Pioneering the future: A new horizon for demographics & the labor force

For the Fergus Falls Business Summit

Andi Egbert, Assistant Director
Minnesota State Demographic Center

MARCH 18, 2015
What is the role of the MN State Demographic Center?

- 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
+ 4

Population Shifts
Aging Trends
Workforce Considerations
Migration & Diversity

Major trends shaping Minnesota and Fergus Falls
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%.
During the 2000s decade, how many of Minnesota’s 87 counties gained population?

A. 20  
B. 30  
C. 40  
D. 50

Source: U.S. Census Bureau, decennial census.
Percentage change 2000-2010

Source: U.S. Census Bureau, decennial census.
Population shifts during last decade (2000s)

- Greatest growth in counties that ring the TC metro, as well as growth in a diagonal pattern across the state
  - Scott=45% growth!
  - Sherburne (37%) and Wright (39%)

Source: U.S. Census Bureau, decennial census.
## West Central communities: Change during the 2000s decade

### 2000 population

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Moorhead</td>
<td>32,177</td>
<td>5,888</td>
<td>18%</td>
</tr>
<tr>
<td>Fergus Falls</td>
<td>13,471</td>
<td>-333</td>
<td>-2%</td>
</tr>
<tr>
<td>Alexandria</td>
<td>8,820</td>
<td>2,250</td>
<td>26%</td>
</tr>
<tr>
<td>Detroit Lakes</td>
<td>7,348</td>
<td>1,221</td>
<td>17%</td>
</tr>
<tr>
<td>Morris</td>
<td>5,068</td>
<td>218</td>
<td>4%</td>
</tr>
<tr>
<td>Dilworth</td>
<td>3,001</td>
<td>1,023</td>
<td>34%</td>
</tr>
<tr>
<td>Breckenridge</td>
<td>3,559</td>
<td>-173</td>
<td>-5%</td>
</tr>
<tr>
<td>Perham</td>
<td>2,559</td>
<td>426</td>
<td>17%</td>
</tr>
<tr>
<td>La Grand twp (W of Alex)</td>
<td>4,056</td>
<td>154</td>
<td>4%</td>
</tr>
<tr>
<td>*Alex. twp (E of Alex)</td>
<td>4,760</td>
<td>-662</td>
<td>-14%</td>
</tr>
<tr>
<td>Balance of WCI region</td>
<td>125,240</td>
<td>1,617</td>
<td>1%</td>
</tr>
</tbody>
</table>

### Sources

Sources: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center estimates
### West Central communities: Recent change (2010 through 2013)

#### 2010 population

<table>
<thead>
<tr>
<th>Community</th>
<th>Population 2010</th>
<th>People change 2010-2013</th>
<th>Percent change 2010-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moorhead</td>
<td>38,065</td>
<td>1,026</td>
<td>3%</td>
</tr>
<tr>
<td>Fergus Falls</td>
<td>13,138</td>
<td>157</td>
<td>1%</td>
</tr>
<tr>
<td>Alexandria</td>
<td>11,070</td>
<td>1,975</td>
<td>18%</td>
</tr>
<tr>
<td>Detroit Lakes</td>
<td>8,569</td>
<td>282</td>
<td>3%</td>
</tr>
<tr>
<td>Morris</td>
<td>5,286</td>
<td>96</td>
<td>2%</td>
</tr>
<tr>
<td>Dilworth</td>
<td>4,024</td>
<td>146</td>
<td>4%</td>
</tr>
<tr>
<td>Breckenridge</td>
<td>3,386</td>
<td>-17</td>
<td>-1%</td>
</tr>
<tr>
<td>Perham</td>
<td>2,985</td>
<td>110</td>
<td>4%</td>
</tr>
<tr>
<td>La Grand twp (W of Alex)</td>
<td>4,210</td>
<td>-25</td>
<td>-1%</td>
</tr>
<tr>
<td>*Alex. twp (E of Alex)</td>
<td>4,098</td>
<td>-1,368</td>
<td>-33%</td>
</tr>
<tr>
<td>Balance of WCI region</td>
<td>126,857</td>
<td>606</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

#### Sources:
- U.S. Census Bureau, decennial census, and Minnesota State Demographic Center estimates
Examining counties in the region, 2010-2013

- Those 5 counties that are home to a city of more than 5,000 people have experienced growth:
  - Clay Co. (Moorhead)
  - Becker Co. (Detroit Lakes)
  - Douglas Co. (Alexandria)
  - Otter Tail Co. (Fergus Falls)
  - Stevens Co. (Morris)

- Other 4 counties have seen declines since 2010 (less than 100 people each)

Source: Image copyright West Central Initiative. Data from U.S. Census Bureau, 2010 decennial census and MN State Demographic Center 2013 population estimates
## Recent county population change, 2010-2013

<table>
<thead>
<tr>
<th>County</th>
<th>Percent change</th>
<th>People change</th>
<th>2013 population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clay</td>
<td>2.4%</td>
<td>1,427</td>
<td>60,426</td>
</tr>
<tr>
<td>Becker</td>
<td>2.0%</td>
<td>663</td>
<td>33,167</td>
</tr>
<tr>
<td>Douglas</td>
<td>1.4%</td>
<td>520</td>
<td>36,529</td>
</tr>
<tr>
<td>Otter Tail</td>
<td>0.5%</td>
<td>285</td>
<td>57,588</td>
</tr>
<tr>
<td>Stevens</td>
<td>0.2%</td>
<td>22</td>
<td>9,748</td>
</tr>
<tr>
<td>Wilkin</td>
<td>-0.3%</td>
<td>-18</td>
<td>6,558</td>
</tr>
<tr>
<td>Grant</td>
<td>-0.5%</td>
<td>-28</td>
<td>5,990</td>
</tr>
<tr>
<td>Pope</td>
<td>-1%</td>
<td>-66</td>
<td>10,929</td>
</tr>
<tr>
<td>Traverse</td>
<td>-3%</td>
<td>-98</td>
<td>3,460</td>
</tr>
</tbody>
</table>

Source: Data from U.S. Census Bureau, 2010 decennial census and MN State Demographic Center 2013 population estimates
Fergus Falls, Population changes (since 2010)

In 2010
- 13,138 residents & 5,814 households

In 2013
- 13,295 residents & 5,907 households
  + 157 people
  + 93 households
Otter Tail County, Population changes (since 2010)

In 2010
- 57,303 residents & 24,228 households

In 2013
- 57,588 residents & 24,055 households

+285 people

+ 173 households
Outlook for Otter Tail County: modest growth, then stable

Otter Tail County population projection, 2015-2045

- 2015: 60,300
- 2020: 61,600
- 2025: 62,300
- 2030: 62,500
- 2035: 62,500
- 2040: 62,500
- 2045: 62,600
Our county-level population projections through 2045

Projected population change, 2010-2045

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

15 counties expected to decline in population

Data source: Minnesota State Demographic Center © Center for Rural Policy & Development
Since 1950, the West Central Region has gained population every decade except in the 1980s. Continued growth expected through 2045...

Source: Minnesota State Demographic Center projections, available at mn.gov/demography/projections
Twin Cities & Greater MN both expected to grow through 2045

Growth projection, Twin Cities 7-county and balance of state (80-county), 2015-2045

Sources: Minnesota State Demographic Center projections
How many additional “older adults” will we gain during this decade?

Change in older adults, age 65+ (Thousands)

<table>
<thead>
<tr>
<th>Decade</th>
<th>Change (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950s</td>
<td>85</td>
</tr>
<tr>
<td>60s</td>
<td>55</td>
</tr>
<tr>
<td>70s</td>
<td>71</td>
</tr>
<tr>
<td>80s</td>
<td>67</td>
</tr>
<tr>
<td>90s</td>
<td>47</td>
</tr>
<tr>
<td>00s</td>
<td>91</td>
</tr>
<tr>
<td>10s</td>
<td>-</td>
</tr>
<tr>
<td>20s</td>
<td>-</td>
</tr>
<tr>
<td>30s</td>
<td>-</td>
</tr>
<tr>
<td>40s</td>
<td>-</td>
</tr>
<tr>
<td>2050s</td>
<td>-</td>
</tr>
</tbody>
</table>

Sources: U.S. Census Bureau and Minnesota State Demographic Center
This decade and next: *Unprecedented* increases in MN’s 65+ population

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

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

Sources: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center projections
The number of older adults in MN will **double** between 2010 and 2030.

Sources: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center projections
By 2030, more than 1 in 5 Minnesotans will be 65+, including all Baby Boomers.

Sources: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center projections.
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

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
What Minnesota looks like…
this year (2015)

MN population by age and sex, 2015

Source: MN State Demographic Center Projections
What Otter Tail County looks like
...this year (2015)

Population by age and sex
Otter Tail, 2015

Source: Minnesota State Demographic Center projections, available at mn.gov/demography/projections
What Otter Tail County will look like... in 10 years

Population by age and sex
Otter Tail, 2025

Source: Minnesota State Demographic Center projections, available at mn.gov/demography/projections
What Otter Tail County will look like… in 20 years

Source: Minnesota State Demographic Center projections, available at mn.gov/demography/projections
What Otter Tail County will look like... in 30 years

Population by age and sex
Otter Tail, 2045

Source: Minnesota State Demographic Center projections, available at mn.gov/demography/projections
Higher percentages of older adults (65+) – patterning is very local
Percent 65+ in region’s counties, by census tract, 2008-2012

- Census tracts in Traverse and Otter Tail counties exceed 29% of residents who are age 65+

Source: Social Explorer
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 in Minnesota, 1980-2040.

Sources: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center projections.
Challenges related to our aging population

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

Sources: Minnesota State Demographic Center projections
Labor force growth will continue to slow considerably

Sources: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center projections
Projected Growth, MN Labor Force
Annual Average, Ages 16+

Source: U.S. Census Bureau, Minnesota State Demographic Center Projections
Projected job growth and projected labor force growth

Source: DEED Employment Outlook and Minnesota State Demographic Center Labor force projections
Unemployment Rate in Otter Tail County

Fergus Falls = 4.8% | Moorhead = 2.4% | Alexandria = 5.6%

Otter Tail is Farm Country

Second only to Stearns county in highest number of farmers in MN (according to the 2012 Agricultural Census)

- Find this map in our “Map & Viz Gallery” online at mn.gov/demography (sometime in the next two weeks)
Opportunities to impact labor force’s quality, size, participation

- Grow your own (train, retrain, and retain your own)
- 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
About 113,000 people leave MN each year for other states

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
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
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

Migration in Otter Tail County, past three decades (2000s, 1990s, 1980s)

Source:
2000 - 2010: Populations of Color


White, non-Hispanic population: Growth in only 37 of 87 counties statewide (2000-2010)
Populations of Color (non-White): Growth in all but 2 counties statewide (2000-2010)
Between 2000 and 2010 most of MN’s growth was from populations of Color.

- **86%** Of Color
- **14%** White

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

Source: U.S. Census Bureau
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

Sources: U.S. Census Bureau, 2012 population estimates
About 400,000 foreign-born among MN populations of Color

Minnesota populations of Color, by nativity, 2013

- Black: 27% Foreign-born, 73% U.S.-born
- American Indian: 61% Foreign-born, 39% U.S.-born
- Asian: 37% Foreign-born, 63% U.S.-born
- Multiracial or "other" race: 50,000
- Hispanic: 50,000
MN foreign-born populations: Largest groups by country of birth, 2013

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>66,900</td>
</tr>
<tr>
<td>Somalia</td>
<td>31,500</td>
</tr>
<tr>
<td>India</td>
<td>27,000</td>
</tr>
<tr>
<td>Laos</td>
<td>25,300</td>
</tr>
<tr>
<td>Vietnam</td>
<td>23,000</td>
</tr>
<tr>
<td>Thailand</td>
<td>20,100</td>
</tr>
<tr>
<td>China</td>
<td>16,300</td>
</tr>
<tr>
<td>Korea</td>
<td>14,800</td>
</tr>
<tr>
<td>Canada</td>
<td>13,100</td>
</tr>
<tr>
<td>Liberia</td>
<td>12,800</td>
</tr>
<tr>
<td>Germany</td>
<td>11,900</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>11,000</td>
</tr>
<tr>
<td>Philippines</td>
<td>8,400</td>
</tr>
<tr>
<td>Ecuador</td>
<td>8,100</td>
</tr>
<tr>
<td>Kenya</td>
<td>7,400</td>
</tr>
<tr>
<td>Guatemala</td>
<td>6,000</td>
</tr>
<tr>
<td>Colombia</td>
<td>5,800</td>
</tr>
</tbody>
</table>

* Hmong represented

Source: MN State Demographic Center tabulation of IPUMS version of 2013 American Community Survey
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)

- 81% of all public high school students
- 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

Sources: MN Dept. of Education
The future will look very different from today.
11 things to think on…

1. By 2020, MN will have more 65+ residents than school-age children. (And maybe we’ll win the Super Bowl!)

2. All areas of the state will feel effects of an aging population, some places much more acutely. Health care and long-term care will become cost-drivers of public budgets. How will we balance this with other public needs?

3. There are many healthy years ahead for many of our older adults. How can we enlist and benefit from older adults helping their communities?
4. The labor market is tightening: The search for skilled hands and minds will intensify (here and across much of the globe)

5. As the Baby Boomers continue to leave the labor force, we will have an “all hands on deck” scenario with remaining potential workers.

6. Minnesota’s communities and workplaces will grow more diverse in the decades to come. The success of populations of Color is essential for our state’s overall success.
11 things to think on…

7. By the early 2040s, if MN is to grow it will ONLY be from positive net migration (because deaths will outnumber births)

8. Otter Tail County population is expected to grow modestly, then remain stable in coming decades

9. Otter Tail County has historically attracted 30-somethings and older adults. Build on assets to attract newcomers & “boomerangs”

10. Explore new opportunities that become available to your area as the knowledge economy continues to take shape
11. Communities and businesses will need to be brave, creative, collaborative, and adaptive in responding to these demographic changes on the horizon. You are part of the solution!
Stay in touch with the MN State Demographic Center
Last year, we launched a new website at 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
Questions?
Comments?

Thank you!

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651-201-2474