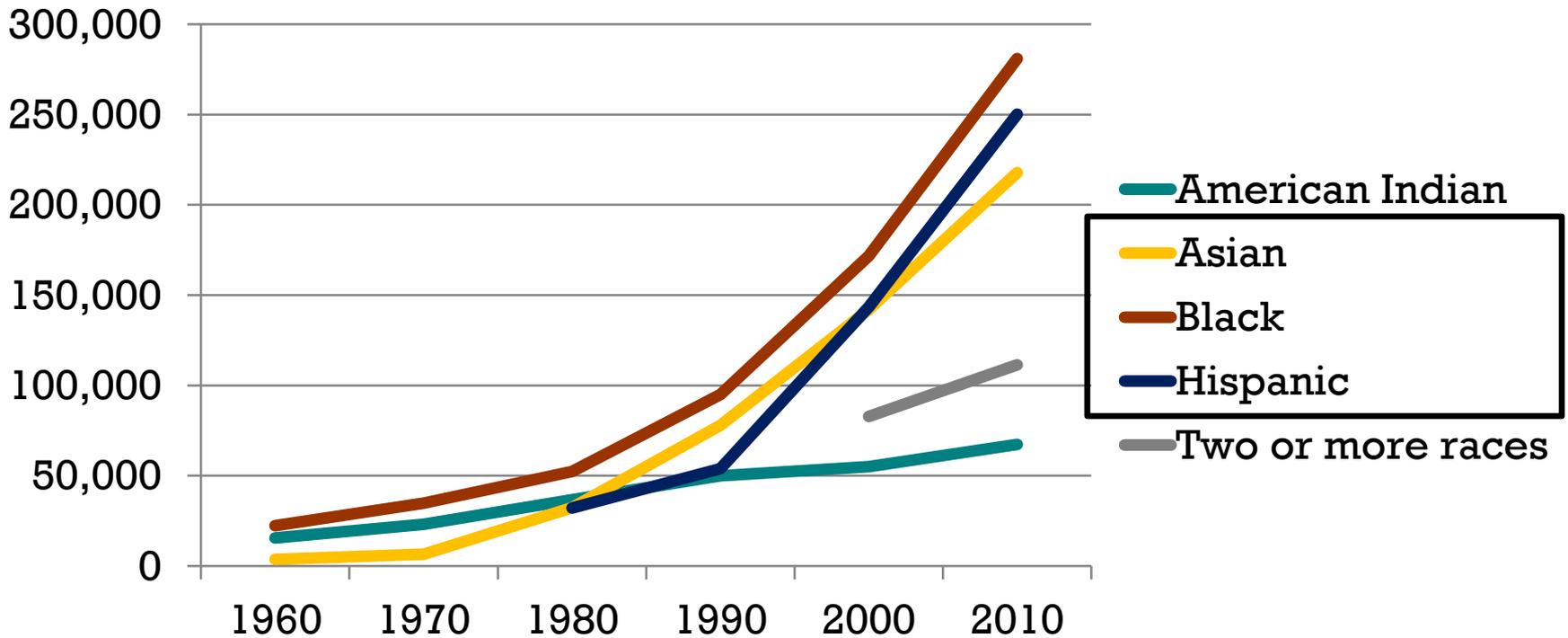


**350,000  
more  
Minnesota  
residents  
in 2010  
than in  
2000**



# Black, Latino and Asian populations growing rapidly

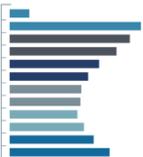
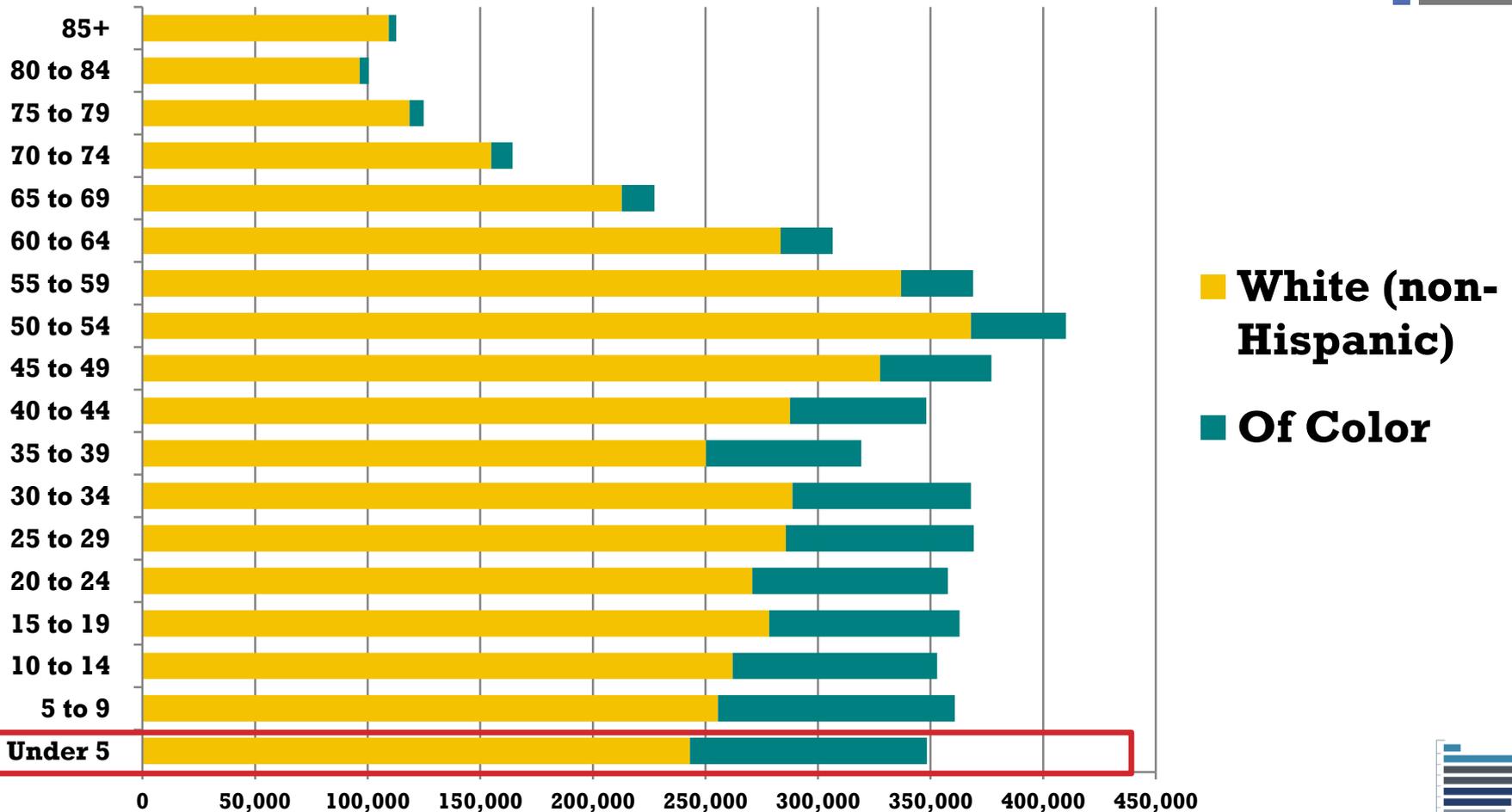
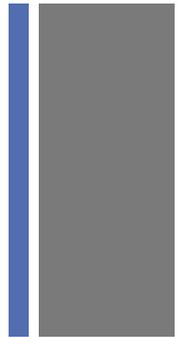
## Populations of color, MN



Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series

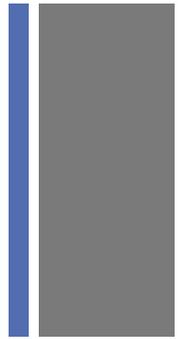


# Minnesota's population by age groups, 2012

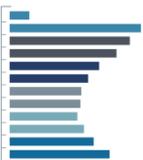
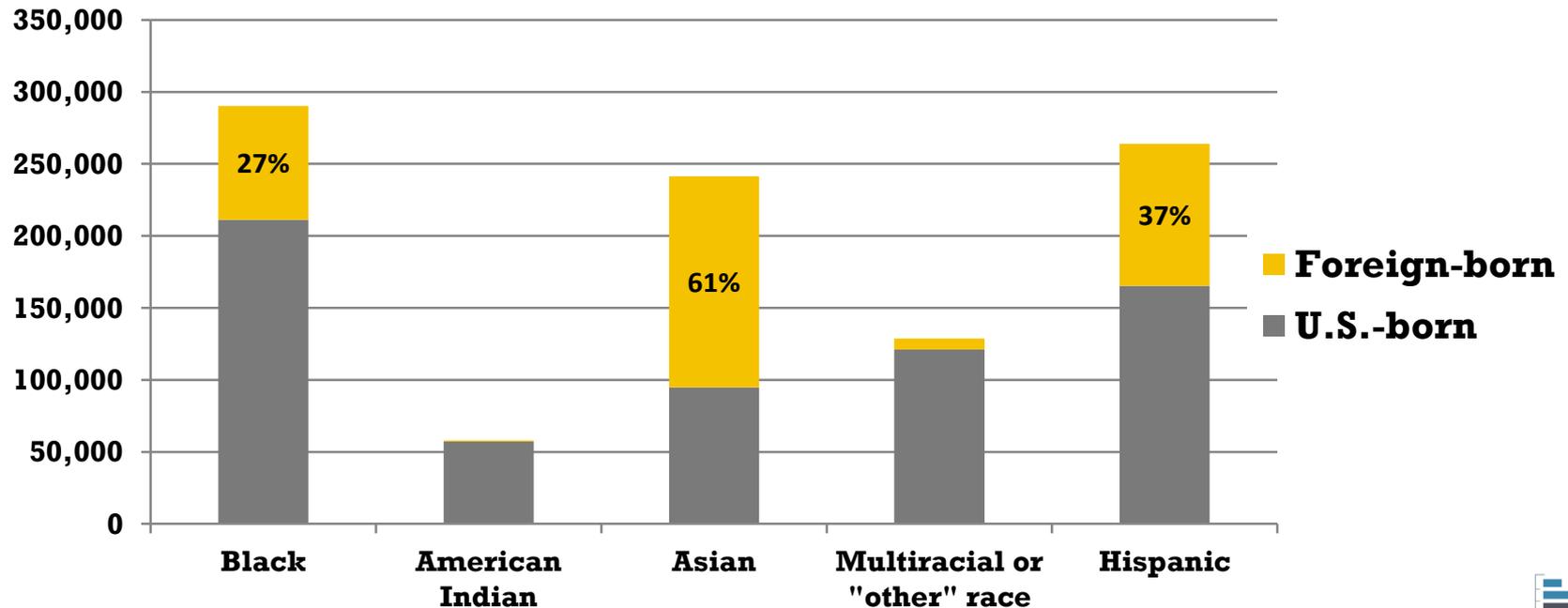




# About 400,000 foreign-born among MN populations of Color

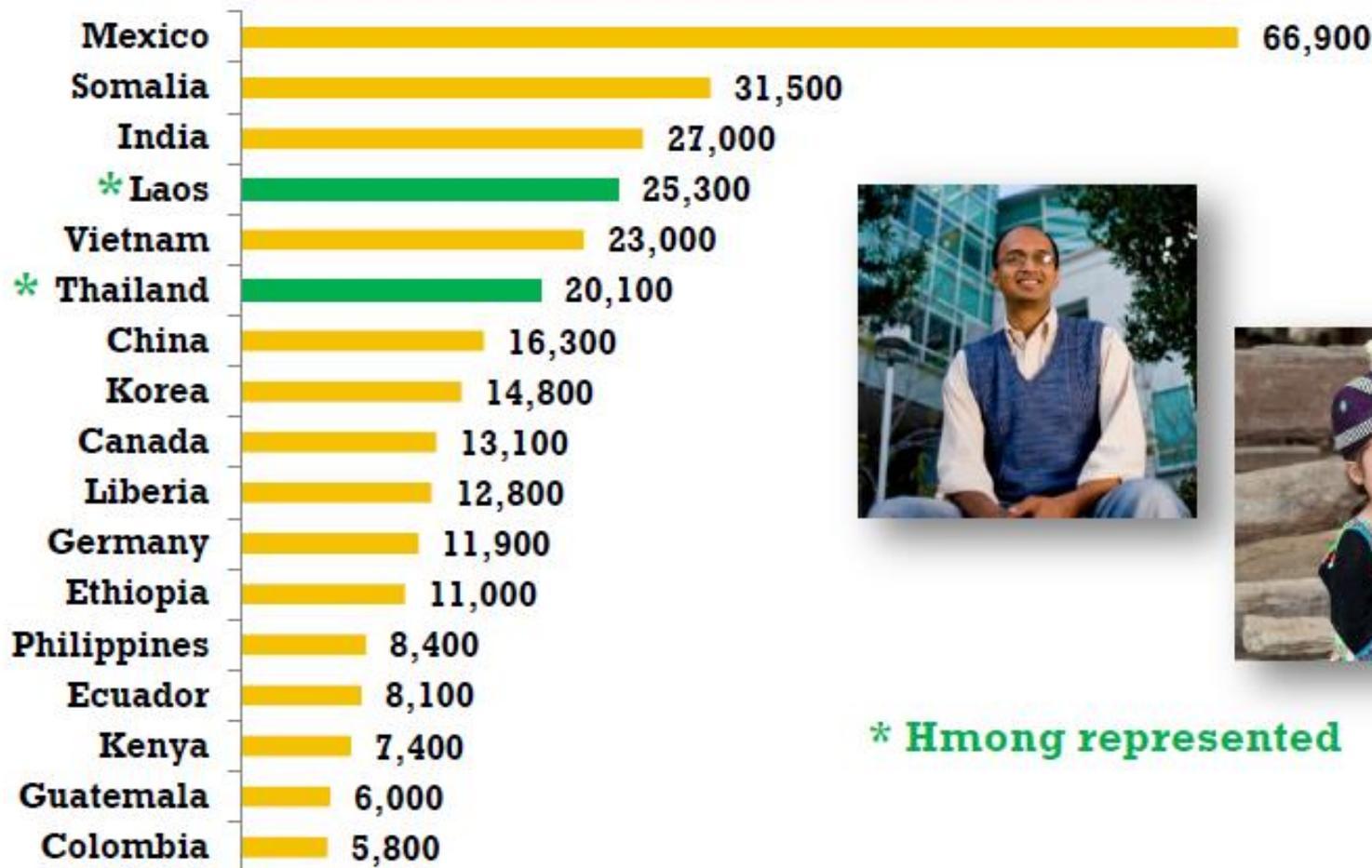


**Minnesota populations of Color,  
by nativity, 2013**

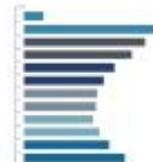




# MN foreign-born populations: Largest groups by country of birth, 2013

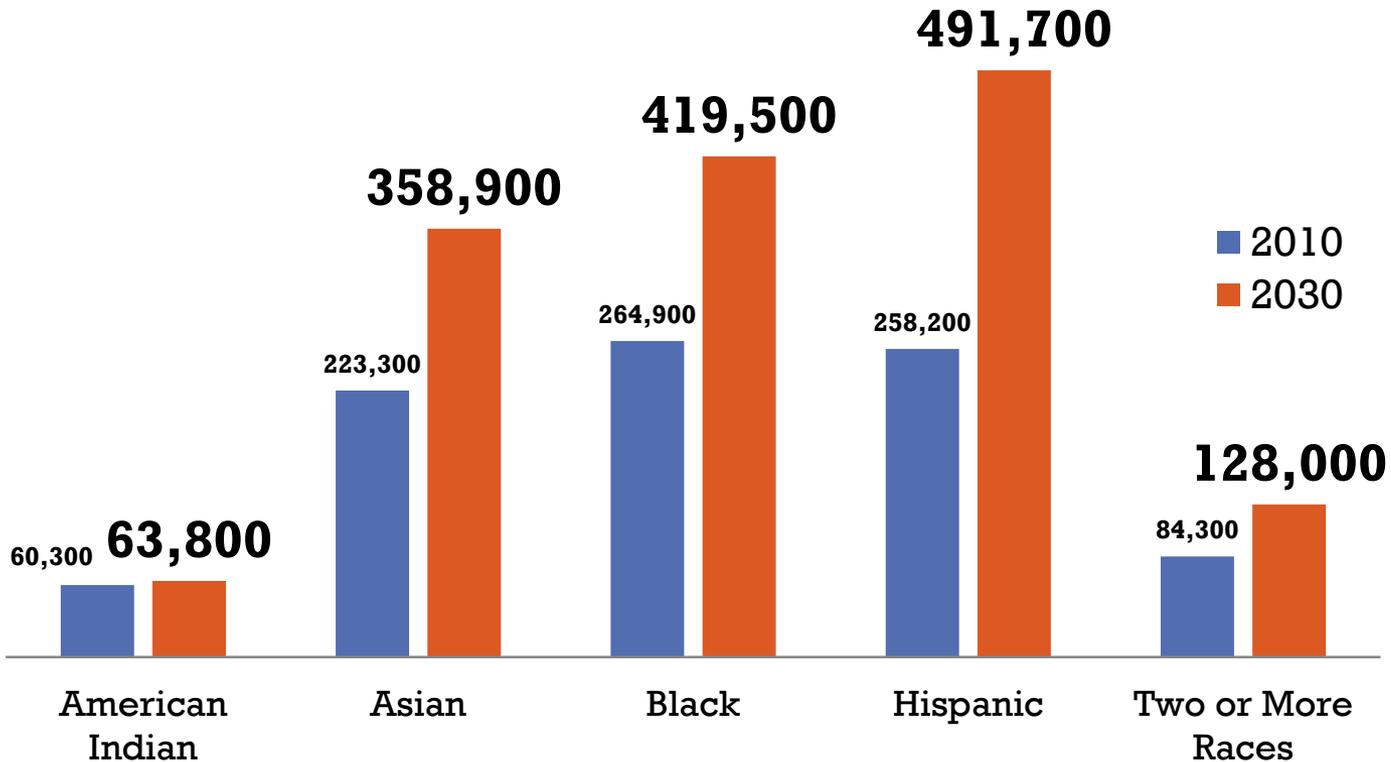


\* Hmong represented

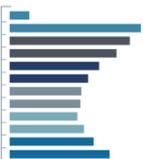




# MN: Largest growth among Asian, Black and Hispanic groups by 2030



Source: Minnesota State Demographic Center projections.

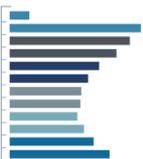




# Which MN kids are leaving high school in 4 years with a diploma? (2014 data)

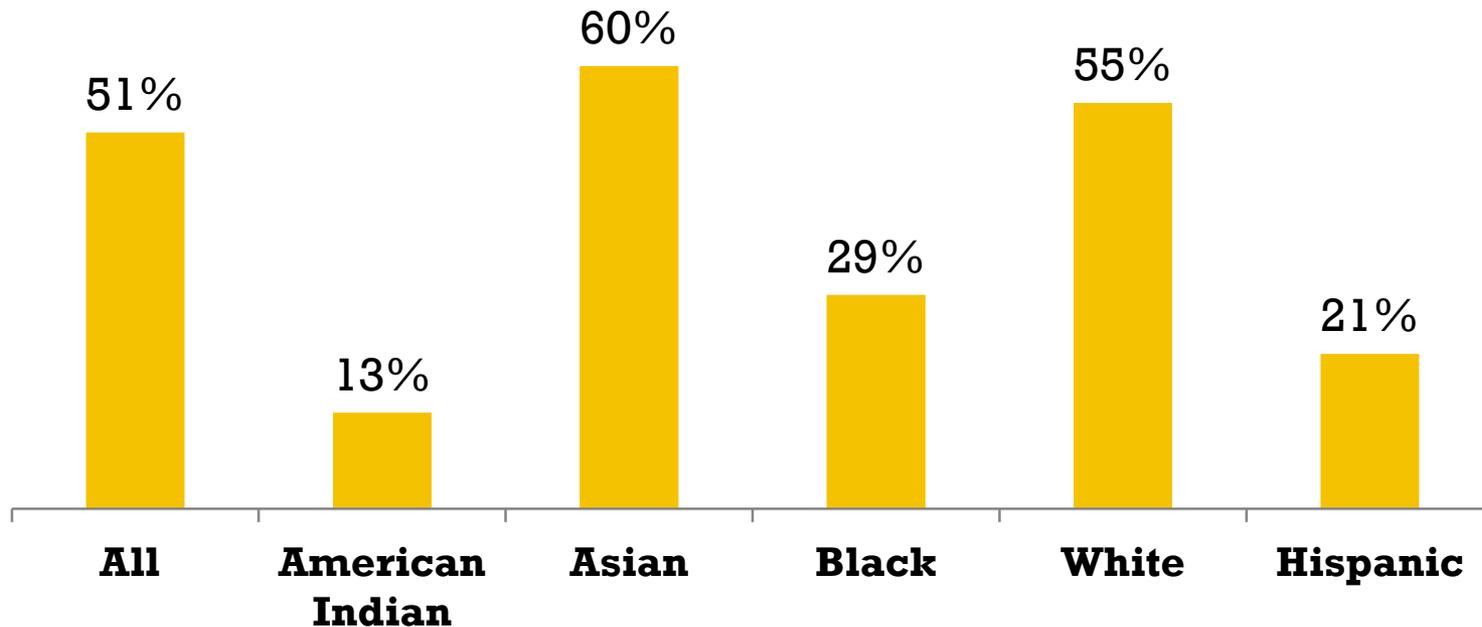
- 51% of American Indian students
- 82% of Asian students
- 63% of Hispanic students
- 60% of Black students
- 86% of White students

Two fastest growing demographic groups in MN

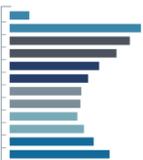


# + Wide racial gaps in educational attainment persist in Minnesota

**Percent of MN adults (ages 25-44) with an associate's or higher degree, 2010-2012**



Source: Tabulated by the State Demographic Center from the Integrated Public Use Microdata Series

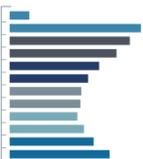




The future  
will look  
very  
different  
from today.

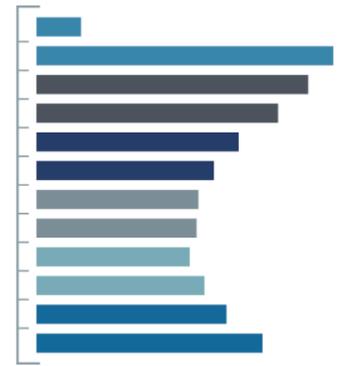
# + Take-away thoughts for those contemplating these trends

- All areas of the state will feel effects of an aging population, some places much more acutely. The **aging of our state** will create fierce debates about where to spend scarce public dollars.
- Fewer workers relative to older adults puts a premium on **developing, retaining, and attracting skilled workers** — to fuel continued economic growth and to pay for needed public services. **Furthermore, workforce alignment** is critical.
- **A tightening labor force** will benefit workers and create new opportunities for those currently unemployed or outside of the labor force, but will increasingly place strain on employers
- **Job growth** is MN anticipated in both “high-wage, high-skill” and “low-wage, low-skill” occupations.
- **Poor educational, health and economic outcomes** for our fast-growing populations of color jeopardize our economic competitiveness and quality of life for all.





# Stay in touch with the MN State Demographic Center

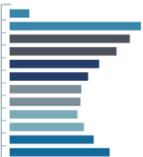
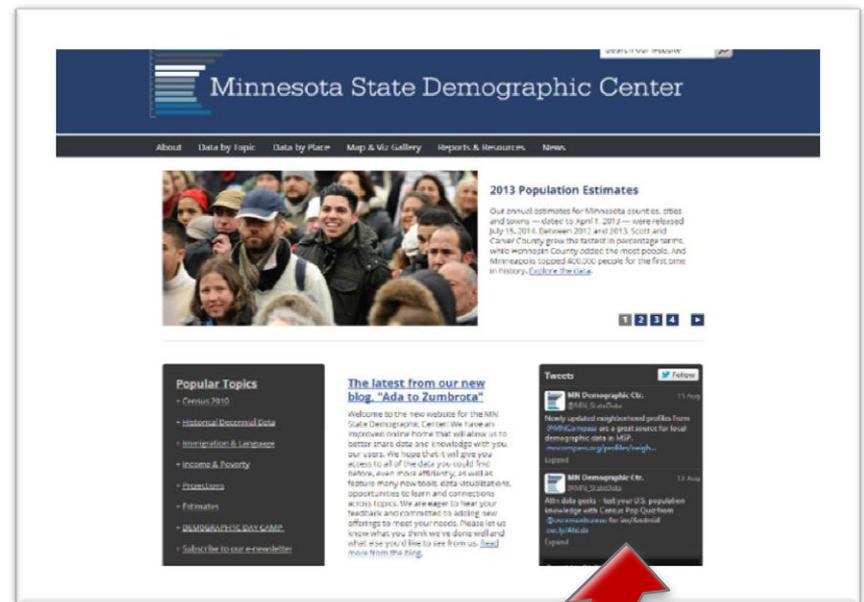




# MN State Demographic Center online resources

Last year, we launched a new website at [mn.gov/demography](http://mn.gov/demography)

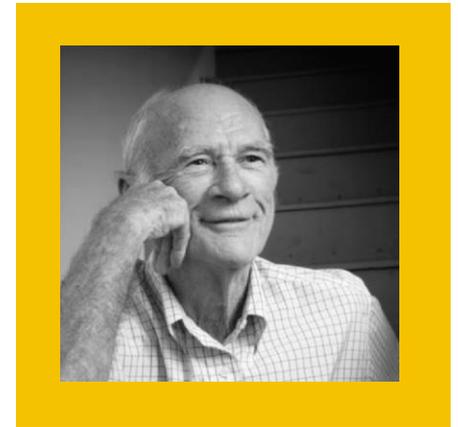
- Locate more data, more efficiently
- New interactive maps and data visualizations
- Featuring a new blog, guidance for data users, and more
- Follow us on Twitter at [@MN\\_StateData](https://twitter.com/MN_StateData)





Questions?  
Comments?

**Thank you!**



**Andi Egbert**

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651-201-2474