

Immigration & Economic Competitiveness

Roseville, MN | November 13, 2017



The Committee on Minnesota Workforce and Immigrants

- **Convened in 2015 by the VP of Research at the U of M**
- **Co-Chaired by UED Executive Director and Dean of the Humphrey School**
- **Goal: Identify and prioritize initiatives that promote the economic integration of Minnesota's immigrant workforce**

U of M Members

- Eric Schwartz, Dean
- Maura Donovan, Executive Director
- Fernando Burga, Assistant Professor
- Frank Duoma, Director
- Kent Olson, Associate Dean
- Ryan Allen, Associate Professor
- Daniel Sopdie, Senior Program Mgr
- Amber Cameron, Associate Director

Non U of M Members

- Bill Blazer, MN Chamber of Commerce
- Dave Kornecki, Minnesota Senate
- Gail Cruikshank, Greater St. Cloud Dev Corp
- Kevin McKinnon, DEED
- Jeremy Hanson Willis, DEED
- Rachele King, MN Dept of Human Services
- Peter Frosch, GreaterMSP
- Connie Ireland, Governor's Workforce Development Board



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Immigrants and Minnesota's Workforce

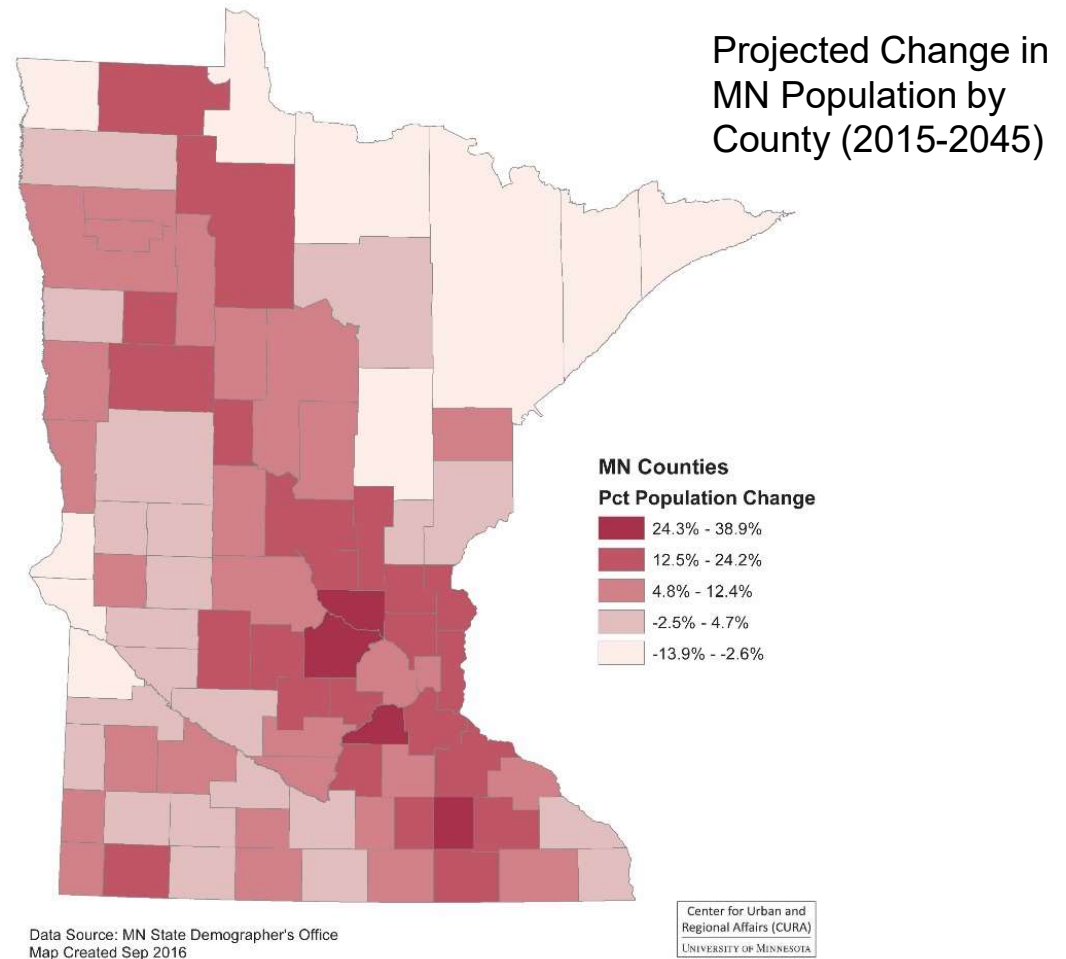
- Report commissioned by the Committee on Minnesota Workforce and Immigrants
- Completed January, 2017
- Authored by Professor Ryan Allen, Humphrey School of Public Affairs
- Karl Schuettler, Research Assistant, authored case studies on Minnesota immigrant integration
- All related materials available for public use



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Minnesota Population Trends

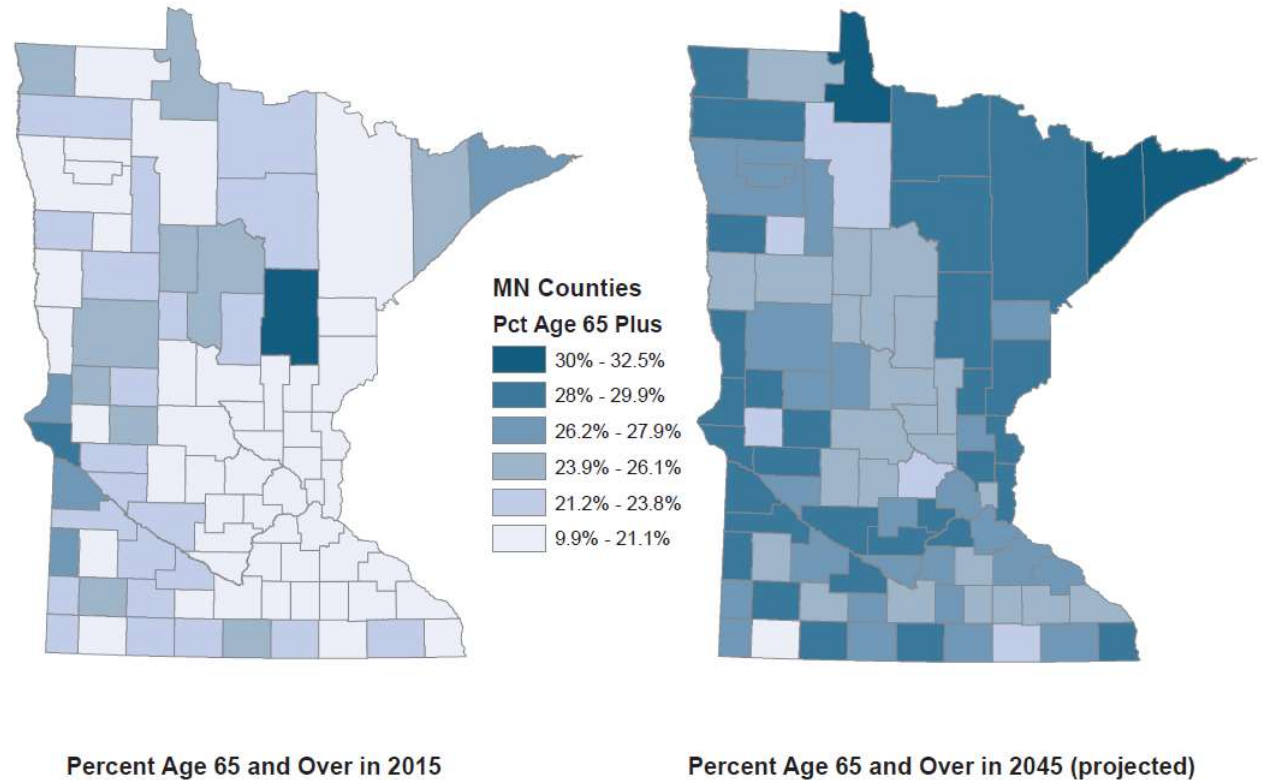
- Population projected to grow at slower rate beginning 2030
- Counties in and around urban areas will grow faster than rural counties



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Minnesota Population Trends

- The population of MN will grow older over the next decades
- The projections for the state match the US projections



Data Source: MN State Demographer's Office
Map Created Sep 2016

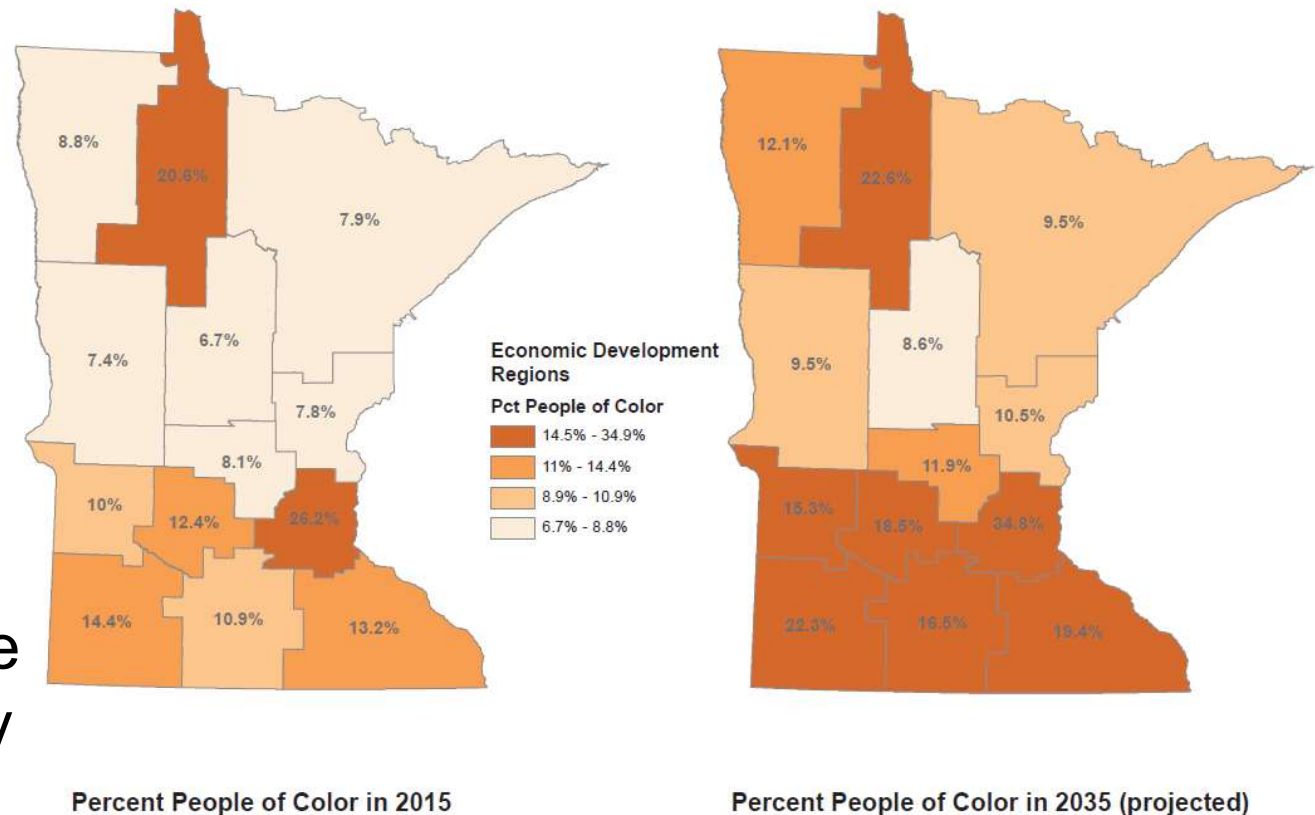
Center for Urban and
Regional Affairs (CURA)
UNIVERSITY OF MINNESOTA



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Minnesota Population Trends

- The population of MN will become more racially diverse
- In 2035, 1 in 4 of the state's residents will be a racial minority



Data Source: MN State Demographer's Office
Map Created Sep 2016

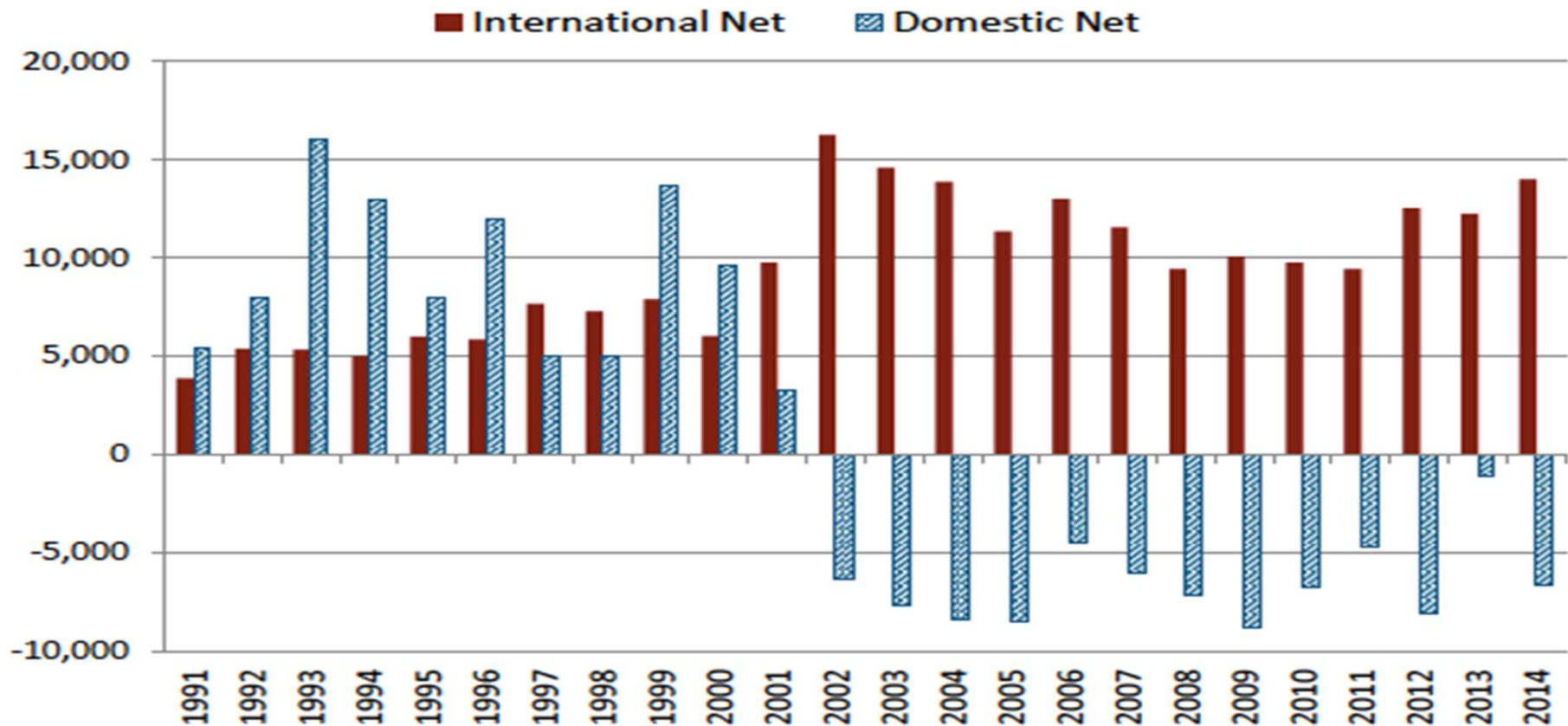
Center for Urban and
Regional Affairs (CURA)
UNIVERSITY OF MINNESOTA



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Net Migration by International and Domestic Components

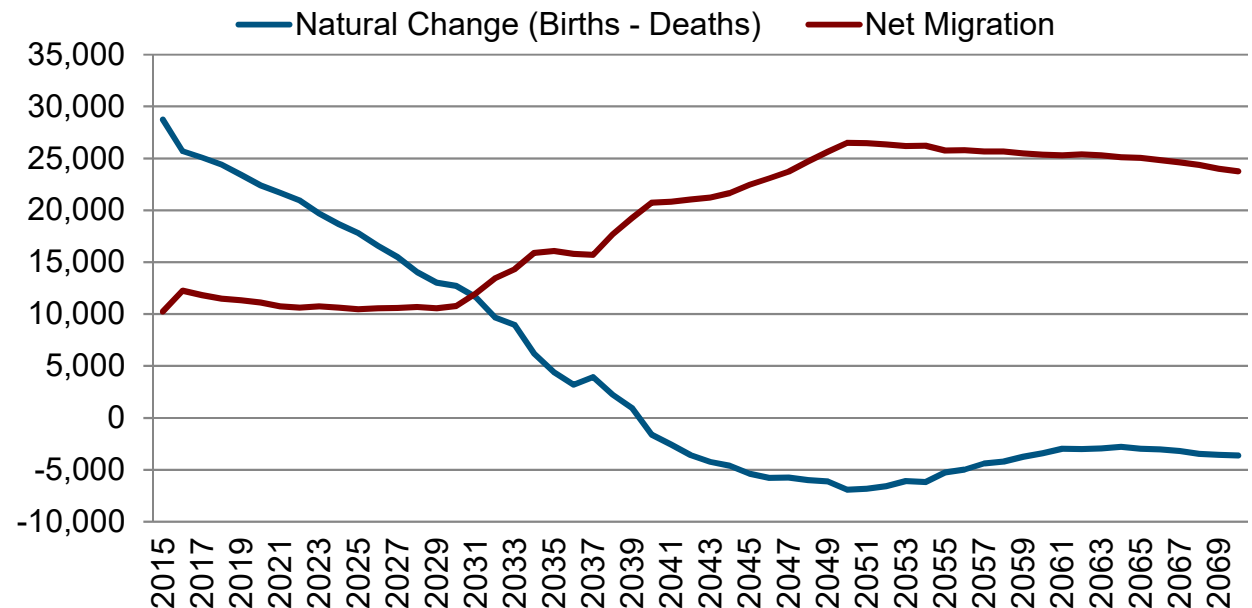
Chart 2: Minnesota's Net Migration by International and Domestic Components, 1991-2014



Population and Workforce

- In 2040 the number of deaths in the state > than the number of births
- Most of the projected net migration to the state will be net international migration

Projected Annual Population Change in Minnesota, 2015-2070



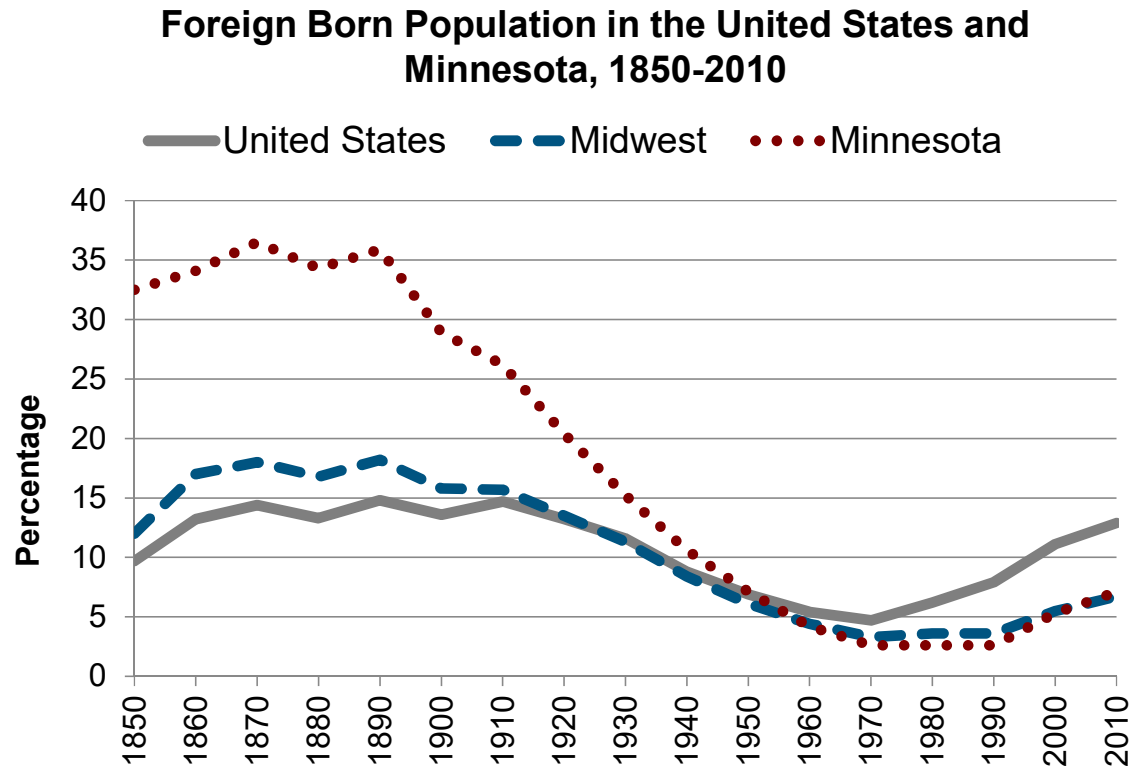
Note: Calculations based on data from Minnesota State Demographic Center, Minnesota Population Projections (2015-2070), August 2015



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Immigrants in Minnesota

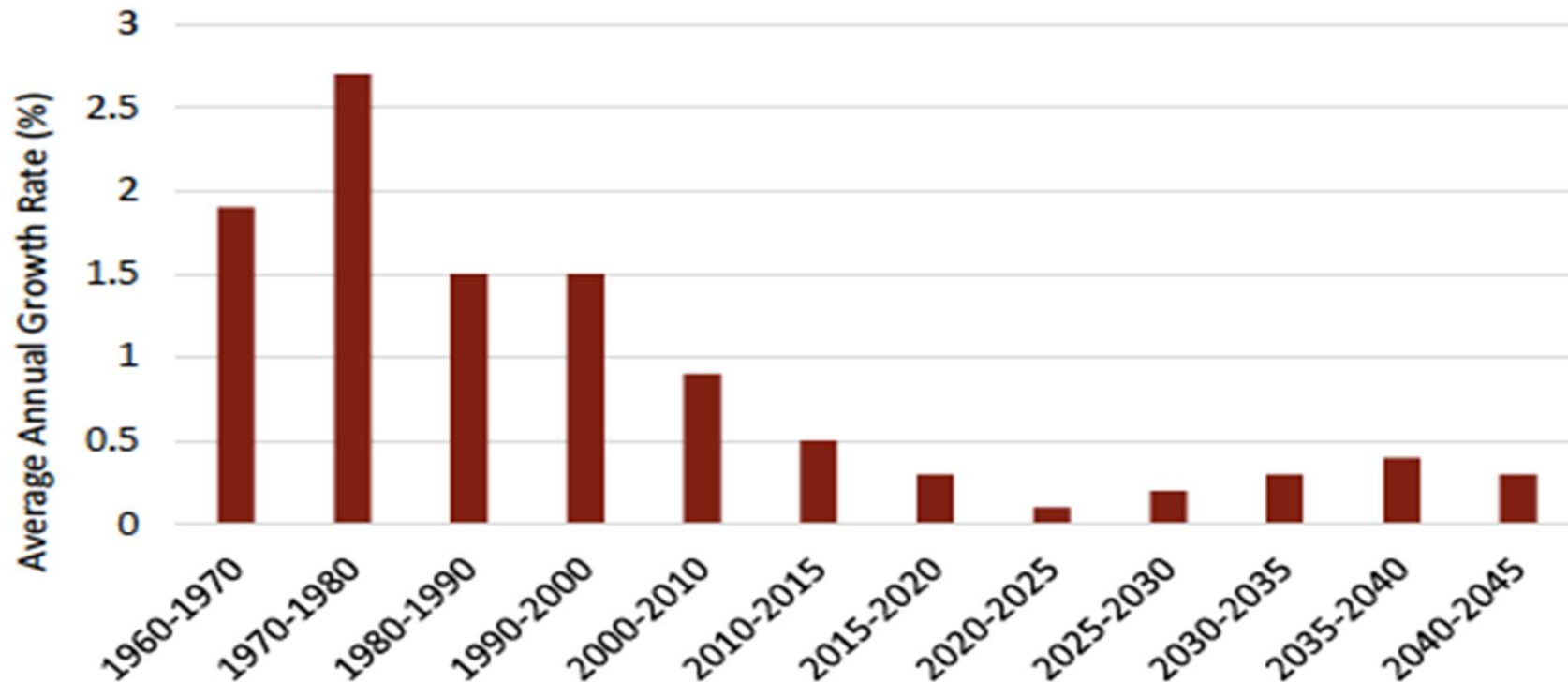
- The proportion of the foreign born in Minnesota's population has changed dramatically over time
- Minnesota currently lags U.S. in foreign born population



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Annual Labor Force Growth Rates in Minnesota, 1960-2015

Chart 5: Historical and Projected Average Annual Labor Force Growth Rates in Minnesota, 1960-2045



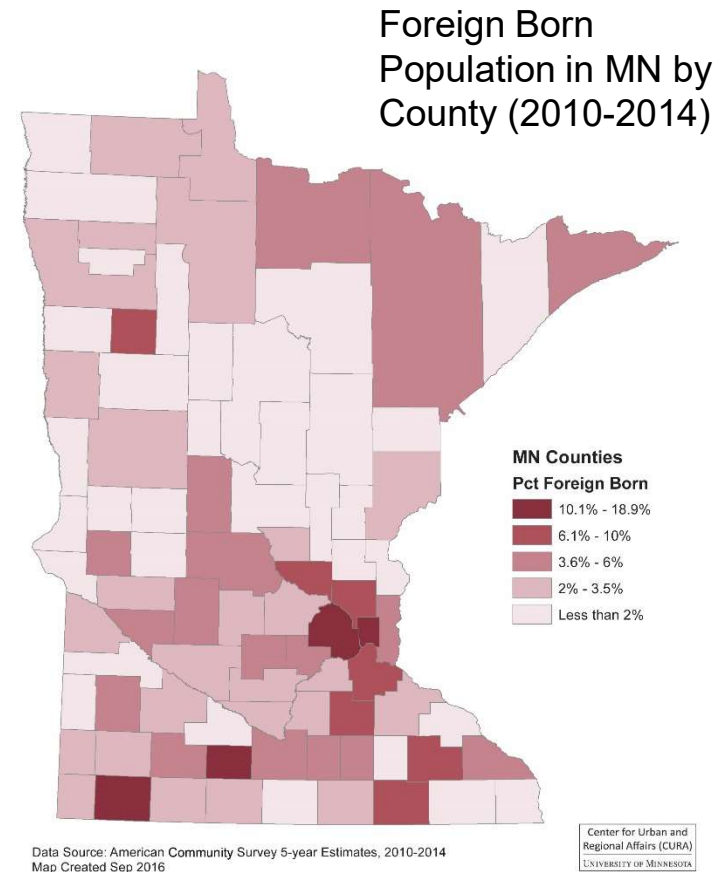
Note: Based on "Figure 4: Minnesota's Average Annual Labor Force Growth Rate, Historical and Projected, 1960-2045," in Minnesota State Demographic Center, *In the Shadow of Boomers: Minnesota's Labor Force Outlook*, December 2013.



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

An Immigrant Workforce

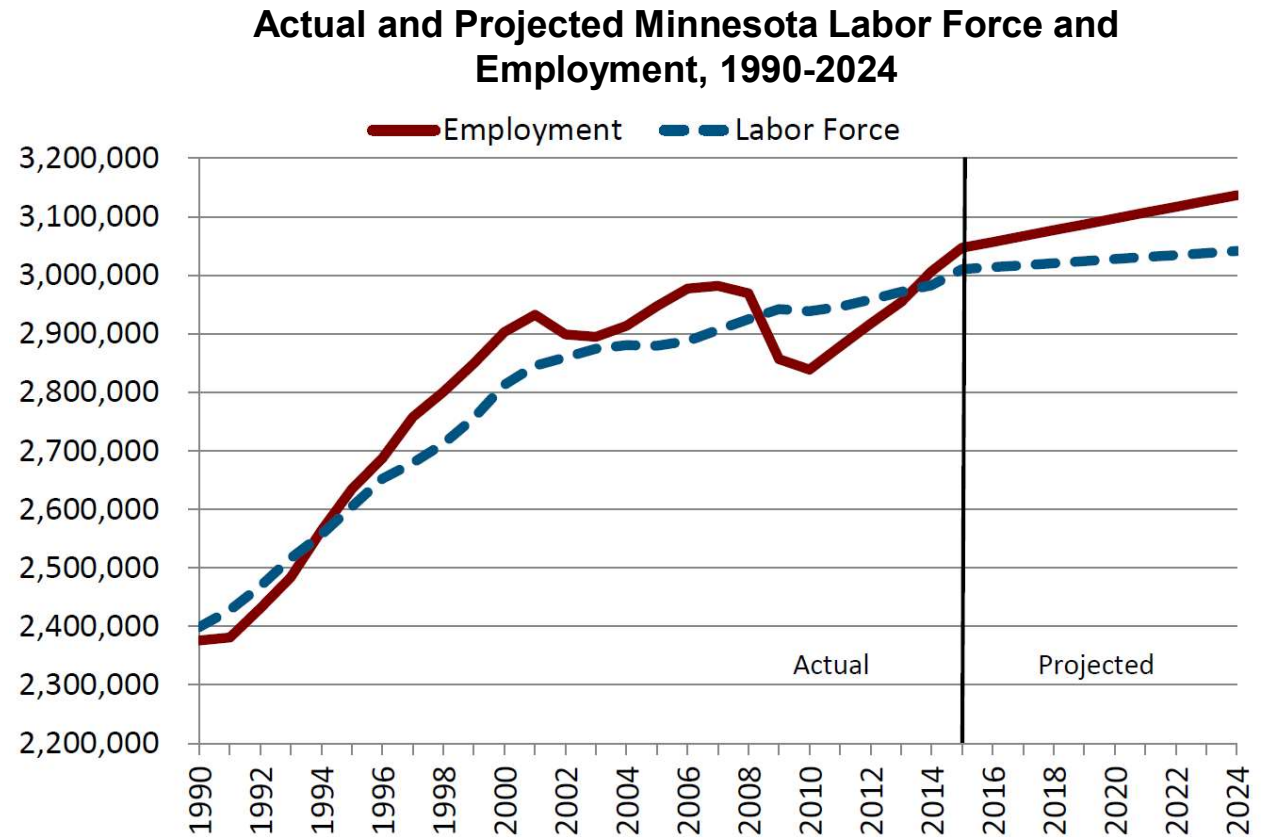
- In 2014 the foreign born in Minnesota were highly concentrated in Southern Minnesota
- Minnesota's foreign born population includes a large number of refugees



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

An Immigrant Workforce

- Worsening gap between the number of jobs available in Minnesota and the number of workers present to work at those jobs
- Shortage of workers could decrease economic growth



Note: Based on historical and projected employment and labor force data by the Minnesota Department of Employment and Economic Development.



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Immigration & economic competitiveness

- In the coming decades, the population of Minnesota likely will grow at significantly slower growth rates than historical averages
- The population of Minnesota will grow older and more racially diverse in the future, but these demographic changes are not likely to be distributed equally



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Immigration & economic competitiveness

- The proportion of the foreign born in Minnesota's population has changed dramatically over time, and currently represents a variety of racial and ethnic groups with diverse skill sets
- Without a substantial increase of migration to Minnesota in the future, the state's labor force will grow slower than it has in recent years, thus leaving some job postings unfilled



Addressing MN Labor Challenges

- Focus on attracting more immigrants is imperative for Minnesota's future
- Essential to incorporate immigrants into the economy more quickly and more completely



UNIVERSITY OF MINNESOTA
Driven to DiscoverSM



Office of **University Economic Development**

UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

frontdoor.umn.edu



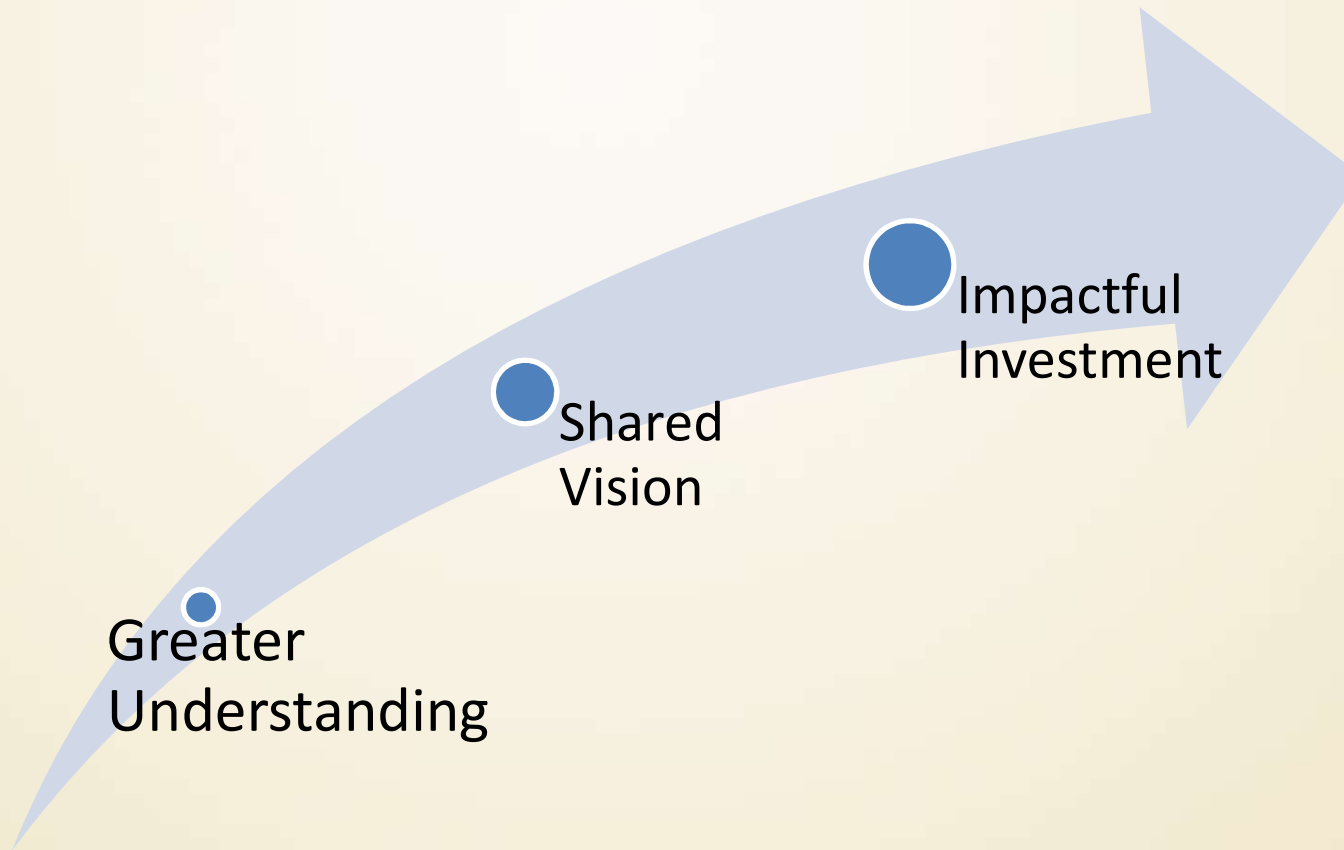
HUMPHREY SCHOOL
OF PUBLIC AFFAIRS
UNIVERSITY OF MINNESOTA

ONE MINNESOTA Rural Equity Project

‘To identify what state policies, public investments, business incentives, and local initiatives are the best bets for strengthening Greater Minnesota communities, revitalizing local economies, and reducing inequality, poverty, and racial disparity.’

Minnesota Rural Equity Project news release, Feb. 27.

Toward One Minnesota



Headlines Read: Rural-Metro Divide

**Urban-rural split in Minnesota
grows deeper, wider**

**Urban and rural America are
becoming increasingly polarized**

Since Obama's election in 2008, the trend of urban counties voting for Democrats and rural counties voting for Republicans has grown stronger.

**The Growing Urban-Rural
Divide Around the World**

How politics pits demographic groups against each other



Bridging the Rural - Metro Divide*

Regional Council of Mayors

November 13, 2017

Resentment & Condescension?



Star Tribune Opinion Exchange, cover story, March 5, 2017:
Bridging Our Divide Between City Mouse and Country Mouse

A Matter of Fairness or Respect?

- **School funding** ... who gets what and how much?
- **Transportation** ... rural roads versus metro transit!
- **Local government aid** ... only the neediest apply?!
- **Water quality** ... runoff from farmland or city streets?
- **Immigration** ... good, bad – and ugly?!?

A One Minnesota Vision...

- Our differences can divide
 - <Rural/Metro> MN must appreciate the economic contribution, socioeconomic struggle, and significant challenges – and opportunities – in <Metro/Rural> MN
- But interdependencies abound
 - Rural – Metro linkages in commerce & industry, education, family & culture
 - Regional collaboration

Bridging the Divide

- Rural-Metro Community Exchange
 - Leadership delegations host one another
 - Increase understanding of challenges and priorities
- Community Dialogue Series
 - Public gatherings
 - Constructive discussion
 - Follow-up coverage and recap
- One Minnesota Narrative
 - Recognize regional independence
 - Emphasize regional interdependence



Interdependence & One MN



HUMPHREY SCHOOL
OF PUBLIC AFFAIRS
UNIVERSITY OF MINNESOTA

Toward One Minnesota

Greater Understanding, Shared Vision, Impactful Investment

Matt Schmit

Director | Regional Competitiveness Institute

Humphrey School of Public Affairs

University of Minnesota

mschmit@umn.edu

651-283-8404



HUMPHREY SCHOOL
OF PUBLIC AFFAIRS
UNIVERSITY OF MINNESOTA