



Minnesota State Demographic Center

**Presentation to Minnesota Beverage Association**

Susan Brower, Minnesota State Demographer

December 2014

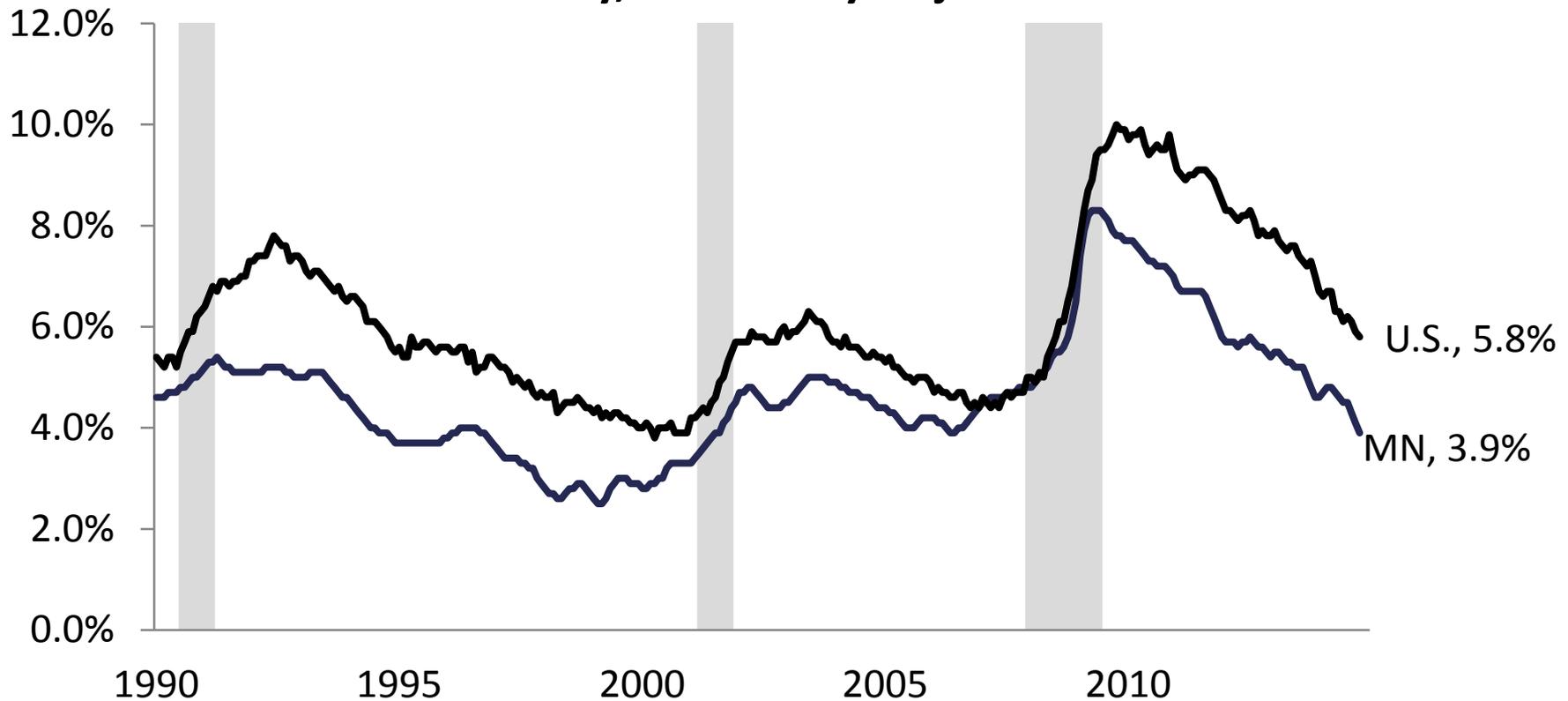
# Topics for today

2 big demographic  
trends that will  
shape Minnesota's  
future

Your questions and  
insights

# Minnesota's economy continues to make solid gains

Unemployment rate  
Monthly, Seasonally Adjusted



Sources: LMI LAUS data

**Trend #1:**  
Population  
aging will  
dampen  
future  
economic  
growth

# The Economist

APRIL 28TH - MAY 2ND 2014

[Economist.com](http://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?

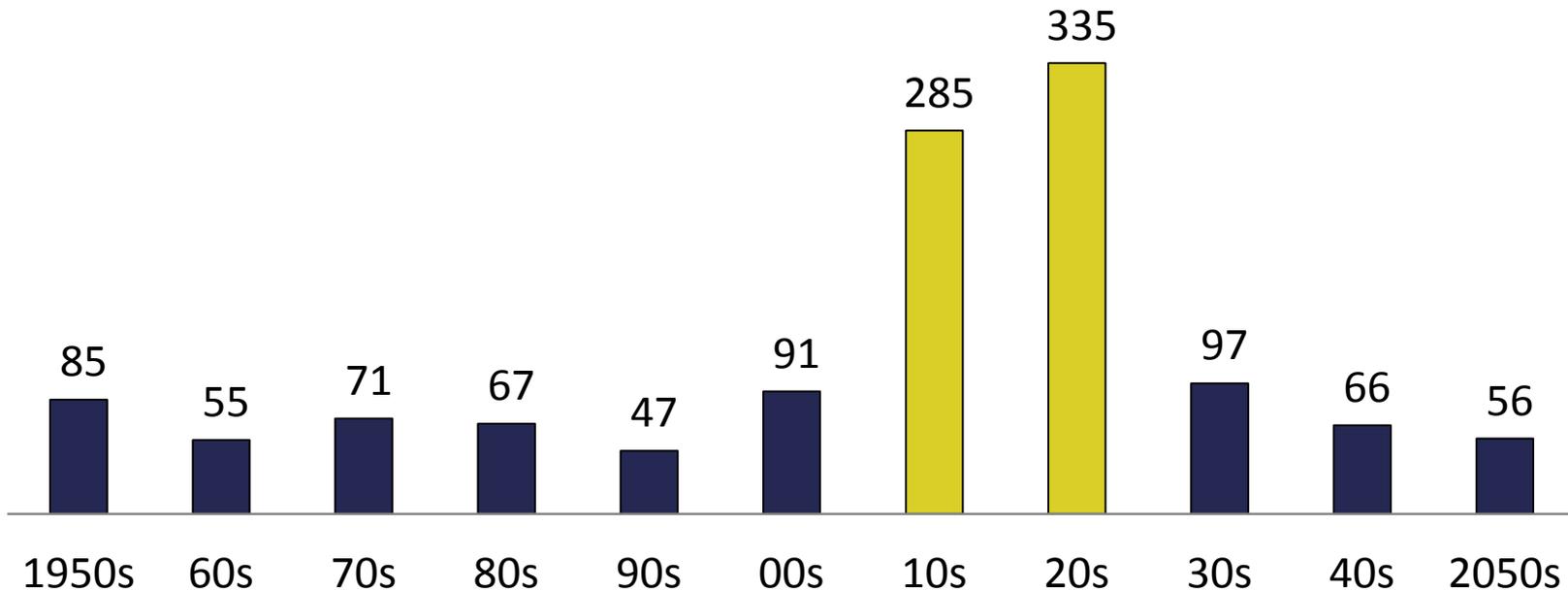
Change in older adults, age 65+ (in thousands)



Sources: U.S. Census Bureau

# Unprecedented increases in MN's “older adult” population

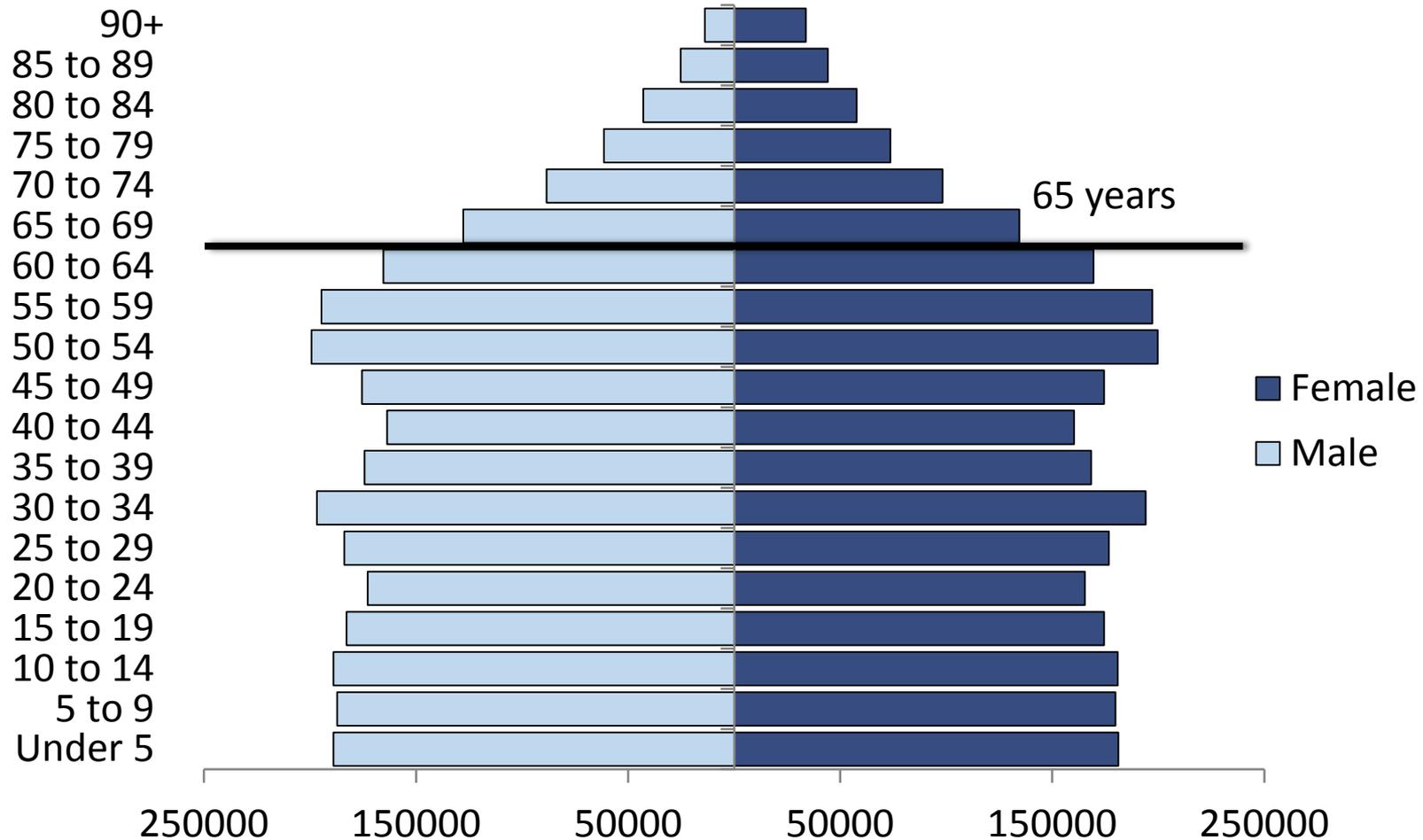
Change in older adults, age 65+ (in thousands)



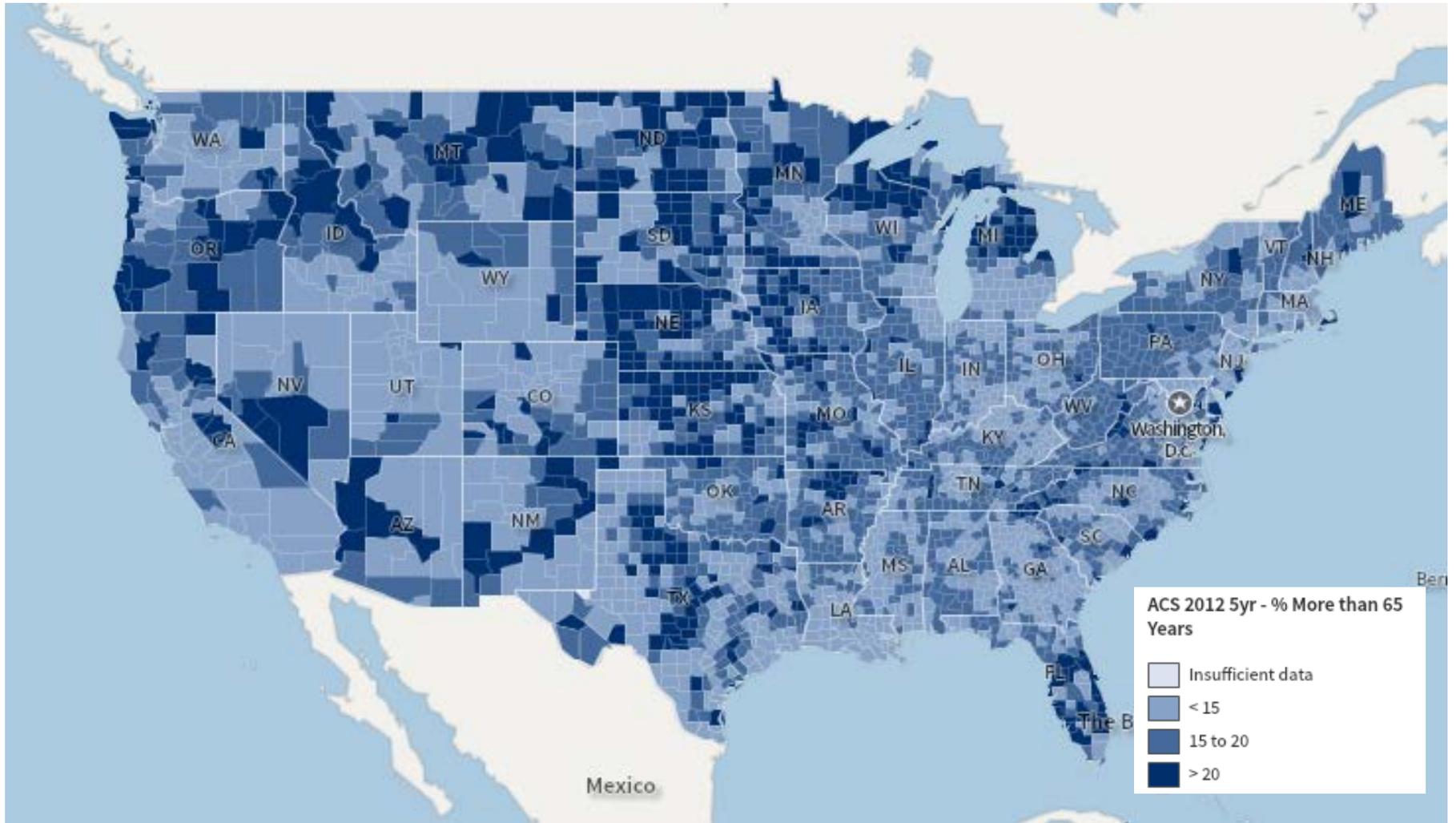
Sources: U.S. Census Bureau, MN State Demographic Center

# Why are the changes so marked now?

Population by age and sex  
Minnesota, 2015



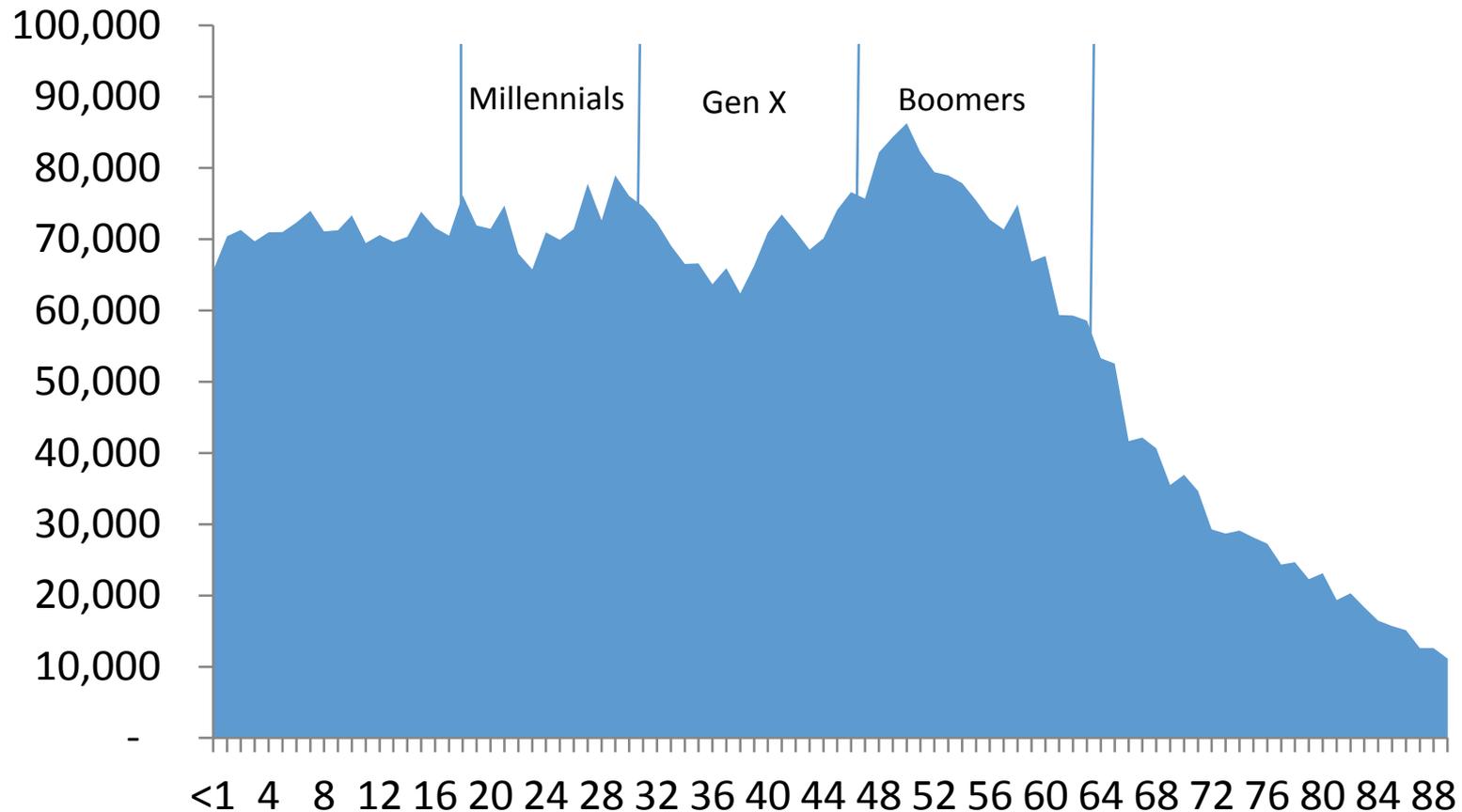
# Percent age 65+, 2012



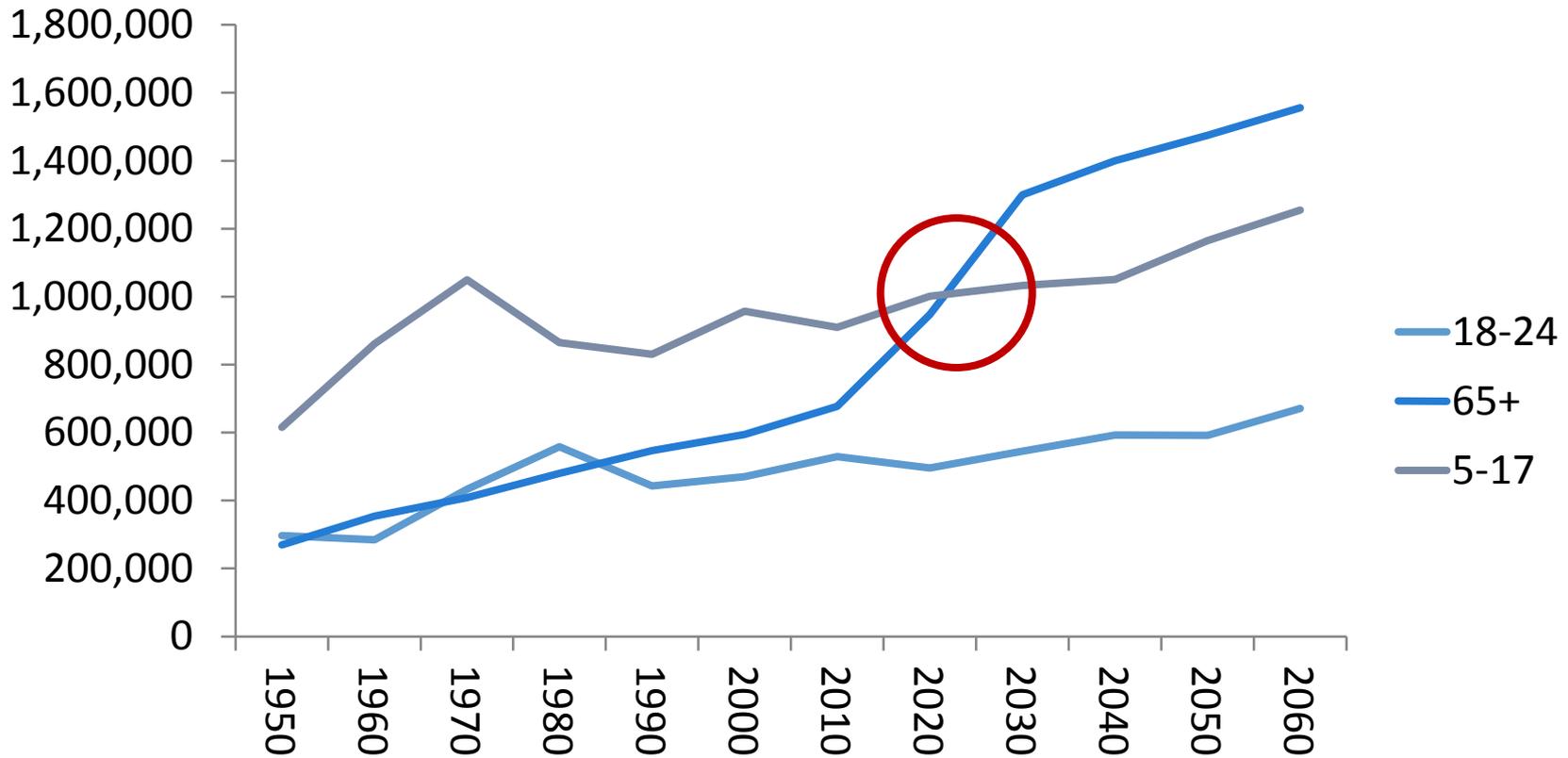
Sources: U.S. Census Bureau, Social Explorer.

# MN at a glance: Largest age group now in their 50s

## Minnesotans by age, 2012

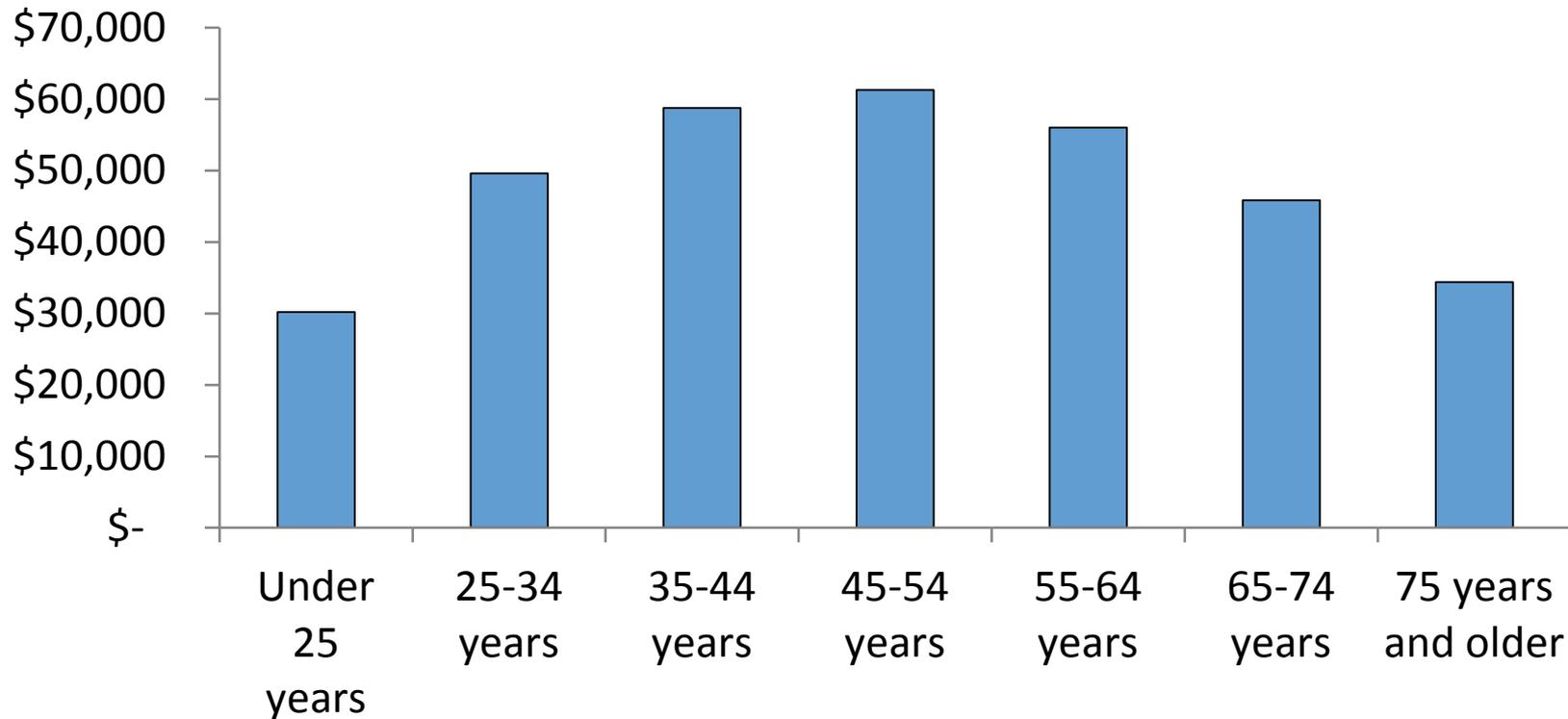


# For the first time in MN history: More 65+ than school-age by 2020



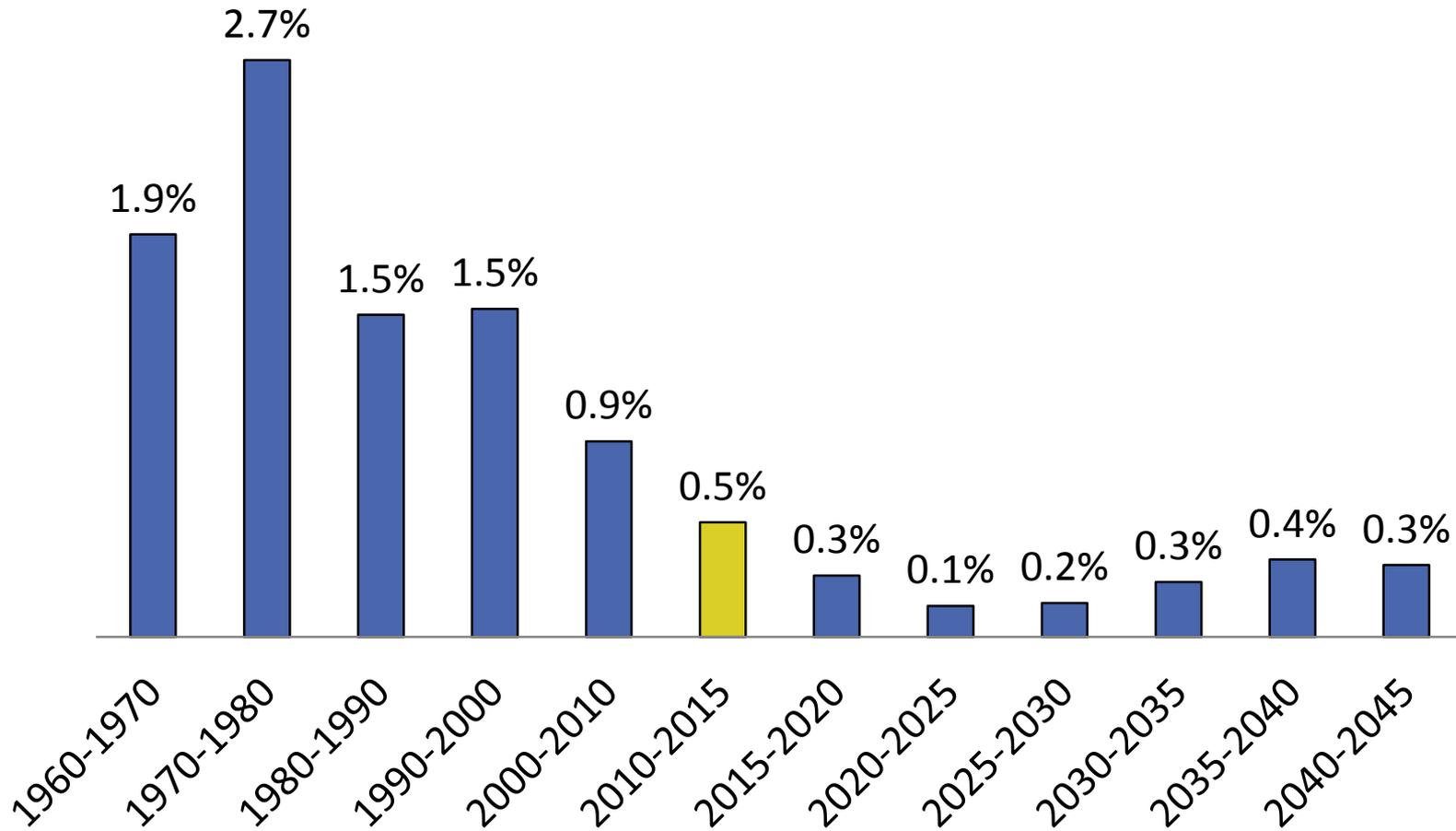
# Spending slows with age

**Average expenditures per household  
U.S., Q3 2012- Q2 2013**



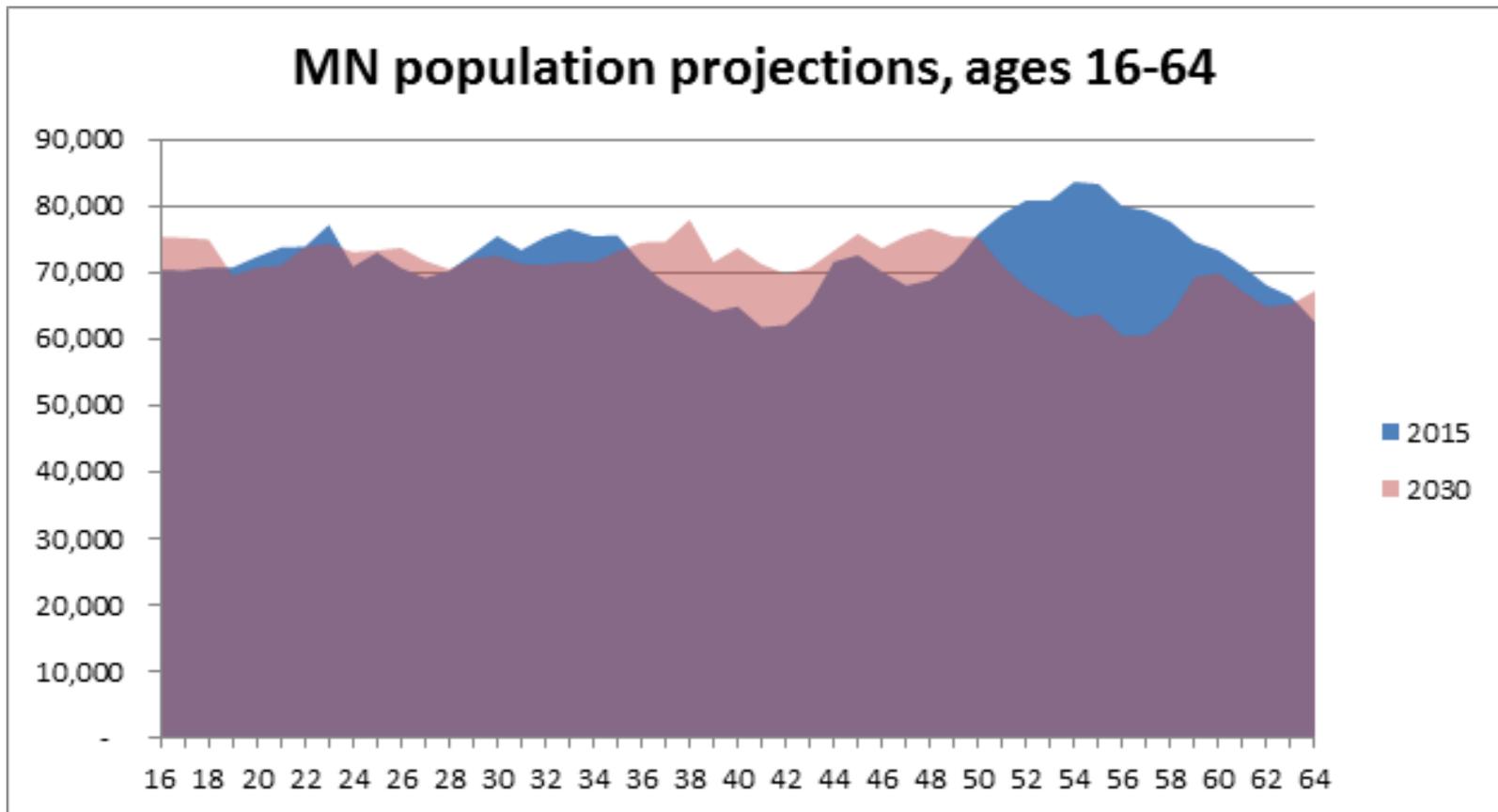
Sources: BLS, Consumer Expenditure Survey

# Labor force growth is projected to slow



Source: Minnesota State Demographic Center Projections

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



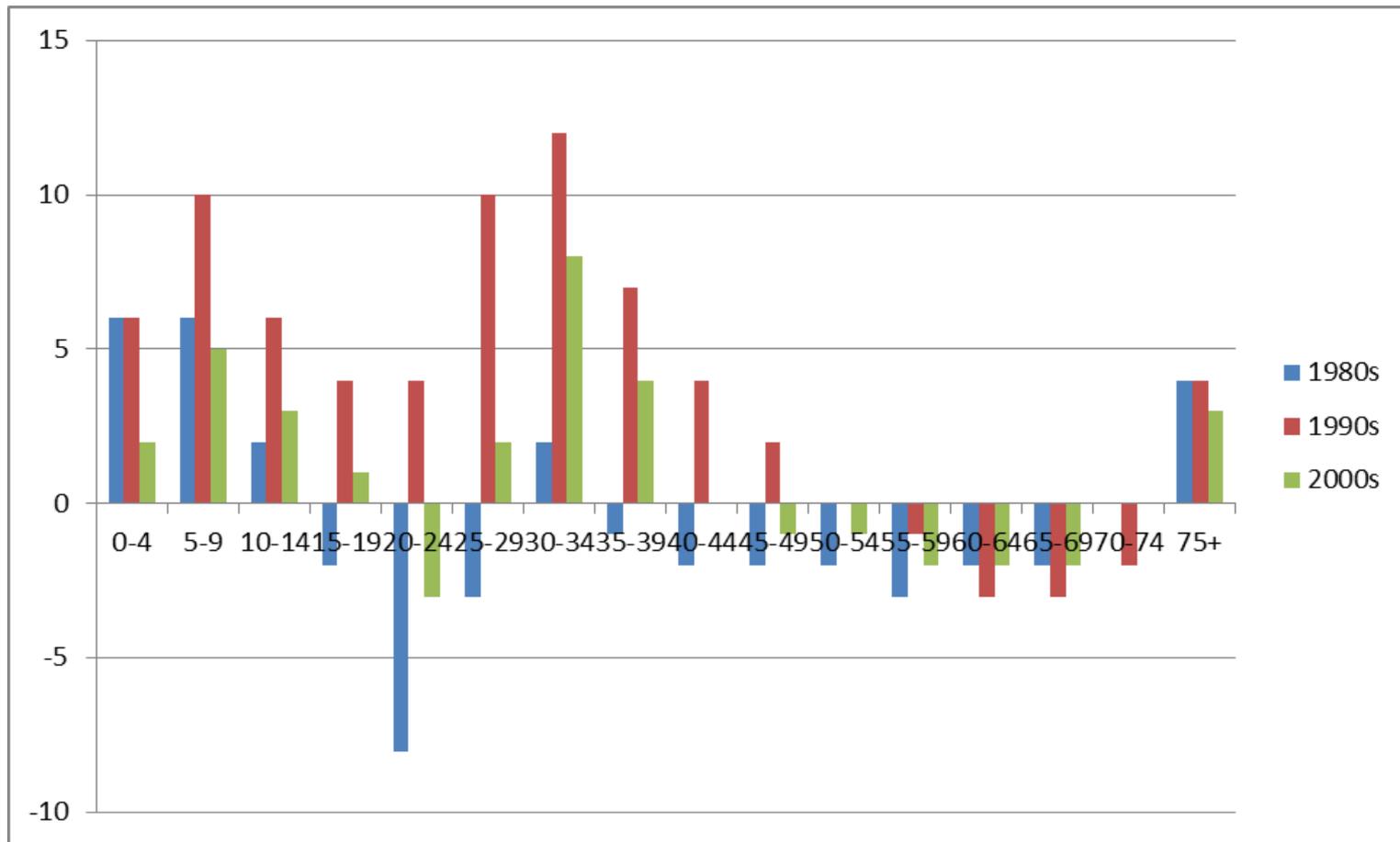
# Which states attract? Which states retain?

		ATTRACT			
		1Q	2Q	3Q	4Q
RETAIN	1Q	ND	SD, KS	MT	ID,WY, AK, NV
	2Q	IA, WV	NE,ME, NY,RI	HI,VT, NM,NJ	DE,NH, CO
	3Q	LA,MS, IN,MO	IL,MA, AL,OK	CT,VA	MD,WA, OR,FL,AZ
	4Q	MI,OH,PA, WI,KY, AL,MN	TN,SC,UT	NC,TX, GA,CA	<b>HOLY GRAIL</b>

Source: Hermalin and Neidert, 2014.

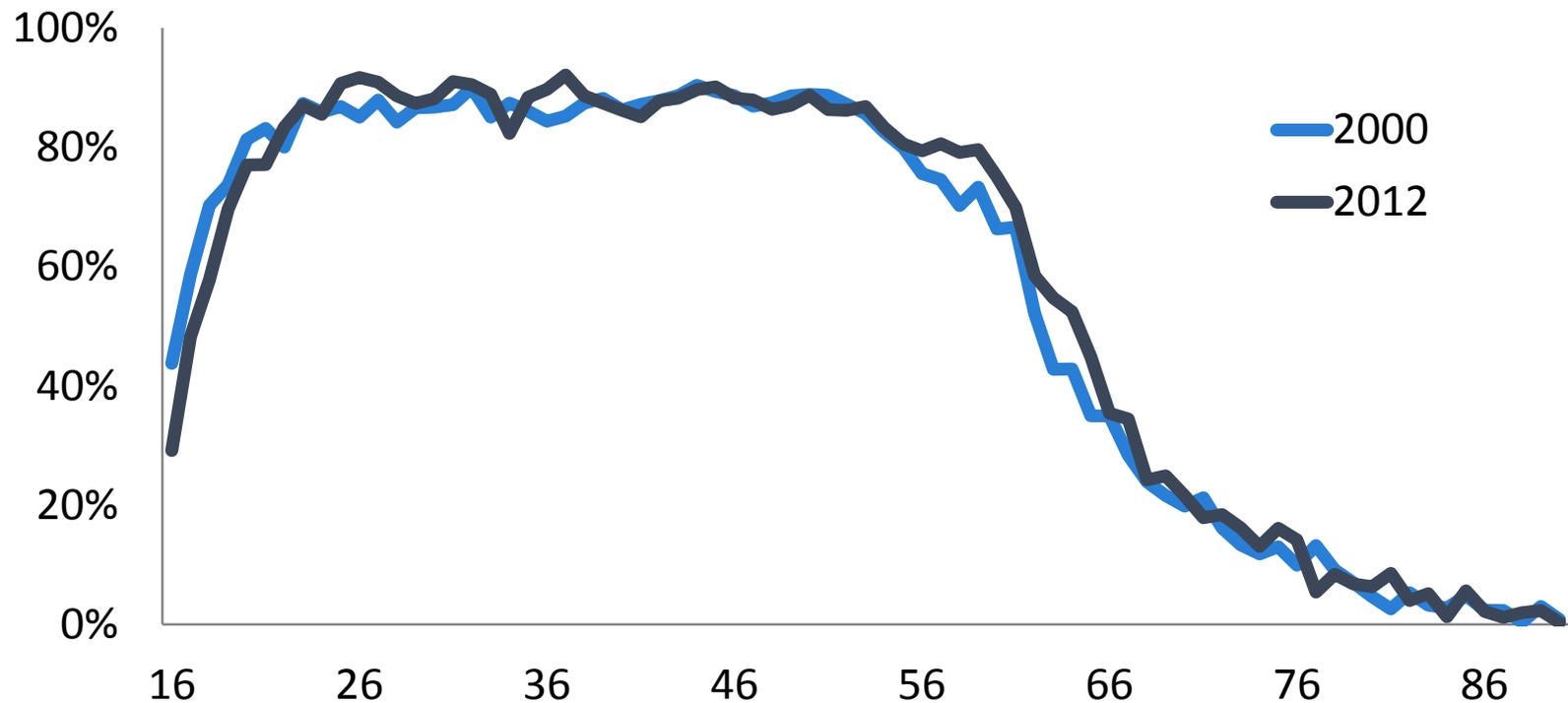
# Rate of net migration by age

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



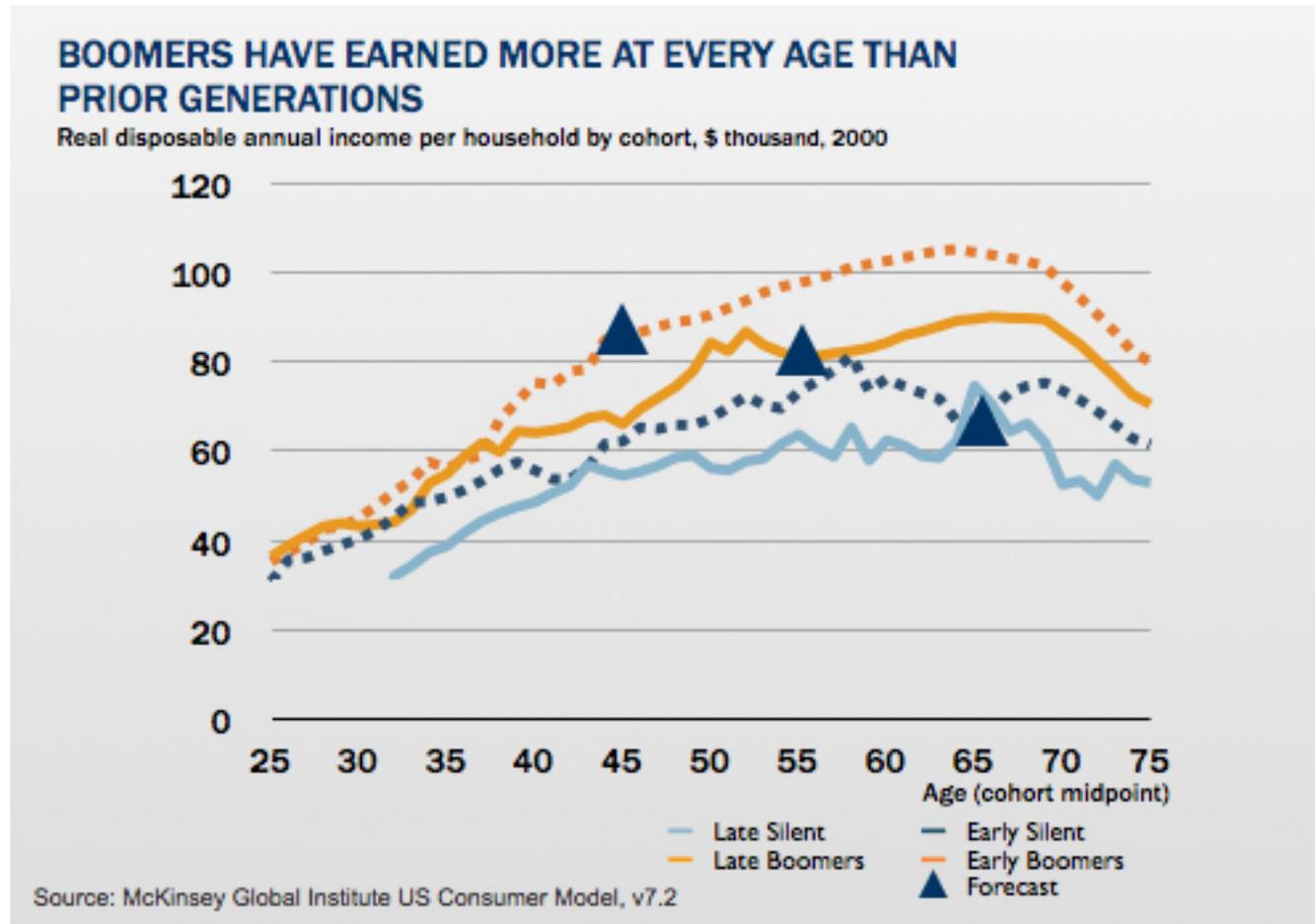
# Labor force participation of older adults has increased only slightly

Rates of labor force participation  
2000 and 2012

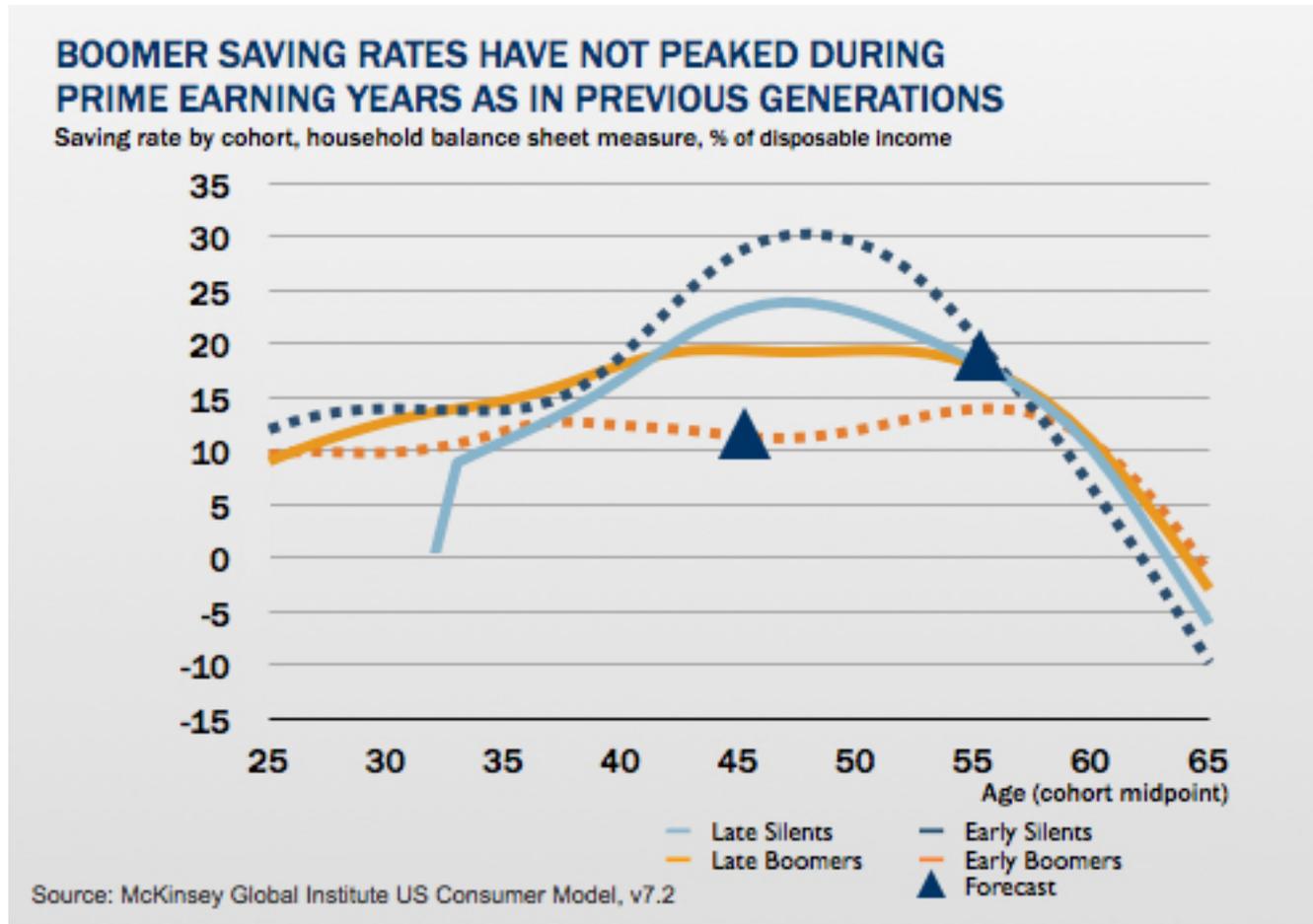


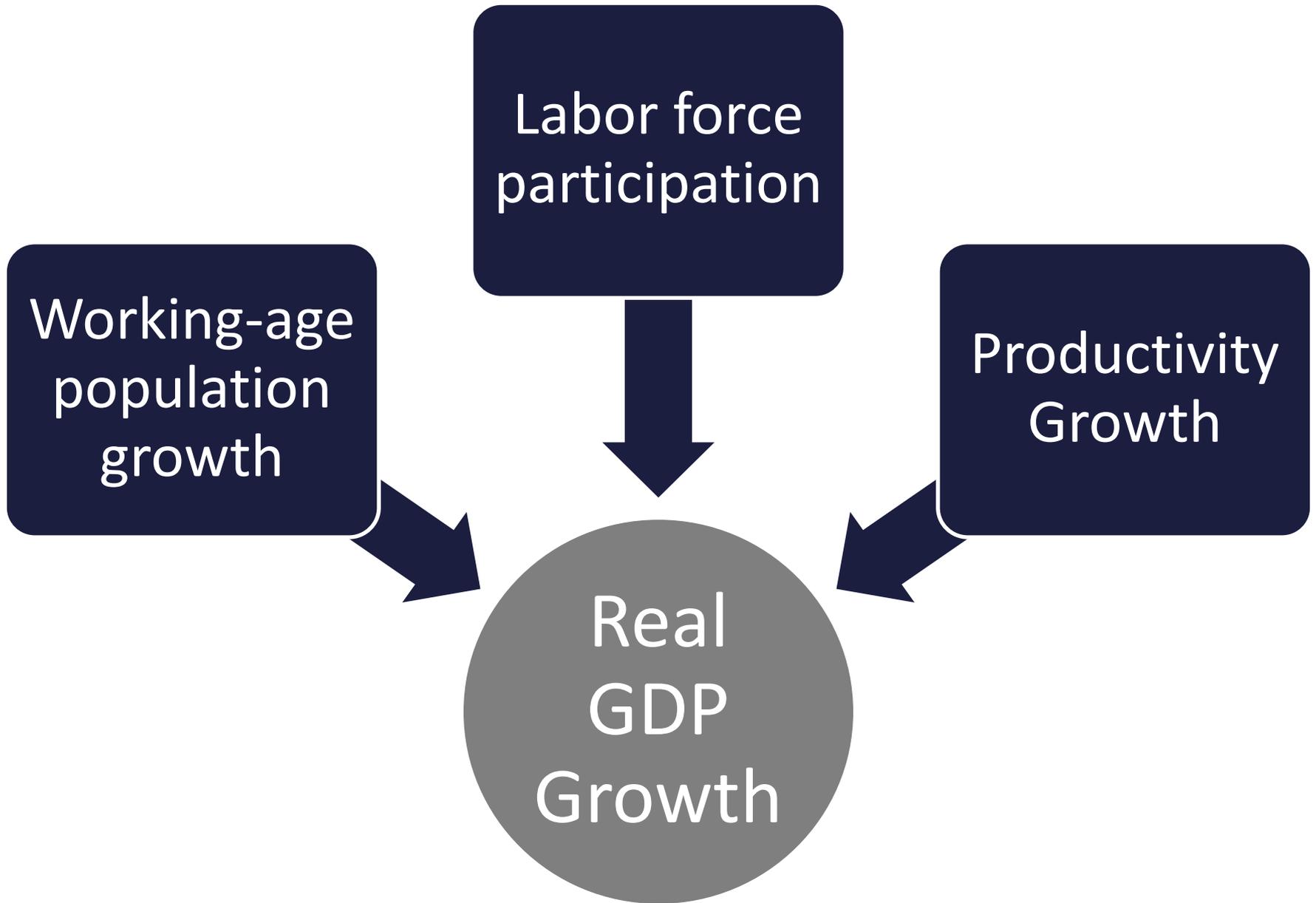
Sources: Tabulated by MN State Demographic Center from Integrated Public Use Microdata Series

# Baby boomers have earned more than the generation that came before them (U.S. data)



# Baby boomers have not saved as much as the preceding generation (U.S. data)



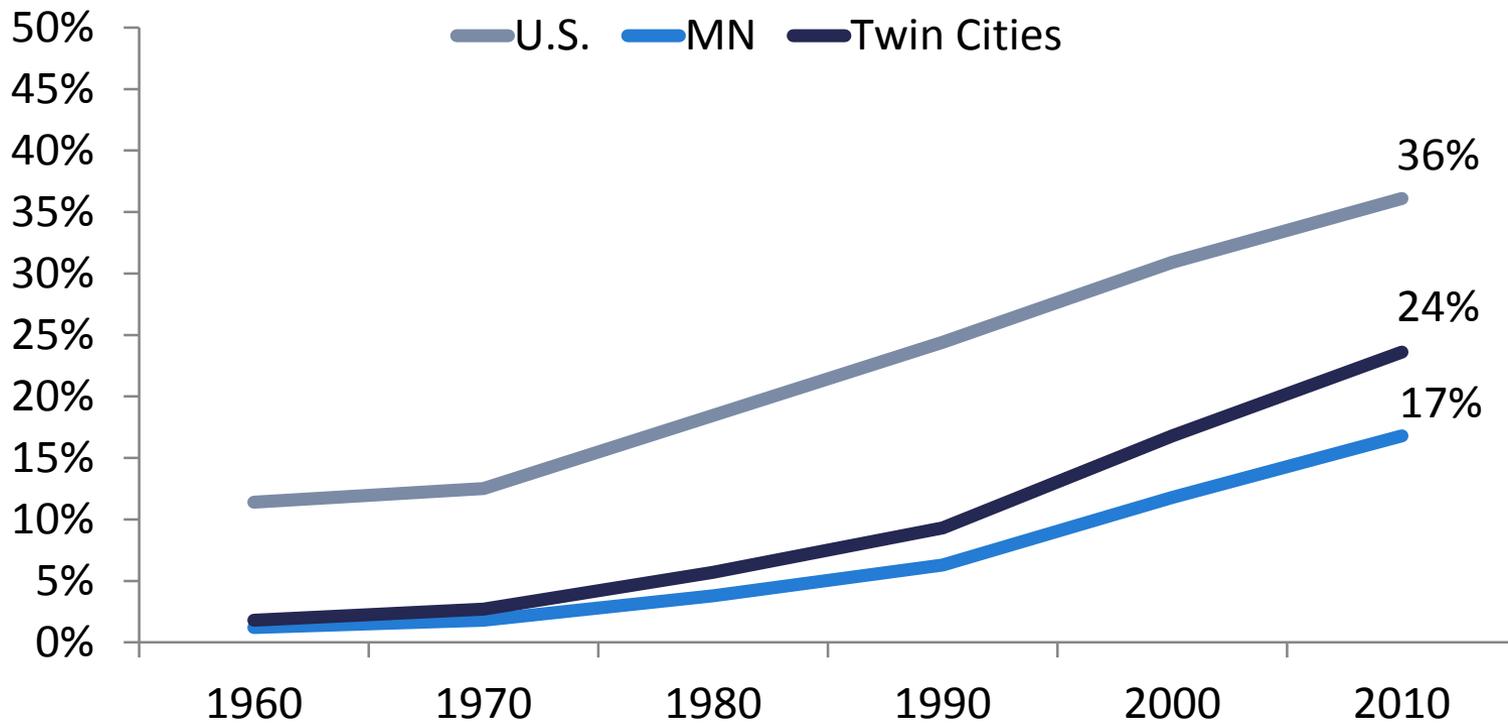


**Trend #2:**  
**Increasing**  
**diversity**

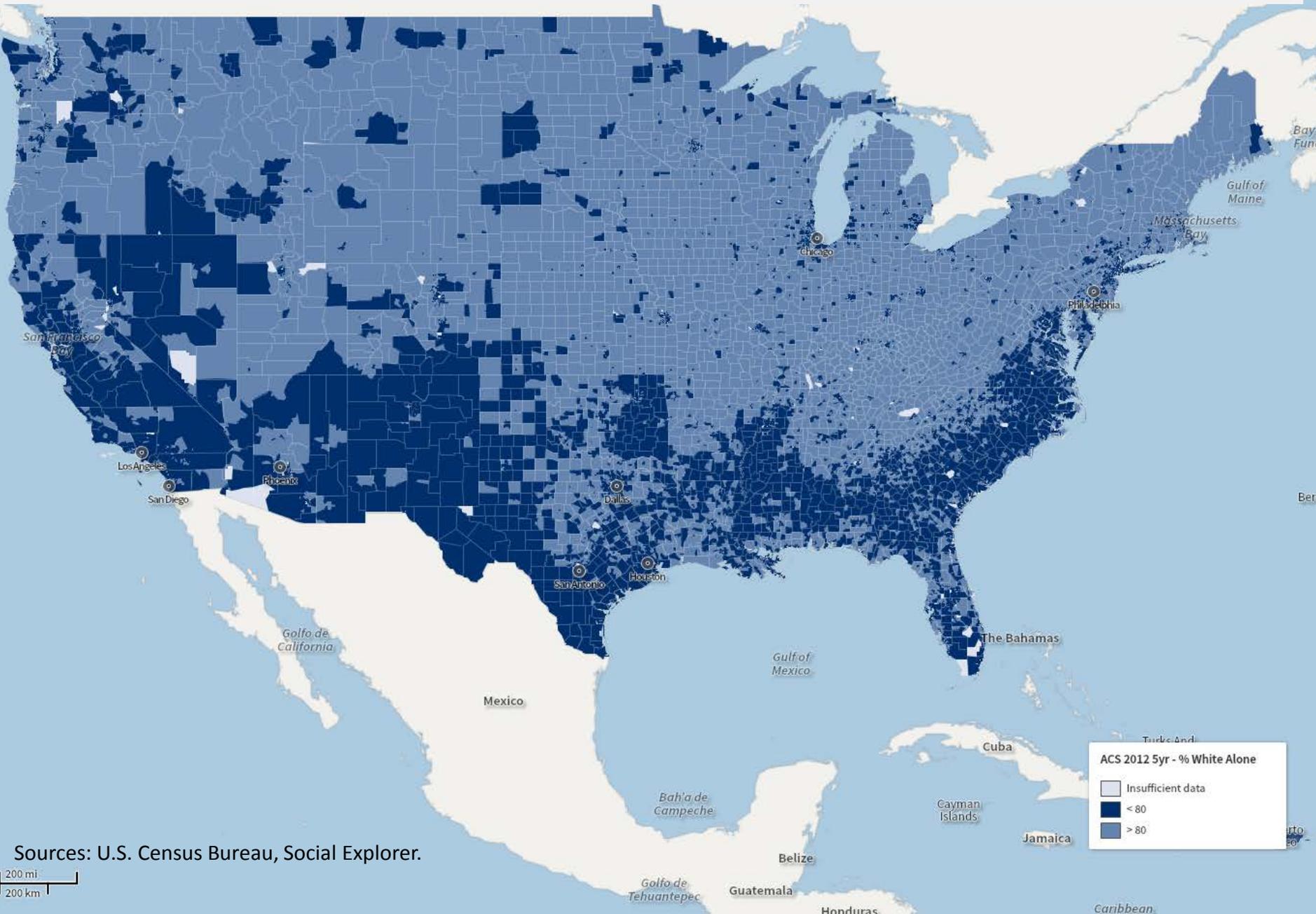


# 50 years of growing diversity in our region, state, nation

## Percent Of Color, 1960-2010



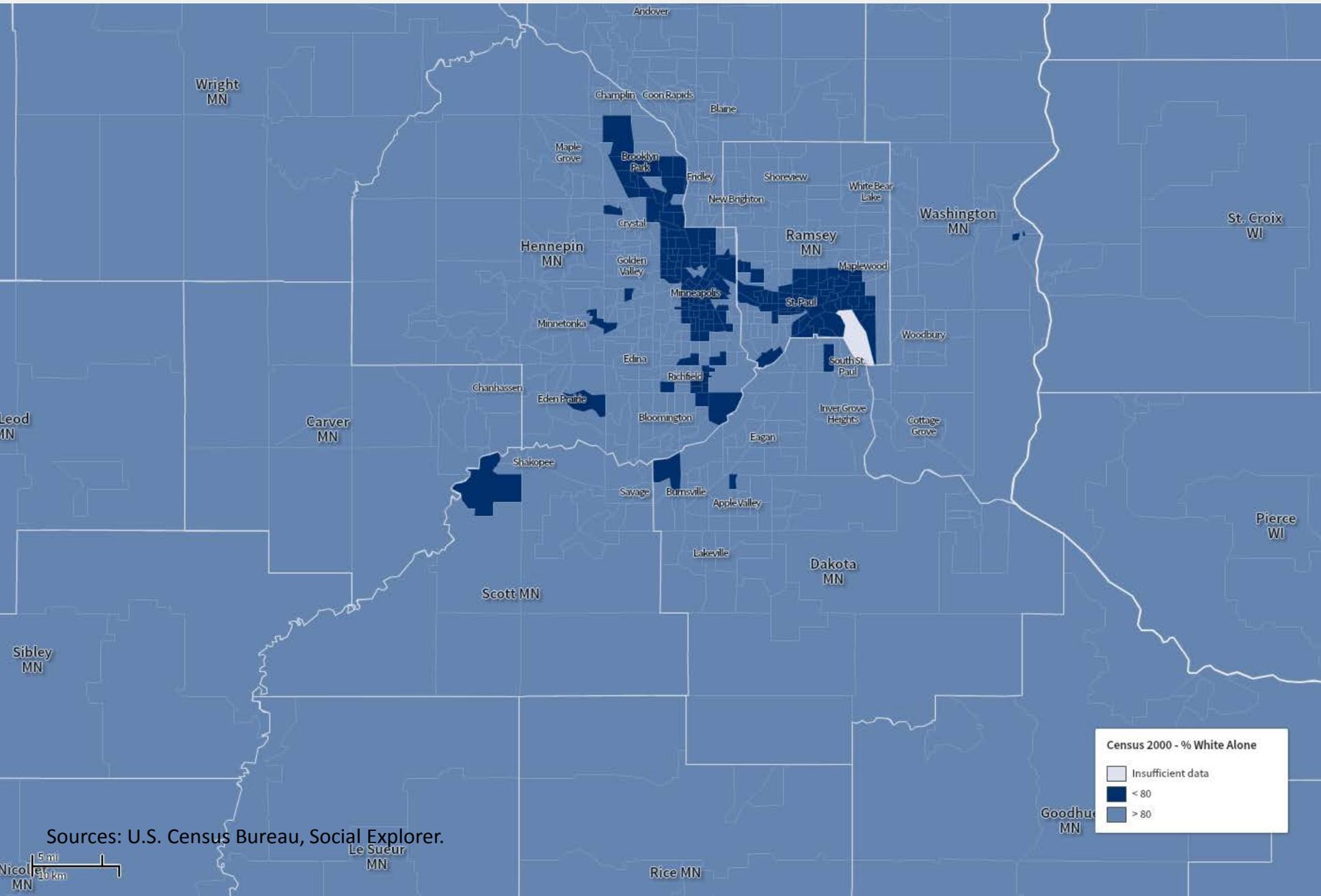
# Populations of Color > 20%



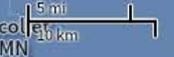
Sources: U.S. Census Bureau, Social Explorer.

200 mi  
200 km

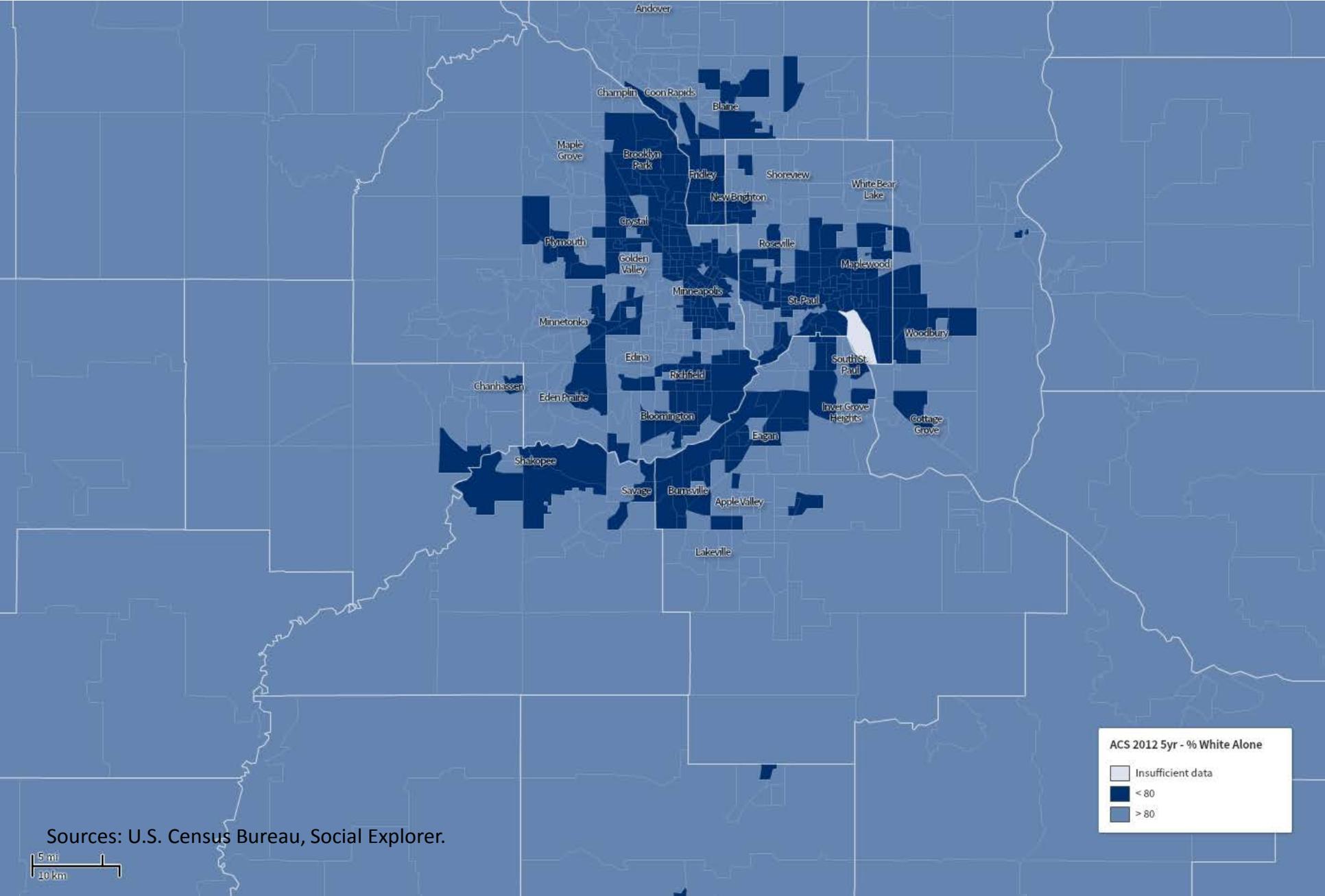
# Populations of Color > 20% in 2000



Sources: U.S. Census Bureau, Social Explorer.



# Populations of Color > 20% in 2008-2012



ACS 2012 5yr - % White Alone

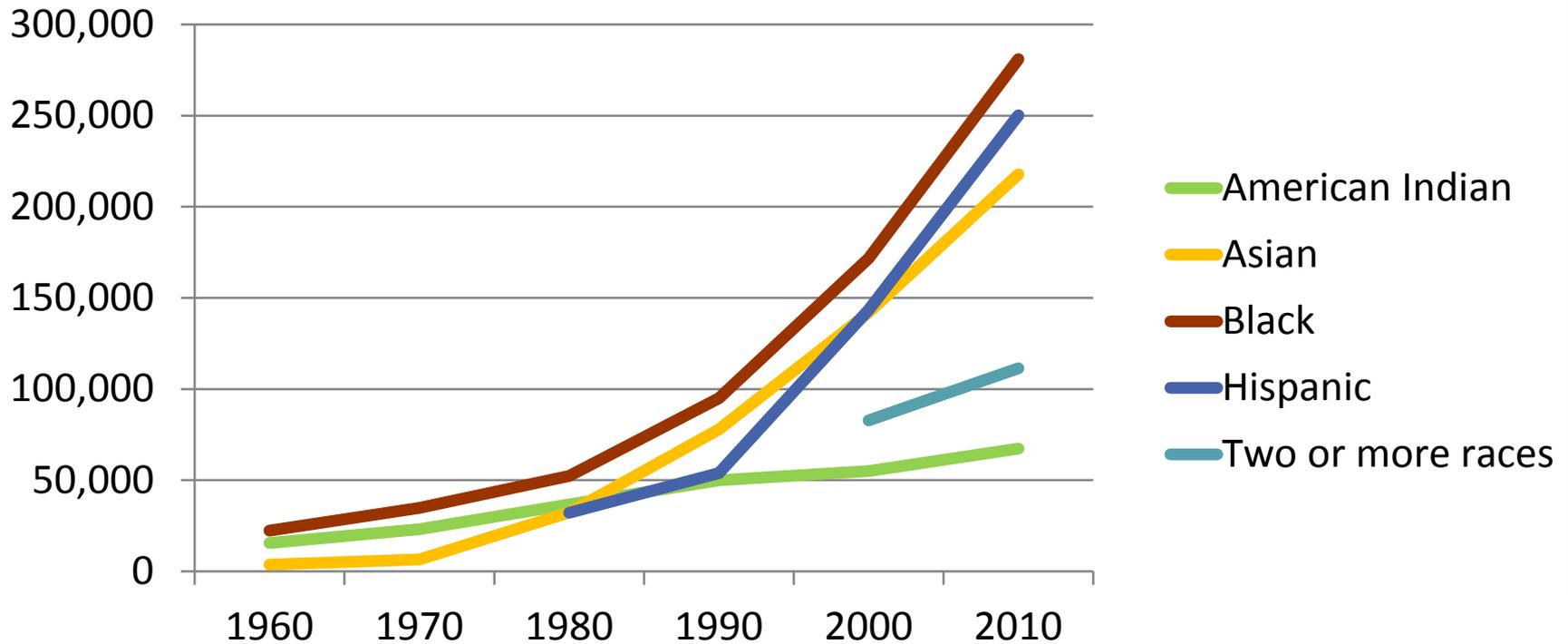
- Insufficient data
- < 80
- > 80

Sources: U.S. Census Bureau, Social Explorer.



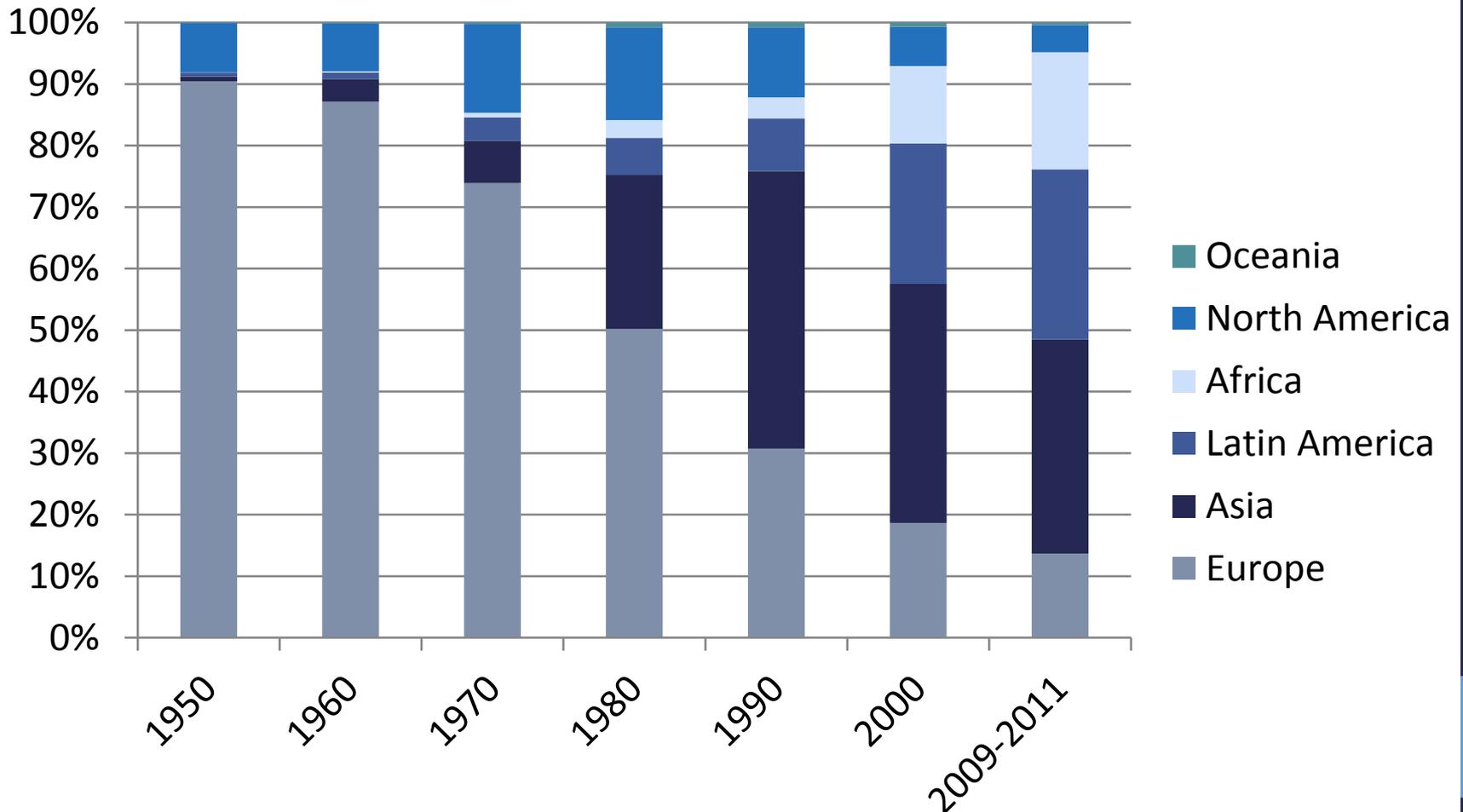
# Black, Latino and Asian populations growing rapidly

## Populations of color, MN



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

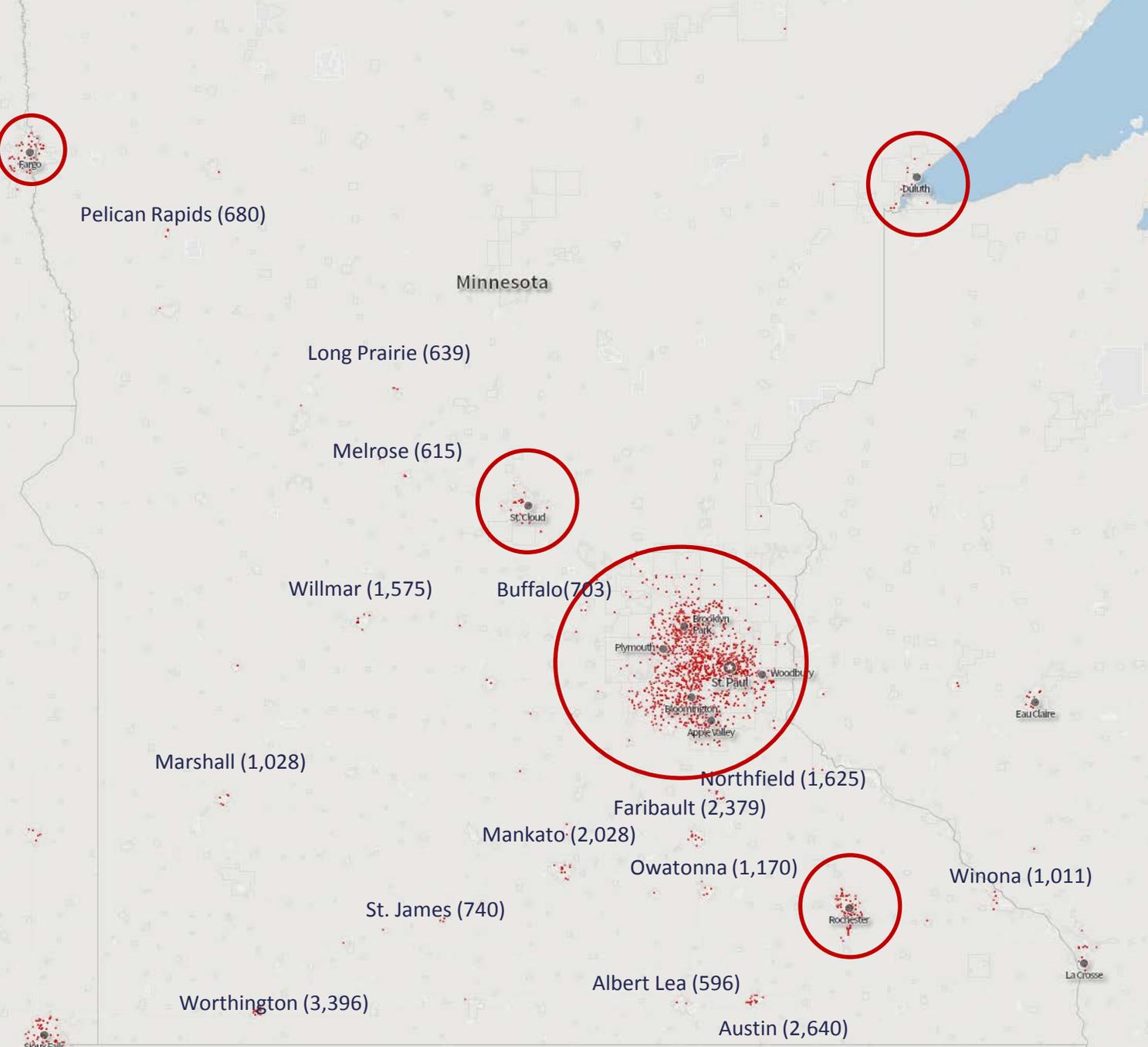
# + Our foreign-born population is becoming increasingly diverse



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

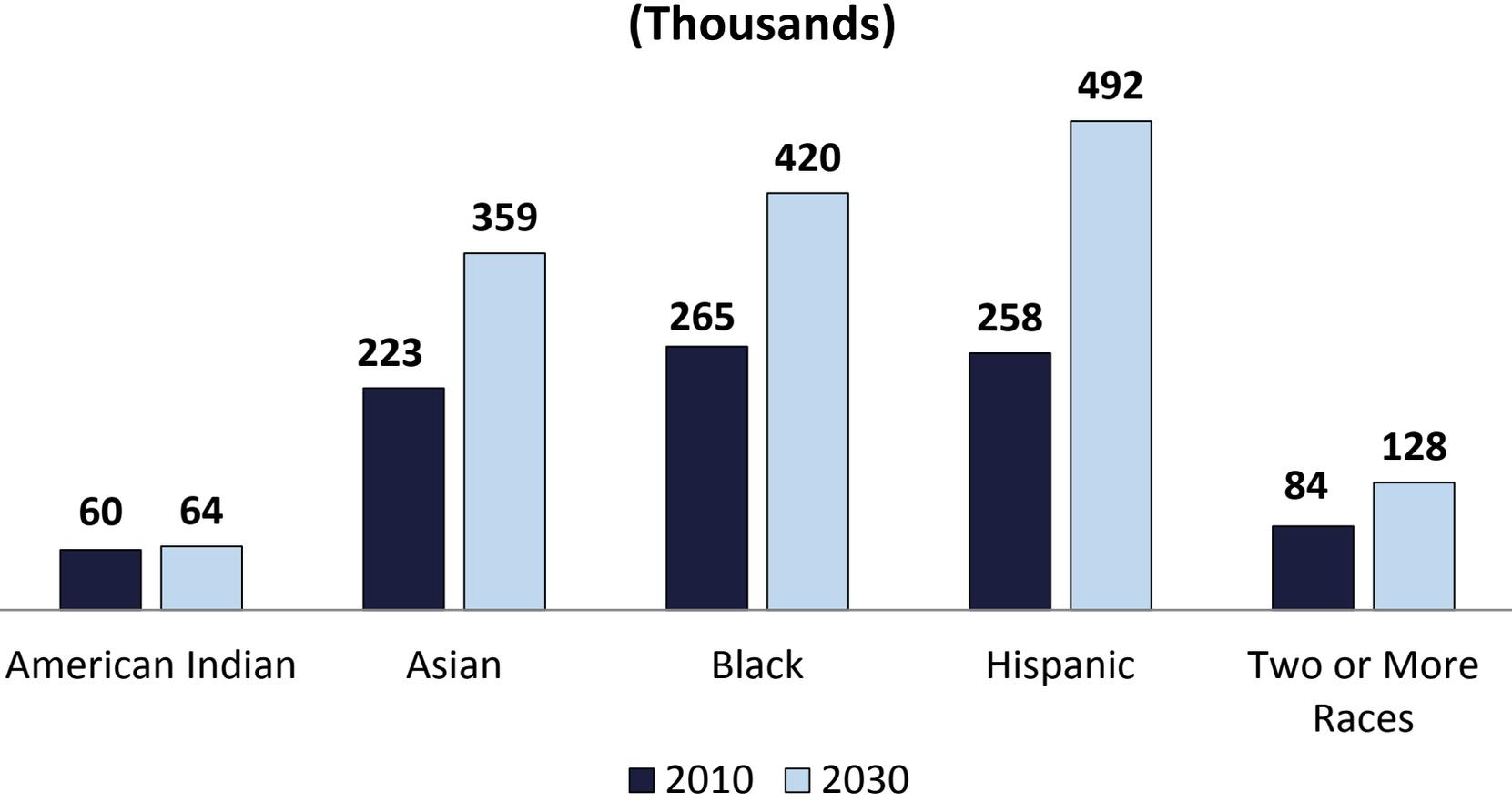
# Foreign-born in MN 2008-2012

● One dot = 500  
foreign-born  
residents



Source: American Community Survey, Social Explorer

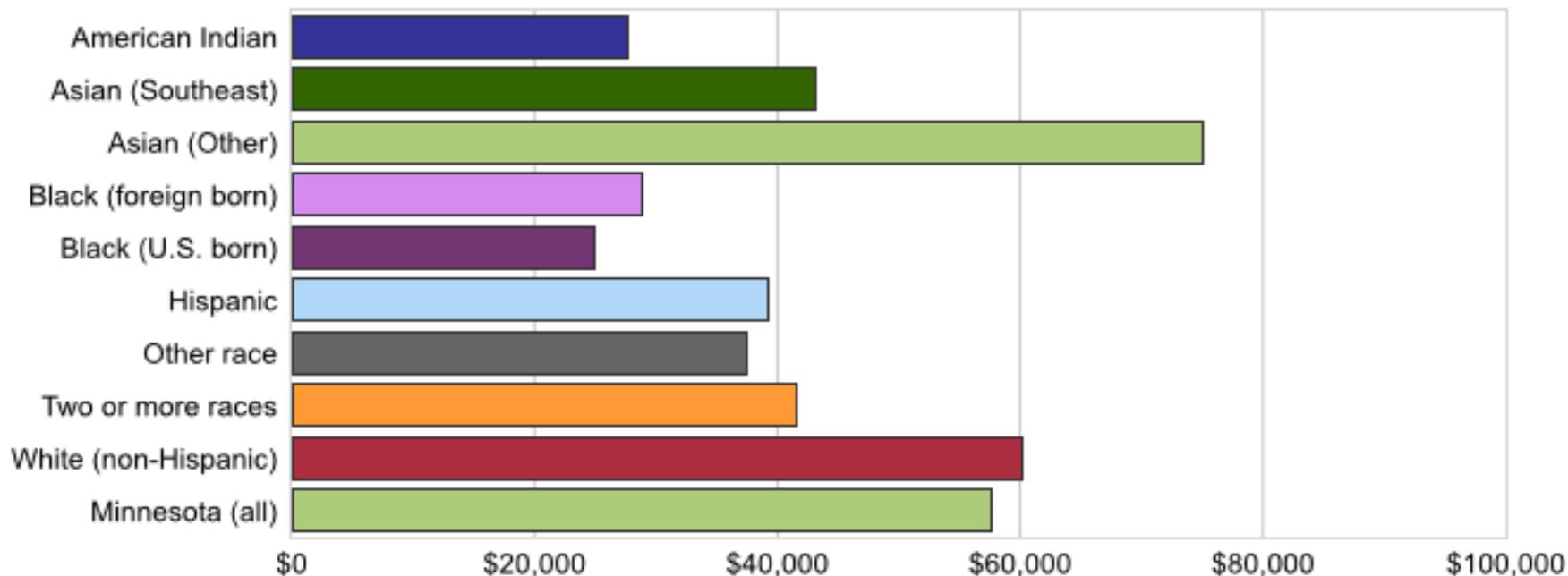
# Largest Population Growth Among Asian, Black and Hispanic Groups



Source: Minnesota State Demographic Center projections.

## Median household income by detailed racial and ethnic group

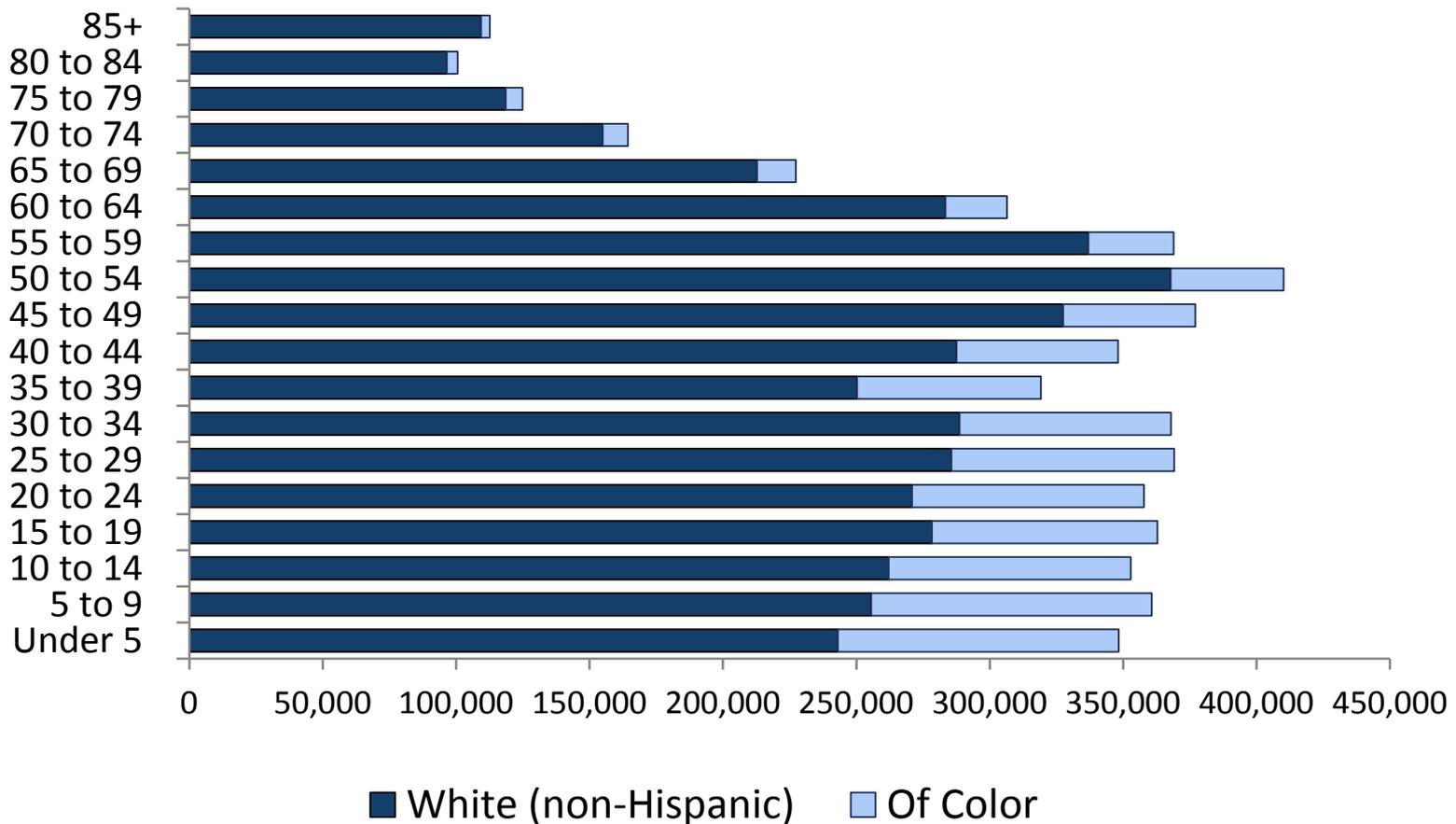
Minnesota, 2010-2012



Source: Compiled by MNCompass from U.S. Census Bureau data.

# Minnesota by race, 2012

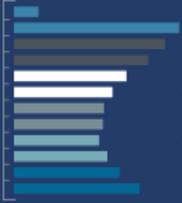
## White (non-Hispanic) and Of Color Population Minnesota, 2012



Source: 2012 Population Estimates, U.S. Census Bureau.

# **Closing thoughts: Demographics will shape the future...but not completely determine it**

- **Slower economic, population growth on the horizon**
- **Firms that locate & attract workers in new and interesting ways will have the advantage**



## Minnesota State Demographic Center

**Stay tuned, keep in touch.**

**MN.GOV/DEMOGRAPHY**

**[susan.brower@state.mn.us](mailto:susan.brower@state.mn.us)**

**Twitter: @MN\_StateData**