



Minnesota State Demographic Center



MINNESOTA SOCIETY OF MUNICIPAL ANALYSTS

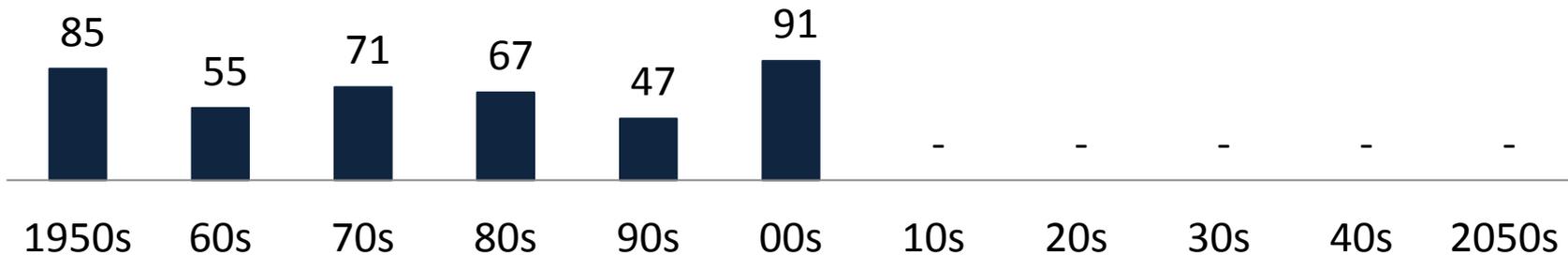
SUSAN BROWER, MINNESOTA STATE DEMOGRAPHER
MAY 2016

2 topics for today

- 1. Demography's expected impact on economic growth**
- 2. Demography's expected impact on population growth patterns**

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

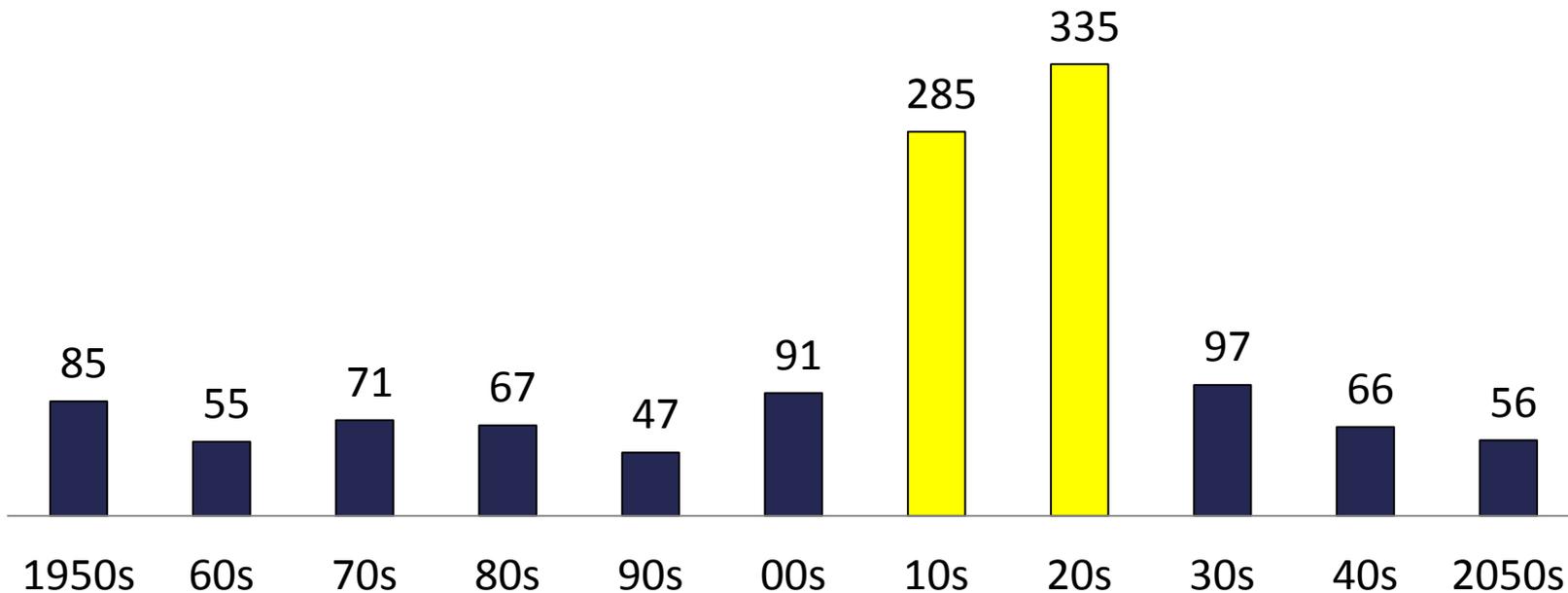
Change in older adults, age 65+ (in thousands)



Source: U.S. Census Bureau

Unprecedented increases in MN's “older adult” population

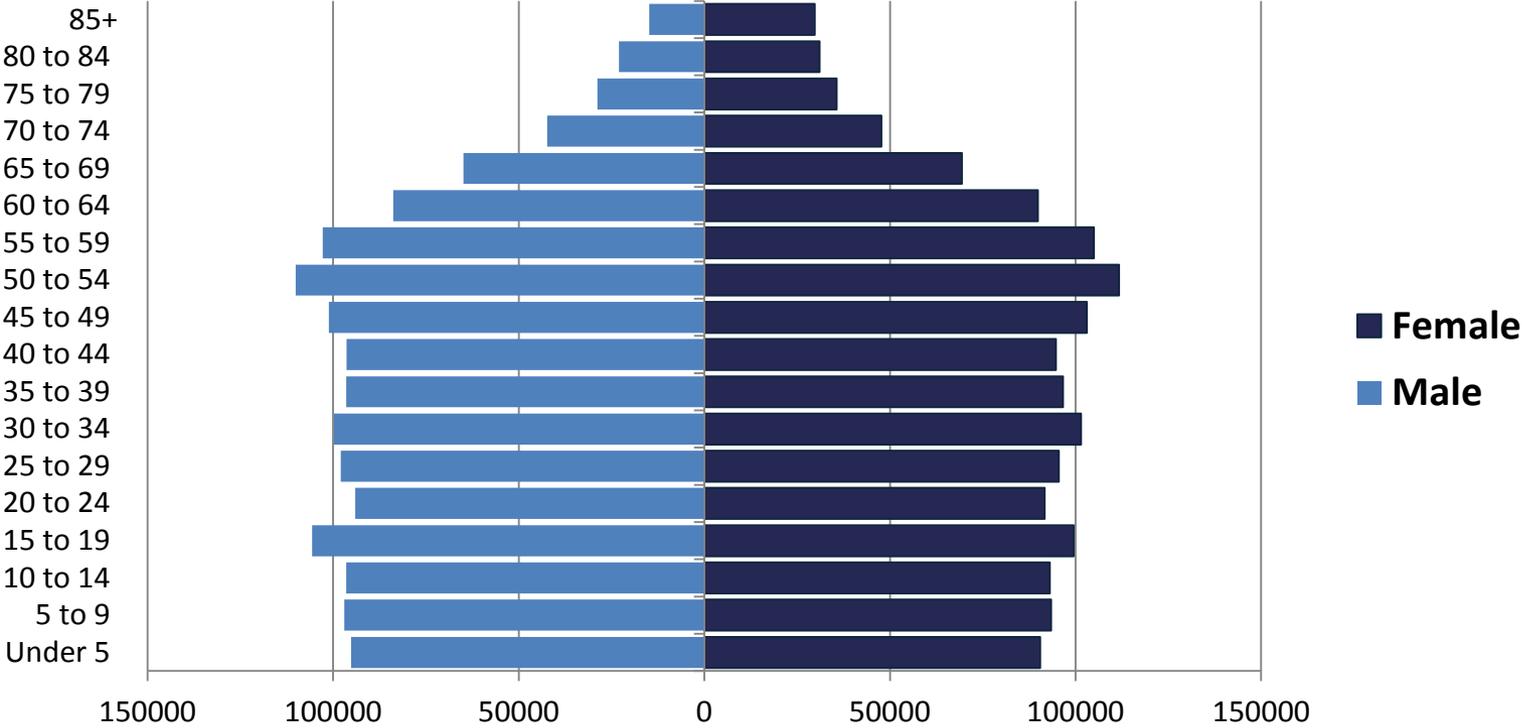
Change in older adults, age 65+ (in thousands)



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

The Twin Cities 7-county metro in 2015

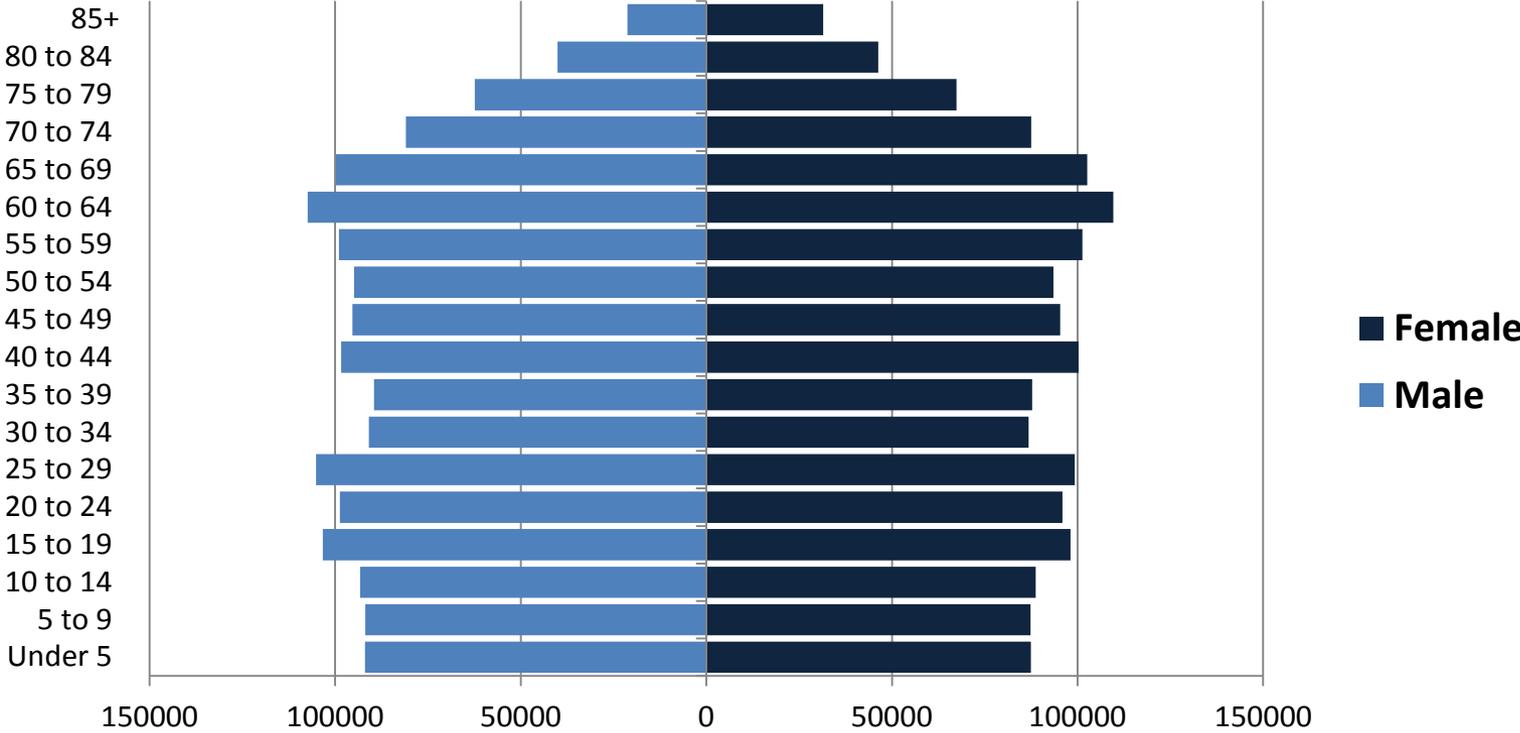
Population by age and sex
7-county Twin Cities metro, 2015



Source: Minnesota State Demographic Center

What the Twin Cities 7-county metro will look like... in 9 years

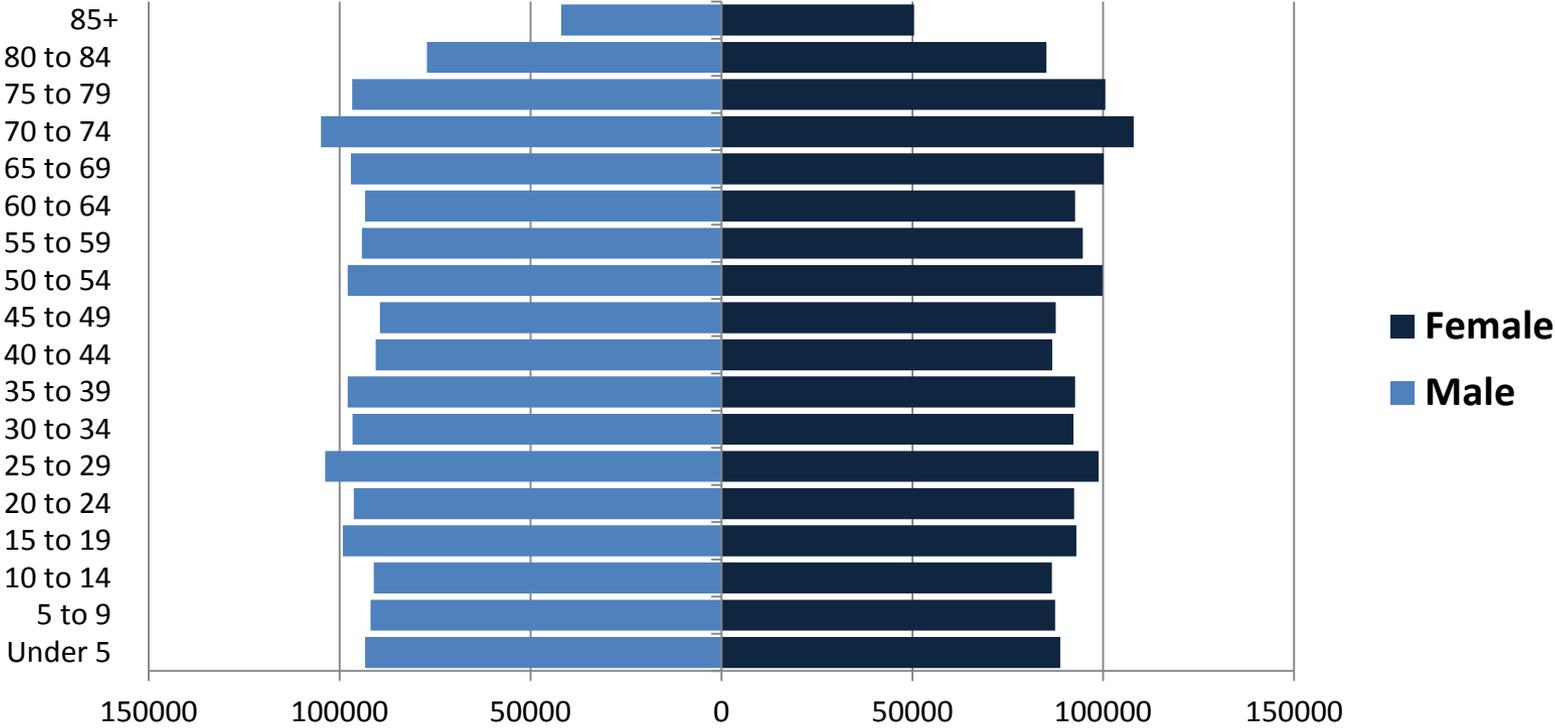
Population by age and sex
7-county Twin Cities metro, 2025



Source: Minnesota State Demographic Center

What the Twin Cities 7-county metro will look like... in 19 years

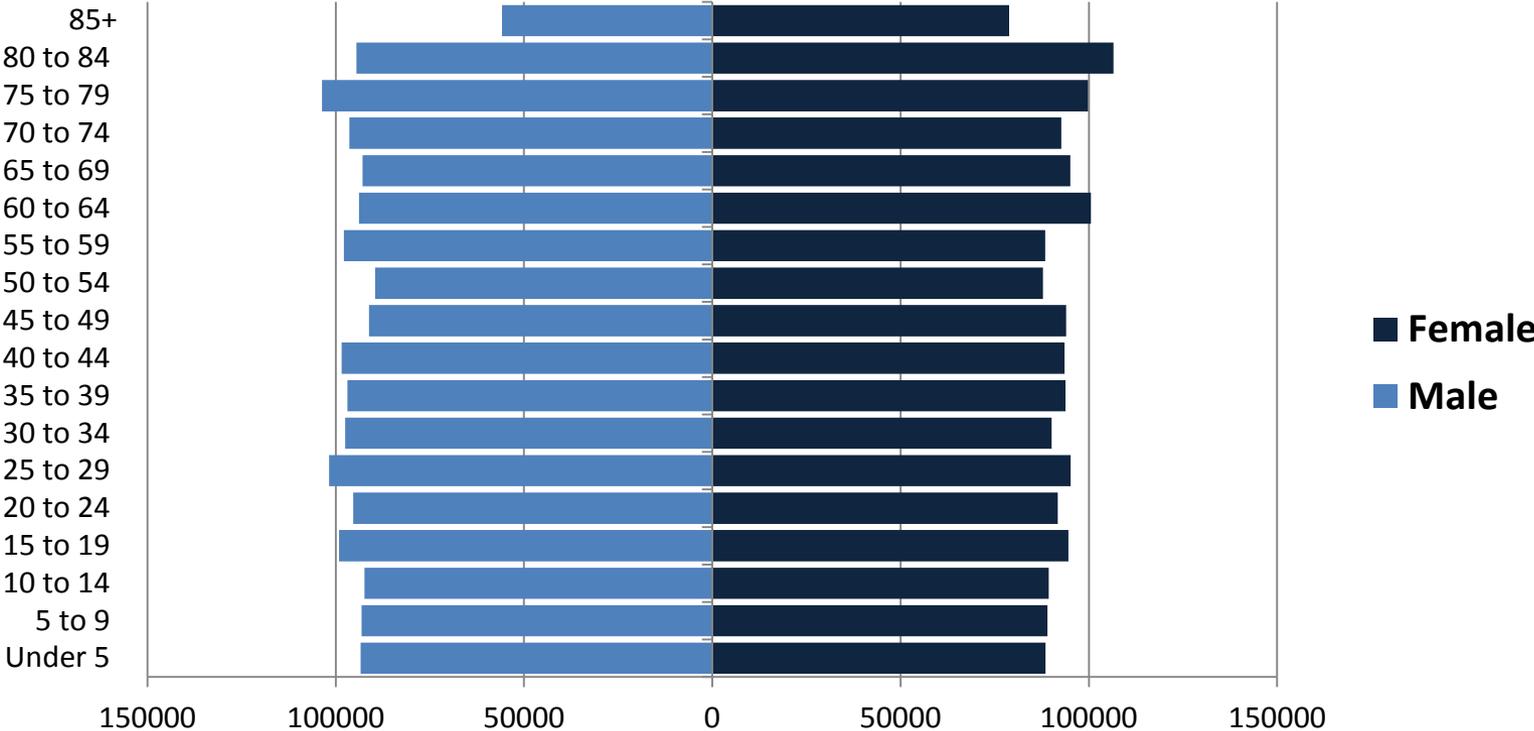
Population by age and sex
7-county Twin Cities metro, 2035



Source: Minnesota State Demographic Center

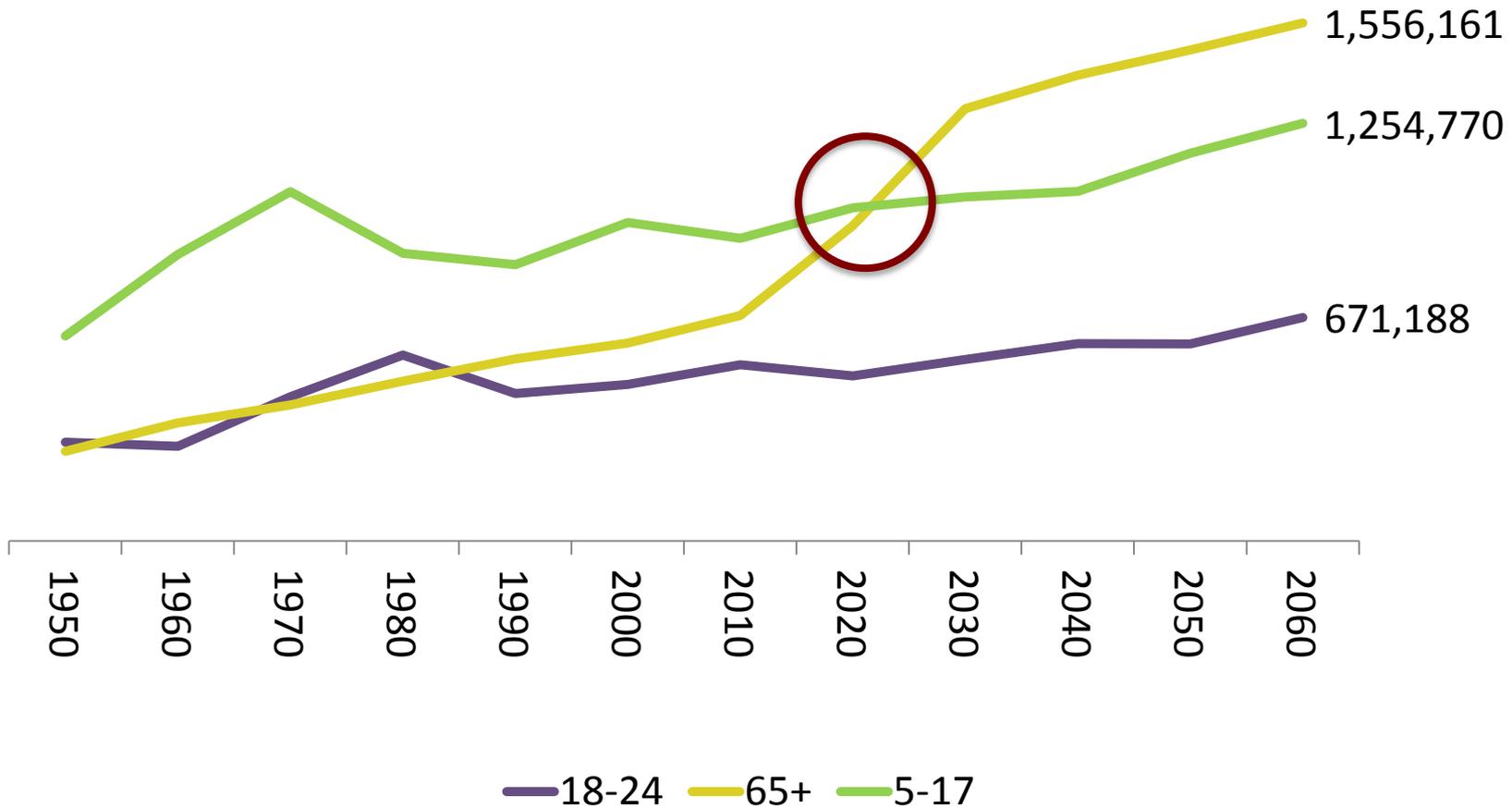
What the Twin Cities 7-county metro will look like... in 29 years

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

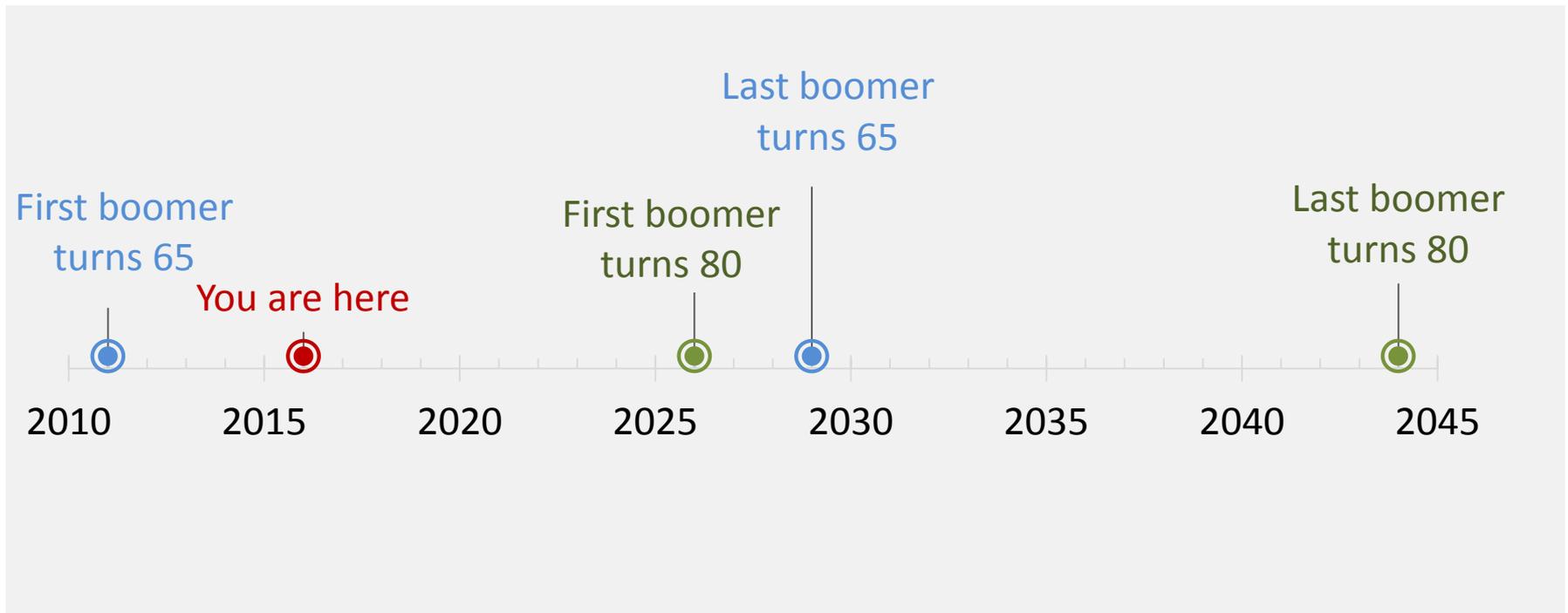


Source: Minnesota State Demographic Center

Baby boomers age out of working ages between now and 2030



The transition to an older Minnesota has already begun

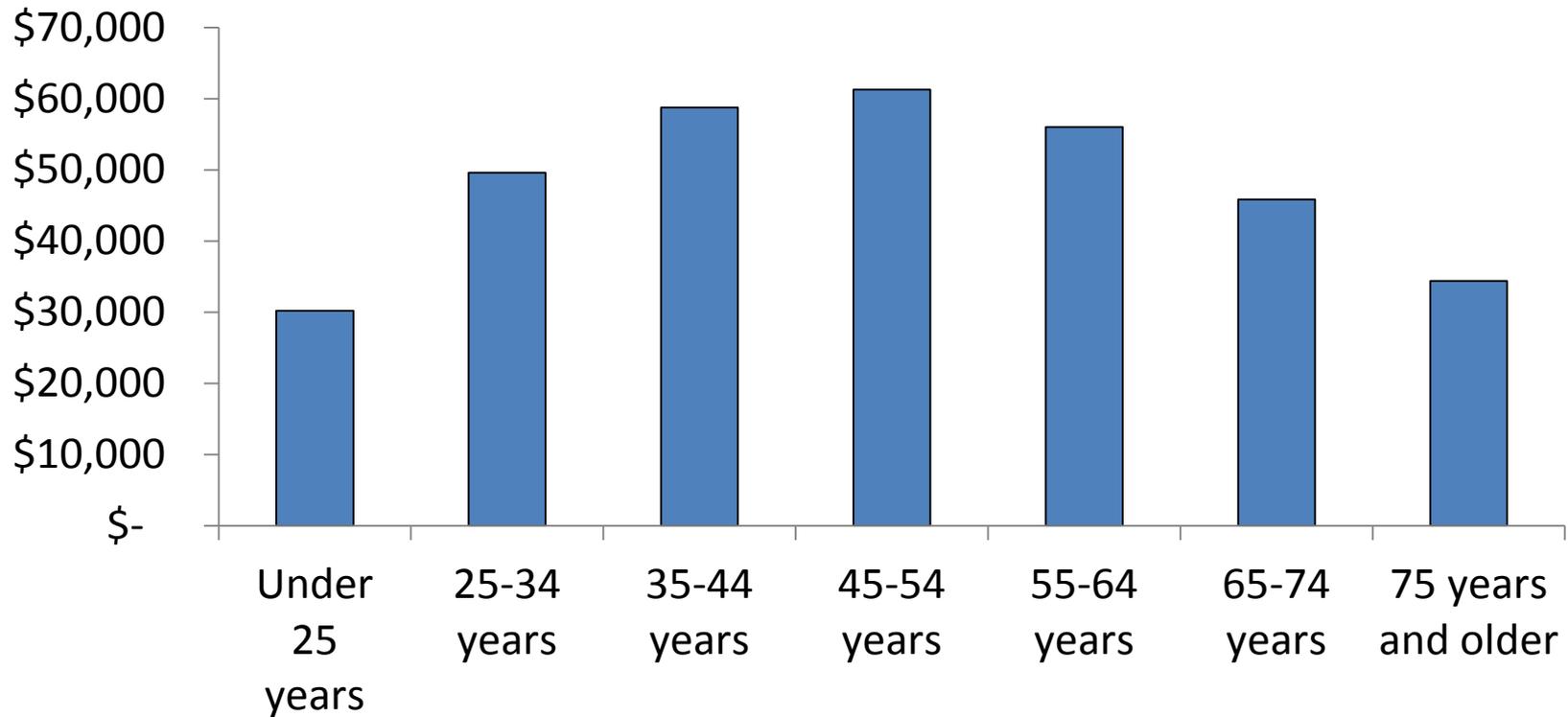


Aging will impact economic and population growth through a number of avenues, including:

- Consumer expenditures
- Public revenues
- Labor force growth

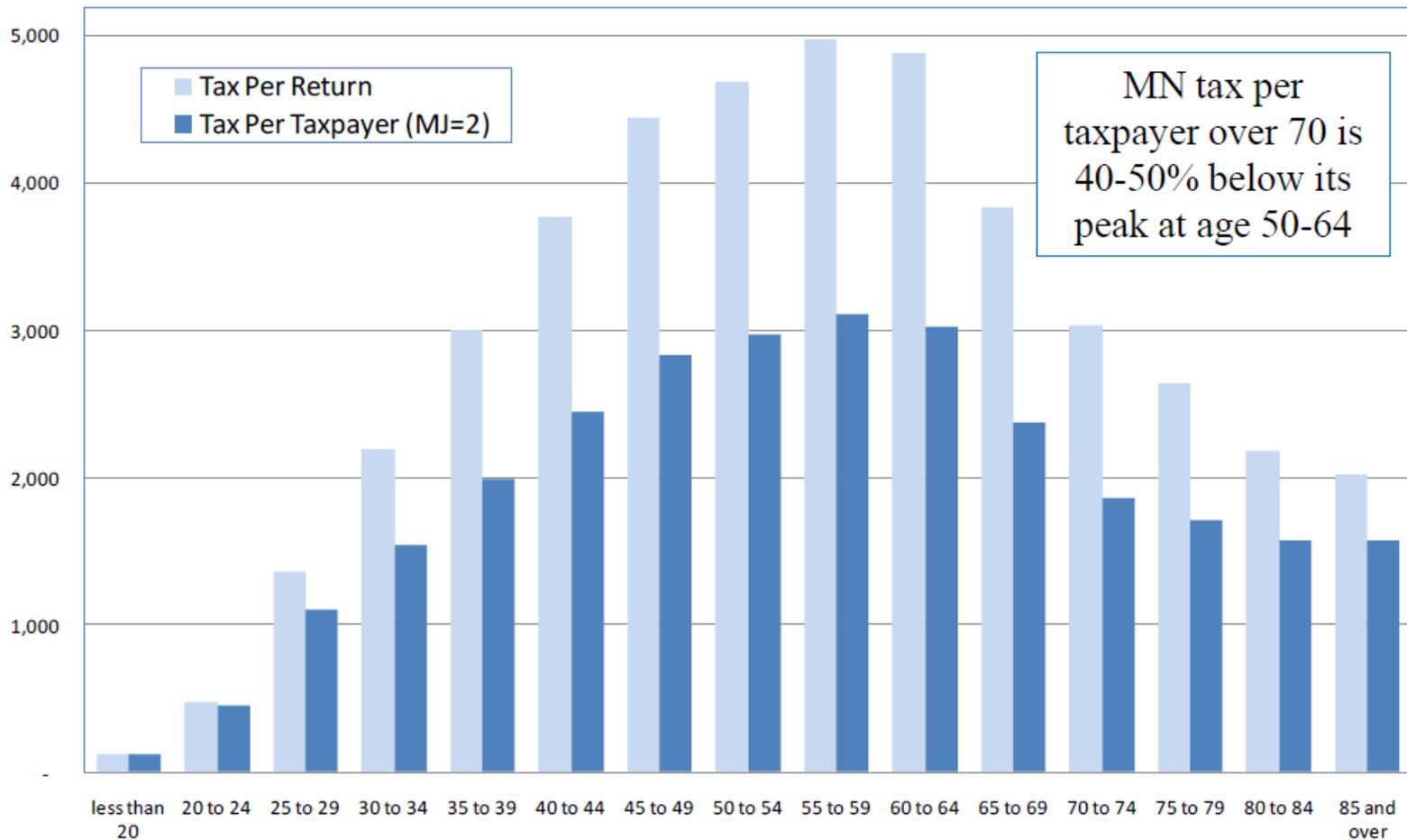
Consumer spending slows with age

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



Sources: BLS, Consumer Expenditure Survey

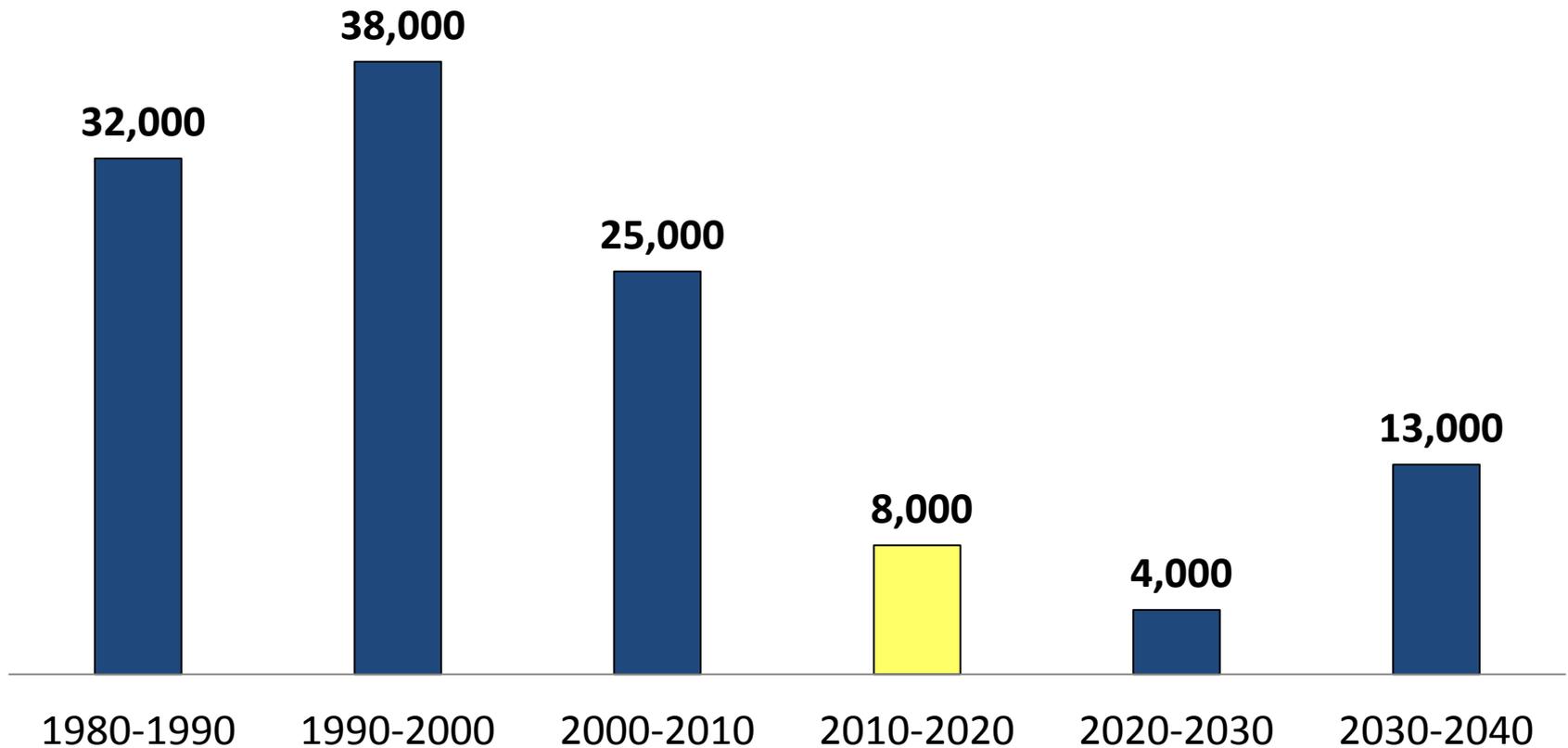
Average State Tax Paid by Age Minnesota, 2007



Source: Jajko and Wilson 2007

Past & Projected Growth in Labor Force

Annual average, ages 16+



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

MN, U.S., not alone in slower growth of labor force

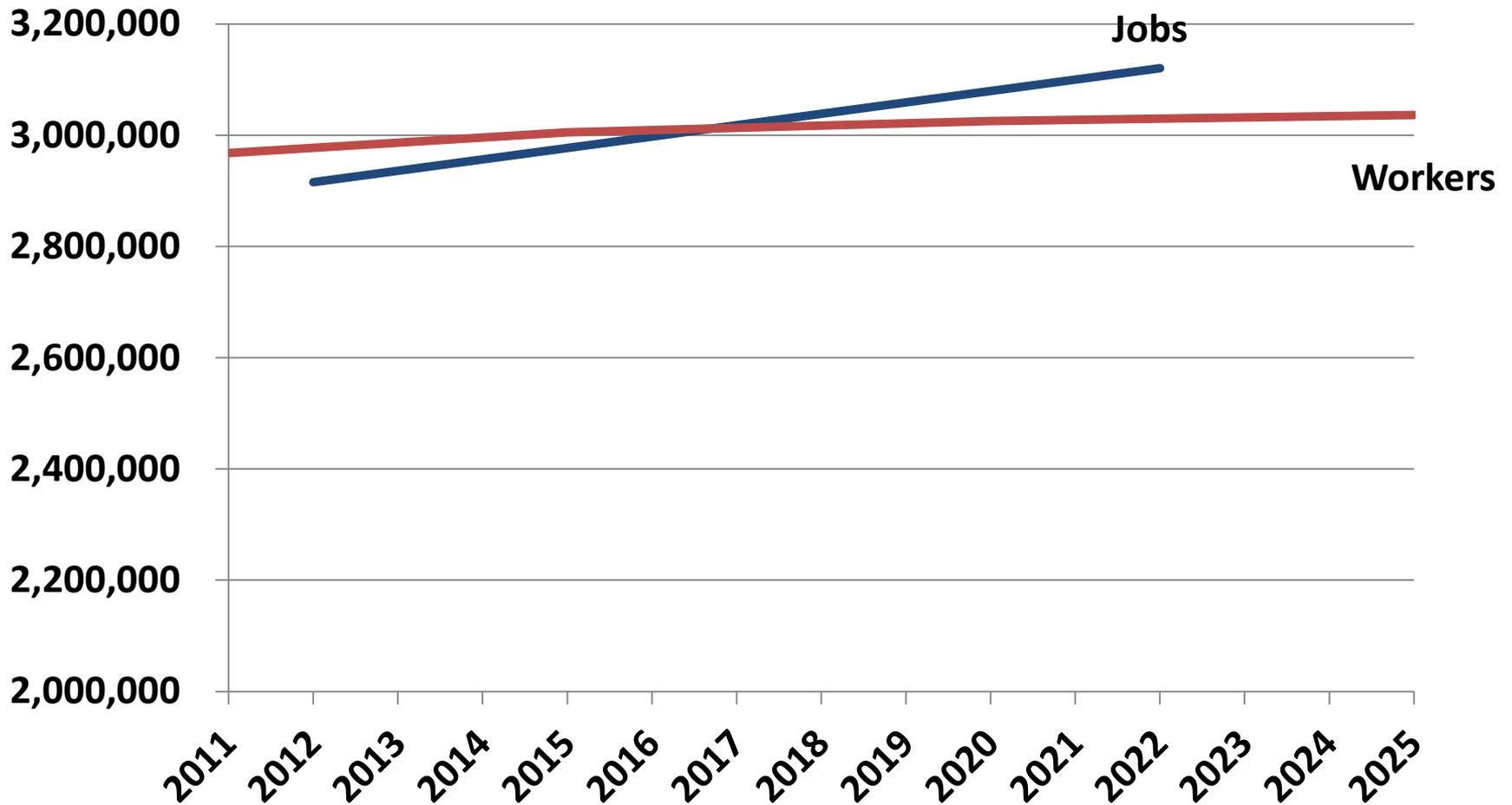
TABLE 1: AVERAGE ANNUAL GROWTH RATES OF WORKING AGE POPULATION (15-64) WORLD, DEVELOPED AND DEVELOPING REGIONS, AND SELECTED COUNTRIES - 1950-80, 1980-2010, 2010-2030, 2030-50

Regions and Countries	1950-1980	1980-2010	2010-2030	2030-2050	2040-2050
World	1.81	1.86	0.93	0.49	0.41
More Developed Regions	1.17	0.38	- 0.26	- 0.24	- 0.25
Less Developed Regions	2.16	2.25	1.17	0.60	0.50
U.S.	1.34	1.07	0.27	0.45	0.45
Japan	1.56	0.13	- 0.82	- 1.11	- 1.01
U.K	0.22	0.42	0.13	0.11	0.16
Germany	0.35	0.15	- 0.78	- 0.82	- 0.70
Russia	1.14	0.30	- 0.82	- 0.75	- 1.01
China	1.90	1.80	- 0.06	- 0.75	- 0.70
India	1.95	2.26	1.27	0.44	0.24
Brazil	2.89	2.12	0.68	- 0.24	- 0.48

Source: Own Calculations with data drawn from United Nations Department of Economic and Social Affairs/Population Division, World Population Prospects: The 2012 Revision, Volume I: Comprehensive Tables, New York, 2013.

Source: Frischtak, Brookings Institution

Projected job growth and projected labor force growth

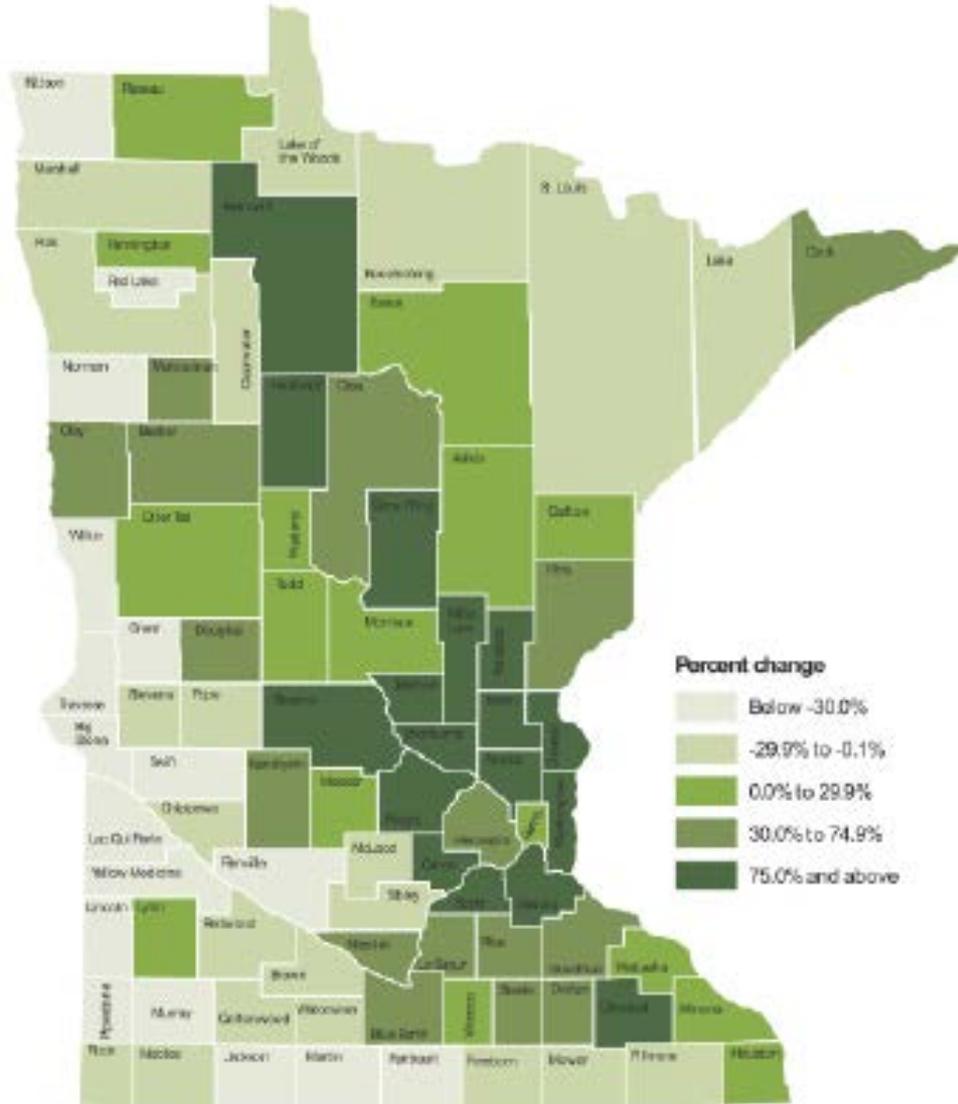


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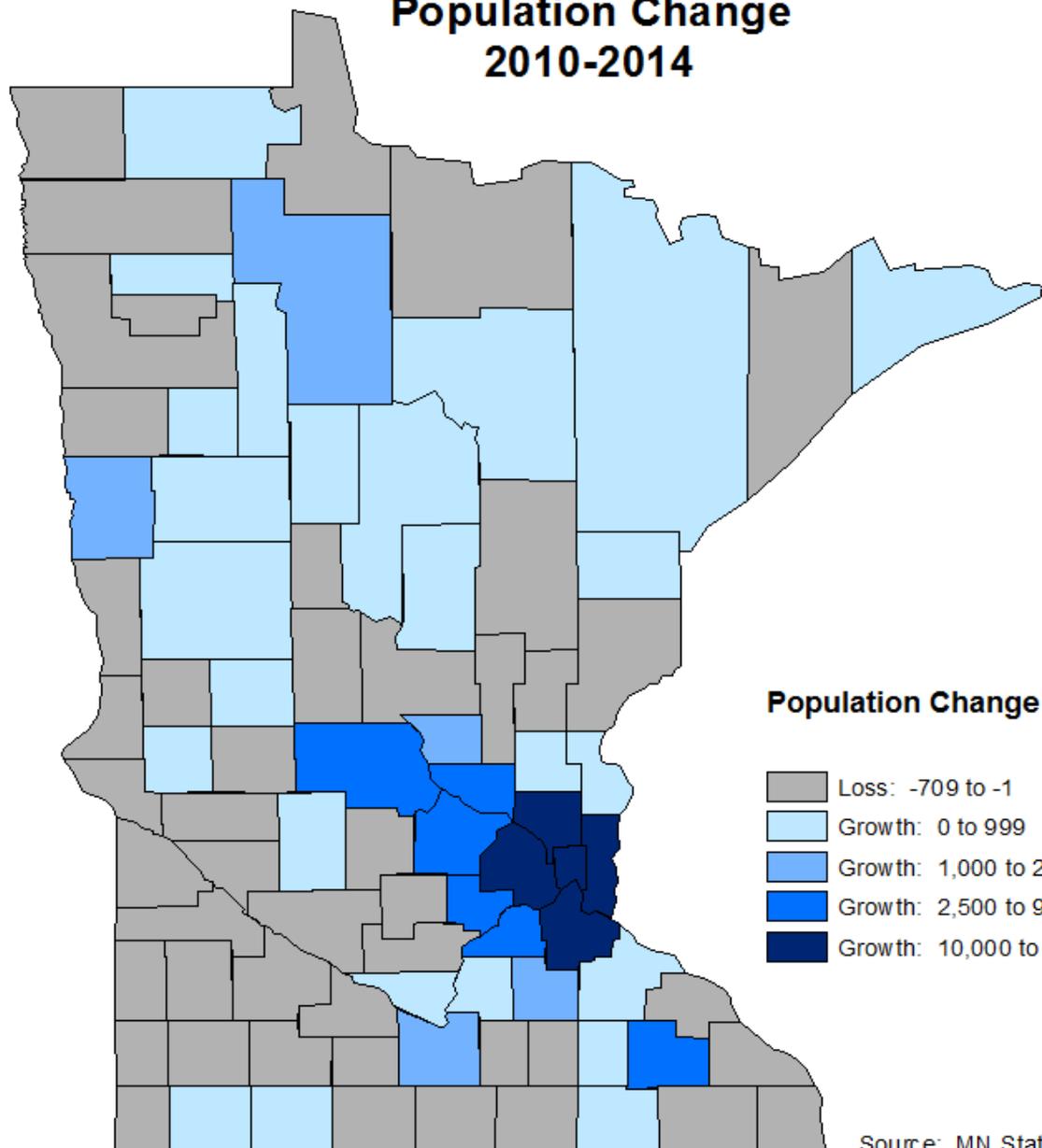
Long-term population change, 1960-2013

**The historic
view...
population
change since
1960**



Source: Center for Rural Policy, 2014

Population Change 2010-2014



Population Change

- Loss: -709 to -1
- Growth: 0 to 999
- Growth: 1,000 to 2,499
- Growth: 2,500 to 9,999
- Growth: 10,000 to 58,295

Source: MN State Demographic Center
and the Metropolitan Council

We are not evenly spaced across the state

5 largest MN counties in 2014:

1. Hennepin (1.2M residents, 22% of state)

2. Ramsey (530K, 10% of state)

3. Dakota (412K, 8% of state)

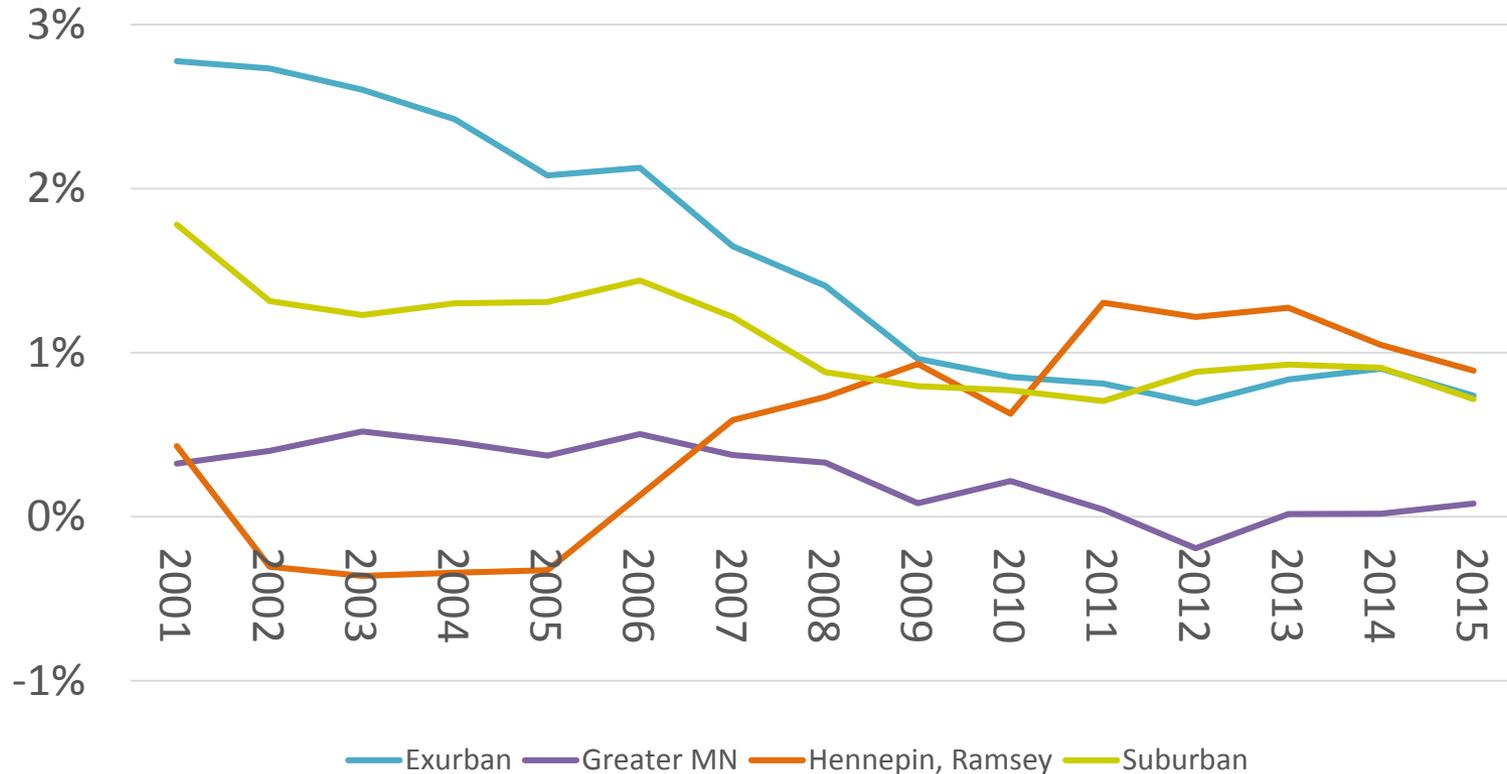
4. Anoka (343K, 6% of state)

5. Washington (249K, 5% of state)

Everywhere else (2.7M, 50% of state)

Growth rates in Minnesota have converged

County-level growth rates since 2000

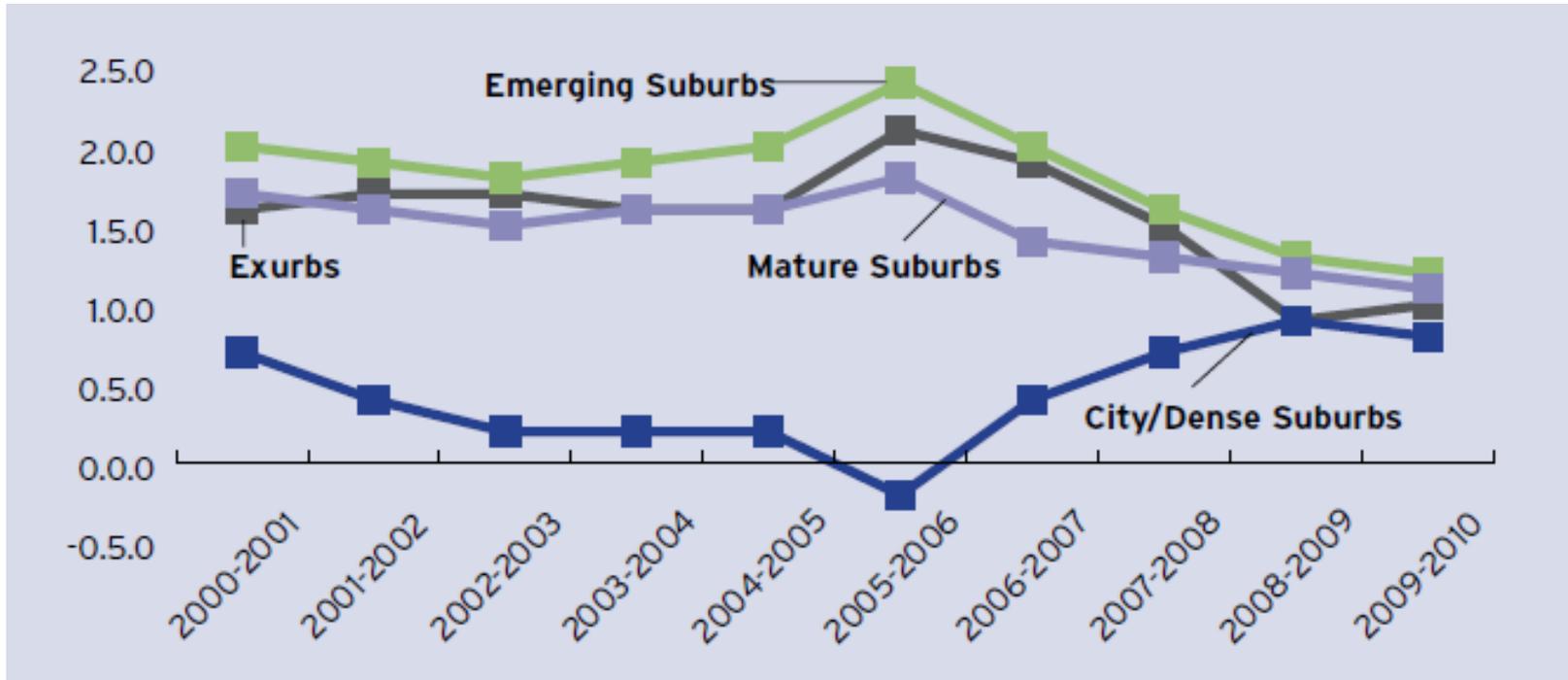


Source: U.S. Census Bureau, Population Estimates Bureau

Suburban: Anoka, Dakota, Washington

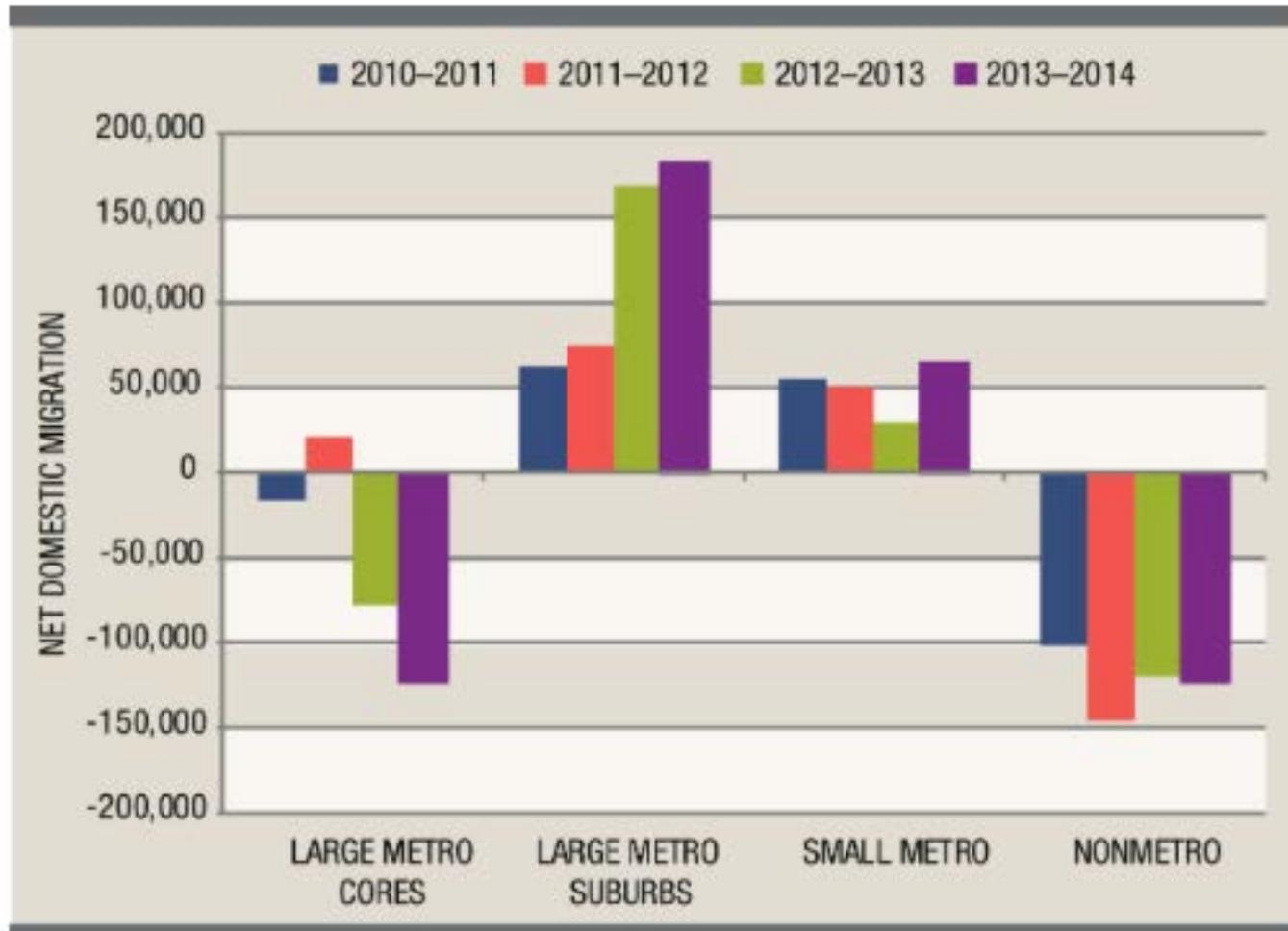
Exurban : Carver Chisago Isanti Scott Wright

Growth rates are converging nationally too



Source: Brookings Institution

FIGURE 1. DOMESTIC MIGRATION BY METROPOLITAN STATUS, 2010 TO 2014



Source: Johnson 2015, Carsey Research from U.S. Census Bureau estimates

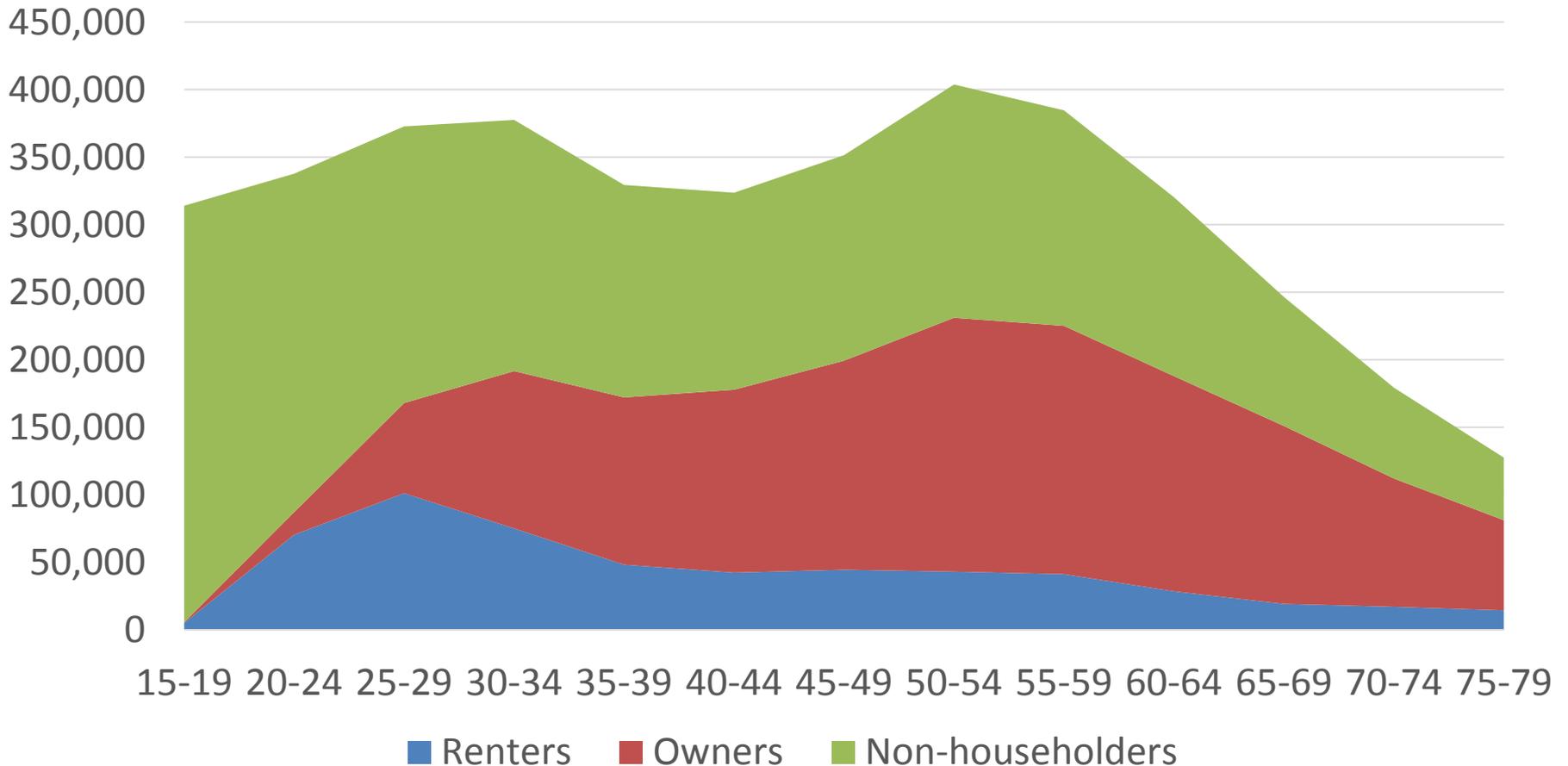
Top 10 fastest growing MN cities

		2014	2010	2010-2014
Rank	City	population	population	growth
1	Minneapolis city	411,273	382,578	28,695
2	St. Paul city	299,641	285,068	14,573
3	Blaine city	62,066	57,186	4,880
4	Rochester city	111,007	106,769	4,238
5	Woodbury city	66,119	61,961	4,158
6	Bloomington city	86,652	82,893	3,759
7	Rogers city	12,230	8,597	3,633
8	Lakeville city	59,361	55,954	3,407
9	Moorhead city*	41,181	38,065	3,116
10	Plymouth city	73,633	70,576	3,057

* Included anticipated growth from annexation of Oakport Township so as to be considered for future state aid considerations.

Sources: Minnesota State Demographic Center and Metropolitan Council, 2014 Population Estimates, and U.S. Census Bureau 2010 Census

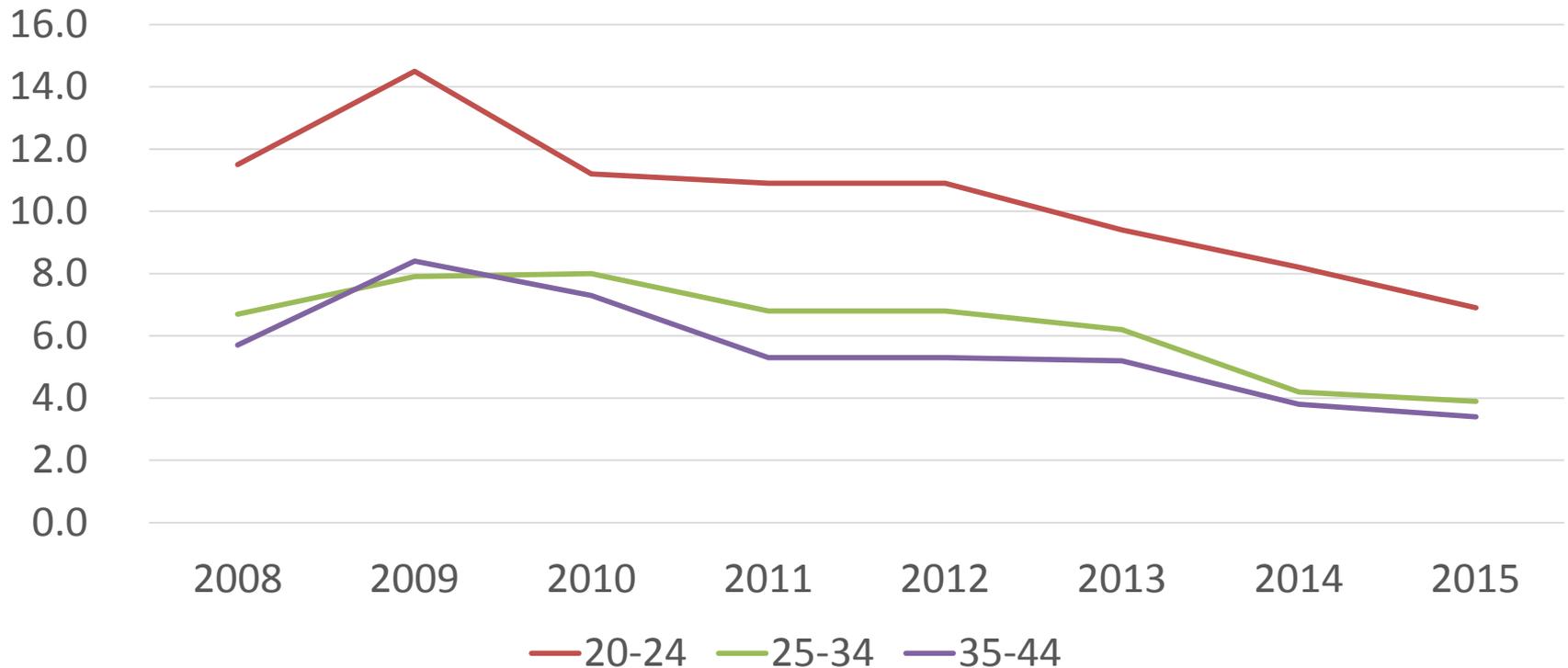
Renting households peaks in late-20s, large cohort of potential home-buyers



Source: U.S. Census Bureau, 2014 American Community Survey

Young adults of prime home-buying age now reaching full employment

Average unemployment rate by age group
Minnesota, 2008-2015

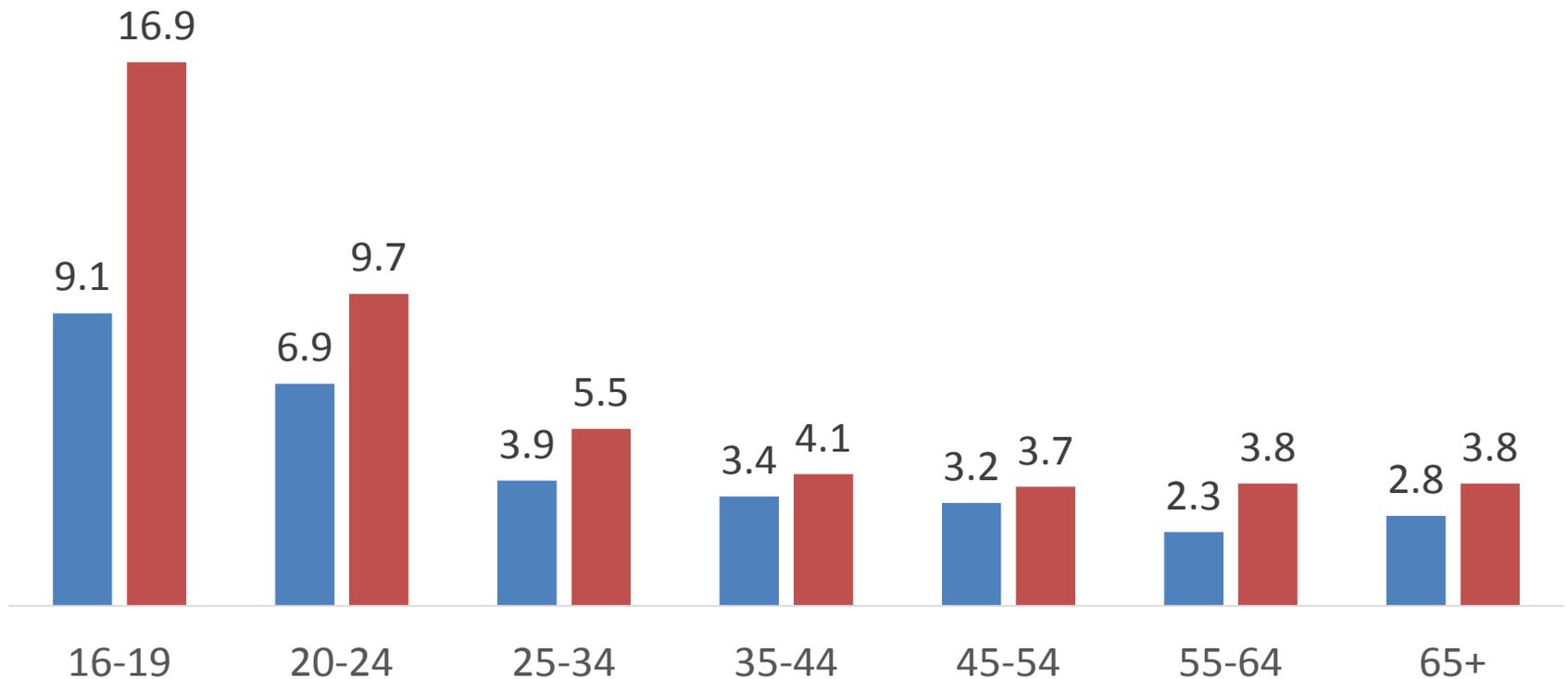


Source: Bureau of Labor Statistics

Minnesota now close to “full” employment

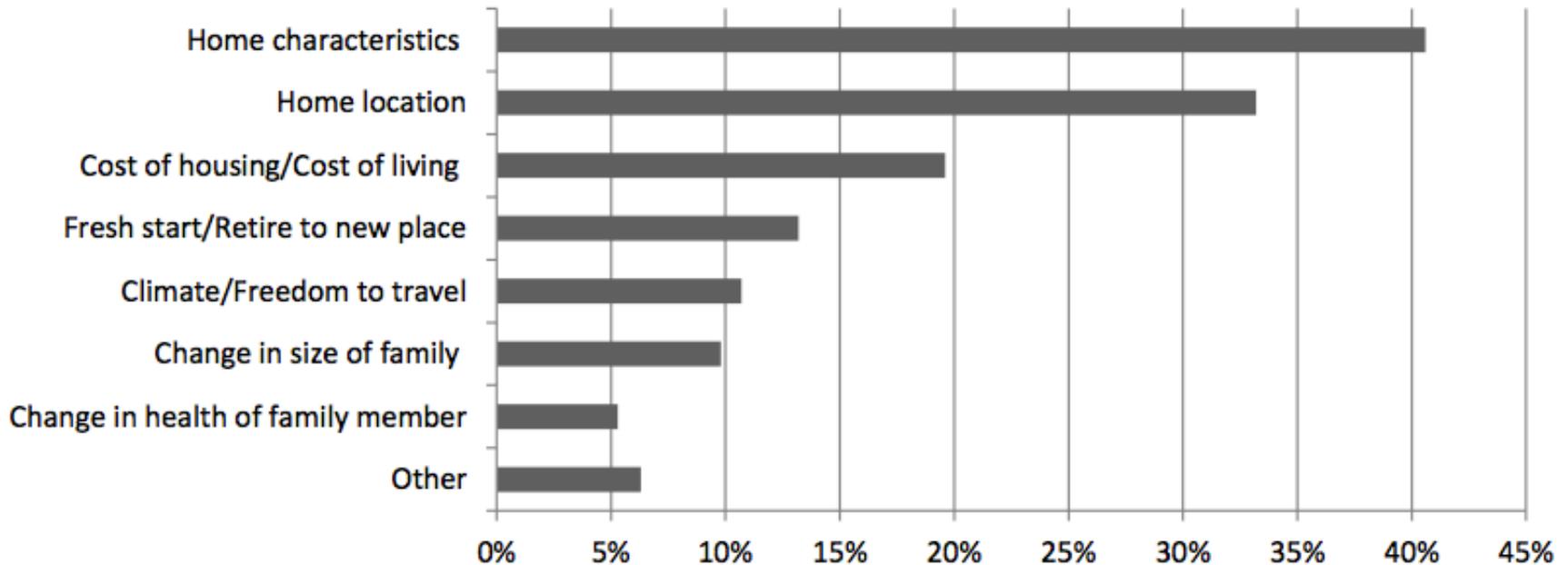
Average Unemployment, 2015

■ MN ■ U.S.



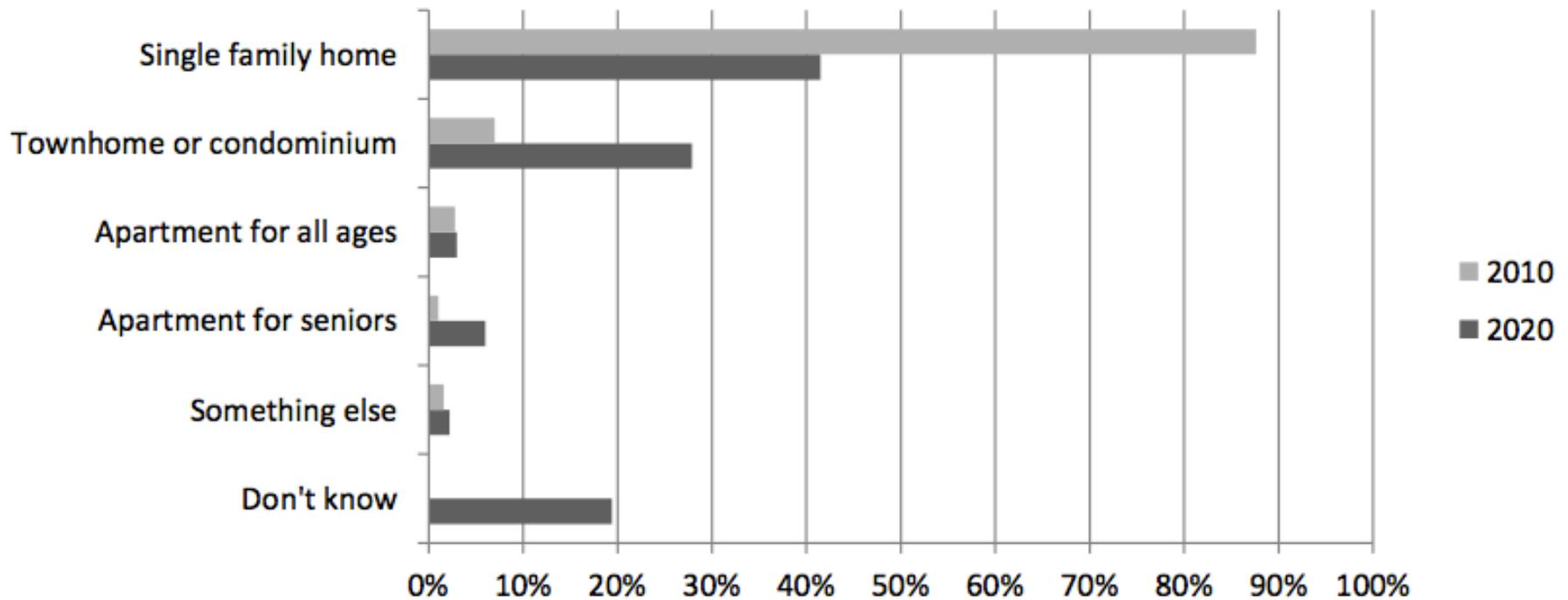
Source: Bureau of Labor Statistics

Reasons Minnesota Baby Boomers give for wanting to move



Source: Transform 2010 Survey, MN Department of Human Services

MN Boomers Expected Change in Housing (Those expecting to move in next 10 yrs.)



Source: Transform 2010 Survey, MN Department of Human Services



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Stay tuned, keep in touch.

mn.gov/demography

susan.brower@state.mn.us

Twitter: @MN_StateData