
Minnesota **Milestones**

-----▶ Measures that matter

2002 Minnesota Milestones, archived version

Note to users: The content below was featured on a website that is no longer live. All of the data and discussion, however, remains below. This document is organized by a summary of indicators in four sections — People, Community & Democracy, Economy, and Environment. Discussion and trend data for each indicator appears following the indicator list specific to each section.

ECONOMY

Minnesota will have sustainable, strong economic growth.

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INDICATOR 3 8 : GROWTH IN GROSS STATE PRODUCT

Goal: *Minnesota will have sustainable, strong economic growth.* Economic growth creates jobs and may increase opportunities for better jobs and improved living standards. Strong and sustainable economic growth can be accomplished through the complementary long-term objectives of economic prosperity and environmental protection. Minnesota has traditionally been recognized as a

state with a high quality of life driven by a strong economy. Sustainable, strong economic growth puts Minnesota in a better position to achieve other *Minnesota Milestones* goals.

Rationale: Gross state product is the most commonly used measure of overall economic production. Continuous growth in gross state product is a strong indication of a healthy economy.

About this indicator: Minnesota's annual real growth in gross state product has been strong and steady since 1996, with growth rates 4.5 percent and higher. Gross state product is the value of all goods and services produced in the state. This economic growth contributed to historically low unemployment levels as well as significant gains in personal income. Strong worker productivity gains during the 1990s were a contributing factor in the robust growth in gross state product.

For comparison: Between 1990 and 2000, Minnesota's gross state product grew faster than the national gross state product in every year except 1990, 1993, 1995 and 1999. Between 1996 and 2000, Minnesota also outperformed the Plains States region as a whole (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota).

Things to think about: While gross state product is a good measure of the overall productivity of an economy, it does not measure general well-being or quality of life. Redefining Progress, a California public policy institute, notes that the gross state product makes no distinction between spending that contributes to well-being and spending that diminishes it. For example, expenditures that result in pollution and expenditures to clean up that pollution both increase the gross state product.

Technical notes: There is at least a two-year lag in reporting gross state product data.

Sources:

- U.S. Department of Commerce, Bureau of Economic Analysis, regional accounts data, www.bea.doc.gov/bea/regional/data.htm
- Redefining Progress, *The Genuine Progress Indicator*, www.redefiningprogress.org

INDICATOR 3 9 : EMPLOYMENT OF WORKING-AGE POPULATION

Goal: *Minnesota will have sustainable, strong economic growth.* Economic growth creates jobs and may increase opportunities for better jobs and improved living standards. Strong and sustainable economic growth can be accomplished through the complementary long-term objectives of economic prosperity and environmental protection. Minnesota has traditionally been recognized as a state with a high quality of life driven by a strong economy. Sustainable, strong economic growth puts Minnesota in a better position to achieve other *Minnesota Milestones* goals.

Rationale: High labor participation rates, as measured by the proportion of the working age population that is in the workforce, contribute to strong and sustainable economic growth.

About this indicator: A high percentage of Minnesotans age 16 to 64 are in the workforce. In the past decade, the rate varied from a low of 81.2 percent in 1992 to a high of 86.2 percent in 1998. The employment to population ratio was above 84 percent between 1994 and 1999. The drop in 2000 is partially due to higher-than-anticipated Census population figures; the rate is calculated by dividing total employment by Minnesota's 16 to 64 population.

This indicator can be viewed from two perspectives. On the one hand, a high workforce participation rate suggests a strong and growing economy where jobs are available for those who want them. On the other hand, a high rate may not always be desirable. It could indicate that more people are working multiple jobs and that an increasing share of households need two incomes to make ends meet.

For comparison: In 2000, the national employment to population rate was 74.2 percent, nearly 10 percent less than Minnesota. Minnesota ranked second in the nation at 83 percent, just below South Dakota. Wabasha County had the highest rate in Minnesota at 93.2 percent in 2000, while Todd County had the lowest at 60.0 percent.

Things to think about: If a greater percentage of Minnesotans work past the age of 65, this indicator could be biased upward, because it is computed by dividing the number of people working (regardless of age) by the number of people between the ages of 16 and 64.

Technical notes: This indicator uses the annual average of adjusted Local Area Unemployment Statistics, which are not seasonally adjusted. Annual population estimates are from July 1 of each year, other than the census years. Data includes people who work in Minnesota, whether or not they live in Minnesota.

Sources:

- Minnesota Department of Economic Security, Local Area Unemployment Statistics: www.mnwfc.org
- Population figures: U.S. Census Bureau: www.census.gov

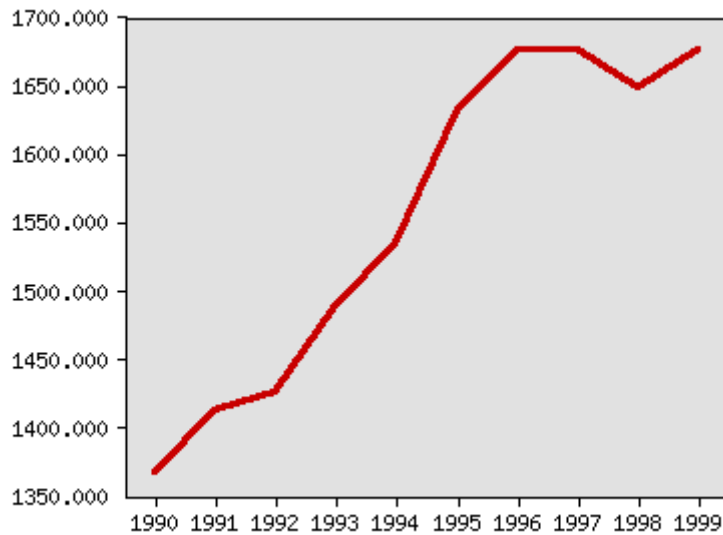
INDICATOR 4 0 : ENERGY EFFICIENCY OF THE ECONOMY

Goal: *Minnesota will have sustainable, strong economic growth.* Economic growth creates jobs and may increase opportunities for better jobs and improved living standards. Strong and sustainable economic growth can be accomplished through the complementary long-term objectives of economic prosperity and environmental protection. Minnesota has traditionally been recognized as a state with a high quality of life driven by a strong economy. Sustainable, strong economic growth puts Minnesota in a better position to achieve other *Minnesota Milestones* goals.

Rationale: Improving the energy efficiency of Minnesota's economy is an important step in maintaining long-term economic growth while minimizing cost and environmental impact.

Energy consumed, trillion BTUs

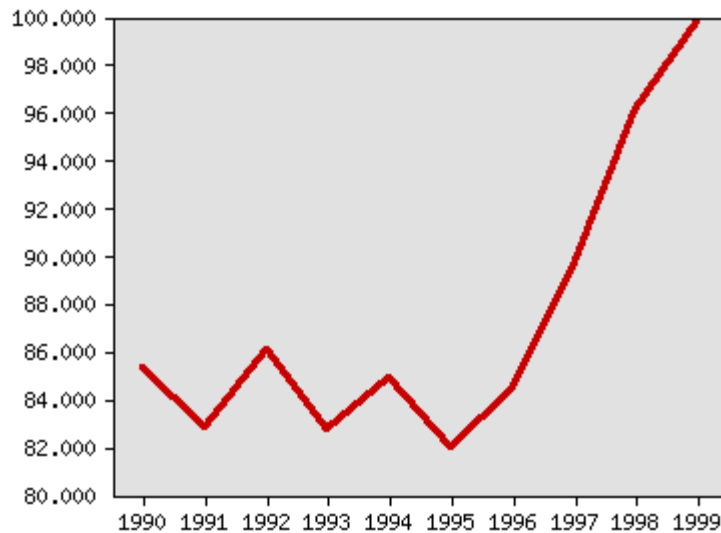
| Year | |
|------|---------|
| 1990 | 1,366.9 |
| 1991 | 1,412.3 |
| 1992 | 1,425.3 |
| 1993 | 1,488.6 |
| 1994 | 1,533.5 |
| 1995 | 1,631.9 |
| 1996 | 1,676.0 |
| 1997 | 1,675.3 |
| 1998 | 1,648.5 |
| 1999 | 1,675.3 |



Data source: Minnesota Department of Public Service and U.S. Department of Commerce

Ratio of gross state product to energy consumed

| Year | |
|------|---------|
| 1990 | \$85.33 |
| 1991 | \$82.79 |
| 1992 | \$86.09 |
| 1993 | \$82.73 |
| 1994 | \$84.89 |
| 1995 | \$81.99 |
| 1996 | \$84.45 |
| 1997 | \$89.78 |
| 1998 | \$96.11 |
| 1999 | \$99.75 |



Data source: Minnesota Department of Public Service and U.S. Department of Commerce

About this indicator: The energy efficiency of the economy generally improved during the 1990s. The amount of gross state product produced for every trillion BTUs was stagnant during the early 1990s, but increased 22 percent between 1995 and 1999. A BTU, or British Thermal Unit, is a standard measure of energy.

The upward trend of this indicator likely means Minnesota's economy is using more energy-efficient production and consumption technologies. In addition, it also probably reflects the economy

becoming less industrial and more service-based. A service-based economy tends to use less energy than a manufacturing and industrial-based economy. Getting more out of each unit of energy results in energy and cost savings when manufacturing and delivering products and services and in turn, purchasing those products and services.

For comparison: The national ratio of gross state product to energy consumption rose from \$78.88 in 1990 to \$93.37 in 1999. Minnesota had ratios of \$85.33 and \$99.75 respectively.

Things to think about: While Minnesota's population grew nearly 9 percent between 1990 and 1999, Minnesota's inflation-adjusted gross state product rose 43 percent and Minnesota's energy consumption rose more than 22 percent during the same time period. As a result, the amount of energy used per person increased almost 13 percent between 1990 and 1999, but the amount of gross state product per person rose over 30 percent during that same period.

Technical notes: Gross state product figures are adjusted for inflation and reported in 1996 dollars. Energy data includes all forms of energy consumption.

Sources:

- U.S. Department of Energy, Energy Information Administration, *State Energy Data Report 1999*, www.eia.doe.gov
- U.S. Department of Commerce, Bureau of Economic Analysis, regional accounts data, www.bea.doc.gov/bea/regional/data.htm

INDICATOR 4 1 : POST-HIGH SCHOOL EDUCATION AND TRAINING

Goal: *Minnesota's workforce will have the education and training to make the state a leader in the global economy.* This goal focuses on the need for a high-quality workforce that will keep Minnesota competitive in the world economy. While good indicators exist to measure Minnesotans' education attainment levels, equally good data is not available to measure workforce training. Concerns exist on how well Minnesota students are prepared for the occupations most in need of workers.

Rationale: Tracking the status of high school graduates provides an indication of how many are preparing themselves to enter the workforce with advanced skills.

About this indicator: The trend is difficult to discern because of changes in the way the information is collected. In a 2000 follow-up survey, 86 percent of 1997 graduates said they had enrolled in college. In the earlier one-year follow-up surveys conducted from 1990 to 1996, between 70 and 75 percent of high school graduates had pursued advanced training, apprenticeships or higher education one year after finishing high school.

Data from the Minnesota Higher Education Services Office suggests that 43 percent of Minnesota high school graduates in 2000 attended a Minnesota post-secondary institution the following fall. In addition, the Minnesota Higher Education Services Office estimates that approximately 15 percent of Minnesota high school graduates attended out-of-state post-secondary institutions in 2000, based on data from the National Center for Education Statistics. Adding these figures would show that 58 percent of Minnesota's 2000 high school graduates attended college the following fall, a significantly smaller portion than the Department of Children, Families & Learning found.

For comparison: According to the Bureau of Labor Statistics, in 2000, approximately 63 percent of high school graduates throughout the country went to college the following fall. The Bureau of Labor Statistics does not provide similar state level data.

Things to think about: A prerequisite for increasing the percentage of students going on to college is increasing the number of students taking appropriate high school courses. The ACT-recommended college preparatory curriculum is four years of English and three years each of science, social science and math. Of the Minnesota high school students taking the ACT college entrance examination in 2001, approximately 67 percent had taken the recommended curriculum. This is down from 71 percent in 1999. Raising the percentage of high school students taking the college preparatory classes may lead to a higher percentage of students entering college following graduation.

Technical notes: In *Minnesota Milestones 1998*, this indicator was based on a one-year follow-up survey of high school graduates. Starting in 1997, the Minnesota Department of Children, Families & Learning replaced that survey with a two-stage survey: first, a survey of high school seniors about their fall plans after graduation (work, college, apprenticeship, military or a combination of these options) and second, a follow-up survey three years later. This was conducted in 2000.

The 1997 survey included a sample of 1,775 high school seniors. For the three-year follow up survey in 2000, responses were obtained from 636 of the original 1,775. The data suggests that students enrolled in college were more likely to respond to the survey, biasing the indicator upward.

The Minnesota Higher Education Services Office suggests that the college residence data provided by the National Center for Education Statistics should be used cautiously due to the fact that some institutions do not report their results.

Sources:

- Minnesota Department of Children, Families & Learning, *Class of 1997 Three-Year Follow-Up*, <http://cfl.state.mn.us>
- Minnesota Higher Education Services Office and Minnesota Department of Children, Families & Learning, *1999 Minnesota High School Follow-Up Survey*, www.mheso.state.mn.us
- U.S Department of Education, National Center for Education Statistics, *Digest of Education Statistics, 2000*, Residence and Migration of First-time Freshmen, <http://nces.ed.gov/pubs2001/digest/dt205.html>
- U.S. Bureau of Labor Statistics, College enrollment and work activity of year 2000 high school graduates, www.bls.gov
- *Pioneer Press*, "Minnesota kids boost test scores," 15 August 2001.

INDICATOR 4 2 : JOB PLACEMENT AFTER TWO-YEAR COLLEGE

Goal: *Minnesota's workforce will have the education and training to make the state a leader in the global economy.* This goal focuses on the need for a high-quality workforce that will keep Minnesota competitive in the world economy. While good indicators exist to measure Minnesotans' education attainment levels, equally good data is not available to measure workforce training. Concerns exist on how well Minnesota students are prepared for the occupations most in need of workers.

Rationale: The job placement of students provides an important indication of how well two-year college institutions are preparing students for work opportunities.

About this indicator: The placement rate has risen almost 8 percentage points, from a 1990 level of 83.8 percent to 91.6 percent in 1999. Two-year colleges serve not only recent high-school graduates, but also adults looking to enter a new career. A rising placement rate is a reflection of a good economy with job opportunities, as well as an indication that Minnesota's two-year colleges are preparing students for those opportunities.

Things to think about: In 1999, about 40 percent of the nearly 100,000 students enrolled in Minnesota's community and technical colleges were over the age of 34. The average age of a Minnesota community and technical college student in 1999 was 27.2 years. This data reflects the fact that a significant number of Minnesotans are going back to school for training after being in the workforce.

Technical notes: Prior to their merger into the Minnesota State Colleges and Universities, the State University System and the Community and Technical College System used different methods for collecting placement data. In the 1997-98 school year, a new uniform methodology was established. Data from earlier years is roughly comparable to the data since 1998.

Sources:

- Minnesota State Colleges and Universities, Office of Policy and Planning, Job Placement, www.mnscu.edu
- Minnesota Higher Education and Services Office, Community and Technical College Enrollment Profile 1990 and 1999, www.mheso.state.mn.us

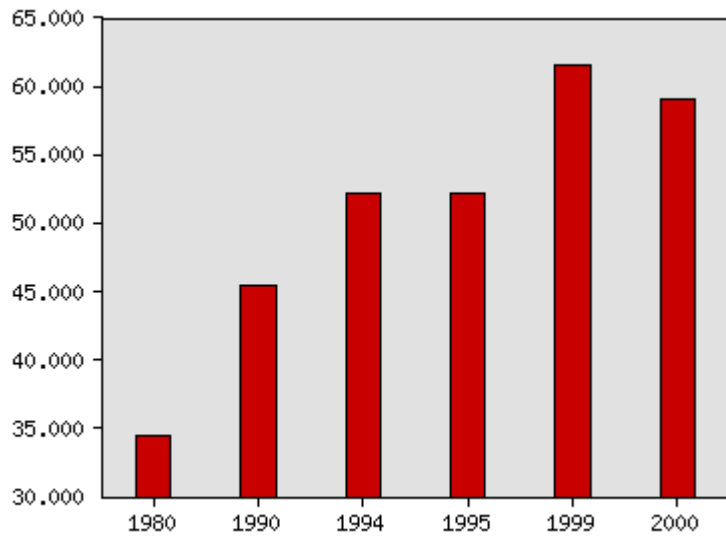
INDICATOR 4 3 : ADULTS WITH COLLEGE EDUCATION

Goal: *Minnesota's workforce will have the education and training to make the state a leader in the global economy.* This goal focuses on the need for a high-quality workforce that will keep Minnesota competitive in the world economy. While good indicators exist to measure Minnesotans' education attainment levels, equally good data is not available to measure workforce training. Concerns exist on how well Minnesota students are prepared for the occupations most in need of workers.

Rationale: Measuring the percentage of Minnesotans with higher education degrees and experience provides insight into the skills of Minnesota's workforce and how it compares internationally.

Percentage of Minnesotans age 25 and older with some college

| Year | |
|------|-------|
| 1980 | 34.5% |
| 1990 | 45.5% |
| 1994 | 52.2% |
| 1995 | 52.2% |
| 1999 | 61.6% |
| 2000 | 59.1% |

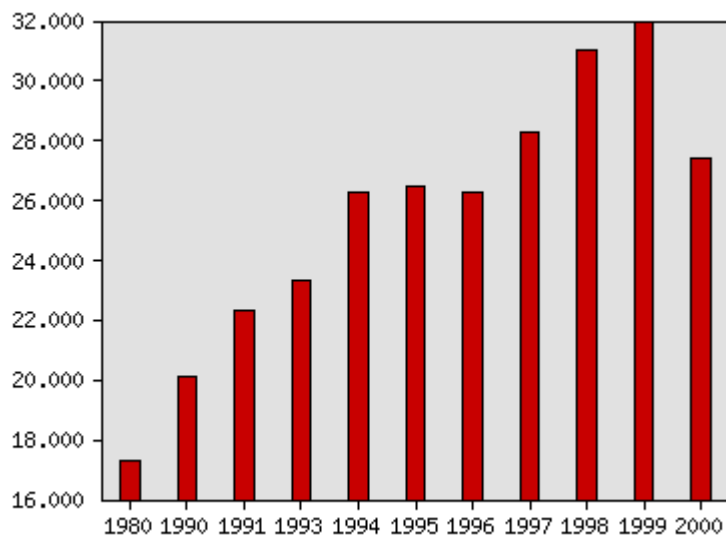


[Local data](#)

Data source: U.S. Bureau of the Census

Percentage of Minnesotans age 25 and older with a Bachelor's degree

| Year | |
|------|-------|
| 1980 | 17.3% |
| 1990 | 20.1% |
| 1991 | 22.3% |
| 1993 | 23.3% |
| 1994 | 26.3% |
| 1995 | 26.5% |
| 1996 | 26.3% |
| 1997 | 28.3% |
| 1998 | 31% |

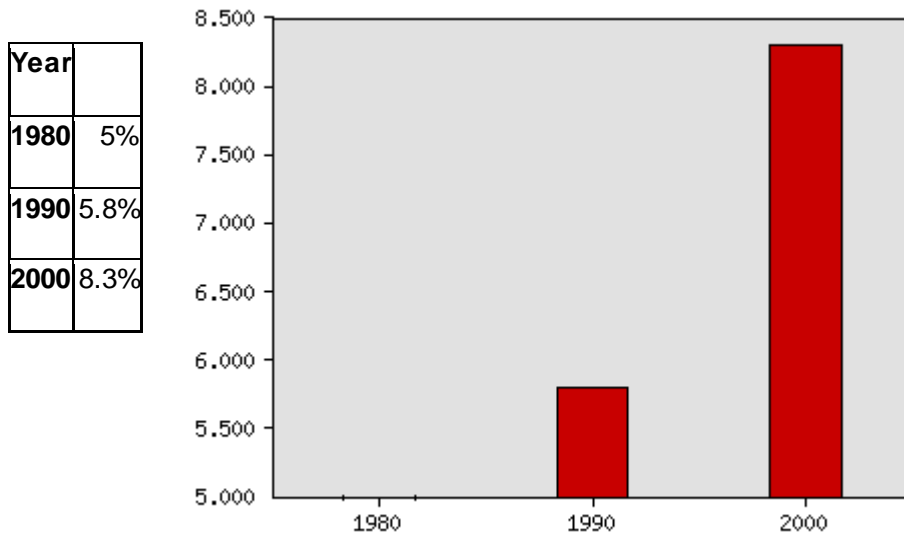


| | |
|------|-------|
| 1999 | 32% |
| 2000 | 27.4% |

[Local data](#)

Data source: U.S. Bureau of the Census

Percentage of Minnesotans age 25 and older with a graduate or professional degree



[Local data](#)

Data source: U.S. Bureau of the Census

About this indicator: The percentage of Minnesotans age 25 and older with at least some college education rose to 59.1 percent in 2000, a significant increase from 45.5 percent in 1990. States and countries with a better-educated adult population tend to have stronger economies and a higher standard of living. A workforce that is well educated, especially in the fastest-growing fields, also gives Minnesota a competitive advantage in attracting new businesses and industries.

The percentage of Minnesotans with at least a bachelor's degree rose from 20 percent in 1990 to 27.4 percent in 2000. During the same period, the percentage of Minnesotans with a graduate or professional degree increased from 5.8 percent to 8.3 percent.

For comparison: Minnesota continues to have one of the best-educated populations in the country. At 59.1 percent, the percent of Minnesotans age 25 and over with some college experience was well above the national rate of 51.8 percent. However, Minnesota's rate of 8.3 percent for those holding graduate or professional degrees was below the national rate of 8.9 percent.

Things to think about: A college degree can mean as much as \$600,000 more in lifetime earnings, compared to a high school degree, according to the Minnesota Higher Education Services Office. However, four-year college degrees are not the most appropriate path for some students and some professions. Two-year degree programs provide appropriate preparation for many available jobs.

Technical notes: Data between census years is from the Current Population Survey-March supplement on educational attainment. Data for the percentage of Minnesotans with "at least some college" is only available in certain years.

Sources:

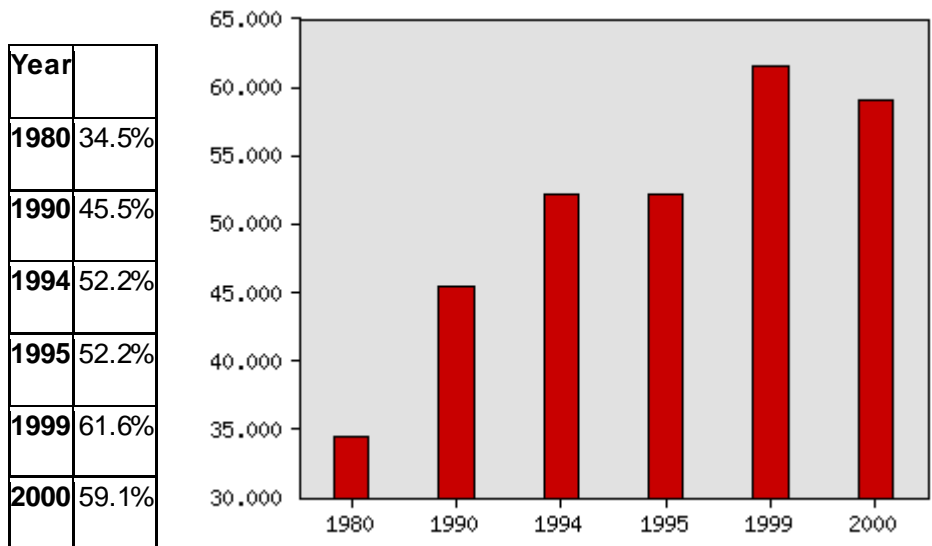
- U.S. Bureau of the Census, Decennial Census, 1980 and 1990, www.census.gov
- U.S. Census Bureau, Current Population Survey (for other years), www.bls.census.gov/cps/cpsmain.htm

INDICATOR 4 3 : ADULTS WITH COLLEGE EDUCATION

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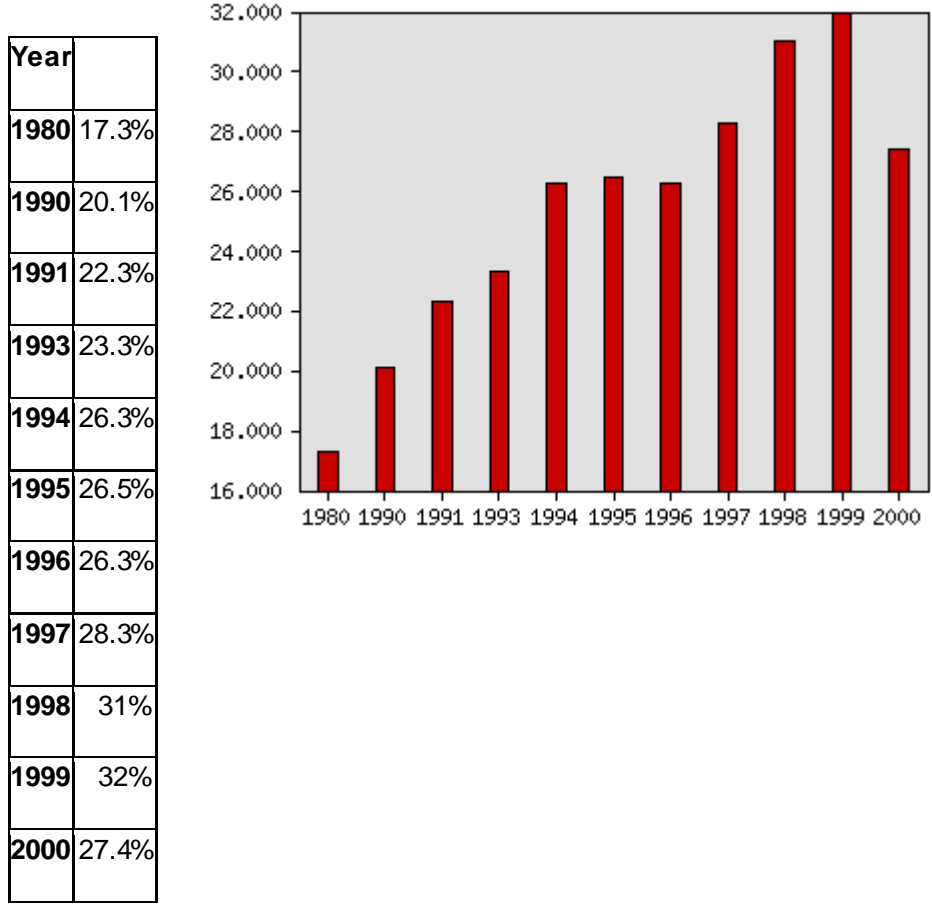
Percentage of Minnesotans age 25 and older with some college



[Local data](#)

Data source: U.S. Bureau of the Census

Percentage of Minnesotans age 25 and older with a Bachelor's degree

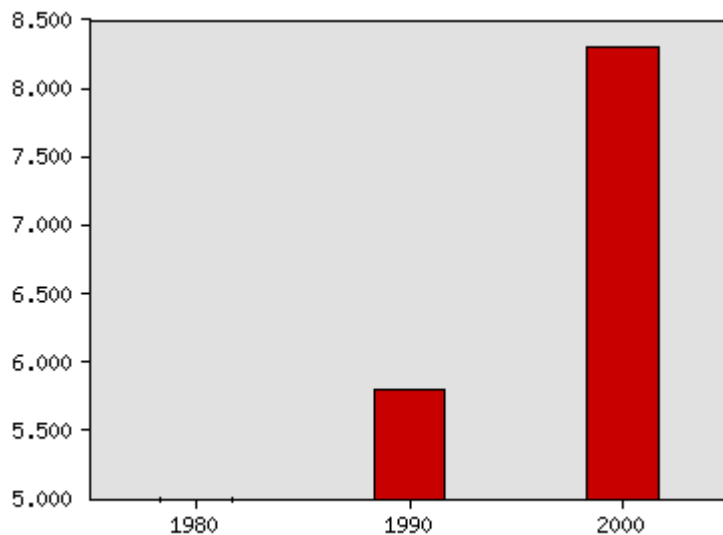


[Local data](#)

Data source: U.S. Bureau of the Census

Percentage of Minnesotans age 25 and older with a graduate or professional degree

| Year | |
|------|------|
| 1980 | 5% |
| 1990 | 5.8% |
| 2000 | 8.3% |



[Local data](#)

Data source: U.S. Bureau of the Census

About this indicator: The percentage of Minnesotans age 25 and older with at least some college education rose to 59.1 percent in 2000, a significant increase from 45.5 percent in 1990. States and countries with a better-educated adult population tend to have stronger economies and a higher standard of living. A workforce that is well educated, especially in the fastest-growing fields, also gives Minnesota a competitive advantage in attracting new businesses and industries.

The percentage of Minnesotans with at least a bachelor's degree rose from 20 percent in 1990 to 27.4 percent in 2000. During the same period, the percentage of Minnesotans with a graduate or professional degree increased from 5.8 percent to 8.3 percent.

For comparison: Minnesota continues to have one of the best-educated populations in the country. At 59.1 percent, the percent of Minnesotans age 25 and over with some college experience was well above the national rate of 51.8 percent. However, Minnesota's rate of 8.3 percent for those holding graduate or professional degrees was below the national rate of 8.9 percent.

Things to think about: A college degree can mean as much as \$600,000 more in lifetime earnings, compared to a high school degree, according to the Minnesota Higher Education Services Office. However, four-year college degrees are not the most appropriate path for some students and some professions. Two-year degree programs provide appropriate preparation for many available jobs.

Technical notes: Data between census years is from the Current Population Survey-March supplement on educational attainment. Data for the percentage of Minnesotans with "at least some college" is only available in certain years.

Sources:

- U.S. Bureau of the Census, Decennial Census, 1980 and 1990, www.census.gov

- U.S. Census Bureau, Current Population Survey (for other years), www.bls.census.gov/cps/cpsmain.htm

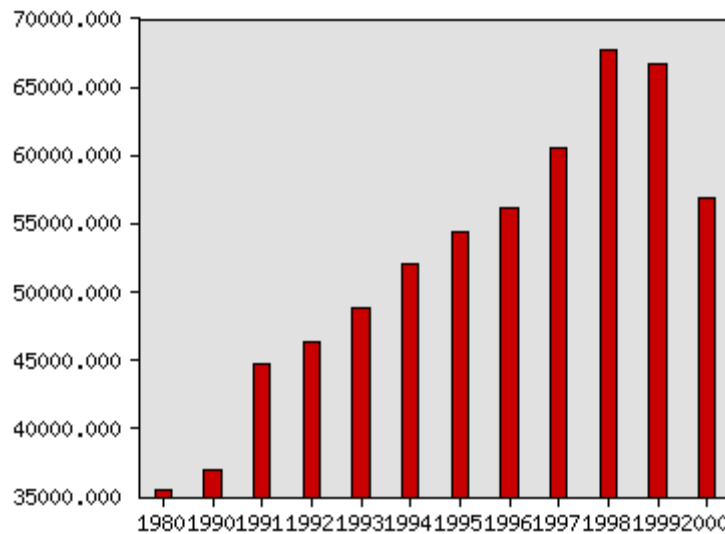
INDICATOR 4 4 : MEDIAN FAMILY INCOME COMPARED TO U.S. MEDIAN

Goal: *All Minnesotans will have the economic means to maintain a reasonable standard of living.* The citizens who helped create *Minnesota Milestones* stated clearly that income slightly above the poverty level is not adequate for a reasonable standard of living. The indicators for this goal deal with several aspects of employment and income.

Rationale: Comparing Minnesota's median income to the nation's median income provides some indication of how Minnesota families are faring compared to the rest of the nation.

Median family income

| Year | |
|------|-------------|
| 1980 | \$35,499.00 |
| 1990 | \$36,916.00 |
| 1991 | \$44,785.00 |
| 1992 | \$46,322.00 |
| 1993 | \$48,817.00 |
| 1994 | \$51,996.00 |
| 1995 | \$54,396.00 |
| 1996 | \$56,200.00 |
| 1997 | \$60,577.00 |
| 1998 | \$67,704.00 |
| 1999 | \$66,677.00 |
| 2000 | \$56,874.00 |

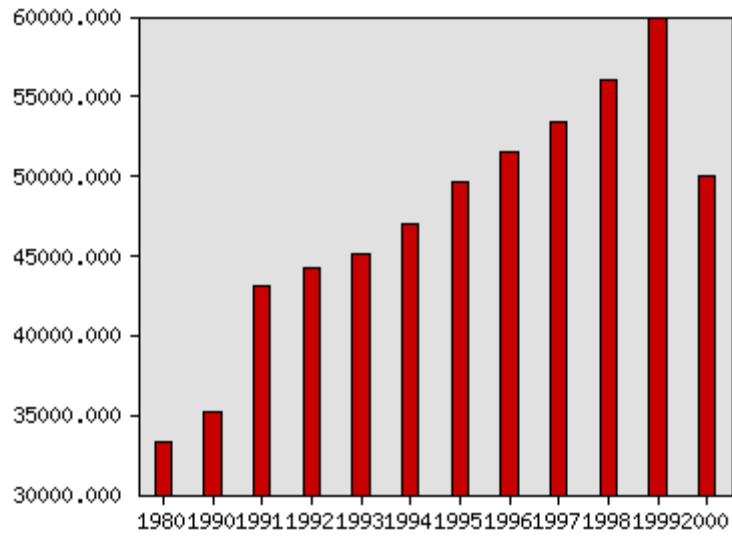


[Local data](#)

Data source: U.S. Bureau of the Census

United States median family income

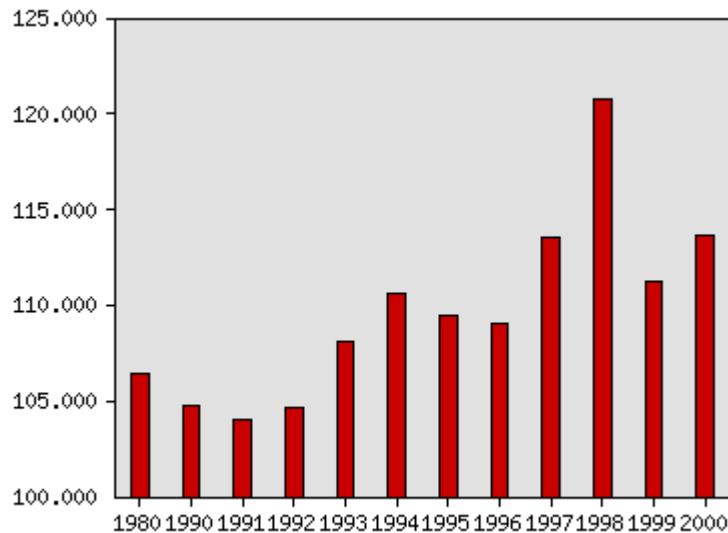
| Year | |
|------|-------------|
| 1980 | \$33,374.00 |
| 1990 | \$35,225.00 |
| 1991 | \$43,056.00 |
| 1992 | \$44,251.00 |
| 1993 | \$45,161.00 |
| 1994 | \$47,012.00 |
| 1995 | \$49,687.00 |
| 1996 | \$51,518.00 |
| 1997 | \$53,350.00 |
| 1998 | \$56,061.00 |
| 1999 | \$59,981.00 |
| 2000 | \$50,046.00 |



Data source: U.S. Bureau of the Census

Median family income as a percentage of the U.S. median

| Year | |
|------|--------|
| 1980 | 106.4% |
| 1990 | 104.8% |
| 1991 | 104.0% |
| 1992 | 104.7% |
| 1993 | 108.1% |
| 1994 | 110.6% |
| 1995 | 109.5% |
| 1996 | 109.1% |
| 1997 | 113.5% |
| 1998 | 120.8% |
| 1999 | 111.2% |
| 2000 | 113.6% |



[Local data](#)

Data source: U.S. Bureau of the Census

About this indicator: Minnesota's median family income outpaced the nation's median family income throughout the 1990s, but especially between 1997 and 2000. In those years, Minnesota's median family income was between 111 and 121 percent of the nation's. This is strong improvement since 1990, when Minnesota's median family income was only 105 percent of the national figure.

The median is the income level that divides the population in half – half of all families earn below and half earn above the median amount. This indicator provides some evidence that Minnesota's economy has performed better than the nation's economy during the 1990s. As a result Minnesota's families have benefited more than the nation's families.

Income data by race and ethnicity is expected in late summer 2002.

For comparison: The national median family income in 2000 was \$50,046 compared to \$56,874 in Minnesota, ranking eighth-highest in the nation. Connecticut ranked first at \$65,521 and West Virginia ranked last at \$36,484.

Things to think about: The median does not tell how Minnesotans on the very low and very high ends of the income scale are doing. The income difference between the richest households and poorest households in Minnesota should have further analysis.

Technical notes: Data between census years, 1991 to 1999, relates to a family of four (people related by birth, marriage or adoption living together), while the data for census years includes all family sizes. Data in census years 1980, 1990 and 2000 was collected in 1979, 1989 and 1999 respectively. The 1980 and 1990 data was adjusted to 1989 CPI-U-X1 dollars. Census 2000 data has not been adjusted.

Sources:

- U.S. Bureau of the Census, Decennial Census, 1980, 1990 and 2000 www.census.gov
- U.S. Bureau of the Census, 1991-99 data, www.census.gov/hhes/income/4person.html

INDICATOR 4 5 : POVERTY RATE

Goal: *All Minnesotans will have the economic means to maintain a reasonable standard of living.* The citizens who helped create *Minnesota Milestones* stated clearly that income slightly above the poverty level is not adequate for a reasonable standard of living. The indicators for this goal deal with several aspects of employment and income.

Rationale: Measuring the percentage of Minnesotans who live in poverty gives an indication of how many Minnesotans are not financially able to maintain a minimum standard of living.

About this indicator: The percent of Minnesotans in poverty decreased from 10.2 percent in 1990 to 7.9 percent in 2000. The rate was as high as 13 percent in the early 1990s, but fell below 10 percent during the strong economic boom of the late 1990s. The 2000 federal poverty threshold for a family of four was \$17,603. Many Minnesotans with incomes above the poverty line still have difficulty making ends meet.

For comparison: Minnesota has historically had lower poverty rates than the nation as a whole. In 2000, when the national rate was 12.4 percent, Minnesota's rate was 7.9 percent, or third in the nation. New Hampshire had the lowest poverty rate at 6.5 percent, while Mississippi had the highest at 19.9 percent.

Things to think about: Because income at the federally determined poverty line affords only a minimal standard of living, critics have argued for a new self-sufficiency measure. Poverty is strongly related to other disturbing social and economic conditions such as poor health, decreased economic opportunity and higher crime rates.

Technical notes: Data shows a two-year average for non-Census years. The averaging method is used to compensate for the margin of error in survey estimates of state poverty rates. The year listed is the last year of the two-year average.

Sources:

- U.S. Bureau of the Census, Decennial Census, 1980, 1990 and 2000; estimates for other years, Current Population Survey: www.census.gov
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INDICATOR 4 6 : AVAILABILITY OF FULL-TIME WORK

Goal: *All Minnesotans will have the economic means to maintain a reasonable standard of living.* The citizens who helped create *Minnesota Milestones* stated clearly that income slightly above the poverty level is not adequate for a reasonable standard of living. The indicators for this goal deal with several aspects of employment and income.

Rationale: This indicator measures opportunities for workers who seek full-time employment.

About this indicator: Minnesotans' ability to find full-time work remained high throughout the decade, fluctuating between 90 and 93 percent. The data for this indicator comes from an annual survey that measures the availability of full-time work for individuals who want to work full time. Minnesota's strong economy during most of the 1990s provided full-time work opportunities for most people who sought full-time employment.

For comparison: In 1999, 92 percent of workers in the United States who desired full-time work were able to find it. This is the same as Minnesota's rate in 1997, the last year for which data is available.

Things to think about: Despite a proliferation of part-time jobs, a high percentage of people wanting full-time work were able to find it throughout the 1990s. Full-time jobs are often preferred because they are more likely to include health insurance and retirement benefits. Yet, some people, such as students, parents or retirees, prefer part-time jobs because of the flexibility they afford.

Technical notes: Due to historically low unemployment rates in 1998 and 1999, some survey sample data were not statistically significant enough to be released. Therefore, Minnesota figures could not be calculated for 1998 and 1999. Due to changes in the survey methodology in 1994, earlier data is not directly comparable to figures for 1994 and beyond.

Sources:

- U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey, *Geographic Profiles of Employment and Unemployment*, provided by the Minnesota Department of Economic Security, www.mnworkforcecenter.org
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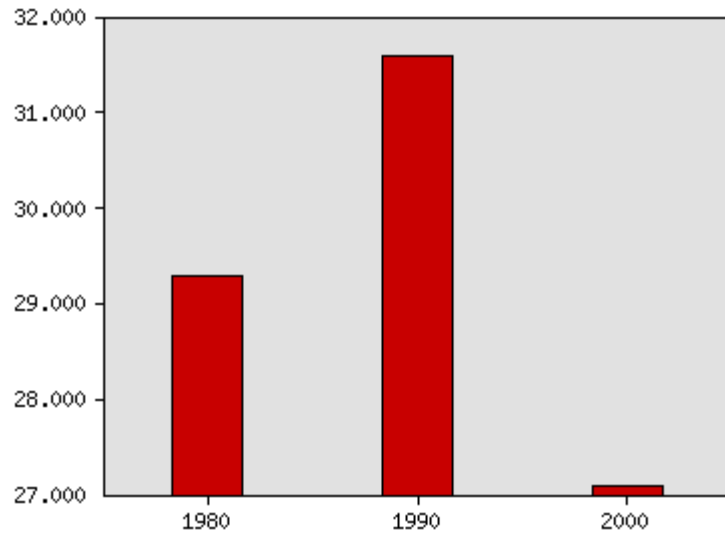
INDICATOR 4 7 : HOUSING COSTS

Goal: *All Minnesotans will have decent, safe and affordable housing.* An adequate supply of affordable housing is vital to healthy families, communities and local economies. Concern about affordability is mounting in many communities, especially where affordable housing is being eliminated and where growing businesses have trouble attracting workers due to shortages of affordable housing.

Rationale: This indicator defines housing affordability in relation to household income.

Renters paying more than 35 percent of their income for housing, percent

| Year | |
|------|-------|
| 1980 | 29.3% |
| 1990 | 31.6% |
| 2000 | 27.1% |

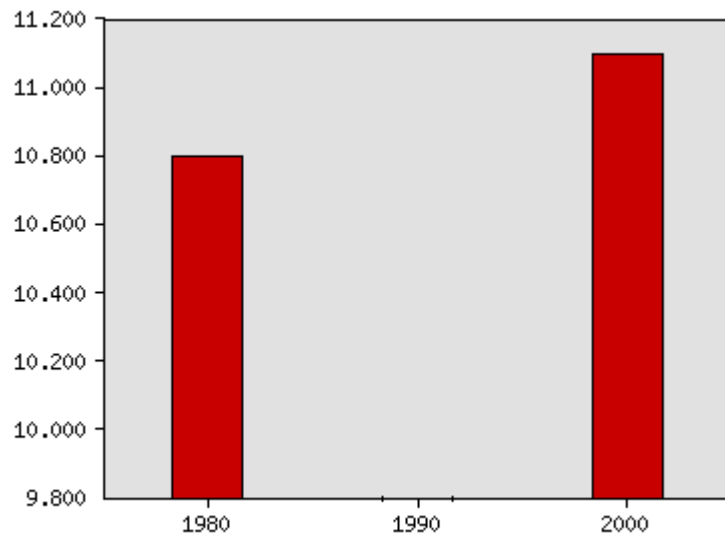


[Local data](#)

Data source: U.S. Bureau of the Census

Homeowners paying more than 35 percent of their income for housing, percent

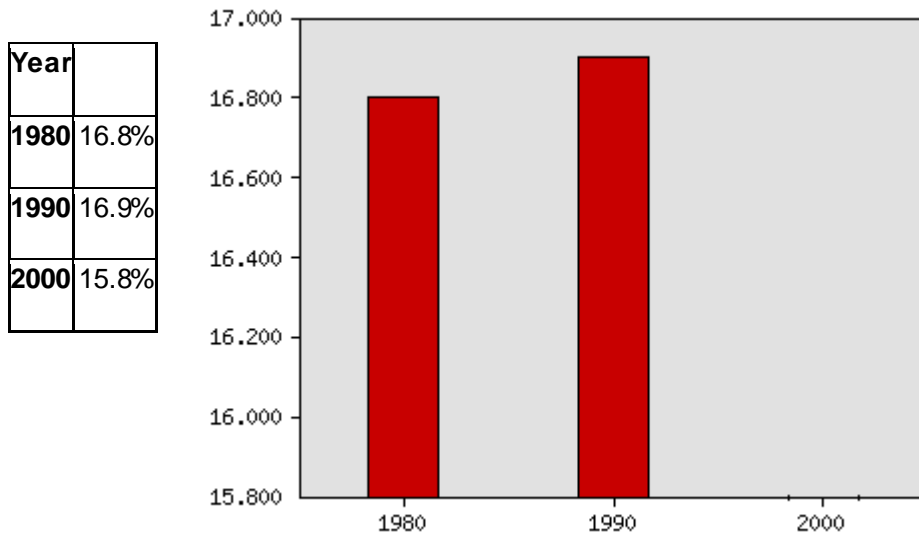
| Year | |
|------|-------|
| 1980 | 10.8% |
| 1990 | 9.8% |
| 2000 | 11.1% |



[Local data](#)

Data source: U.S. Bureau of the Census

Households paying more than 35 percent of their income for housing, percent



[Local data](#)

Data source: U.S. Bureau of the Census

About this indicator: In 2000, 11 percent of Minnesota homeowners and 27 percent of renters exceeded the 35 percent threshold. These rates are higher for homeowners, but lower for renters compared to 1990 figures of 10 percent and 32 percent respectively.

A threshold of 35 percent of monthly income is commonly used to assess affordability of housing costs, especially for lower-income households. Households that spend more than 35 percent are likely to be financially strained by housing costs. While low-income people may have no alternative but to spend more than 35 percent on housing, some affluent people spend more out of choice.

Affordable and good-quality housing is essential for a community to attract and retain businesses. Some rural communities with thriving economies suffered from housing shortages during the 1990s. The aging of the Baby Boom population is also bringing attention to the need for housing suitable to different life stages.

For comparison: In 2000, fewer Minnesota households spent 35 percent of their incomes on housing than did households nationally. For renters, the Minnesota rate was 2.4 percentage points better than the national average of 29.5 percent. For homeowners, it was 4.7 percentage points better than the national rate of 15.8 percent.

Things to think about: A higher than normal demand for housing during the last half of the 1990s increased the cost of housing. This rise in housing costs was offset by increases in income.

Technical notes: These figures exclude those living in condominiums, mobile homes and single unit dwellings on more than 10 acres of land.

Sources:

- U.S. Bureau of the Census, Decennial Census, 1980, 1990 and 2000, www.census.gov

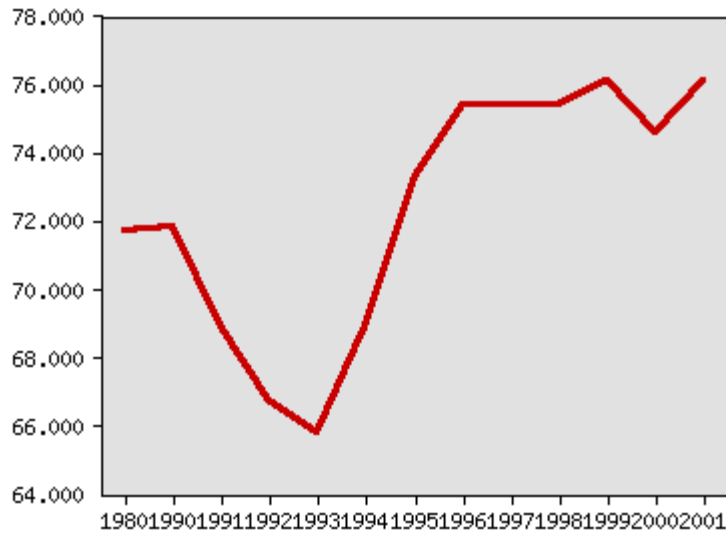
INDICATOR 4 8 : HOME OWNERSHIP

Goal: *All Minnesotans will have decent, safe and affordable housing.* An adequate supply of affordable housing is vital to healthy families, communities and local economies. Concern about affordability is mounting in many communities, especially where affordable housing is being eliminated and where growing businesses have trouble attracting workers due to shortages of affordable housing.

Rationale: A high home ownership rate is typically an indication that the housing stock is in at least fair condition and that housing is affordable.

Home ownership in Minnesota, total (percent)

| Year | |
|------|-------|
| 1980 | 71.7% |
| 1990 | 71.8% |
| 1991 | 68.9% |
| 1992 | 66.7% |
| 1993 | 65.8% |
| 1994 | 68.9% |
| 1995 | 73.3% |
| 1996 | 75.4% |
| 1997 | 75.4% |
| 1998 | 75.4% |



| | |
|------|-------|
| 1999 | 76.1% |
| 2000 | 74.6% |
| 2001 | 76.1% |

[Local data](#)

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, American Indian or Alaska Native alone (percent)

| | |
|------|-------|
| Year | |
| 2000 | 50.1% |

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, Asian alone (percent)

| | |
|------|-------|
| Year | |
| 2000 | 53.3% |

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, Black or African American alone (percent)

| | |
|------|-------|
| Year | |
| 2000 | 31.5% |

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, Native Hawaiian or other Pacific Islander alone (percent)

| Year | |
|------|-------|
| 2000 | 46.8% |

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, White alone (percent)

| Year | |
|------|-------|
| 2000 | 77.2% |

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, some other race alone (percent)

| Year | |
|------|-------|
| 2000 | 38.1% |

Data source: U.S. Bureau of the Census

Home ownership in Minnesota, two or more races (percent)

| Year | |
|------|-----|
| 2000 | 46% |

Data source: U.S. Bureau of the Census

About this indicator: The percentage of housing units occupied by owners dipped early in the last decade, but since 1996 three out of four Minnesota homes were owner-occupied. A high home ownership rate typically reflects a strong economy and an affordable housing market. As the employment rate and income rose during the 1990s, Minnesota's home ownership rate climbed. High home ownership rates for communities and neighborhoods signify long-term economic and social commitments by homeowners.

Home ownership rates differ significantly by race. In 2000, householders who identified themselves as a single race had the following home ownership rates: Black or African American, 31.5 percent; American Indian or Alaska Native, 50.1 percent; Asian, 53.3 percent, Native Hawaiian or Other Pacific Islander, 46.8 percent; and White, 77.2 percent. Due to changes in race classifications in the 2000 Census, no comparison is possible with previous census data.

For comparison: Minnesota continues to have one of the highest home ownership rates in the United States, ranking fourth in 2001. Michigan, Iowa and West Virginia had the three highest rates respectively in 2001. The national home ownership rate in 2001 was 67.8 percent, compared to 76.1 percent in Minnesota. In the 2000 Census, Chisago and Scott counties had the highest home ownership rates in Minnesota at 87 and 86 percent, respectively. Ramsey and Hennepin counties had the lowest rates at 63 and 66 percent.

Things to think about: Large urban centers tend to have lower home ownership rates, primarily because of the large numbers of apartments in their housing stock and significant concentrations of poverty.

Technical notes: The survey methodology changed beginning in 1994. Therefore, data before and after that date are not comparable.

Sources:

- U.S. Bureau of the Census, Decennial Census, 1980, 1990 and 2000; estimates for other years, Current Population Survey: www.census.gov

INDICATOR 4 9 : COUNTIES LOSING POPULATION

Goal: *Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work.* Minnesotans value their freedom to choose where to live. Minnesotans in communities throughout the state also want their youth to be able to make a living without moving away. The indicators for this goal deal with economic and transportation issues that affect the viability of urban and rural communities.

Rationale: This indicator shows areas in Minnesota that are having trouble retaining and attracting residents.

About this indicator: The number of Minnesota counties losing population declined during most of the 1990s. Based on annual estimates, 25 to 35 Minnesota counties lost population in most years during the 1990s. According to the 2000 Census, 25 of 87 counties lost population during the decade as a whole. Strong economic growth during the 1990s minimized population losses for many Minnesota counties, and attracted new residents to others. Fewer counties lost population in the 1990s than in the 1980s.

Minnesota's population rose 12 percent between 1990 and 2000. Scott County had the highest population growth rate at 54 percent. Koochiching had the greatest decrease at 13 percent. Some of Koochiching's population loss can be attributed to the departure of construction workers temporarily residing in the county in 1990 that were counted in the 1990 census. The other 24 counties that lost population were all in the southern and western areas of the state. Many agricultural counties in other Great Plains states also lost population during the 1990s.

For comparison: Other than Wisconsin, Minnesota's neighboring states had numerous counties lose population during the 1990s. In North Dakota, 47 out of 53 counties lost population. Thirty-two of South Dakota's 66 counties lost population. Forty-five out of 99 counties lost population in Iowa. Only one county in Wisconsin out of 72 lost population during the 1990s.

Things to think about: Rapid population growth is not necessary for a community to be economically healthy, but population loss can create problems. Once population loss starts, it is often hard to reverse. It is difficult to attract and retain residents (other than retirees) without job growth, but with a shrinking labor force it is difficult to attract new jobs.

Technical notes: The large number of counties that went from population loss between 1998 and 1999, to population growth between 1999 and 2000, suggests that 1999 population estimates may have been too low. U.S. Census Bureau estimates of county population were used instead of population estimates from the Minnesota State Demographic Center, since Census Bureau estimates are used throughout *Minnesota Milestones 2002*.

Sources:

- U.S. Bureau of the Census, Decennial Census (1980, 1990, 2000) and U.S Bureau of the Census estimates for the other years, www.census.gov

INDICATOR 5 0 : NET GAIN IN BUSINESSES

Goal: *Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work.* Minnesotans value their freedom to choose where to live. Minnesotans in communities throughout the state also want their youth to be able to make a living without moving away. The indicators for this goal deal with economic and transportation issues that affect the viability of urban and rural communities.

Rationale: The vitality of local economies depends on retaining and attracting businesses. This indicator measures the extent to which that has occurred in each Minnesota county.

About this indicator: This indicator was higher in the second half of the 1990s compared to the first half of the decade. In nine of the eleven years between 1990 and 2000, at least 63 Minnesota counties had net business gains. During a time of minimal economic growth, 1990, only 18 counties had net gains in businesses, the lowest amount in the decade. The strongest year was 1996, when 80 of Minnesota's 87 counties had net gains in the number of businesses. The strong growth in net businesses as well as business expansions in the latter half of the decade has resulted in historically low unemployment levels during the late 1990s for most parts of the state. These are all indications of strong local and regional economies.

Things to think about: At least 65 Minnesota counties have had net business gains every year since 1995. In 2000, Minnesota had a net gain of 3,933 businesses. A net increase in businesses does not necessarily mean an increase in jobs. A community could have more businesses from one year to the next, but job gains from new businesses may not offset job losses in existing businesses. Most new businesses, which are small, tend to have high failure rates.

Technical notes: Businesses that were sold or merged may be mistakenly counted as start-ups or closures. In order to avoid disclosure of some individual businesses, data was suppressed for some counties in some years. Any business with at least one wage-earning employee is counted in this

data. However, self-employed people, farmers, religious workers and elected officials are not counted. The Minnesota Department of Trade and Economic Development's Business Tracking System data is based on information provided by the Research Division and Tax Division of the Minnesota Department of Economic Security, including quarterly reports to the Reemployment Insurance program.

Sources:

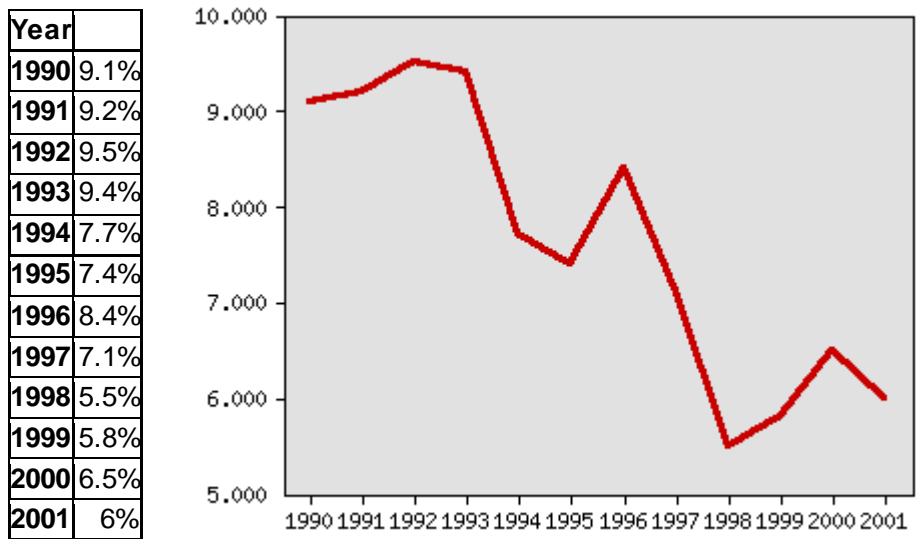
- Minnesota Department of Trade and Economic Development, Office of Analysis and Evaluation, *Business Tracking System: Minnesota Business Births, Dissolutions, Expansions and Contractions*, www.dted.state.mn.us/05x00f.asp

INDICATOR 5 1 : REGIONAL DISPARITY IN UNEMPLOYMENT

Goal: *Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work.* Minnesotans value their freedom to choose where to live. Minnesotans in communities throughout the state also want their youth to be able to make a living without moving away. The indicators for this goal deal with economic and transportation issues that affect the viability of urban and rural communities.

Rationale: This indicator focuses on disparities in employment opportunities throughout the state.

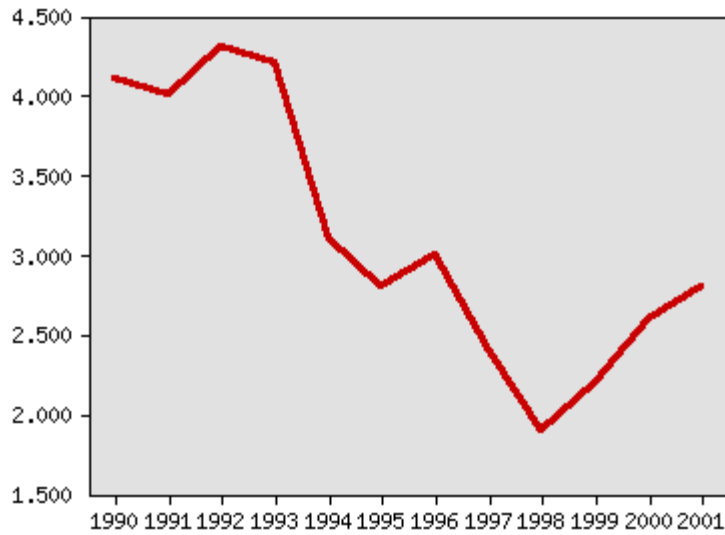
Highest regional unemployment rate



Data source: Minnesota Department of Economic Security

Lowest regional unemployment rate

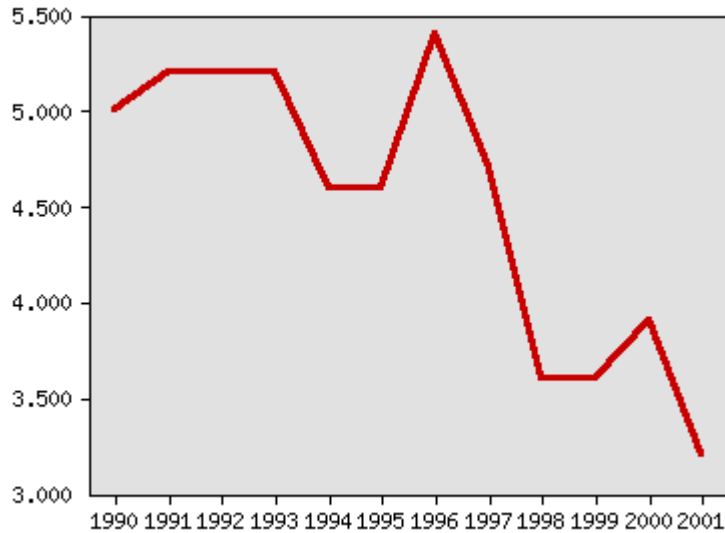
| Year | |
|------|------|
| 1990 | 4.1% |
| 1991 | 4% |
| 1992 | 4.3% |
| 1993 | 4.2% |
| 1994 | 3.1% |
| 1995 | 2.8% |
| 1996 | 3% |
| 1997 | 2.4% |
| 1998 | 1.9% |
| 1999 | 2.2% |
| 2000 | 2.6% |
| 2001 | 2.8% |



Data source: Minnesota Department of Economic Security

Gap between regional unemployment rates

| Year | |
|------|------|
| 1990 | 5% |
| 1991 | 5.2% |
| 1992 | 5.2% |
| 1993 | 5.2% |
| 1994 | 4.6% |
| 1995 | 4.6% |
| 1996 | 5.4% |
| 1997 | 4.7% |
| 1998 | 3.6% |
| 1999 | 3.6% |
| 2000 | 3.9% |
| 2001 | 3.2% |



Data source: Minnesota Department of Economic Security

About this indicator: The narrowing gap among regional unemployment rates and declining unemployment rates across the state indicate that the entire state benefited from the economic expansion occurring during most of the 1990s. While employment opportunity disparities still exist from one region to the next, the general reduction in the gap during the last decade suggests that Minnesotans in most regions of the state had plentiful employment opportunities.

In every year except 1990 and 2001, Region 2 (Beltrami, Clearwater, Hubbard, Lake of the Woods and Mahnommen counties) has had the highest regional unemployment rate in the state, generally two to three times higher than the Twin Cities metropolitan area. During times of low unemployment, rates have tended to fall more in regions that already have high rates, compared to regions with low unemployment rates.

For comparison: Minnesota's unemployment rate for 2001 was 3.7 percent while the national unemployment rate was 4.8 percent.

Things to think about: In general, unemployment rates have been lowest in Minnesota's more urban southern regions and highest in the rural areas of northern Minnesota during the 1990s. Many economists believe that unemployment rates below 5 percent indicate a tight labor market, which can drive up wages and increase inflation rates.

Technical notes: Unemployment rates reported here are not seasonally adjusted.

Sources:

- Minnesota Department of Economic Security, Local Area Unemployment Statistics, Minnesota Economic Development Regions, www.mnwfc.org/lmi/laus/index.htm

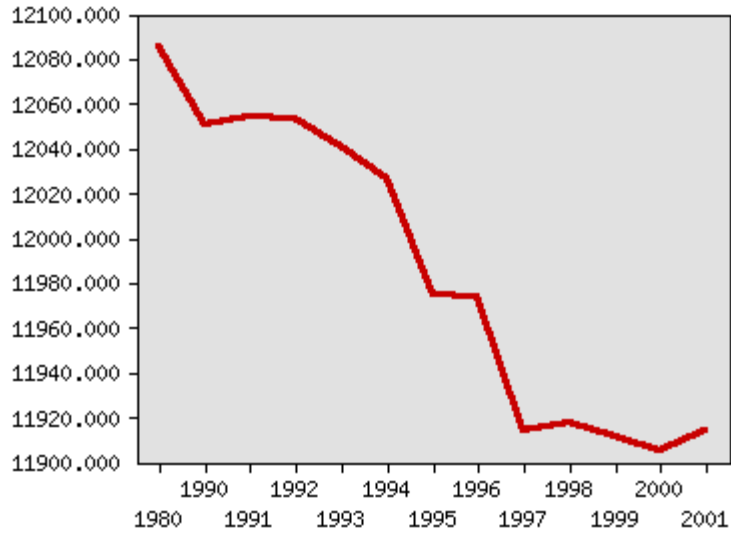
INDICATOR 5 2 : UNRESTRICTED HIGHWAYS

Goal: *Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work.* Minnesotans value their freedom to choose where to live. Minnesotans in communities throughout the state also want their youth to be able to make a living without moving away. The indicators for this goal deal with economic and transportation issues that affect the viability of urban and rural communities.

Rationale: This indicator recognizes the need for communities to have reliable year-round highways linking them to cities and trade centers across the state.

Total centerline miles in the state highway system

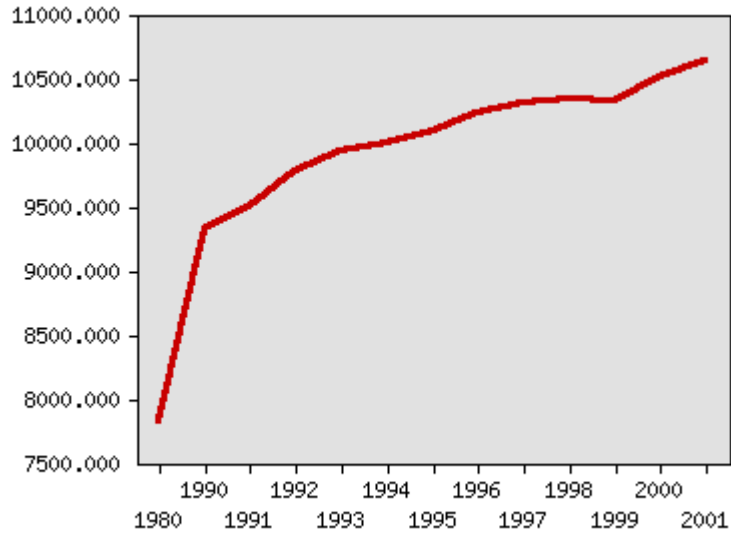
| Year | |
|------|--------|
| 1980 | 12,085 |
| 1990 | 12,050 |
| 1991 | 12,054 |
| 1992 | 12,053 |
| 1993 | 12,041 |
| 1994 | 12,026 |
| 1995 | 11,975 |
| 1996 | 11,974 |
| 1997 | 11,914 |
| 1998 | 11,917 |
| 1999 | 11,911 |
| 2000 | 11,905 |
| 2001 | 11,914 |



Data source: Minnesota Department of Transportation

State highway miles with no springtime weight restrictions

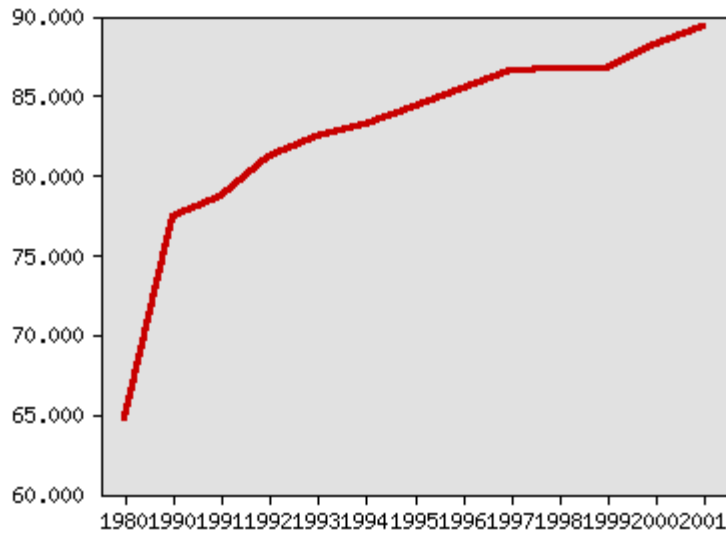
| Year | |
|------|--------|
| 1980 | 7,819 |
| 1990 | 9,325 |
| 1991 | 9,485 |
| 1992 | 9,774 |
| 1993 | 9,925 |
| 1994 | 9,999 |
| 1995 | 10,090 |
| 1996 | 10,231 |
| 1997 | 10,302 |
| 1998 | 10,334 |
| 1999 | 10,327 |
| 2000 | 10,504 |
| 2001 | 10,637 |



Data source: Minnesota Department of Transportation

Percentage of state highway miles with no springtime weight restrictions

| Year | |
|------|-------|
| 1980 | 64.7% |
| 1990 | 77.4% |
| 1991 | 78.7% |
| 1992 | 81.1% |
| 1993 | 82.4% |
| 1994 | 83.1% |
| 1995 | 84.3% |
| 1996 | 85.4% |
| 1997 | 86.5% |
| 1998 | 86.7% |
| 1999 | 86.7% |
| 2000 | 88.2% |
| 2001 | 89.3% |



Data source: Minnesota Department of Transportation

About this indicator: The state has made significant progress in improving roads to remove weight restrictions, a 36 percent increase since 1980. Between 1990 and 2001, the number of state-owned and -maintained highway miles changed very little, but the percentage of miles with no spring-time weight restrictions rose from 77 percent to 89 percent.

The transportation of goods on Minnesota's road system is vital to the health of local, regional and state economies. This is especially true for Minnesota communities that are dependent on shipping minerals, timber and agricultural products. This indicator measures the percentage of state trunk highway miles that can handle loads of 10 tons per axle all year. Some restricted roads are not built to withstand loads over seven tons per axle during spring thaws. The greatest concentration of restricted miles is in northeastern Minnesota.

Things to think about: The total number of state highway miles went down slightly from 12,085 in 1980 to 11,914 miles in 2001, primarily because some highways were turned over to counties. Data is not available for county and municipal roads, which are also important to local and regional economies.

Technical notes: Mileage in this indicator is "centerline miles" as defined by the Minnesota Department of Transportation. Centerline miles are the actual physical length as measured in only one direction of a road.

Sources:

- Minnesota Department of Transportation, Office of Investment Management, *Mileage Analysis of Minnesota's Trunk Highway System by Districts (1980-2001)*, www.dot.state.mn.us

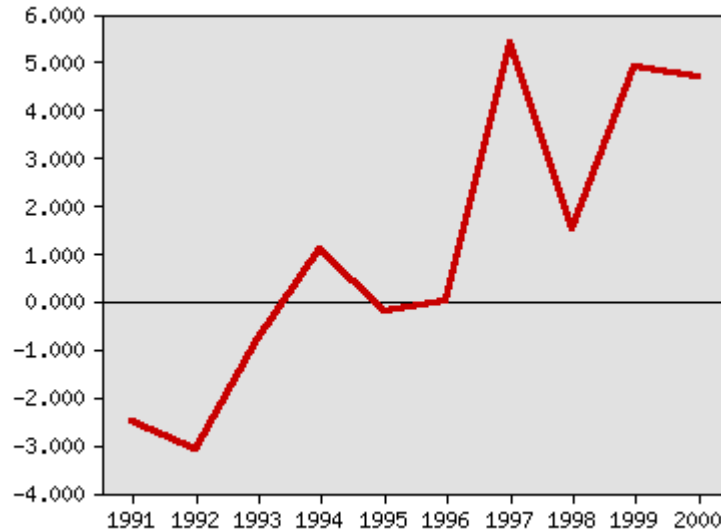
INDICATOR 5 3 : URBAN HOME VALUES

Goal: Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work. Minnesotans value their freedom to choose where to live. Minnesotans in communities throughout the state also want their youth to be able to make a living without moving away. The indicators for this goal deal with economic and transportation issues that affect the viability of urban and rural communities.

Rationale: Change in home values is an important indicator of social and economic vitality for neighborhoods and communities.

Annual change in assessor's average market value of homesteads in Minneapolis

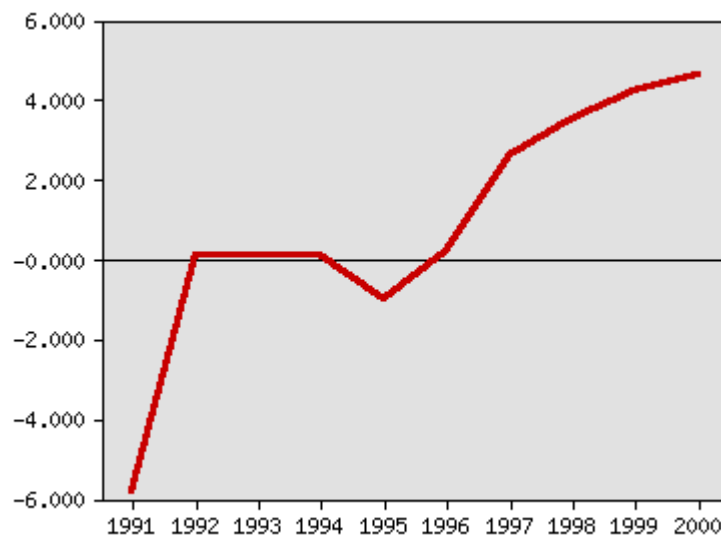
| Year | |
|------|-------|
| 1991 | -2.5% |
| 1992 | -3.1% |
| 1993 | -0.8% |
| 1994 | 1.1% |
| 1995 | -0.2% |
| 1996 | -0.0% |
| 1997 | 5.4% |
| 1998 | 1.5% |
| 1999 | 4.9% |
| 2000 | 4.7% |



Data source: Minnesota Department of Revenue

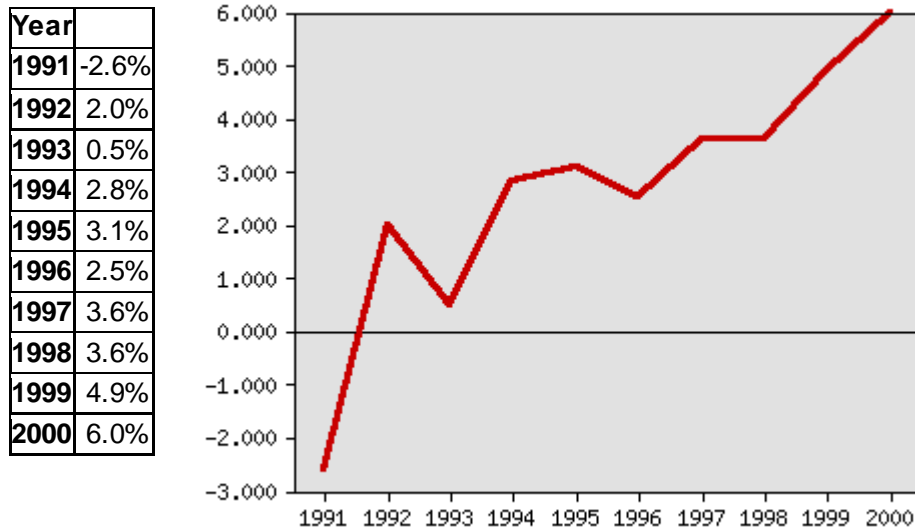
Annual change in assessor's average market value of homesteads in St. Paul

| Year | |
|------|-------|
| 1991 | -5.8% |
| 1992 | 0.1% |
| 1993 | 0.1% |
| 1994 | 0.1% |
| 1995 | -1.0% |
| 1996 | 0.2% |
| 1997 | 2.6% |
| 1998 | 3.5% |
| 1999 | 4.2% |
| 2000 | 4.6% |



Data source: Minnesota Department of Revenue

Annual change in assessor's average market value of homesteads in the Twin Cities' suburbs



Data source: Minnesota Department of Revenue

About this indicator: Change in market value of existing Twin Cities area homes was mixed in the first half of the 1990s, but stronger in the latter half of the decade. The rise in market values coincided with a strong economy and an increased demand for housing. This indicator measures change in the average value of homes that existed in 1990, not the change in the average cost of housing.

In suburban areas, the average inflation-adjusted value rose 30 percent between 1990 and 2000, from \$127,543 to \$165,254, easily surpassing the increases in Minneapolis and St. Paul at 11 and 8 percent, respectively. Suburban Hennepin County values grew 25 percent and suburban Ramsey County values rose 13 percent. Within Minneapolis and St. Paul, there was wide variation among neighborhoods.

Flat or declining property values can discourage investment in neighborhoods and undermine a homeowner's long-term financial status. On the other hand, low prices also can attract moderate-income homebuyers if the cost of homes elsewhere becomes prohibitive and the supply of housing is strained.

Things to think about: This indicator includes only homes that were owner-occupied in 1990, so newer homes are not included in the trend. Still, values increased faster in suburban areas than in older, built-up areas. The strongest growth in housing values was for those areas where more recent construction took place; these are predominantly in the suburbs. For example, between 1990 and 2000 Scott County home values rose 75 percent after adjusting for inflation.

Technical notes: This indicator should be used cautiously. Market value assessments vary significantly by community and by the individual assessor. Assessed values typically lag behind actual sale values. Values are adjusted for inflation using the National Consumer Price Index U-series. Data includes owner-occupied homes and some small apartment buildings. Suburban areas

are defined as the area outside of Minneapolis and St. Paul in Hennepin, Ramsey, Anoka, Carver, Dakota, Scott and Washington counties.

Sources:

- Minnesota Department of Revenue, Property Tax Division, unpublished data, www.taxes.state.mn.us
 - U.S. Bureau of Labor Statistics (inflation data), www.bls.gov
-

INDICATOR 5 4 : FREEWAY CONGESTION

Goal: *Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work.* Minnesotans value their freedom to choose where to live. Minnesotans in communities throughout the state also want their youth to be able to make a living without moving away. The indicators for this goal deal with economic and transportation issues that affect the viability of urban and rural communities.

Rationale: For the Twin Cities metropolitan area, commuting to and from work is an important quality of life factor. Congestion has many economic consequences including time lost and additional money spent on fuel.

About this indicator: Rush hour freeway congestion has worsened since the mid-1990s. After falling to 114 congested miles in 1996 and 1997, the number of congested miles increased dramatically to 182 miles in 1998 and 175 miles in 2000. Congestion is defined as traffic slowing to less than 45 miles per hour for 15 minutes or longer. This indicator uses “directional” miles, so one mile of highway congested in two directions is counted as two miles. The total Twin Cities freeway system has approximately 500 directional miles.

Increased congestion is expected because few new roads and lanes are planned and the population in the Twin Cities will continue to increase. Transportation officials are likely to emphasize traffic management through such approaches as building light rail transit and providing special bus transit lanes.

For comparison: In 1999, the Twin Cities ranked 15th-worst in congestion as measured by the travel rate index computed by the Texas Transportation Institute. The travel rate index shows the time that congestion adds to a highway trip. Los Angeles was the worst ranked city in the country. Seattle, which is similar in size to the Twin Cities, ranked third worst, while Milwaukee and Buffalo, also similar in size, ranked much better at 30th and 59th, respectively.

Things to think about: Some of the costs of congestion are lost time, additional fuel cost, increased pollution and higher levels of stress. The Texas Transportation Institute estimated that in 1999, congestion cost Twin Cities drivers \$670 per person. These costs include increased fuel usage and the lost value of time. They also concluded that each person used 61 gallons in excess fuel as a result of congestion.

Technical notes: The data and methodology used by the Texas Transportation Institute differ from that used by the Minnesota Department of Transportation. Data from *Minnesota Milestones 2002* differs from *Minnesota Milestones 1998* due to different methodologies used to determine congestion.

Sources:

- Minnesota Department of Transportation, Traffic Management Center, Metropolitan Division, www.dot.state.mn.us
 - Texas Transportation Institute, *The 2001 Urban Mobility Report*, May 2001, <http://mobility.tamu.edu>
-