

Demographic Change And The Central Minnesota Workforce

Tom Gillaspy, State Demographer

Mn Dept of Administration

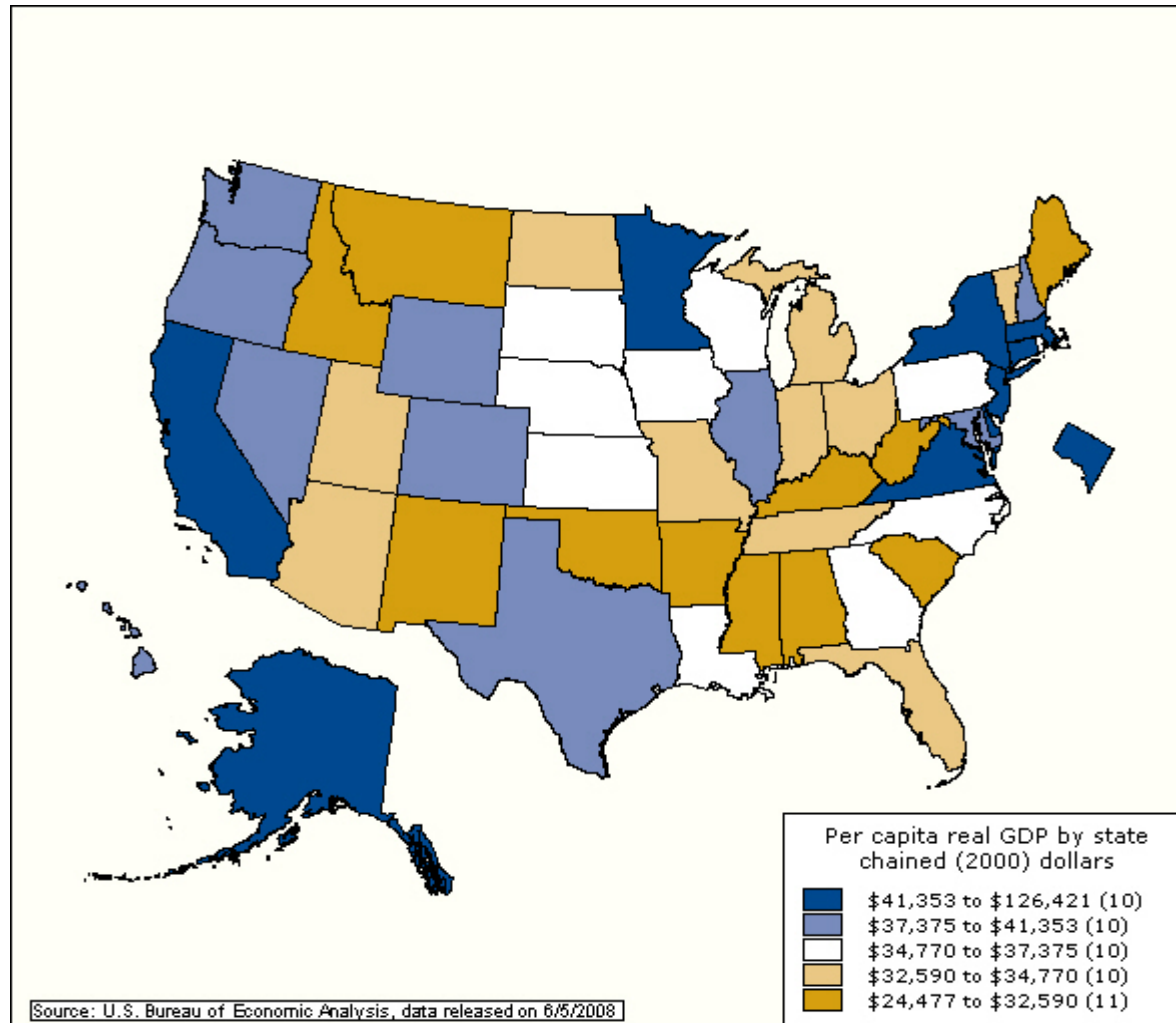
August 2008

Minnesota Has Been Very Successful

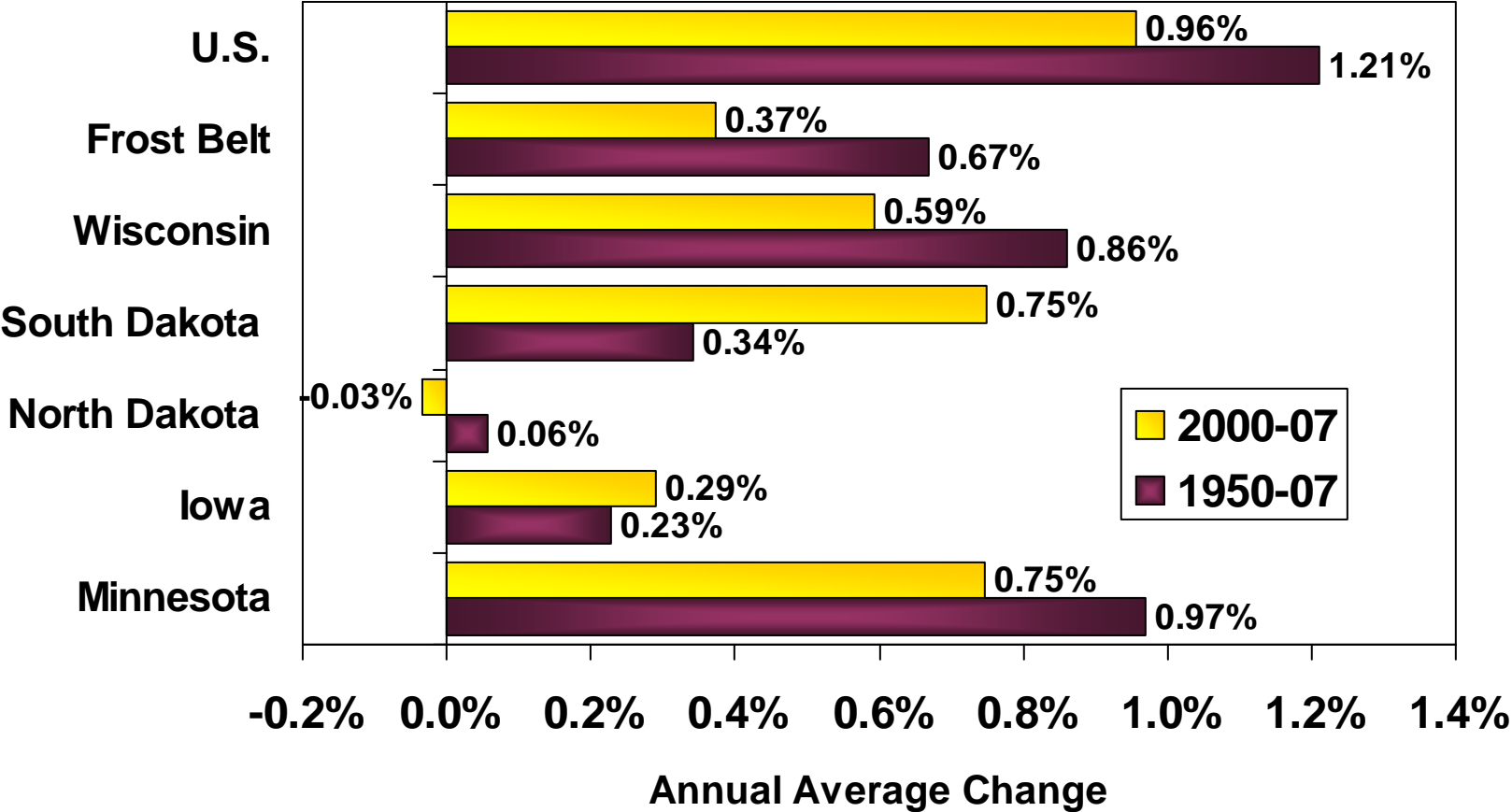
(Especially For A Cold Weather State at the End of the Road)

- **Our economic growth rate has exceeded the national average**
- **Our population growth rate leads the frost belt**
- **We rank with the leaders on many social and economic indicators**
- **Education has been a key contributor to the state's success**

2007 Minnesota Per Capita GDP Is 8.8% Above The National Average



Minnesota Has Long Been A Frost Belt Leader In Population Growth



Minnesota Ranks Highly in Many Social/Economic Indicators

- **2nd percent of 16-64 employed (76.9%)**
- **2nd cost of living adjusted per capita income (OK DOC)**
- **8th lowest poverty rate**
- **1st percent with health insurance 2004-06 ave**
- **9th median family income in 2006**
- **2nd Kids Count 2007**
- **4th most livable state (Morgan Quinto Press)**
- **4th lowest rate of disability among people age 16-64**
- **1st with at least high school degree (90.7%)**
- **12th with at least a bachelor's degree**
- **1st home ownership**
- **2nd United Health Foundation ranking of state healthiness 2007**

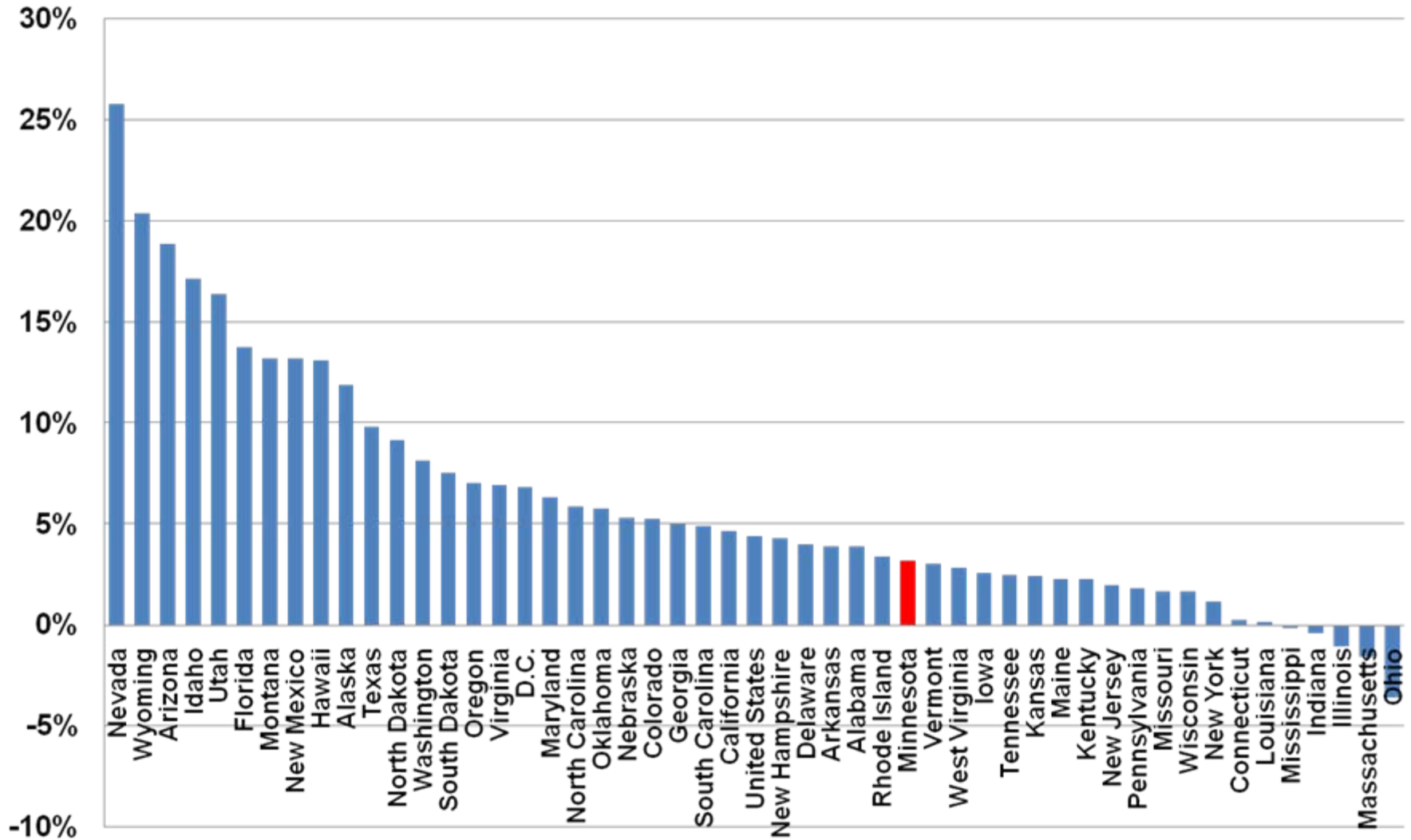
Updated July 2008

**Past Performance
Does Not Ensure
Future Results**

From 2004 to 2007 Minnesota Underperformed the US Averages

- **Personal income growth**
US 6.2% MN 4.4%
- **Per capita personal income growth**
US 16.6% MN 13.5%
- **GDP growth**
US 8.4% MN 4.8%
- **GDP per capita growth**
US 5.4% MN 2.6%

Minnesota Ranked 30th in Employment Growth, 2000-2007

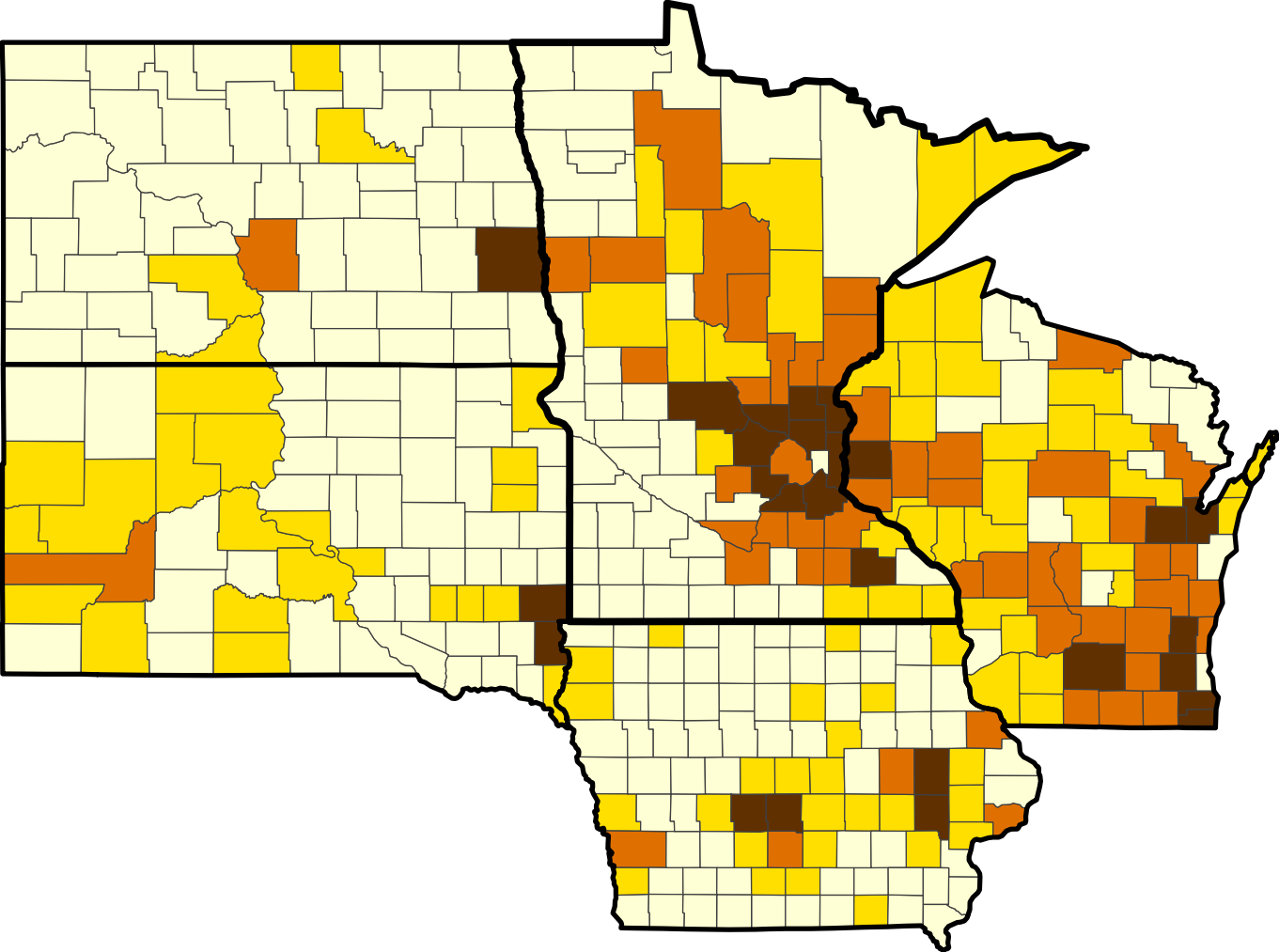


Four Mega-Forces Will Shape Minnesota's Economy

- **Globalization**
- **Technology**
- **Energy prices**
- **Demography**

Population Change 2000-04

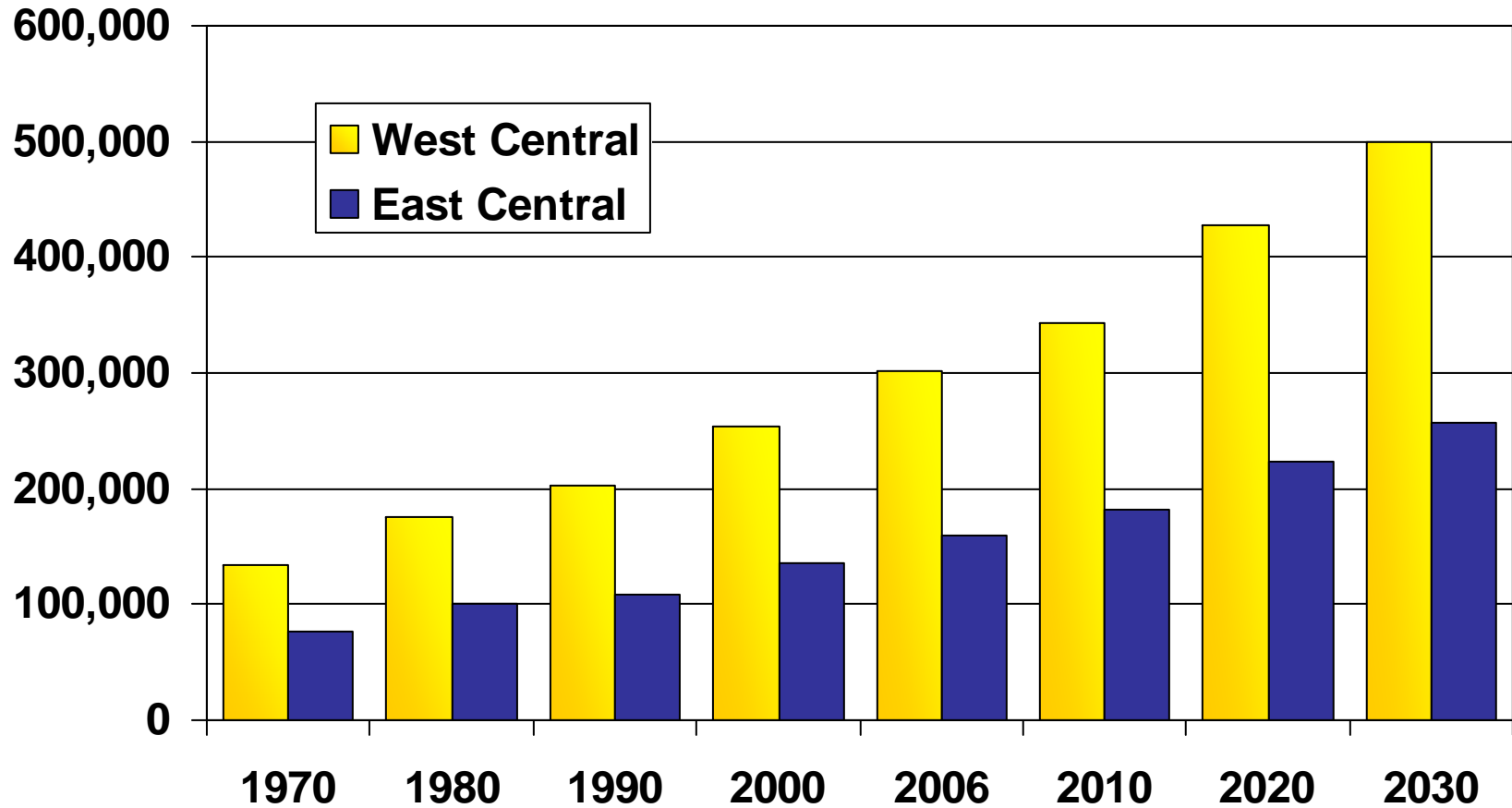
Census Bureau Estimate



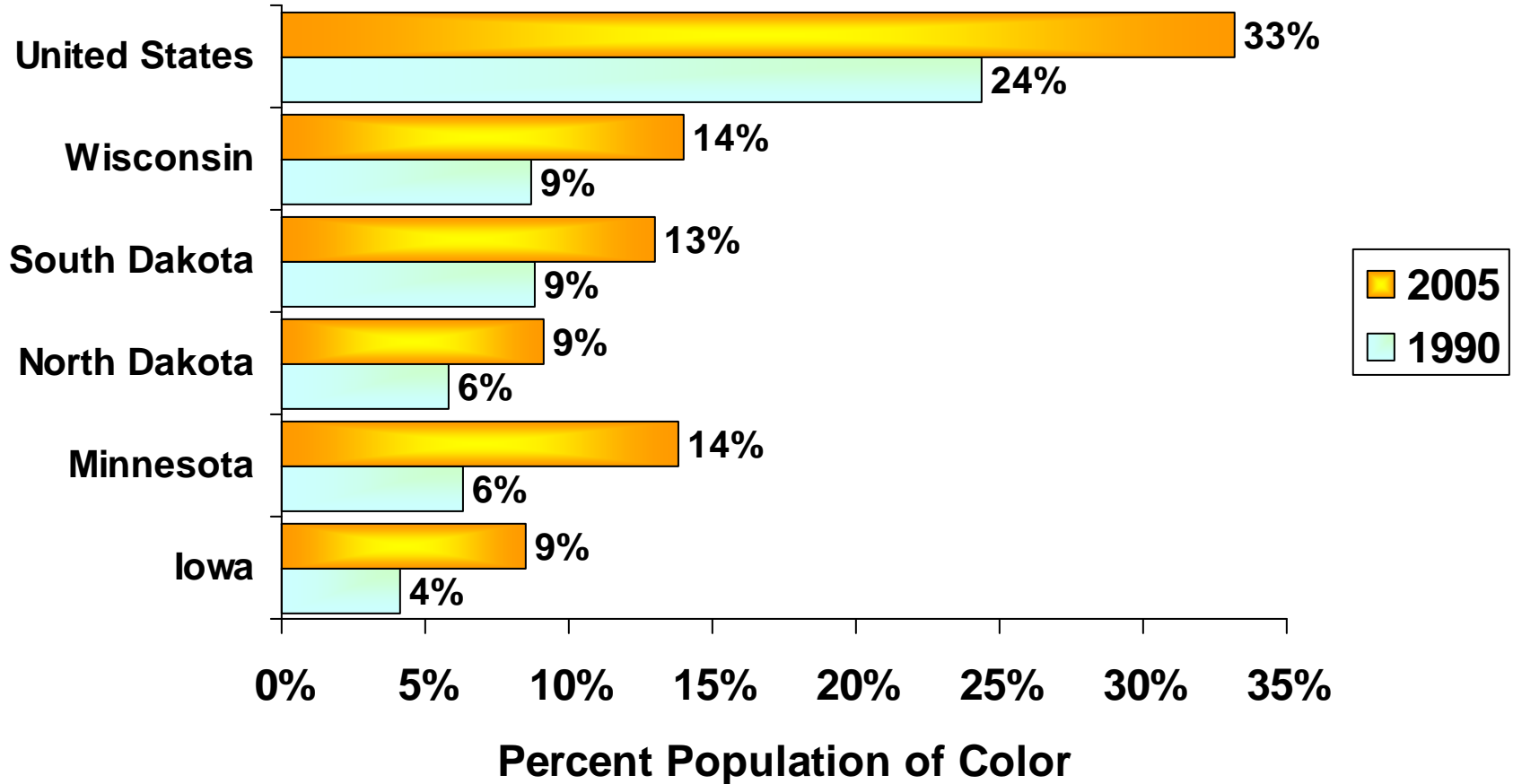
Population Change

- Loss
- Gain Under 1,000
- Gain 5,000 to 1,000
- Gain More Than 5,000

Central Minnesota Is Growing Rapidly

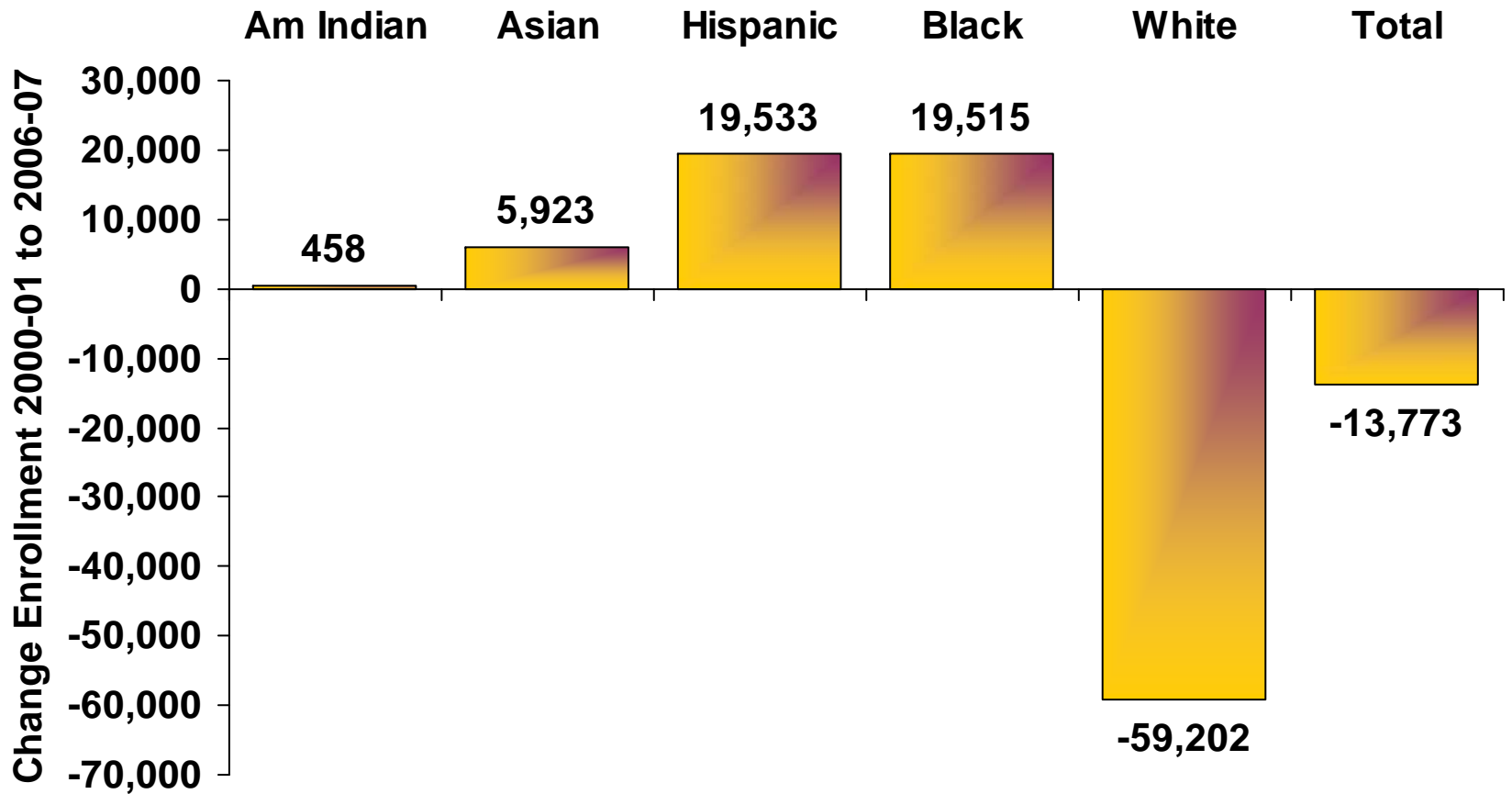


Upper Midwest Becoming More Diverse But Still Less Than The Nation



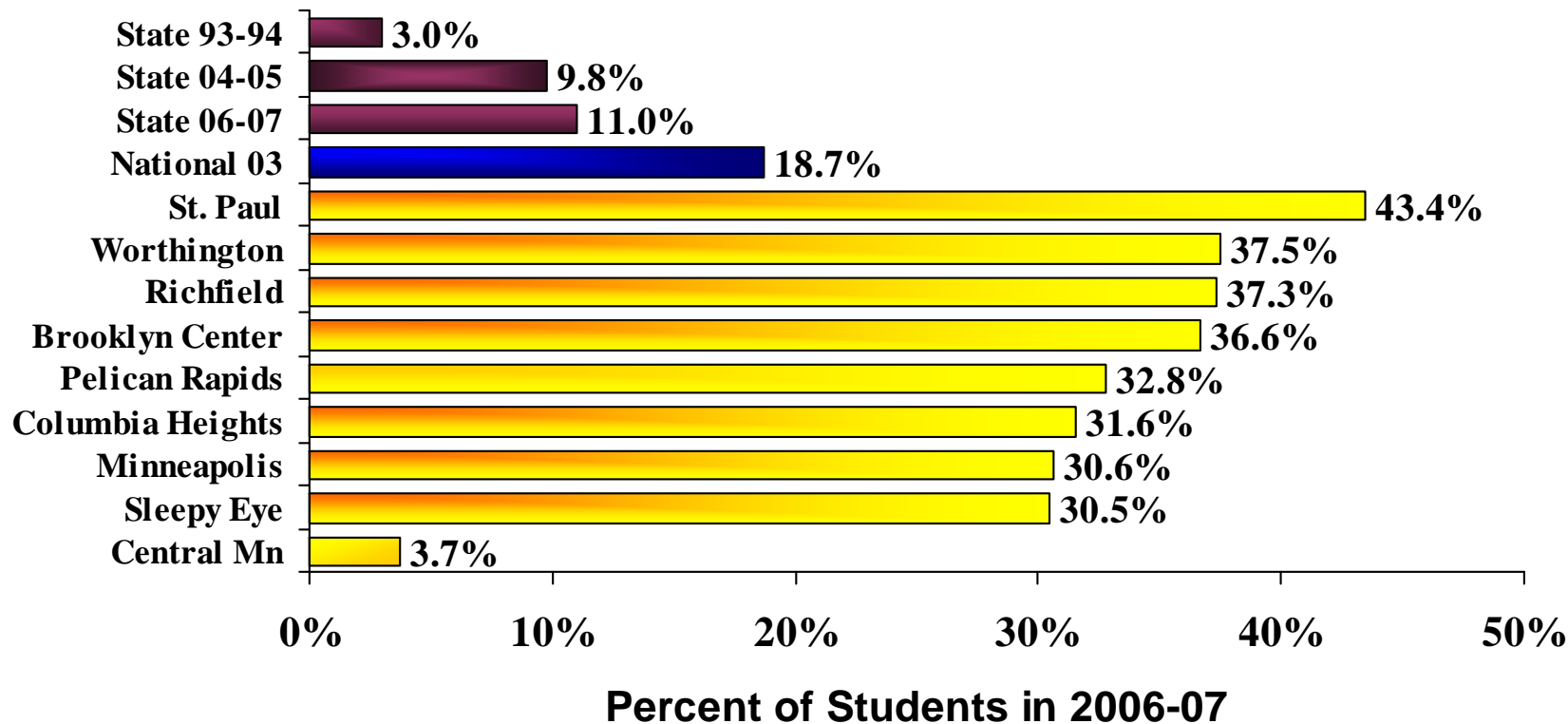
Note: Population except white alone, not Hispanic, 2005 Census Bureau estimate

Students Of Color Are Increasing While White Students Are Declining



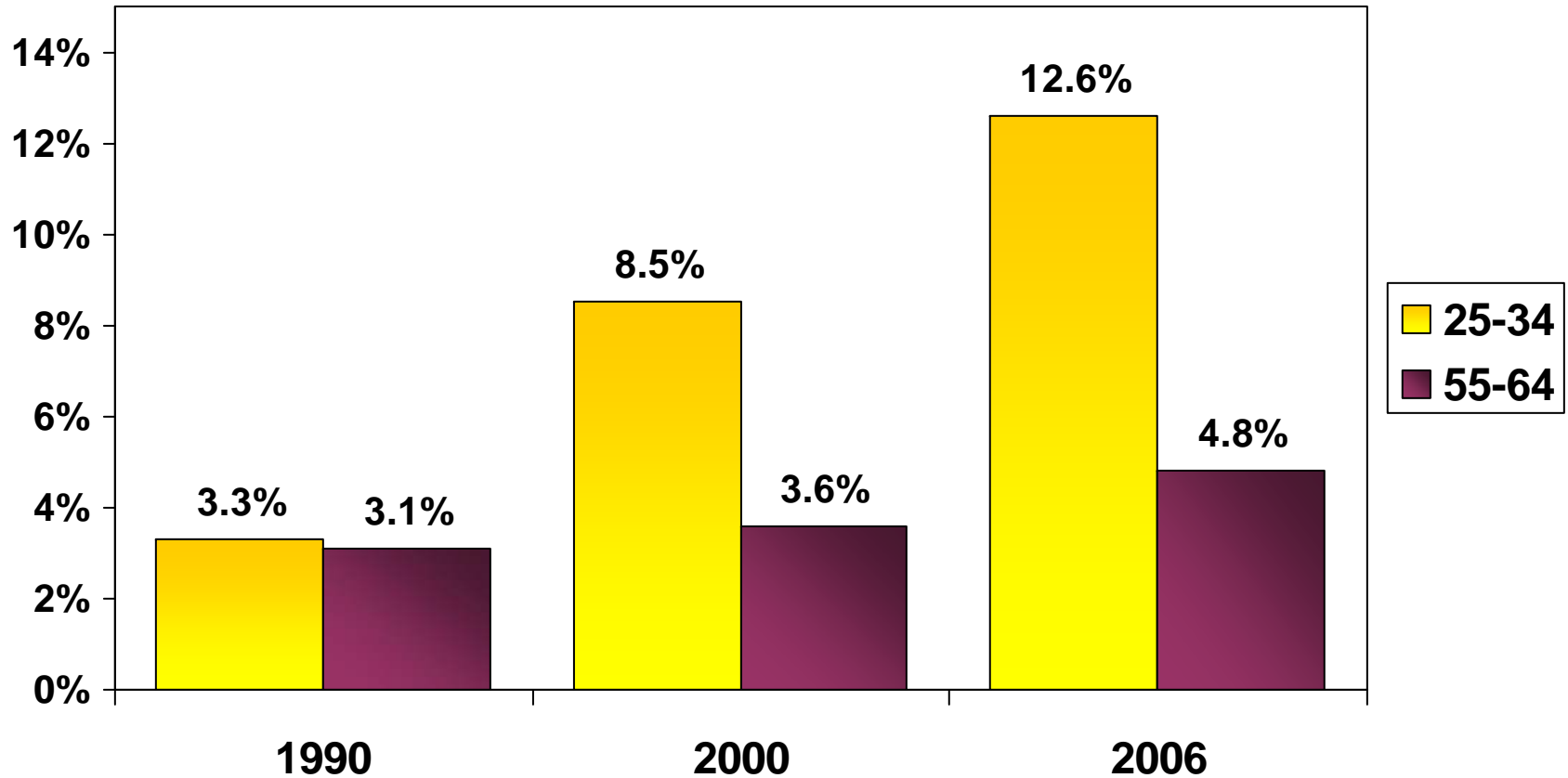
Mn Dept of Education data

Students Speaking Non-English Language At Home: Much Of The Growth In ESL Enrollment Is Directly Related To Growth In Local Employment



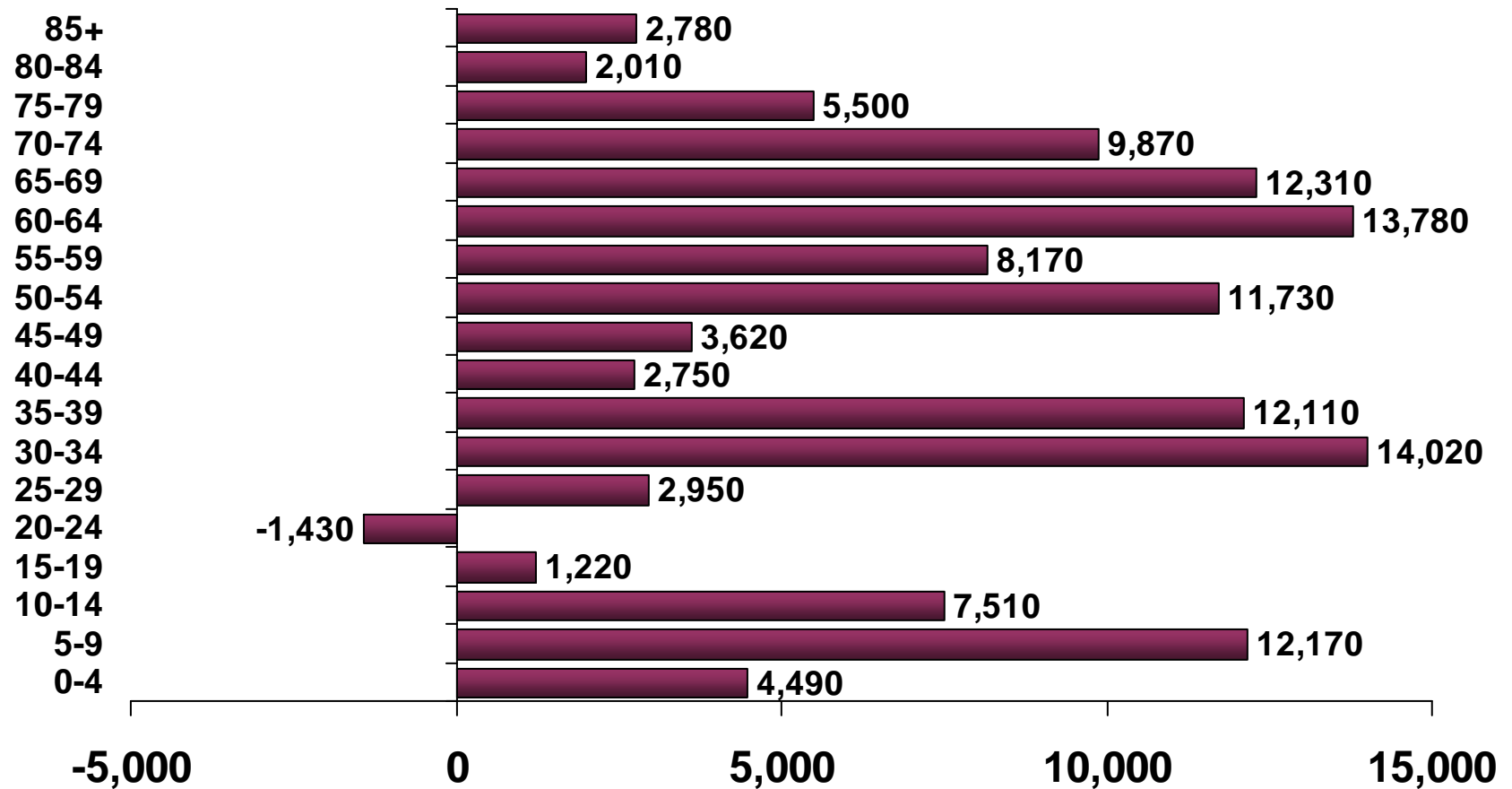
Source: Mn Dept of Education data, Districts of more than 100 enrollment. 47 specific non-English Languages are represented in central Minnesota schools

Percent of Mn Labor Force Born In Another Country

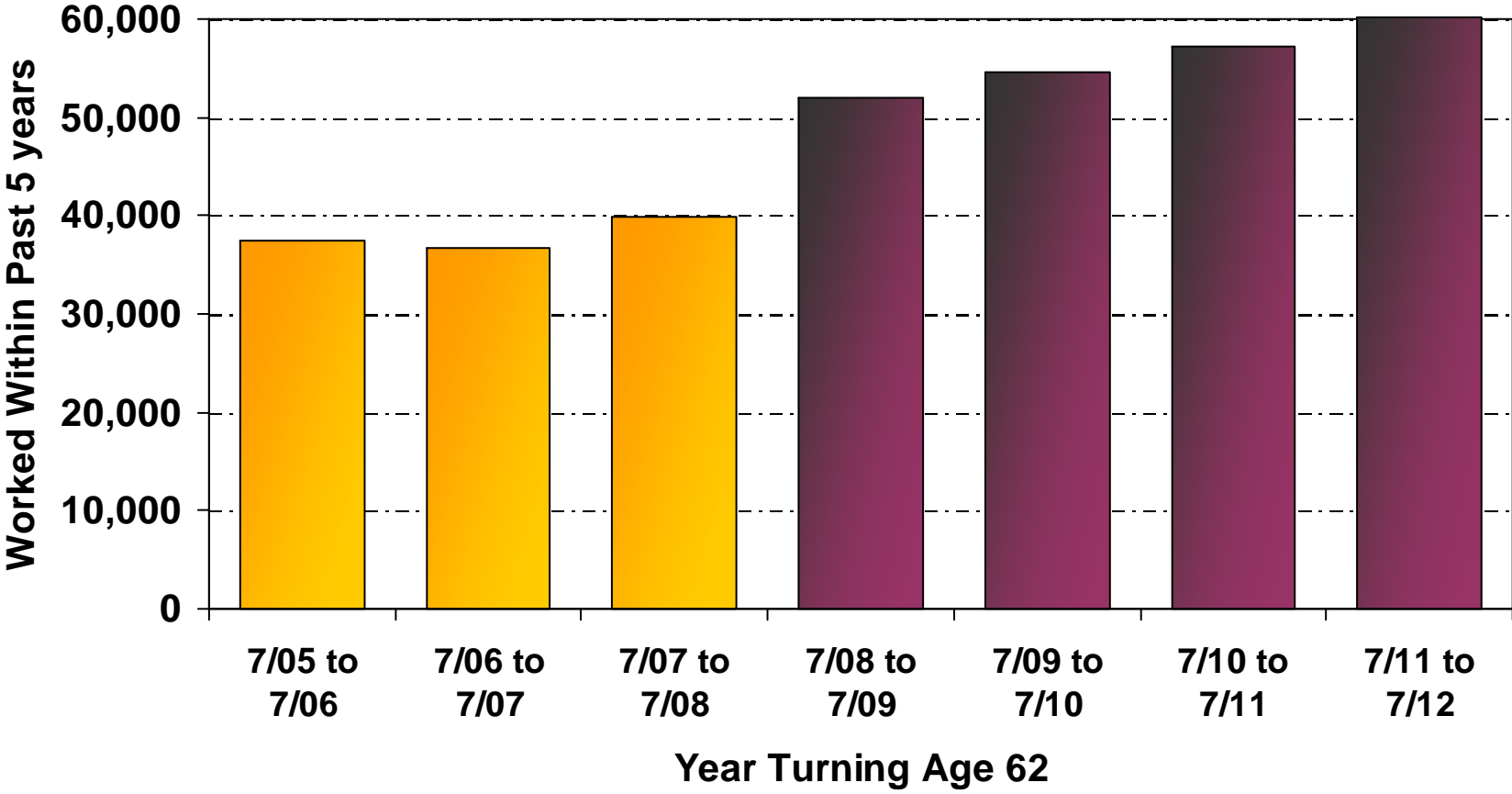


PUMS microdata from 1990 & 2000 Census & 2006 ACS

Central Minnesota Will See Growth In Most Age Groups 2010-20

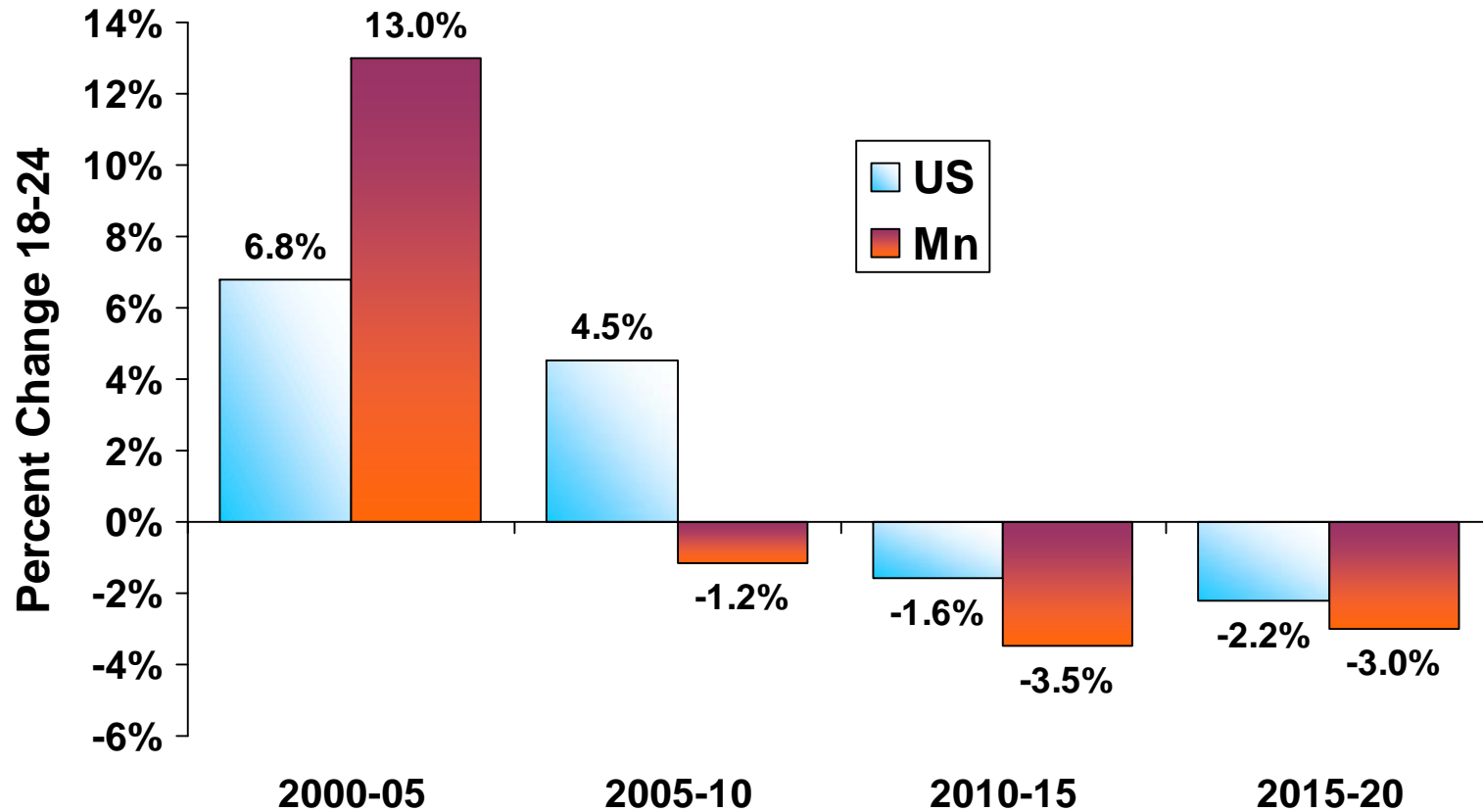


Minnesota Will See a 30 Percent Jump in Workers Turning Age 62 Beginning 2008



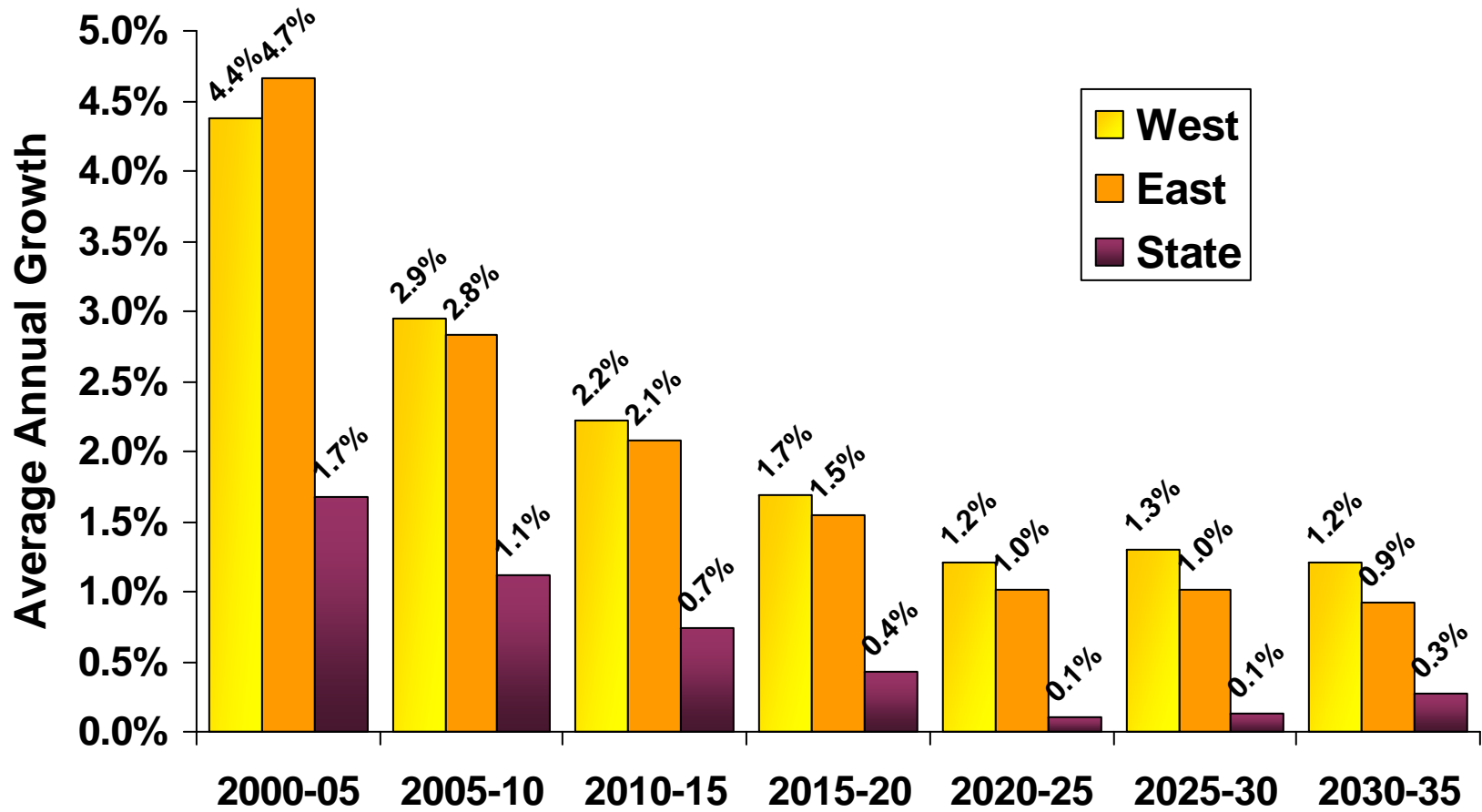
2005 ACS

Competition For The Future Workforce Will Increase



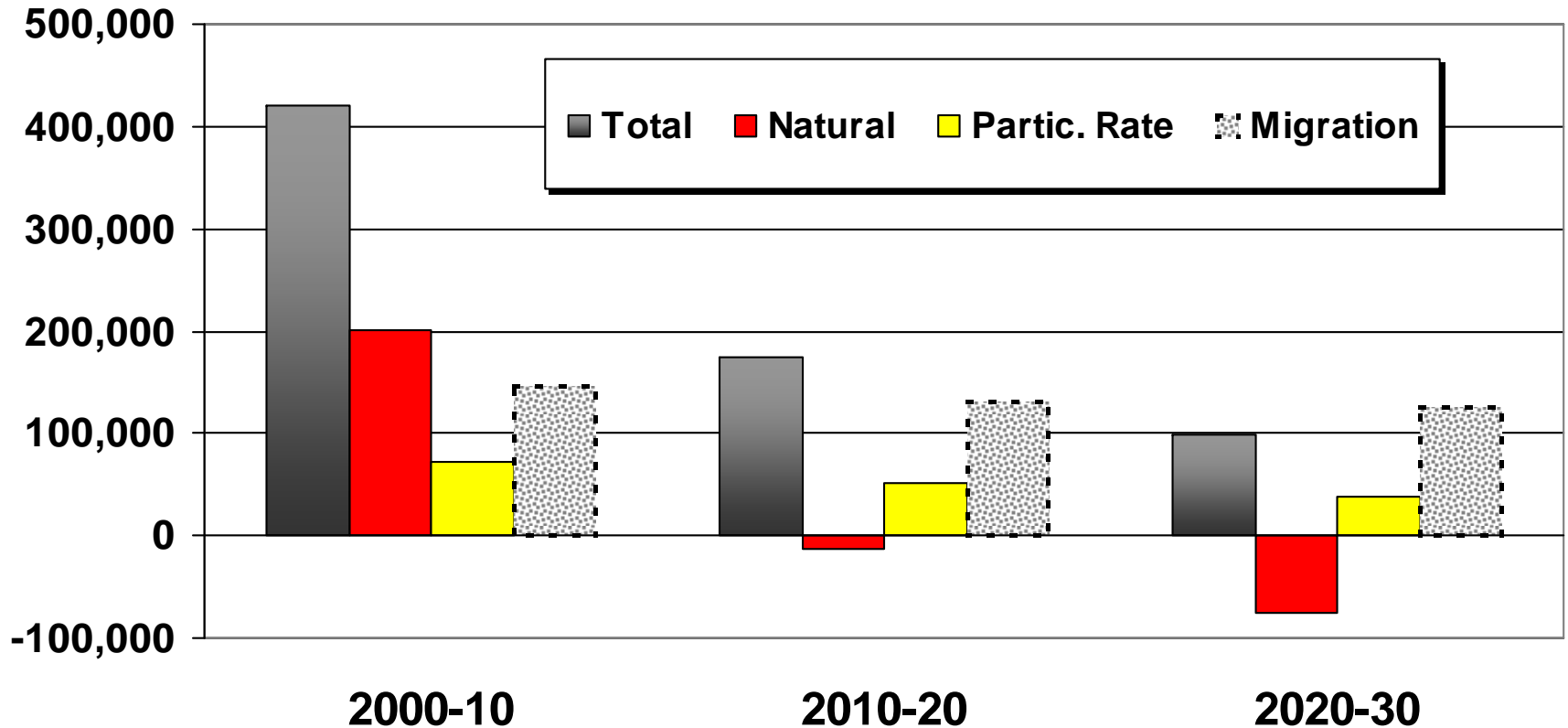
Census Bureau US Proj, Mn State Demographer revised 2007

Labor Force Growth In Central Minnesota Will Slow But Still Be Much Faster Than The State

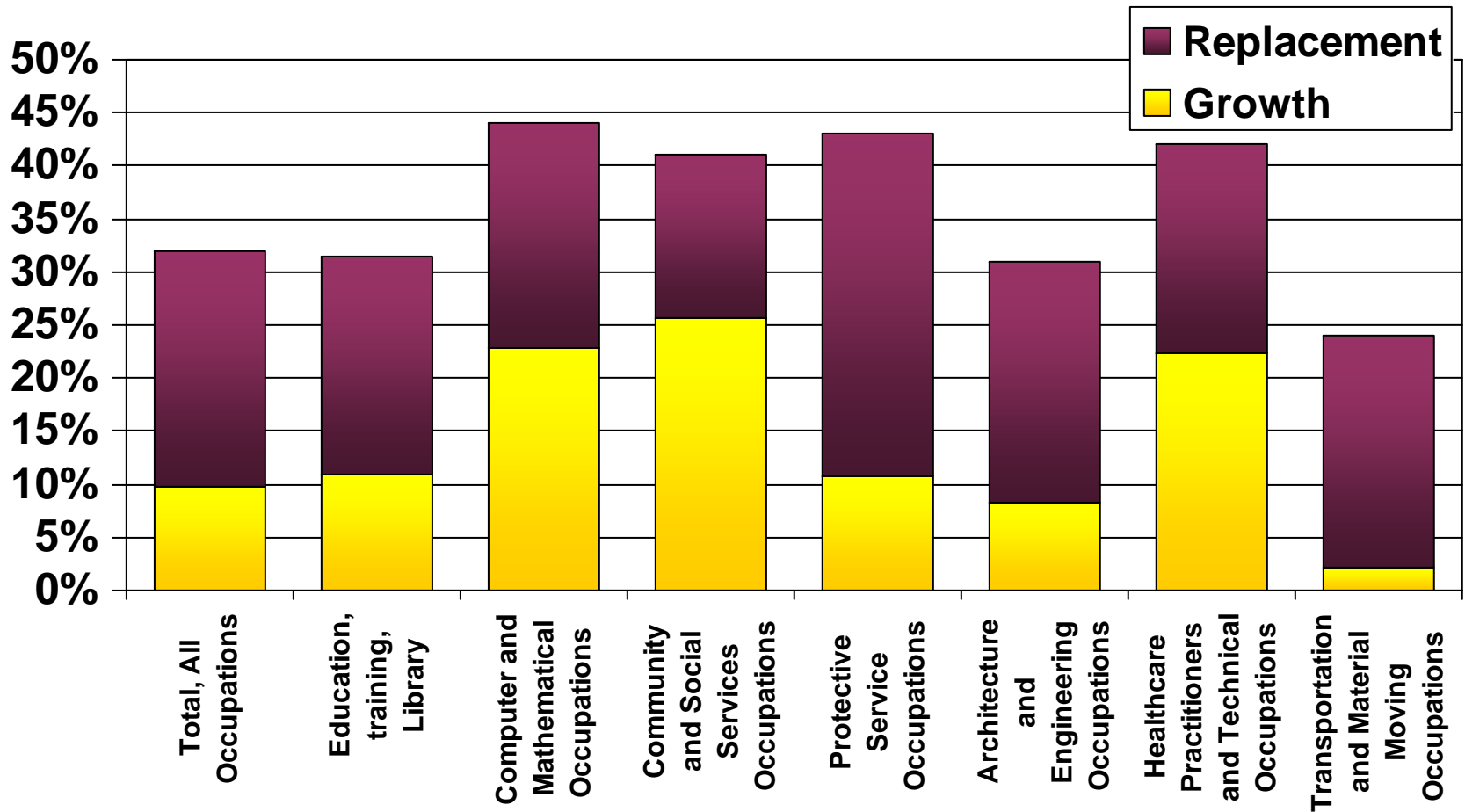


Migration Will Become the Largest Source of New Workers in Minnesota

Net Labor Force Growth



Projected Openings In Minnesota Occupations 2006-16



DEED projections. Percent of 2006 level

Thoughts On Economic Theory

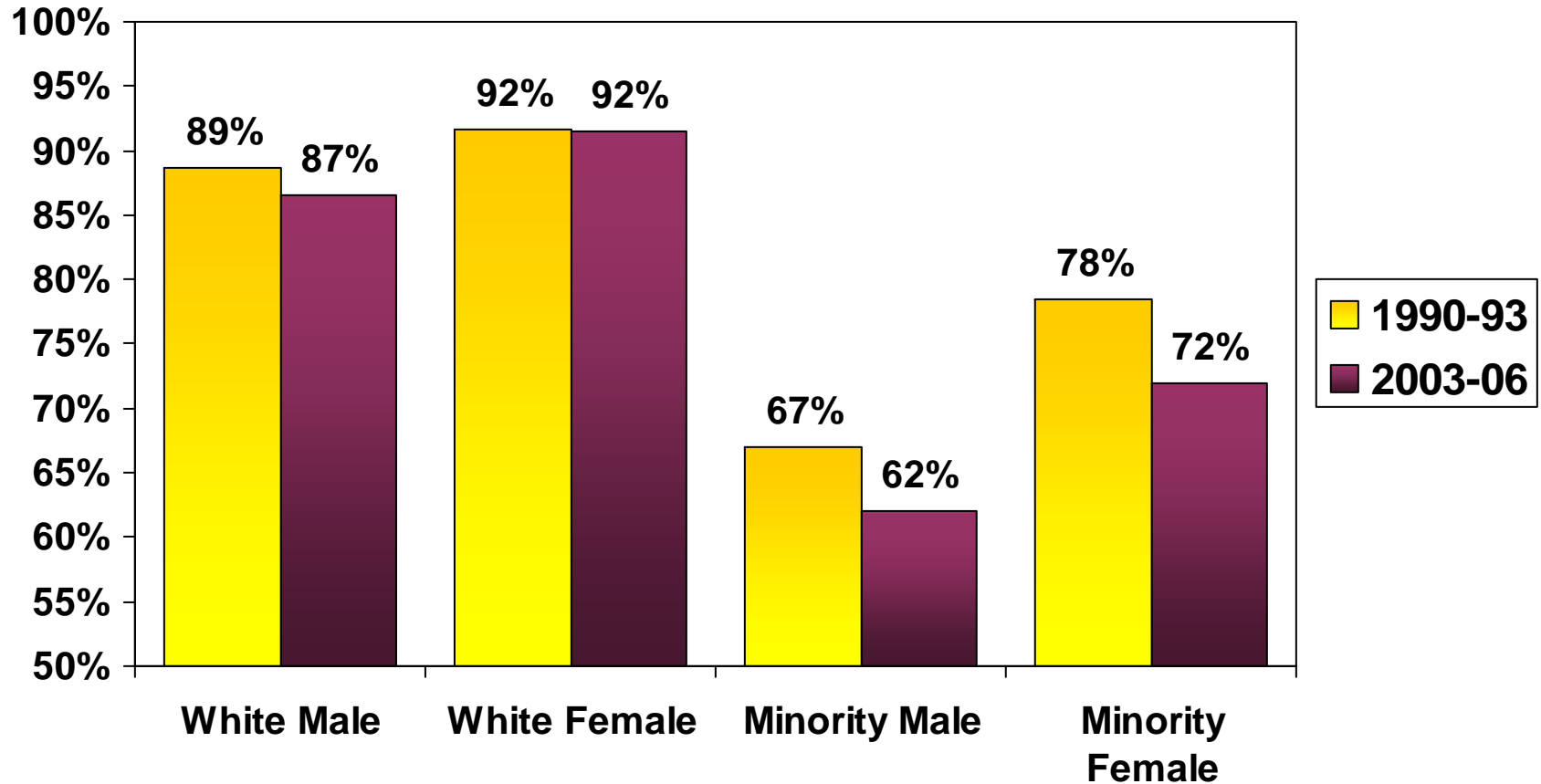
✘ Economic growth depends on

- Growth in the workforce
- Growth in productivity per worker

✘ Productivity per worker depends on

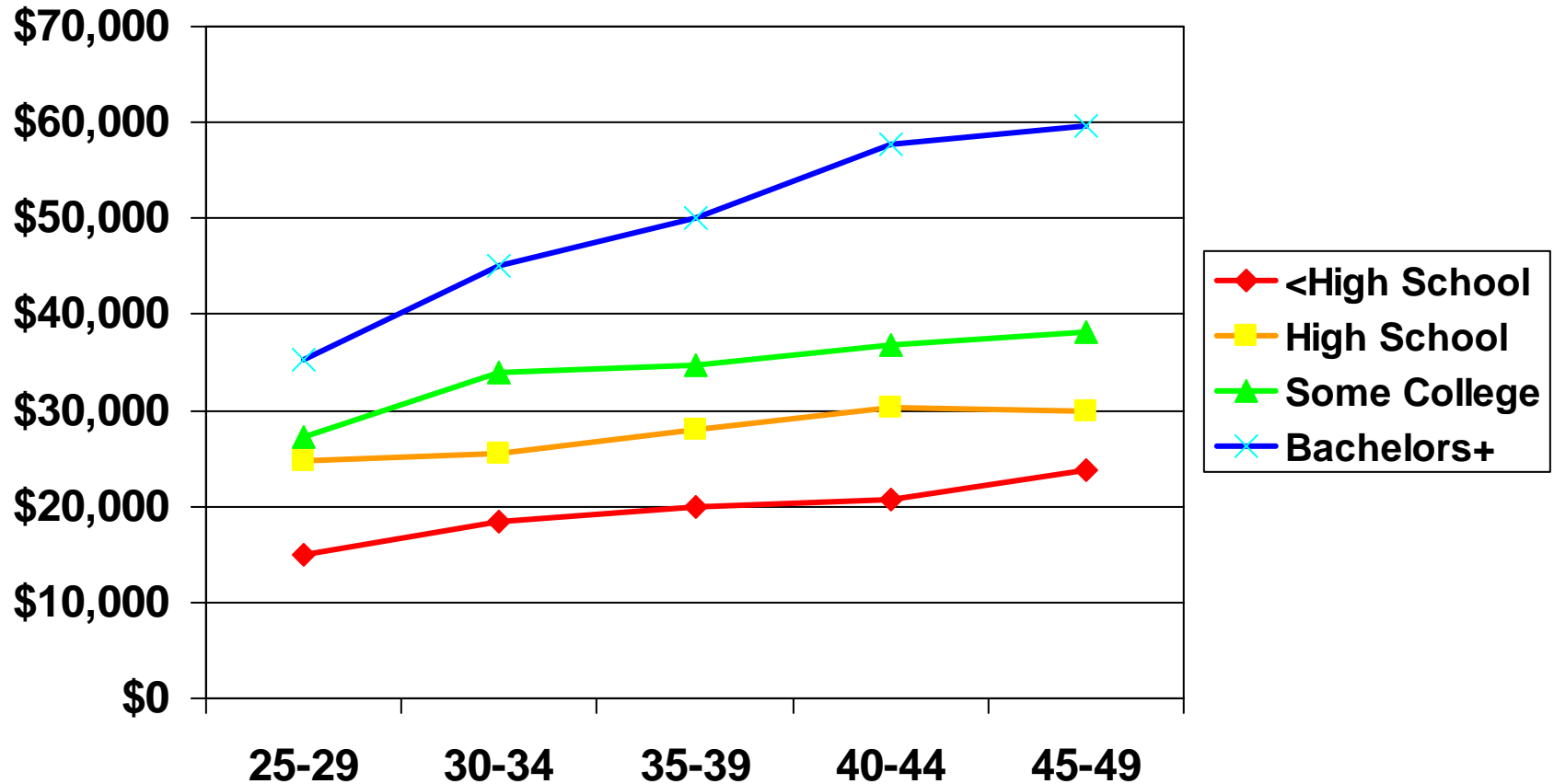
- Technology and machines
- Public infrastructure
- Knowledge, skills, training and education

High School Graduation Rates In Minnesota Have Drifted Downward And Are Lower For Males And Minorities



Three year averages of 10th grade graduation rate.

Median Earnings For Minnesota Workers By Education & Age



2006 ACS