

Minnesota Shopping Center Association

Susan Brower, Minnesota State Demographer

July 9, 2014

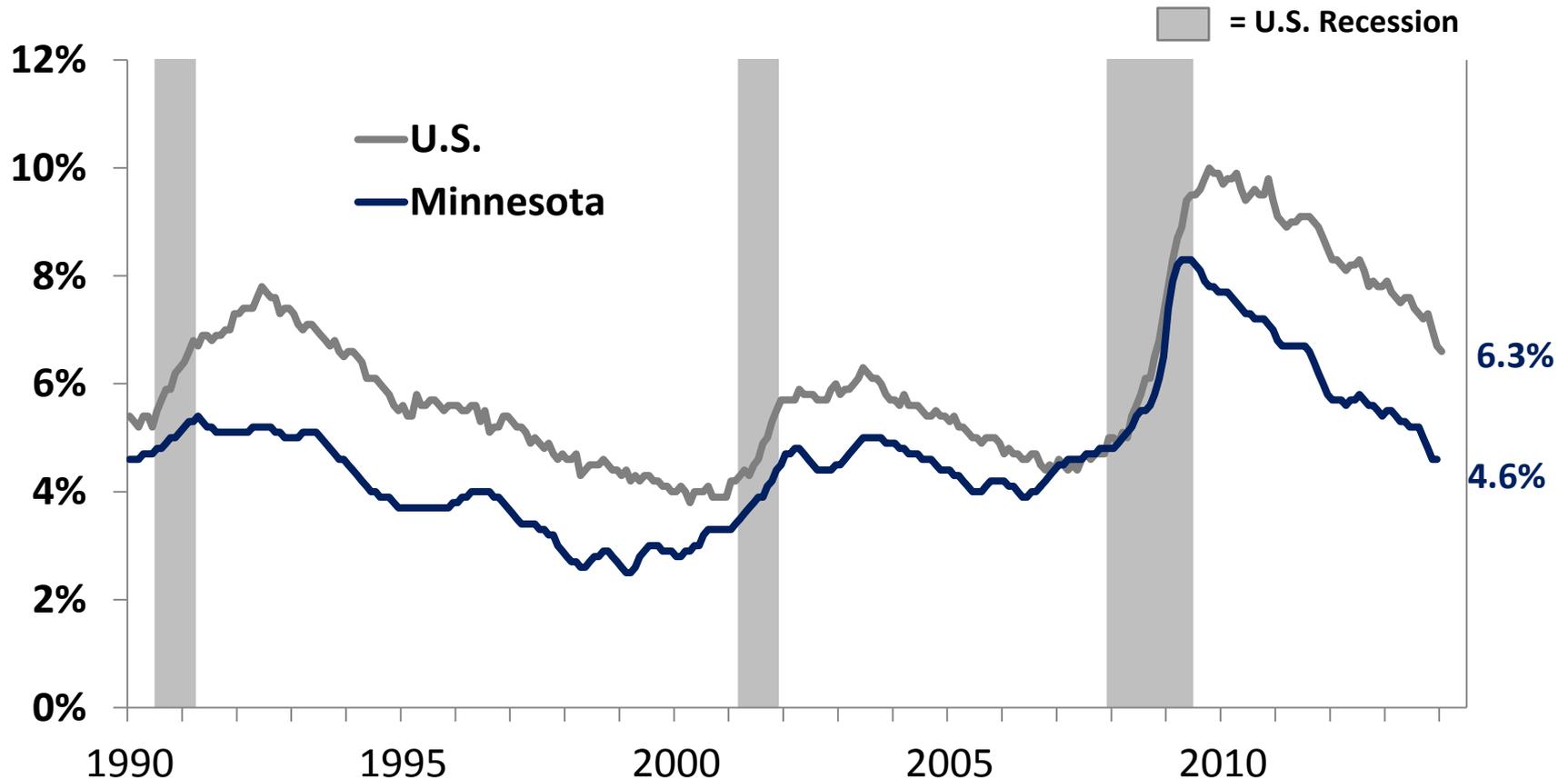
Topics for today

- Updates on Minnesota's current **economic** and **demographic** context
- Thoughts on **future** economic growth

Minnesota's economy continues to make solid gains

Unemployment Rate

Monthly, Seasonally Adjusted



Jobs exceed pre-recession levels; modest gains projected

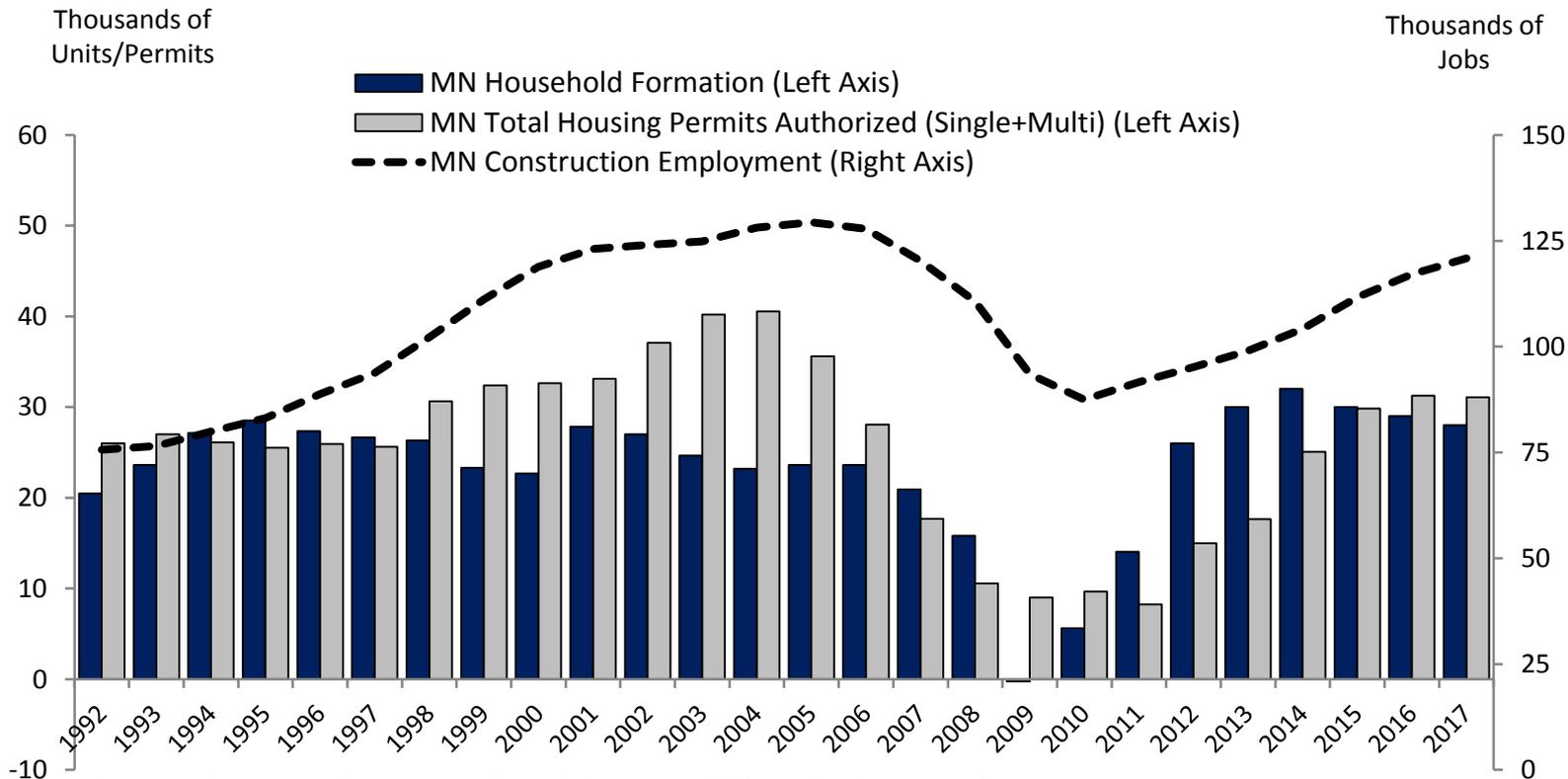
Minnesota Total Non-Farm Employment Forecast
Seasonally Adjusted, November 2013 Forecast



Source: MN Department of Employment and Economic Development (DEED), MN Management & Budget (MMB)

Job growth, stronger household formation rates help housing recover

MN Household Formation, Housing Permits, & Construction Employment History and MMB Forecast



Sources: MN Department of Employment and Economic Development (DEED), MN State Demographic Center, MN Management & Budget (MMB)

Population
aging will
dampen
future
economic
growth

The
Economist

APRIL 26TH - MAY 2ND 2014

economist.com

Warren Buffett: time for a break-up?

Germany abandons reform

China's middle-class exodus

How to teach your child to code

Robot sex, batteries not included

A billion shades of grey

*"Thanks to us oldies,
the world economy is threatened
with secular stagnation. China's
prospects are deteriorating
and inequality is rising"*

*"That's nice,
dear"*



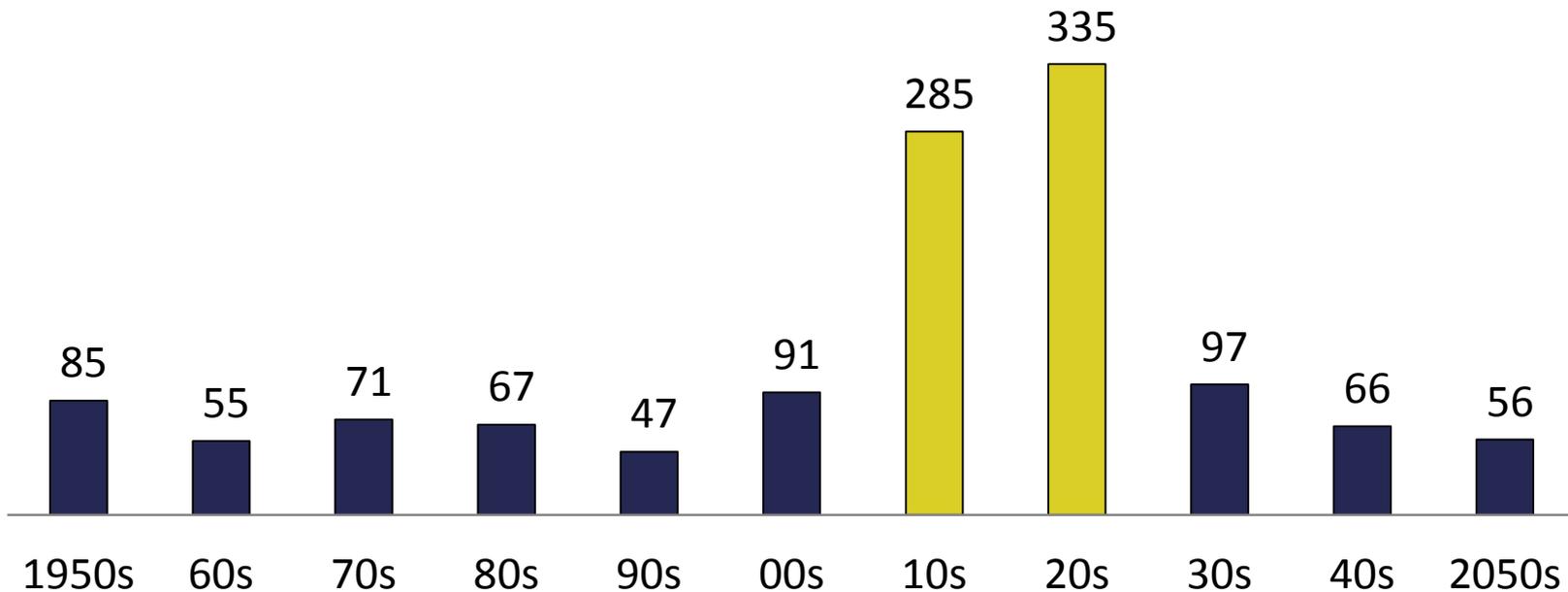
How many additional “older adults” will Minnesota gain during this decade?

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

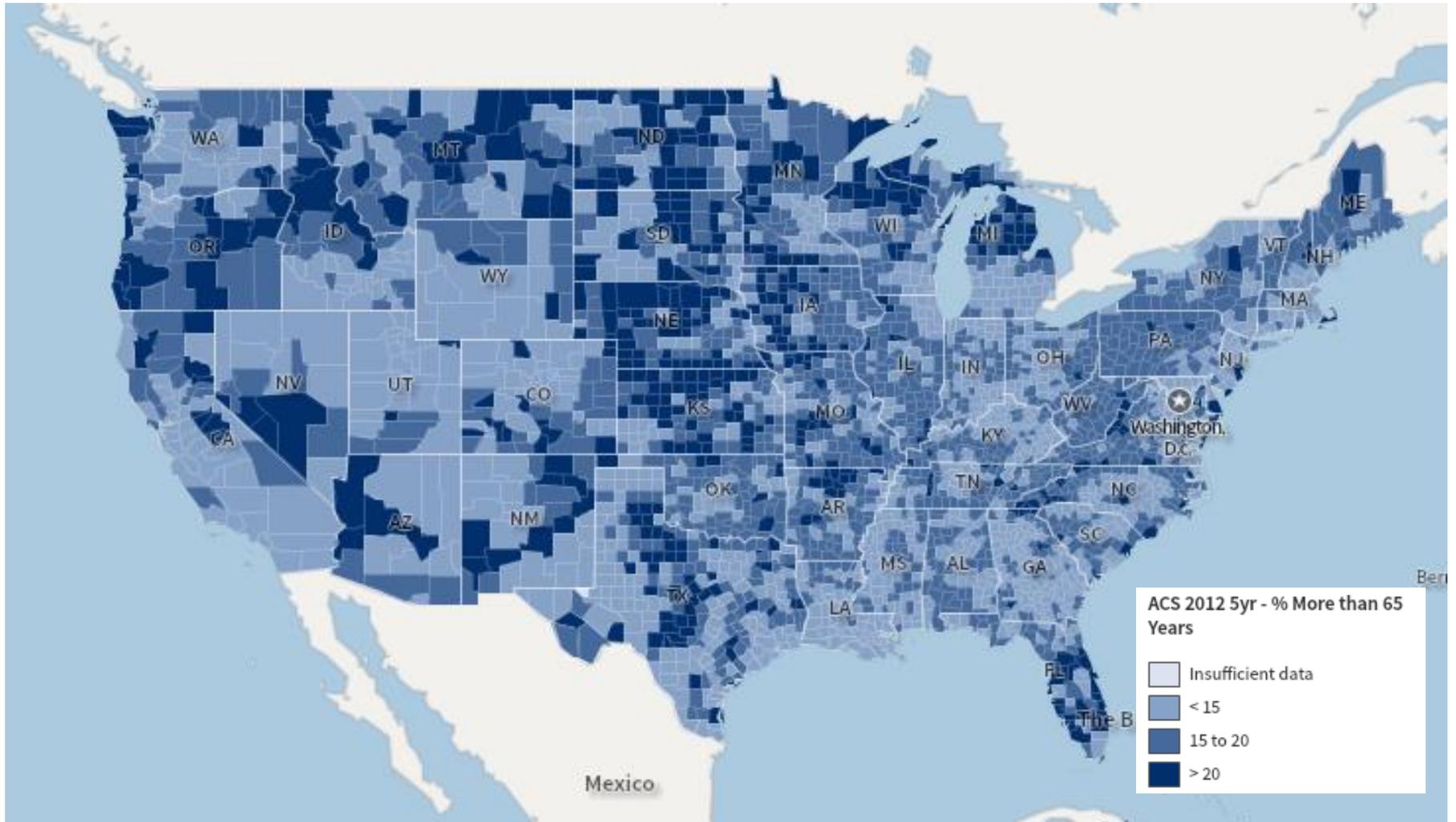


Unprecedented increases in MN's “older adult” population

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



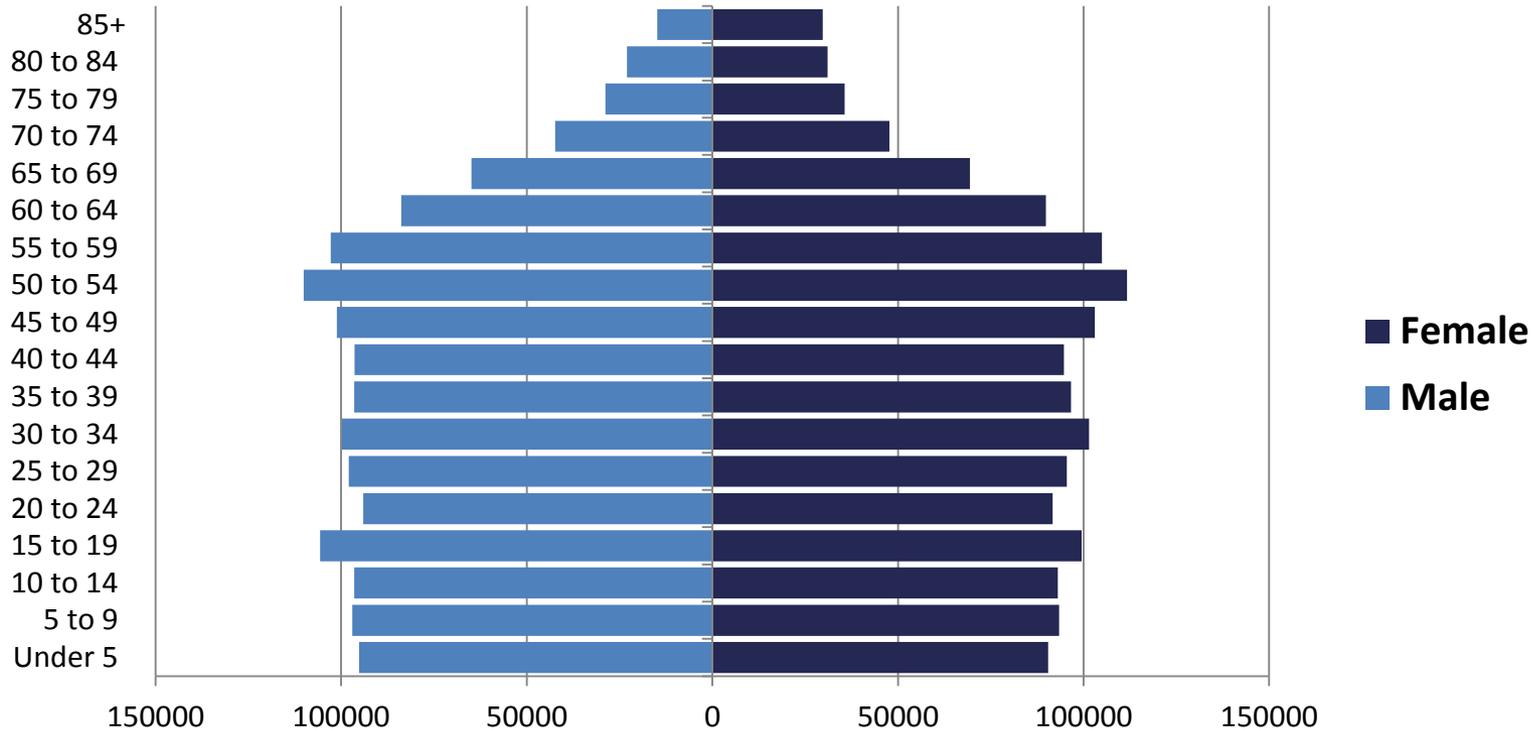
Percent age 65+, 2012



Source: Social Explorer.

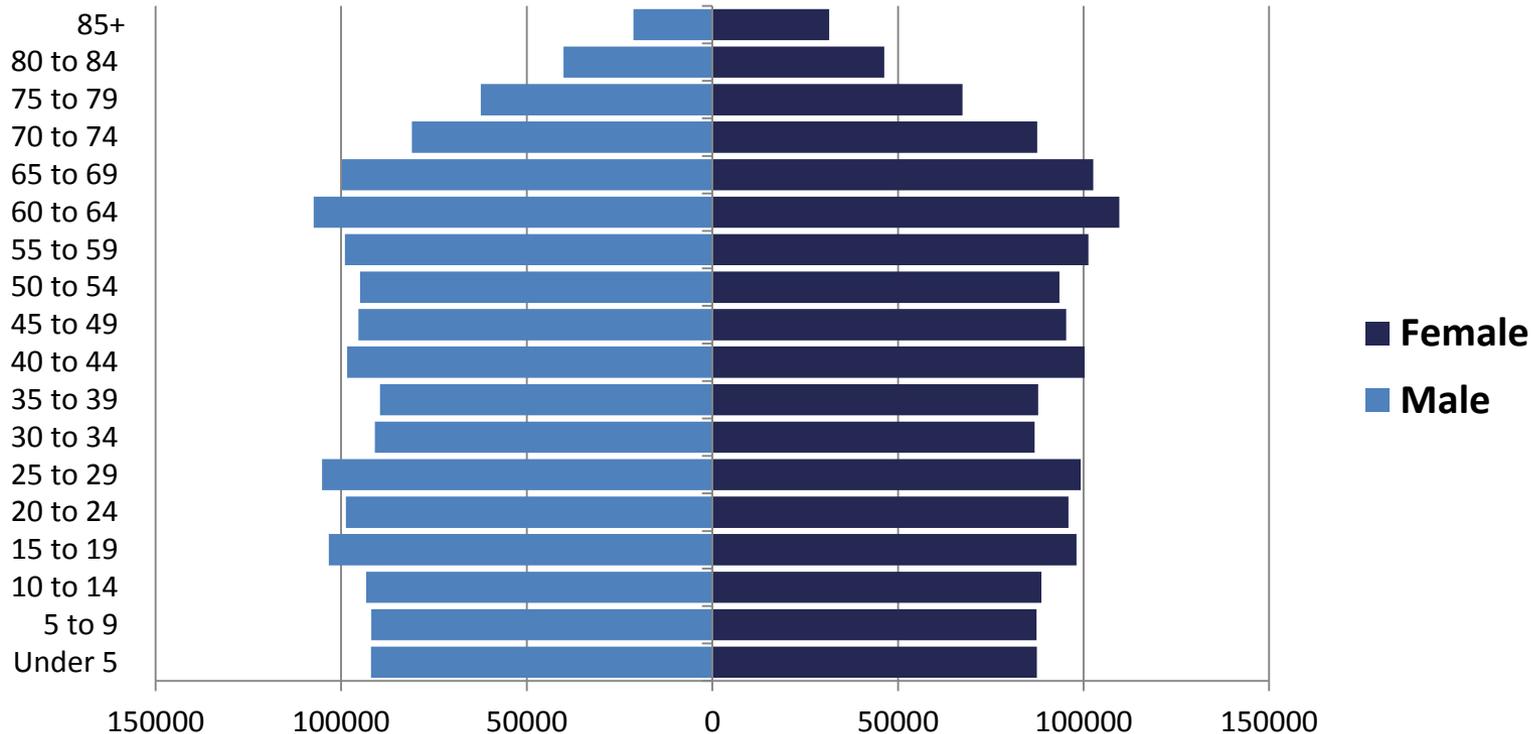
What the Twin Cities 7-county metro will look like... next year

Population by age and sex
7-county Twin Cities metro, 2015



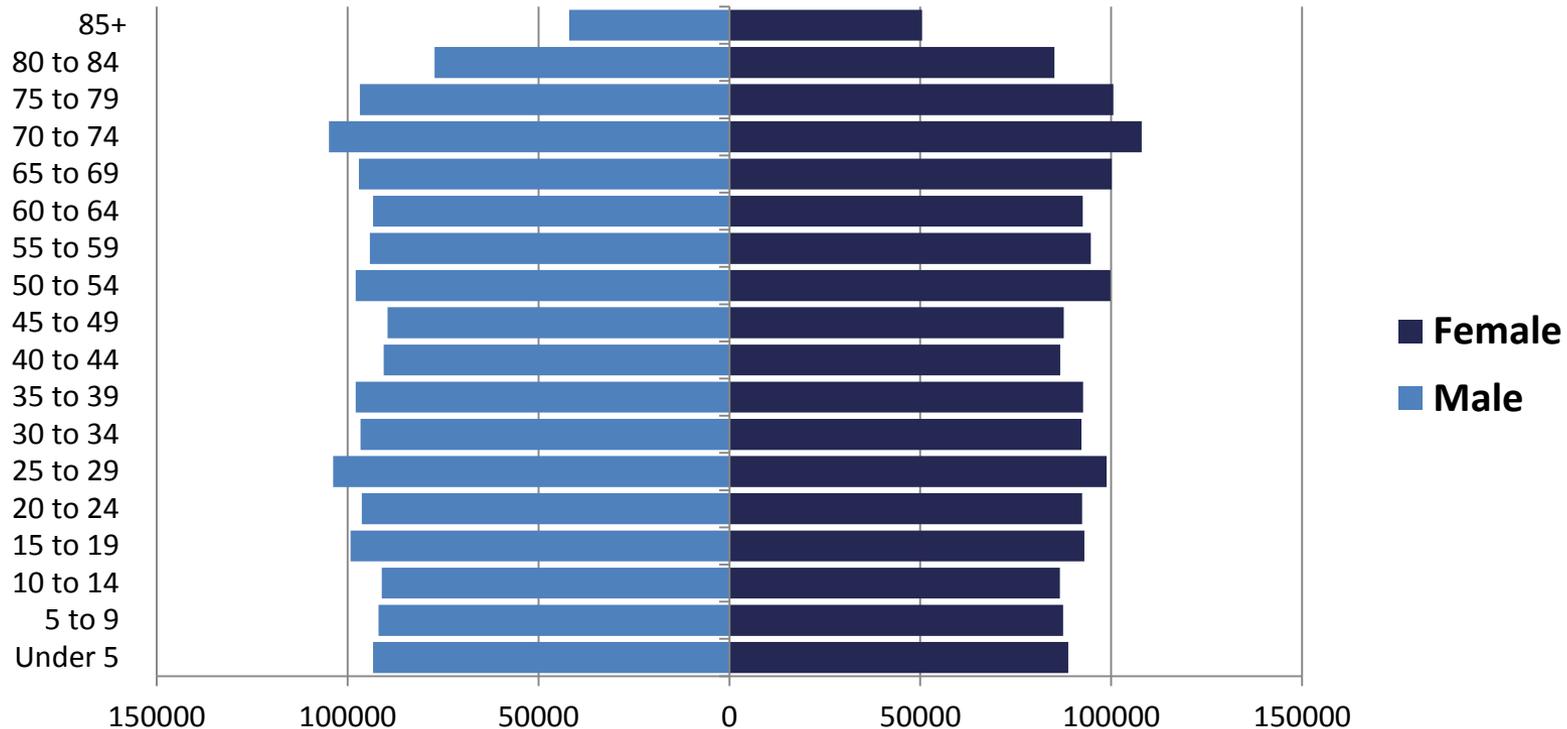
What the Twin Cities 7-county metro will look like... in 11 years

Population by age and sex
7-county Twin Cities metro, 2025



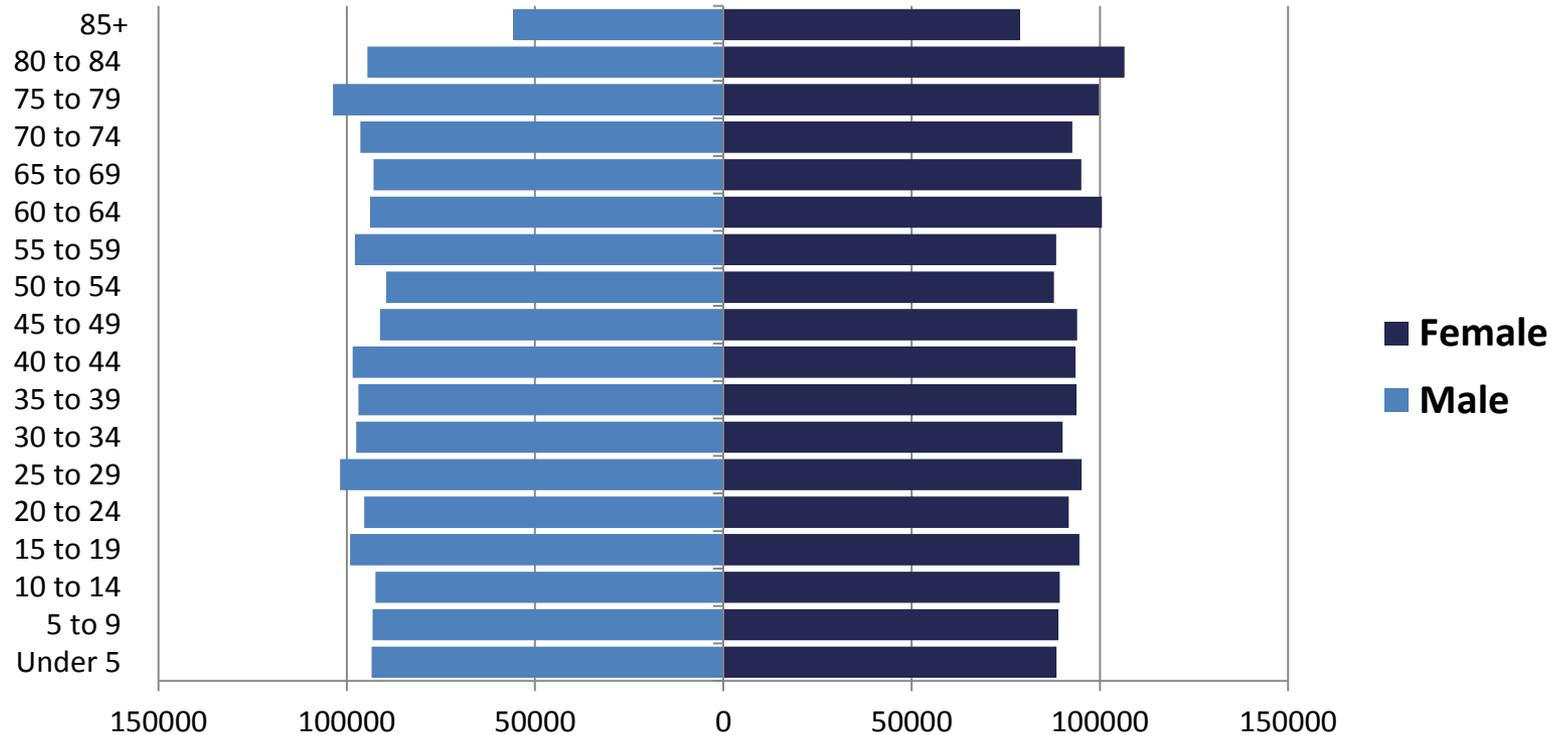
What the Twin Cities 7-county metro will look like... in 21 years

Population by age and sex
7-county Twin Cities metro, 2035

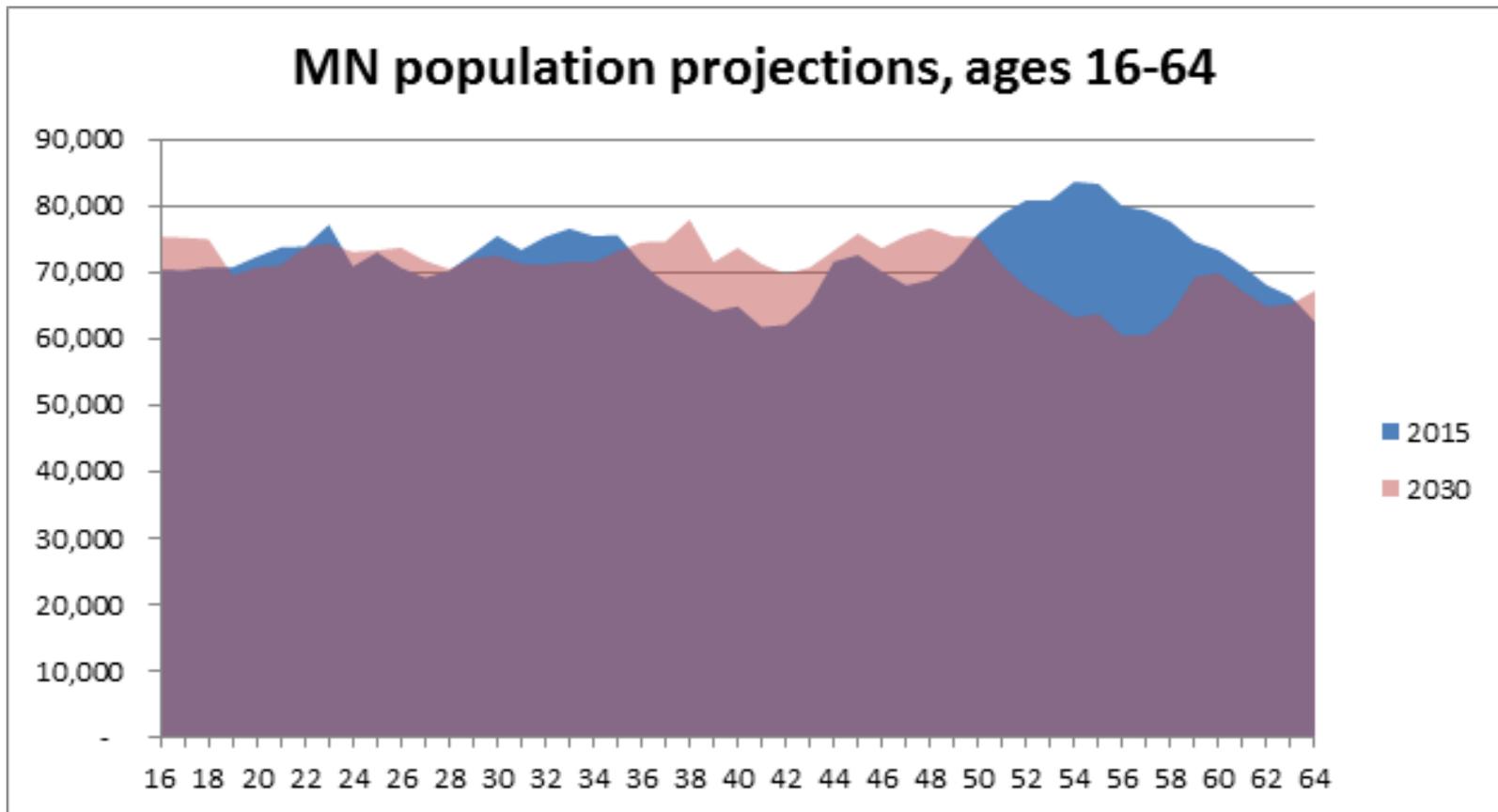


What the Twin Cities 7-county metro will look like... in 31 years

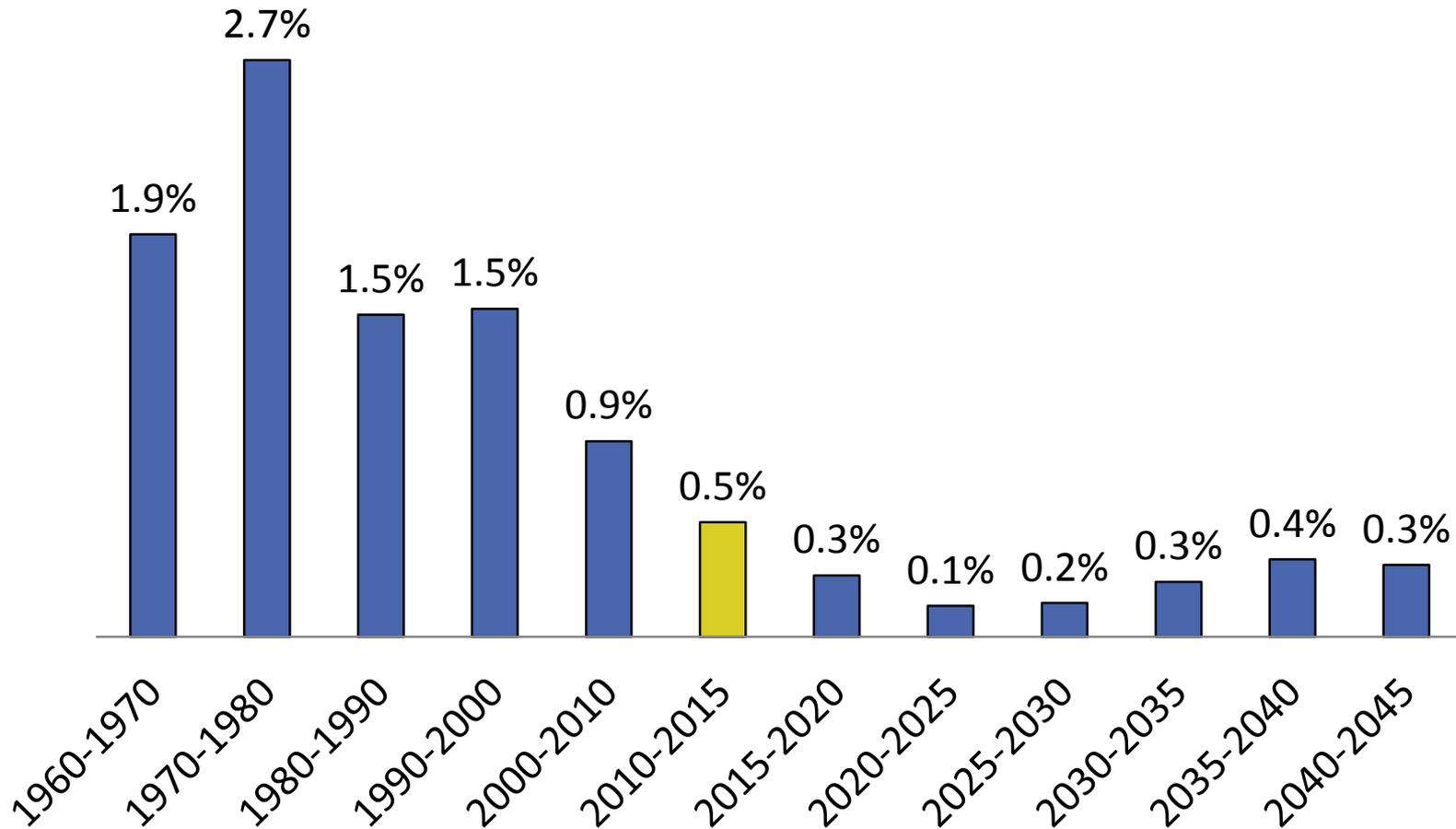
Population by age and sex
7-county Twin Cities metro, 2045



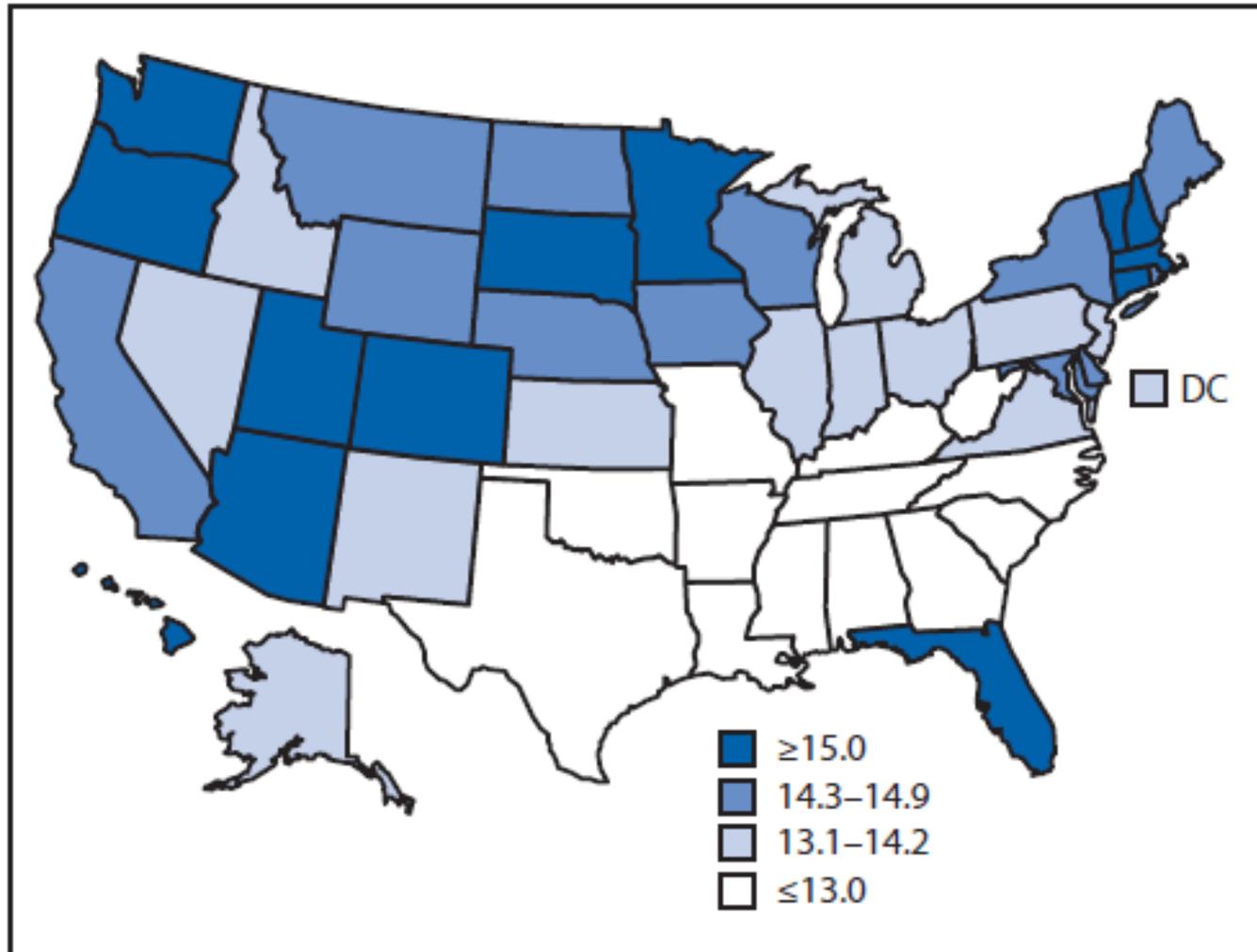
As Baby-Boomers move out of the prime working years, labor force growth slows



Labor force growth is projected to slow

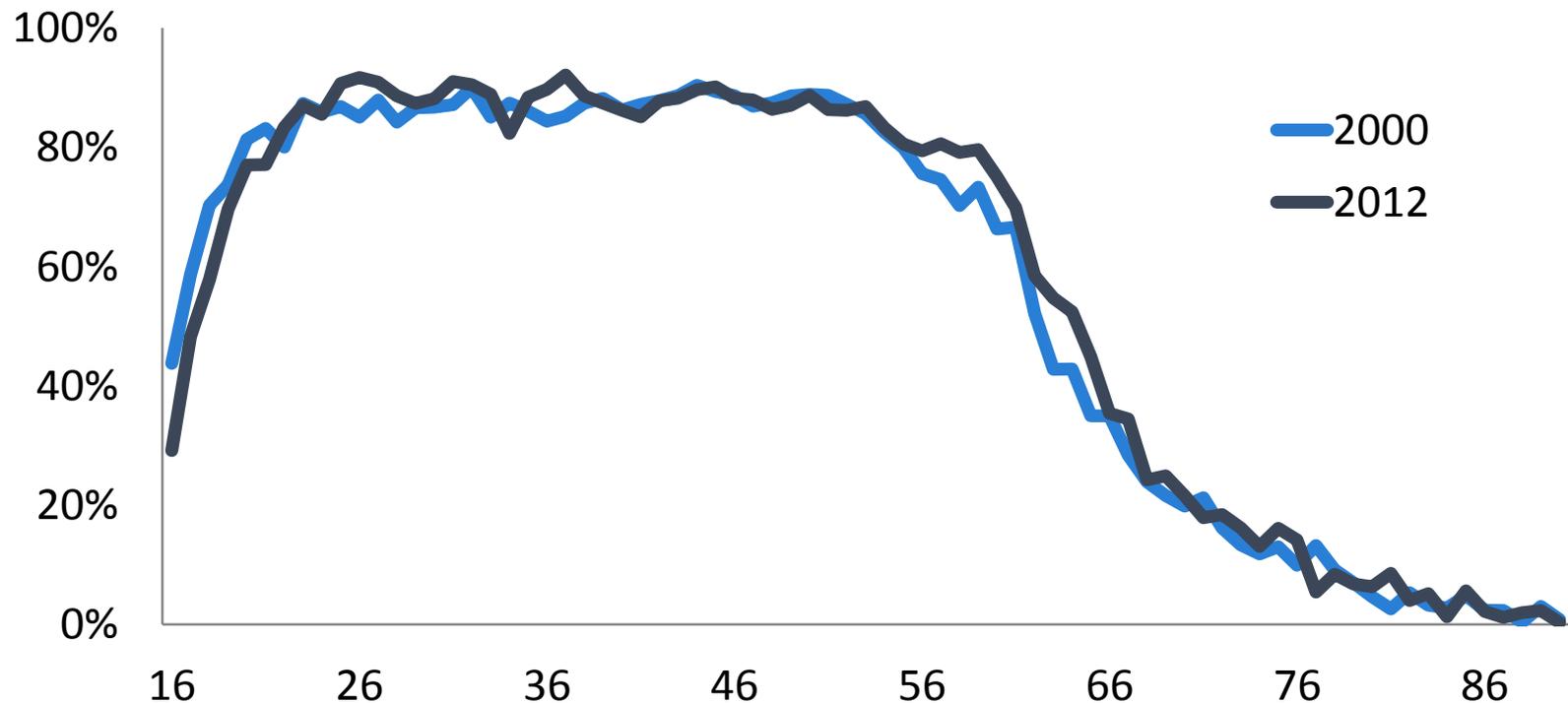


Healthy life expectancy at age 65, 2007-2009

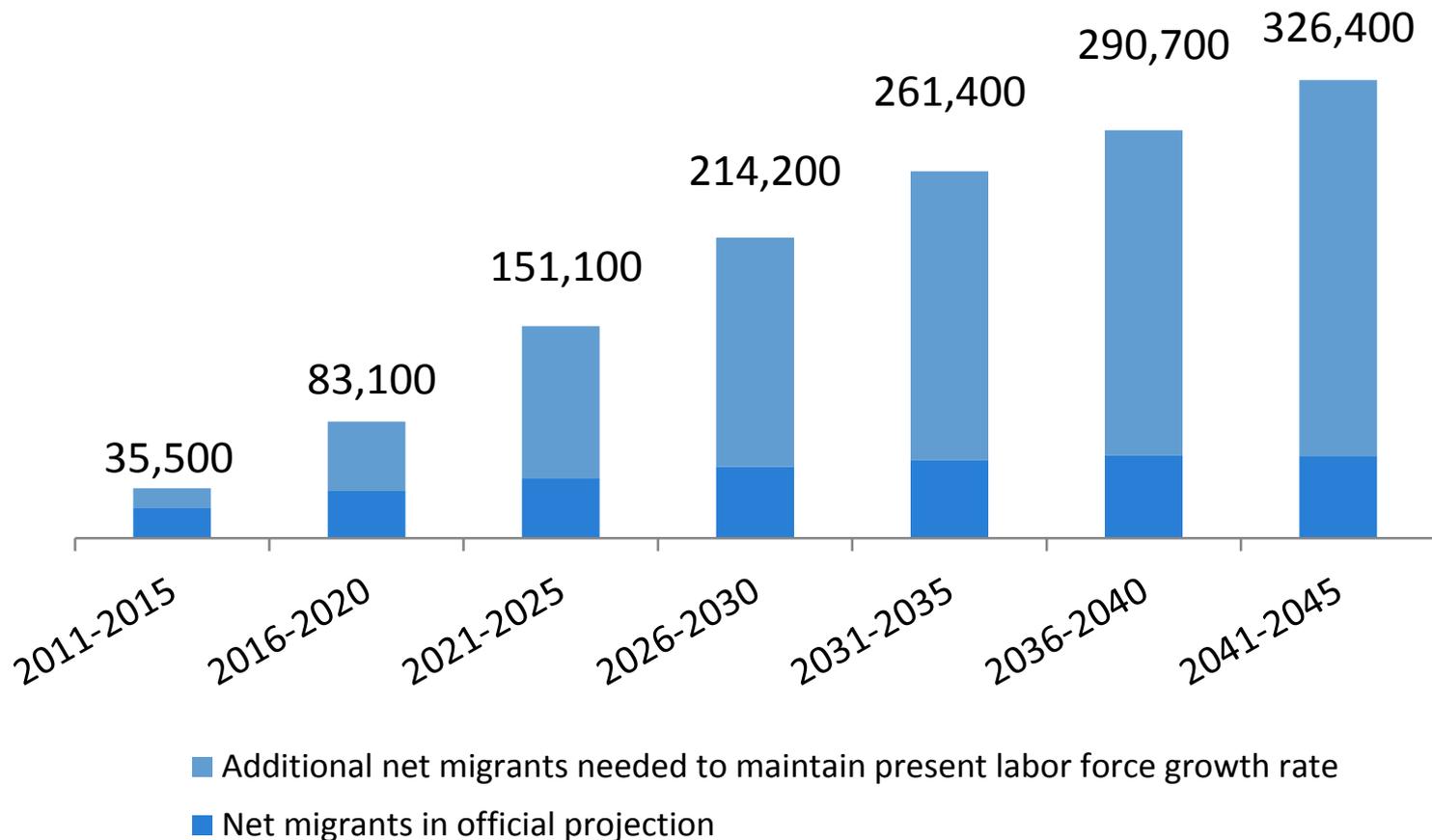


Labor force participation of older adults has increased only slightly

Rates of labor force participation
2000 and 2012

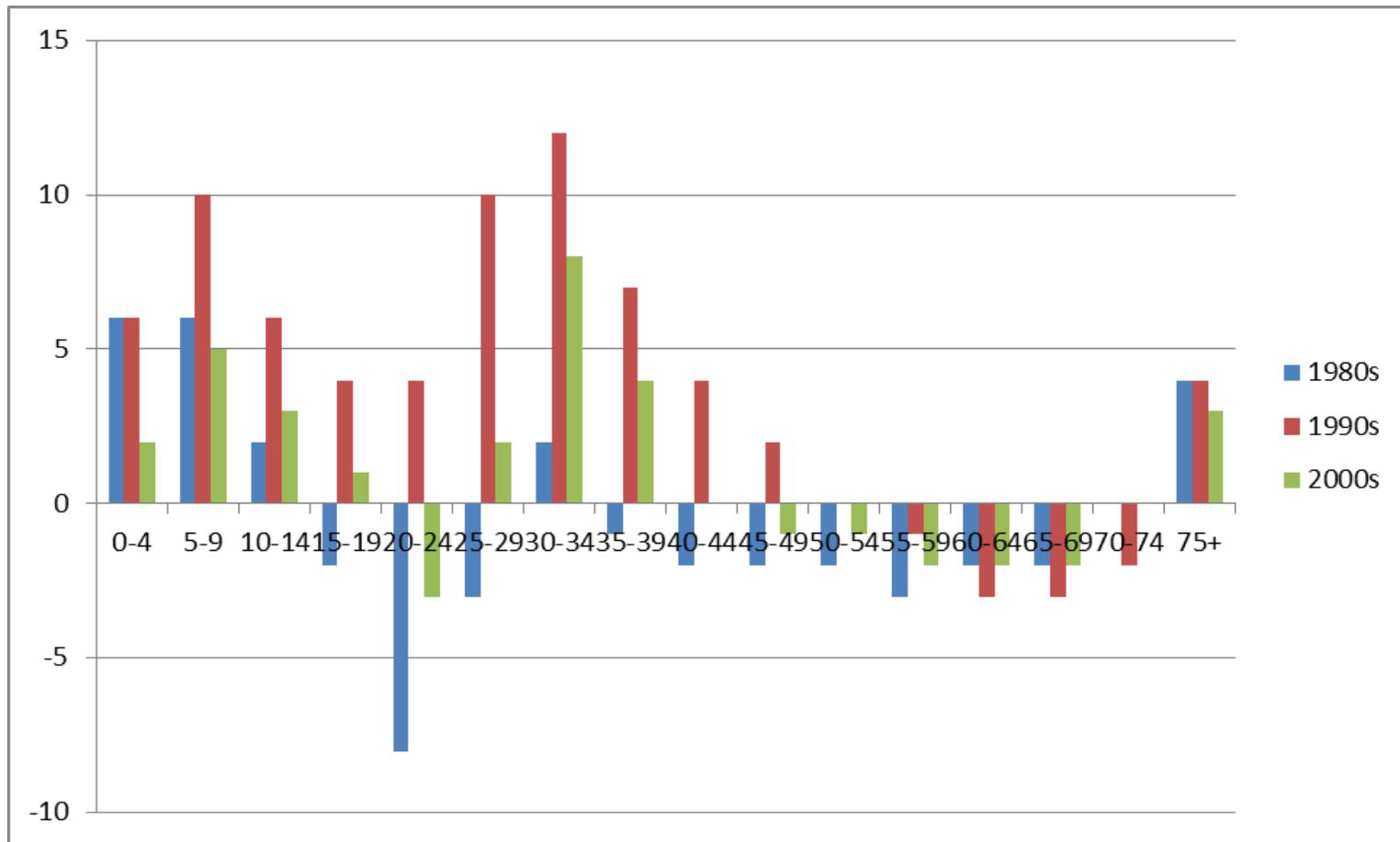


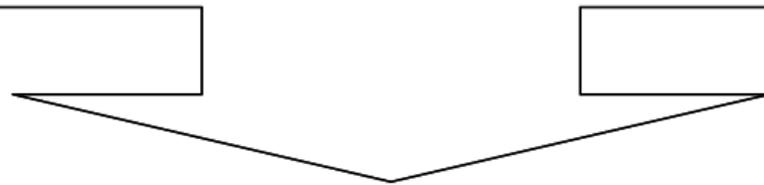
+ Immigrants to Minnesota needed to keep 0.5% labor force growth rate



Rate of net migration by age

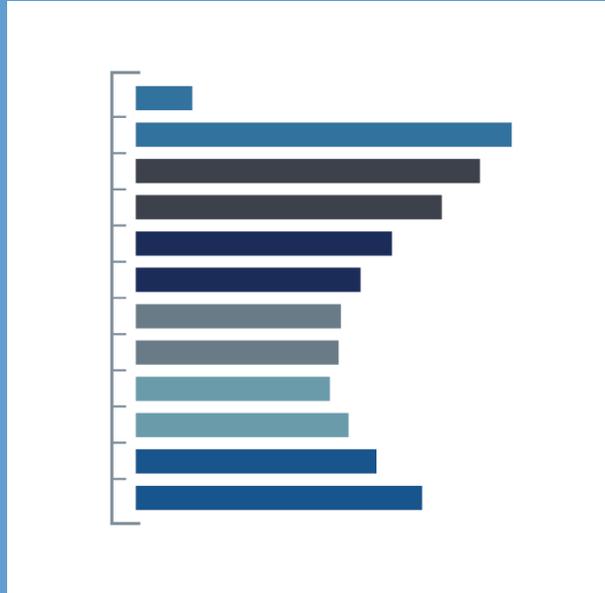
Minnesota 1980s-2000s (per 1,000)





Real GDP Growth

Source: Credit Suisse



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