The Importance of Immigration in Northwest Minnesota

Northwest Minnesota is now home to just over 565,000 residents, after welcoming 12,163 people since 2010. In addition to the 26-county planning region enjoying a natural increase – more births than deaths – of 8,977 people, Northwest Minnesota also welcomed net in-migration of 348 people who moved from elsewhere in the U.S. More significant was the region’s international net in-migration of 3,090 new foreign-born Minnesotans, which easily outpaced the domestic gains.

According to the U.S. Census Bureau’s American Community Survey, Northwest Minnesota is now home to 12,000 foreign born residents, or about 2.1 percent of the total population. The number of immigrants in the region increased by 13.3 percent from 2010 to 2017, though that did not keep pace with the statewide growth rate of 22.2 percent.

The largest number of foreign born residents in the region were from Asia, accounting for one in every three immigrants. Most of these immigrants came from either Southeastern Asia, including the Philippines, Vietnam, and Laos, or Eastern Asia, primarily China and Korea. But the fastest growth since 2010 occurred from Western Asia, almost entirely from Iraq.

Almost 30 percent (3,302 people) of the region’s immigrants were from Latin America, including about 2,000 residents who were from Mexico. The fastest growth was coming from South America, most notably Brazil and Colombia.

The close proximity to the Canada border led to 1,372 immigrants from the north, giving it the largest Canadian contingent in Greater Minnesota.

Another 1,842 foreign born residents were from Europe, though that was a 9 percent decline since 2010. The region saw smaller numbers of immigrants from Eastern, Western, and Northern Europe, primarily from Germany and the United Kingdom. In contrast, Northwest Minnesota saw a significant gain in the number of immigrants from Africa from 2010 to 2017, now comprising 1,492 people. Nearly two-thirds of those foreign-born residents are from Eastern Africa, a population that doubled since 2010. The smallest number (100 people) of immigrants in the region was from Oceania, which includes Australia and New Zealand.

### Cumulative Estimates of the Components of Population Change in Northwest Minnesota, 2010-2017

<table>
<thead>
<tr>
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<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>April 1, 2010 to July 1, 2017</td>
<td>Natural Increase</td>
<td>Births</td>
</tr>
<tr>
<td>565,968</td>
<td>+12,163</td>
<td>+8,977</td>
<td>49,905</td>
</tr>
</tbody>
</table>

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

### Place of Birth for the Foreign Born Population, Northwest Minnesota, 2017

- **Total, Foreign-born Population**: 12,000
- **Asia**: 3,892
- **Latin America**: 3,302
- **Europe**: 1,842
- **Africa**: 1,492
- **Canada**: 1,372
- **Oceania**: 100

Source: U.S. Census Bureau, 2013-2017 American Community Survey Estimates
Based on year of entry, Northwest Minnesota’s foreign born population was both “newer” and “older” than the rest of the state. About 28 percent of the region’s immigrants entered the U.S. before 1990 and another 20 percent entered between 1990 and 1999, compared to 21.6 and 23.5 percent statewide, respectively. The remaining 52 percent of immigrants in the region settled in the U.S. since 2000.

Just over half (53.7%) of foreign born residents in Northwest Minnesota were not U.S. citizens, compared to half (50.3%) of immigrants in the state. The other 46.3 percent of immigrants in the region have become naturalized citizens. Across the board, the longer that foreign born residents have lived in the U.S., the more likely they are to have become naturalized – just 7.7 percent of immigrants in the region that entered since 2010 were U.S. citizens, compared to 74.5 percent of residents who entered before 1990.

**Ready and Willing to Work**

Not surprisingly, immigrants have a much younger age profile than the native born population. In 2017, about 52.3 percent of the foreign born population were in their prime working years between 25 and 54 years of age, compared to just 34.3 percent of the total population. However, only 8.3 percent of Northwest Minnesota’s immigrants were under 15 years of age, compared to 19.2 percent of the total population. Likewise, 12.4 percent of the region’s foreign born population was 65 years and over, compared to 19.2 percent of the total population.

### Population by Age Group for the Foreign Born Population, 2017

<table>
<thead>
<tr>
<th>Northwest Minnesota</th>
<th>Number</th>
<th>Percent</th>
<th>Total Population Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5 years</td>
<td>86</td>
<td>0.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>5-14 years</td>
<td>909</td>
<td>7.6%</td>
<td>13.0%</td>
</tr>
<tr>
<td>15-24 years</td>
<td>2,026</td>
<td>16.9%</td>
<td>12.9%</td>
</tr>
<tr>
<td>25-34 years</td>
<td>2,347</td>
<td>19.6%</td>
<td>11.1%</td>
</tr>
<tr>
<td>35-44 years</td>
<td>2,238</td>
<td>18.7%</td>
<td>10.6%</td>
</tr>
<tr>
<td>45-54 years</td>
<td>1,683</td>
<td>14.0%</td>
<td>12.6%</td>
</tr>
<tr>
<td>55-64 years</td>
<td>1,219</td>
<td>10.2%</td>
<td>14.5%</td>
</tr>
<tr>
<td>65-74 years</td>
<td>779</td>
<td>6.5%</td>
<td>10.5%</td>
</tr>
<tr>
<td>75 years &amp; over</td>
<td>713</td>
<td>5.9%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Total, Foreign Born</td>
<td>12,000</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, 2013-2017 American Community Survey

Statewide, 72.2 percent of the foreign born population aged 16 years and over was actively participating in the labor force, which was actually higher than the native born population (69.6%). In Northwest Minnesota, that would equal about 7,650 available immigrant workers, comprising about 2.7 percent of the region’s workforce.

In the face of increasingly tight labor markets, a growing scarcity of workers is now recognized as one of Northwest Minnesota’s most significant barriers to sustained economic growth. Because of these constraints, it has become evident that immigration has been and will continue to be a vital source of the workforce that employers need to succeed. Immigrants have become critical to Northwest Minnesota’s economy, providing a stream of new workers in the face of an aging native-born workforce. While the region’s overall labor force growth was slowing, the number of immigrant workers in the region would have increased by about 960 workers from 2010 to 2017.
After averaging a net gain of just over 4,400 additional labor force participants per year between 1990 and 2000, Northwest Minnesota employers were able to tap into a large and growing pool of talented workers. However, from 2001 to 2018, Northwest Minnesota’s labor force began to grow more slowly, adding just 1,162 workers per year for the last 8 years. Still expanding, the region peaked with 307,282 workers in 2018.

Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent in the years ahead, with **Northwest Minnesota expected to lose about 5,900 workers between 2020 and 2030**. This will make it even more challenging for employers to grow, but will also shine a light on the importance of immigration.

**Removing Barriers to Growth**

One challenge to assimilating in a new culture is language, but many new Minnesotans have made headway. About 63.5 percent of immigrants in Northwest Minnesota reported speaking a foreign language, but many of them also had some ability to speak English. Three-fourths reported being able to speak English “well” or “very well”, while the others spoke English “not well” or “not at all.”

Interestingly, foreign born adults had a higher percentage of bachelor’s and advanced degrees, helping to fill high demand openings in health care and computer-related fields. However, about 50 percent of foreign-born residents aged 25 years and over in the region had a high school diploma or less. This is a sizeable number and shows that many immigrants may need access to education to be prepared for the workforce, where jobs for high school graduates are in high demand.
Perhaps due in part to the language and educational barriers described above, immigrants were much more likely to work in certain occupational and industry groups than native born workers. For example, foreign born workers were found more often in service occupations, which includes healthcare support, protective service, food preparation and serving, building and grounds cleaning, and personal care occupations. Immigrants were also more concentrated in production, transportation, and material moving occupations.

Some of these occupations are already showing critical workforce shortages in Minnesota, including nursing, psychiatric, home health and personal care aides as well as computer and construction related occupations. Along those same lines, foreign born workers were much more likely to be found working in industries like manufacturing, leisure and hospitality, and administrative support and waste management services – which includes temporary staffing services. In contrast, immigrants were less likely to be employed in retail trade, public administration, finance, real estate, and construction.

Wherever they work, these new Minnesotans are a vital part of the state and region’s economy, providing rapid growth to an otherwise aging and slowing labor force. Immigrants have proven to be ready and willing contributors, with high and rising labor force participation rates. While some have educational and language barriers to certain jobs, there are a variety of occupations, including many that are already in critical need of workers, where immigrants already contribute in significant numbers. In the years ahead, it is likely that labor force constraints will require that every employer consider our growing foreign-born population as a source of the workforce they will need.

For more information about the importance of immigration in Northwest Minnesota, contact:

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