

Immigrants: Resource for MN's Economy

January 2011

Immigrant Contributions to MN's Economy

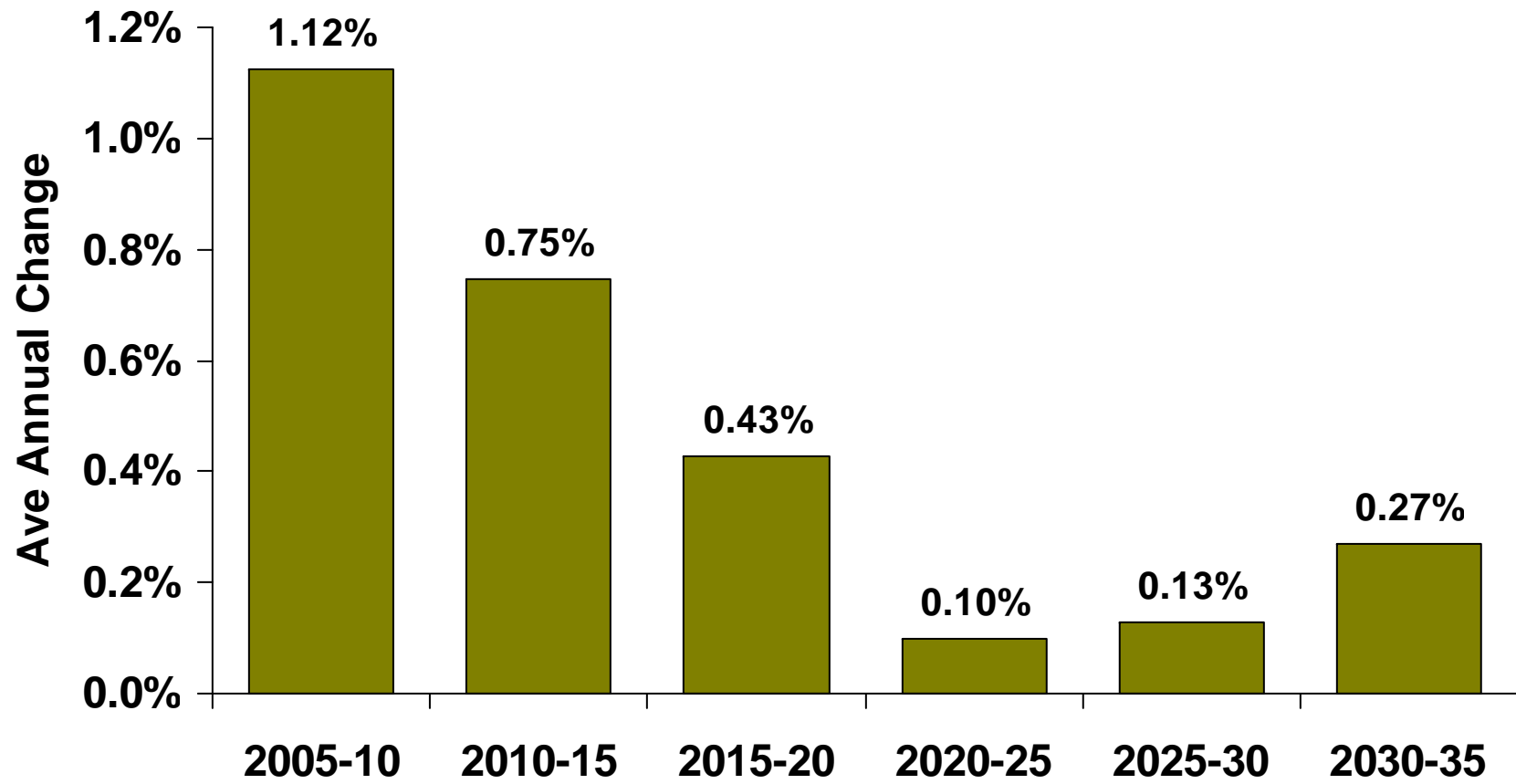
- Workers
- Entrepreneurs
- Consumers
- Connect us to world economy

- Contributions change over time!

Workers

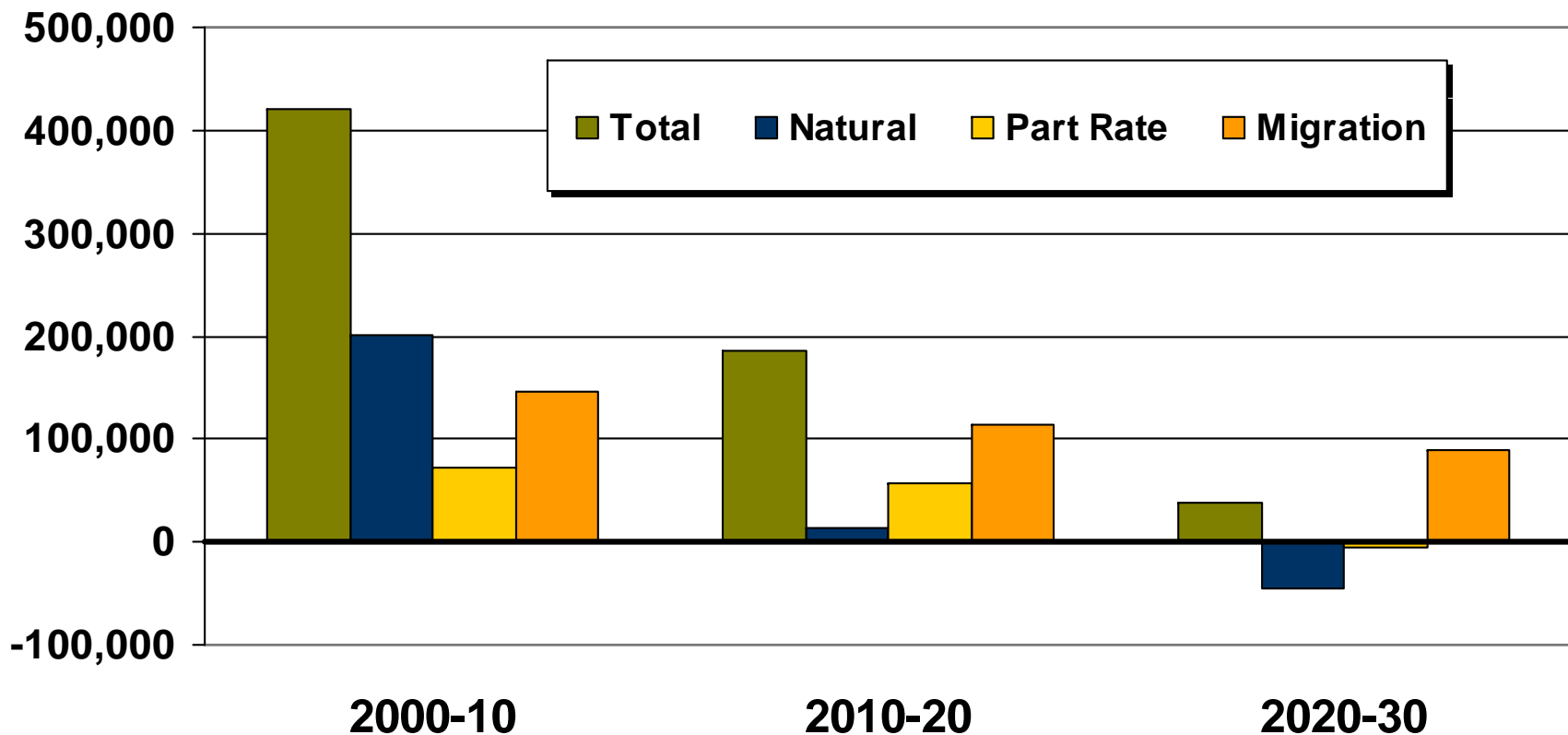
- Immigrant wkrs = majority of labor force growth
- 6.5% of population – 8% of workforce
 - 370,000 people
 - 240,000 workers
 - 60,000 – 80,000 “unauthorized”
- MN growth depends on imported labor

Labor Force Growth Will Slow Sharply

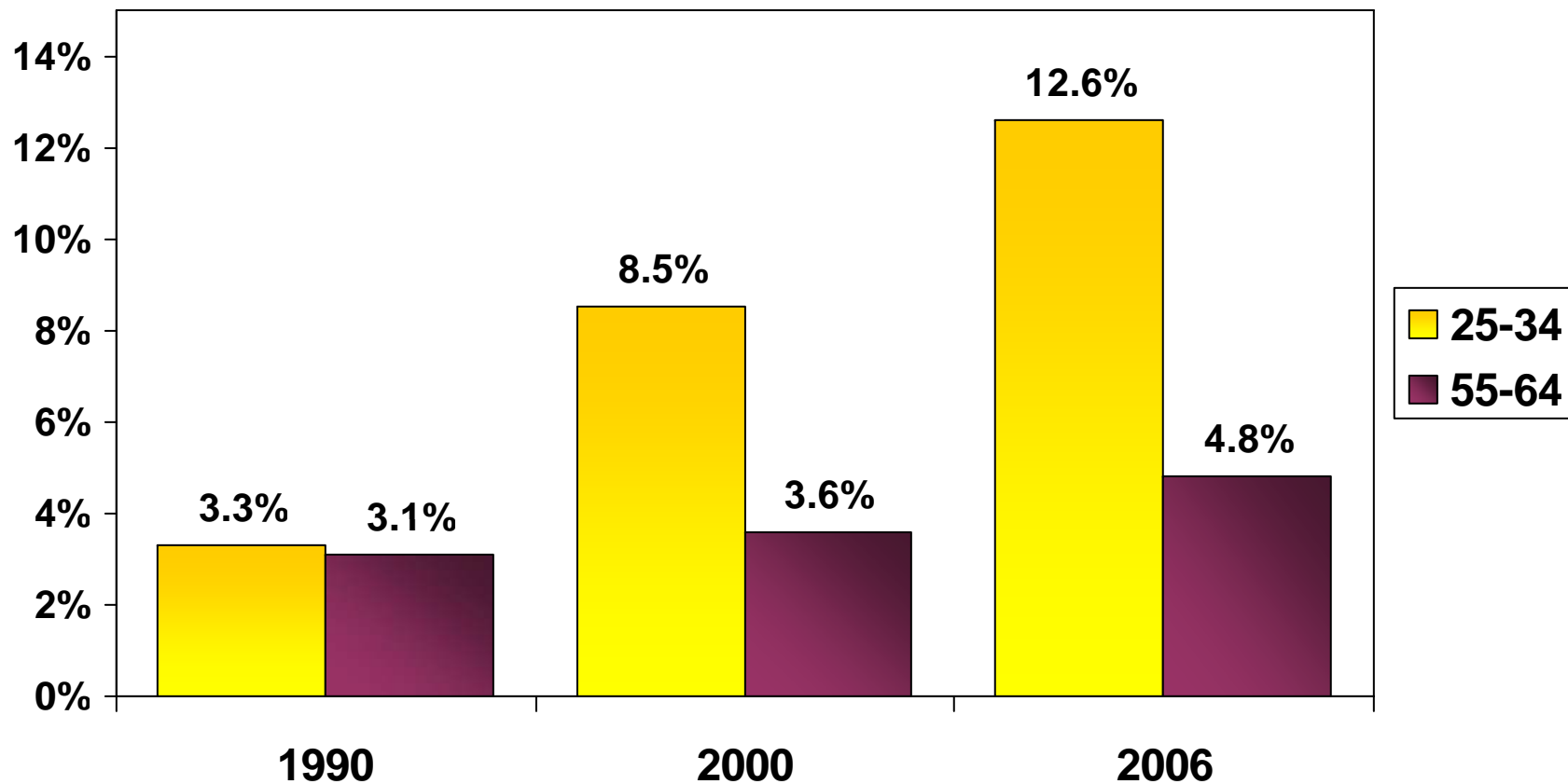


Migration Will Be Increasingly Important Re Growing the Labor Force

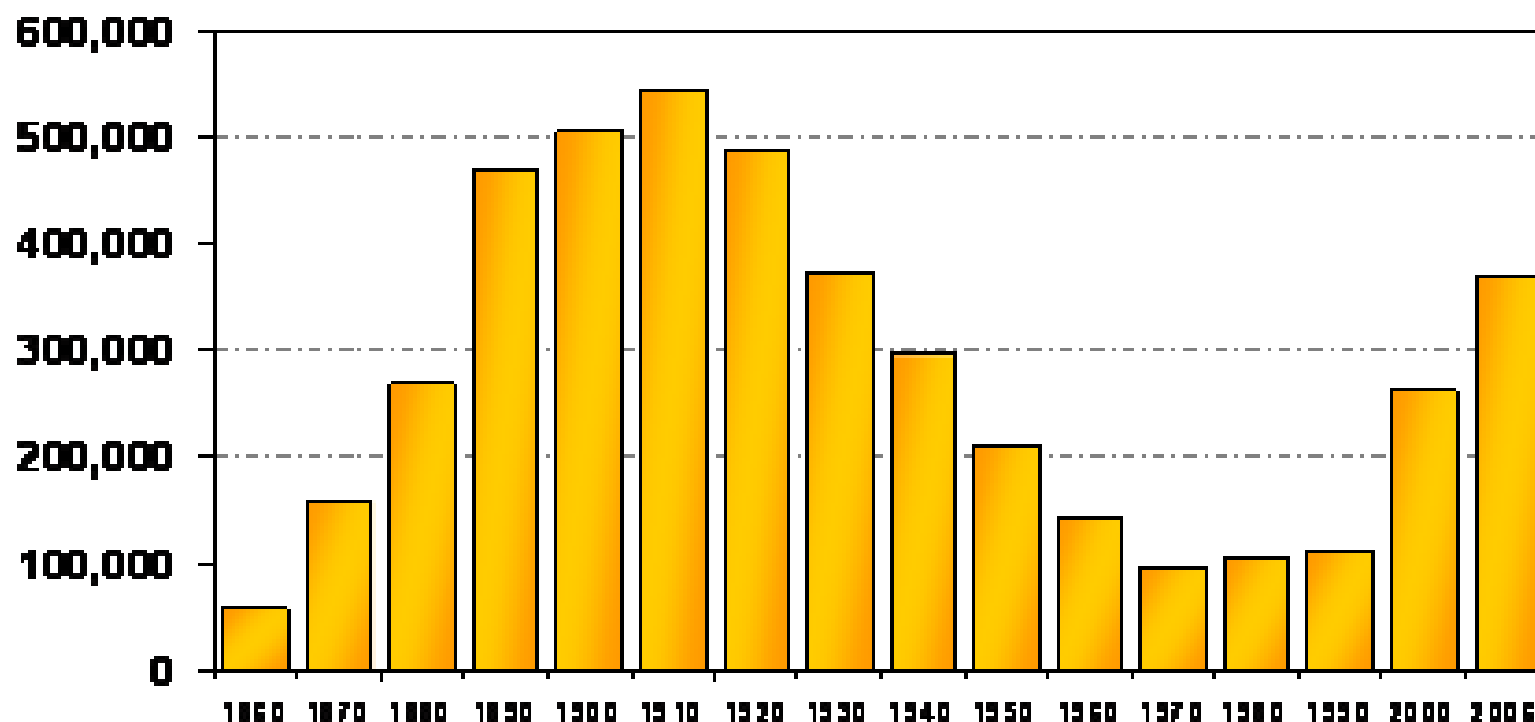
Net Labor Force Growth



MN Labor Force % Born in Another Country



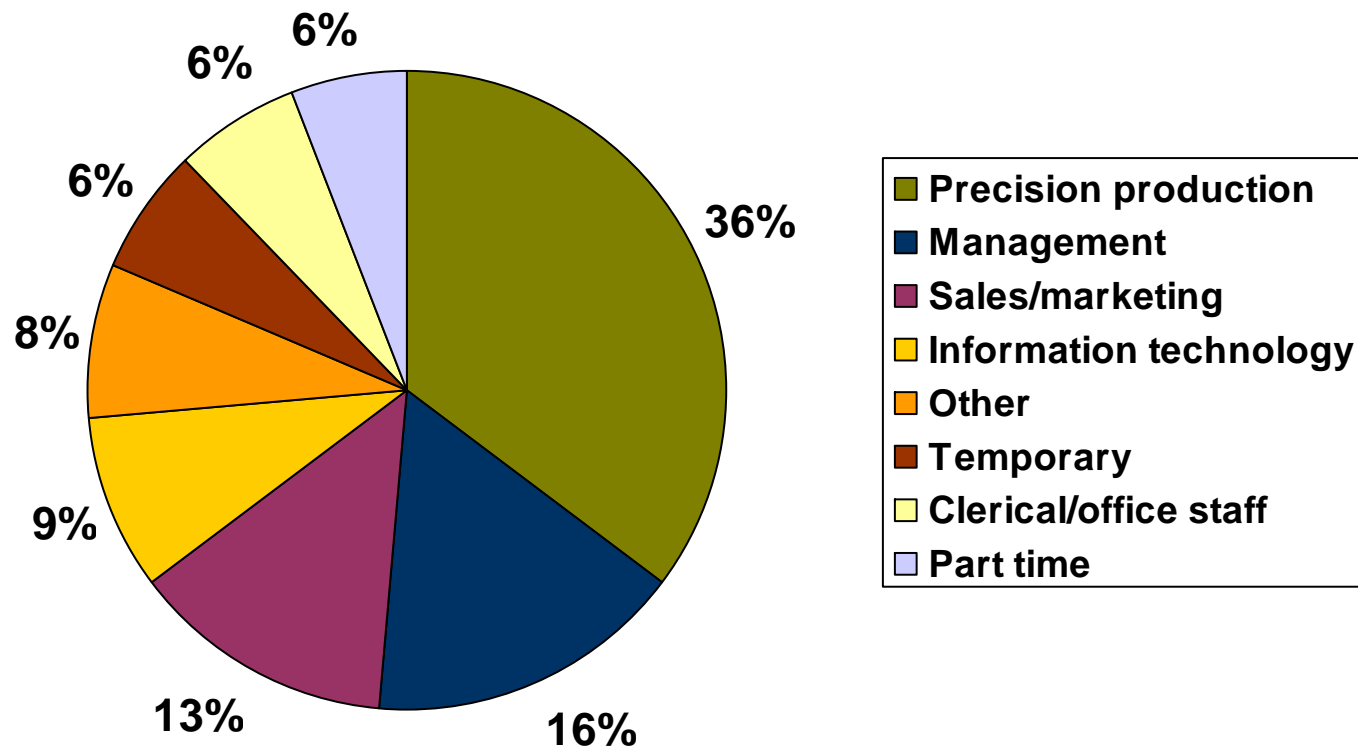
Minnesota's Foreign Born Population Has Been Increasing Since 1970 Approximately 370,000 In 2006



Census, 2006 ACS

Vacancies...Even in Recession

156 of 850 Businesses Report Difficulty Filling Vacancies



Warning!

Trespassers Will Be Recruited

What Industries Fueled by Immigrant Workers? (Top 5)

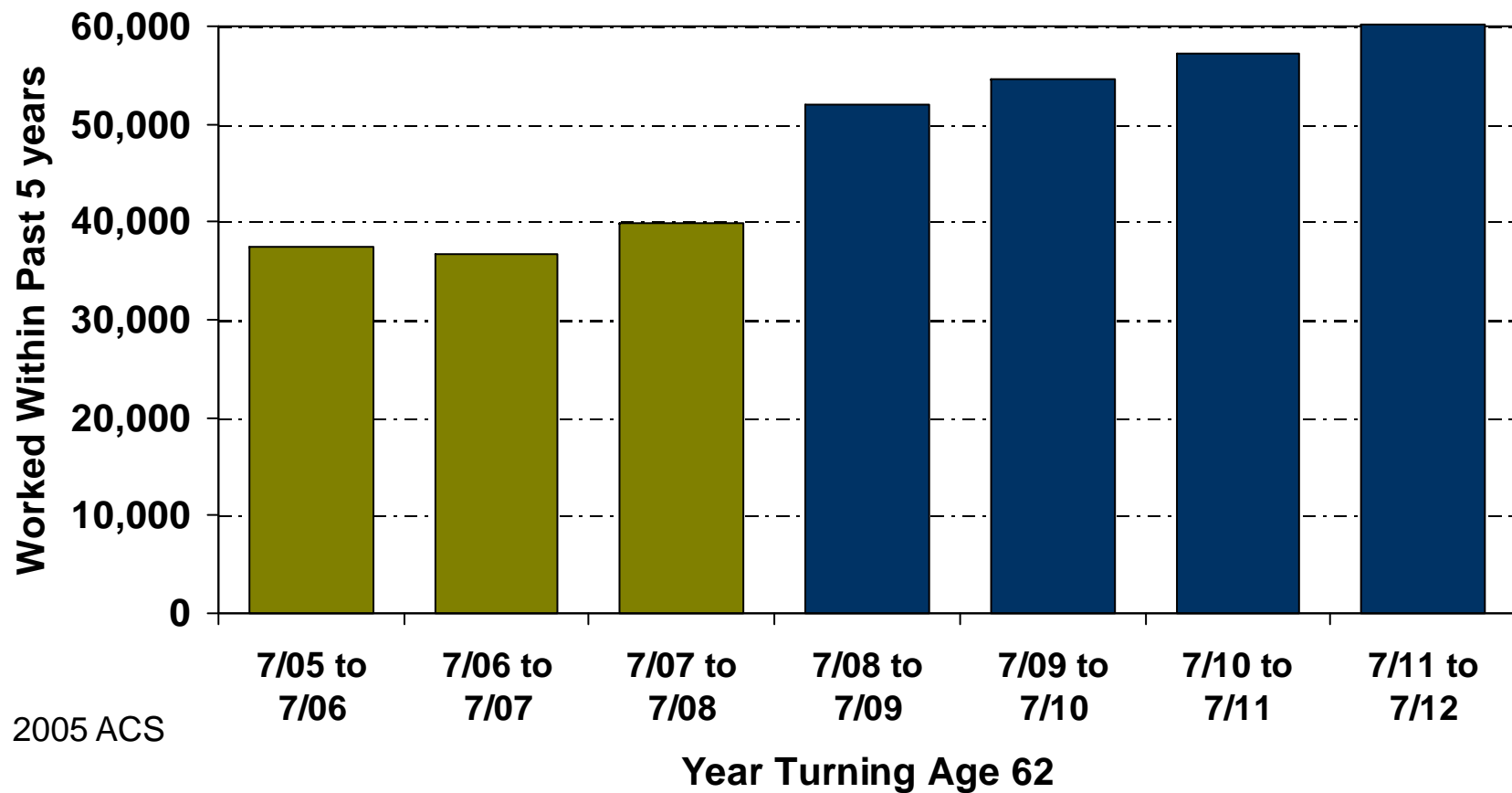
Source: Migration Policy Institute 2006

Industry	% Foreign-Born	% Native- Born
Manufacturing	22%	14%
Retail Trade	8%	12%
Pro's, Scientific, Management, Admin	12%	9%
Education, Health, Social Services	21%	23%
Arts, Entertainment, Recreation	13%	8%
Finance, Insurance, Real Estate	6%	8%
<u>TOTAL, TOP 5</u>	<u>76%</u>	<u>66%</u>

MN Industries with Greatest Concentrations of Foreign-Born Workers (2006, >5000 Total ee's)

- Mfg.- food/vegetable processing
- Mfg.- animal slaughtering & processing
- Prof. services to buildings & dwellings
- Retail - specialty foods
- Mfg.- medical equipment & supplies
- Mfg.- electro medical & control instruments
- Retail - used merchandise

MN Will See a 30% Jump in Workers Turning Age 62 Beginning 2008



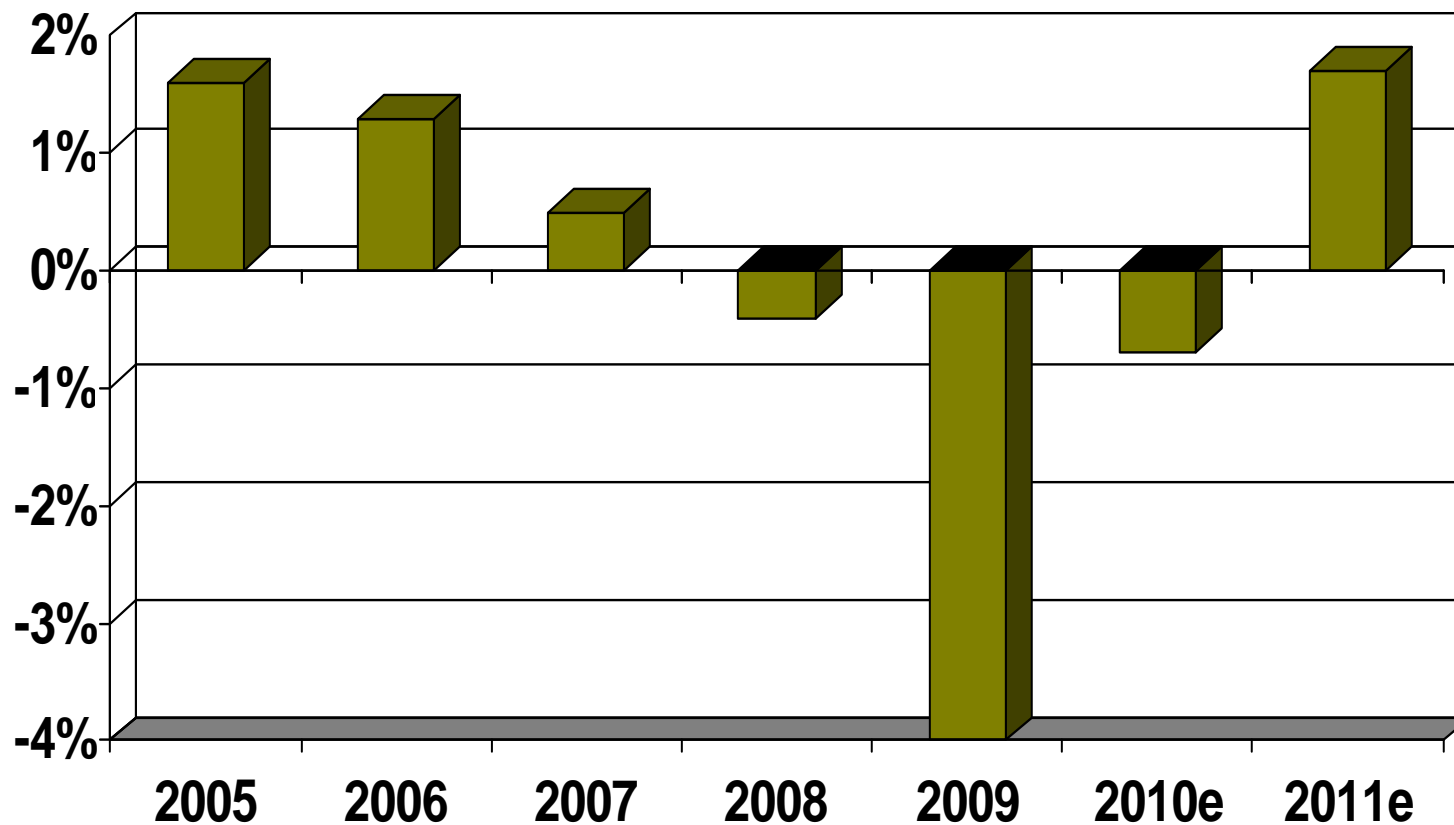
Worker Shortage: What Do We Do?

- Automate
- Grow elsewhere
- Support in-migration

Entrepreneurs

- 3% of businesses immigrant owned
- 4,000 Hispanic-owned ('02)
 - Up 350% since 1990
 - Sales > \$2 billion
- 7,000 Asian firms ('02)
 - Asian-Indian firms = 400, >4,000 employees
- \$331 million in net income ('00)
- Downtown & neighborhood revitalization

Change MN Non-Farm Employment



Source: November Forecast

Consumers

- Latinos: \$4 b (up 694% since '90)
- Asians: \$4.9 b (up 524% since '90)
- Growth in buying ('90-'08 national ranking)
 - 9th highest for Asians
 - 8th highest for Hispanics
- 6% of retail sales ('07)

Economic Stimulus

- Leverage jobs & income:
 - 24,000 jobs statewide
 - \$1.2 b personal income
- Native-born wages up, except those without high school diploma
- South Central MN:
 - 2,600 Latino wkrs sustain 3,770 N-Latino jobs
 - Include Latino consumption, add 4,100 more

Connecting Us to the World

- Foreign investment & expertise key to growth
- MN's steel & mining industries:
 - MN Steel (Nashwauk): India
 - ArcelorMittal Steel (Virginia): India
 - Gerdau Ameristeel (St. Paul): Brazil
 - Duluth Metals (Biwabik): Chile
 - Polymet (Hoyt Lakes): Canada
- Immigrants add diversity... that says, "World Economy Welcome Here!"

Unauthorized Immigrants...

No Definitive Data

- 60,000 – 80,000 unauthorized
- Approx cost: \$176-\$188 m per year:
 - \$146-158 m – K12 education
 - \$17 m – public assistance health care
 - \$13 m – incarceration
- Cost varies greatly by community
- Immediate cost < long term benefit

Hmong MN Experience

Compiled by Dr. Bruce Corrie, Concordia University, St. Paul

	<u>1980</u>	<u>2007</u>
Median Age	37	18.9
College Graduates	5%	13.6%
Workforce Participation Rate	27%	60%
Median Household Income	\$17,481	\$48,068
Household Receiving Public Assist	67%	17%
Homeownership Rate	12%	56%
Median Home Value	\$85,927	\$206,000

MN's Economic Realty...2030

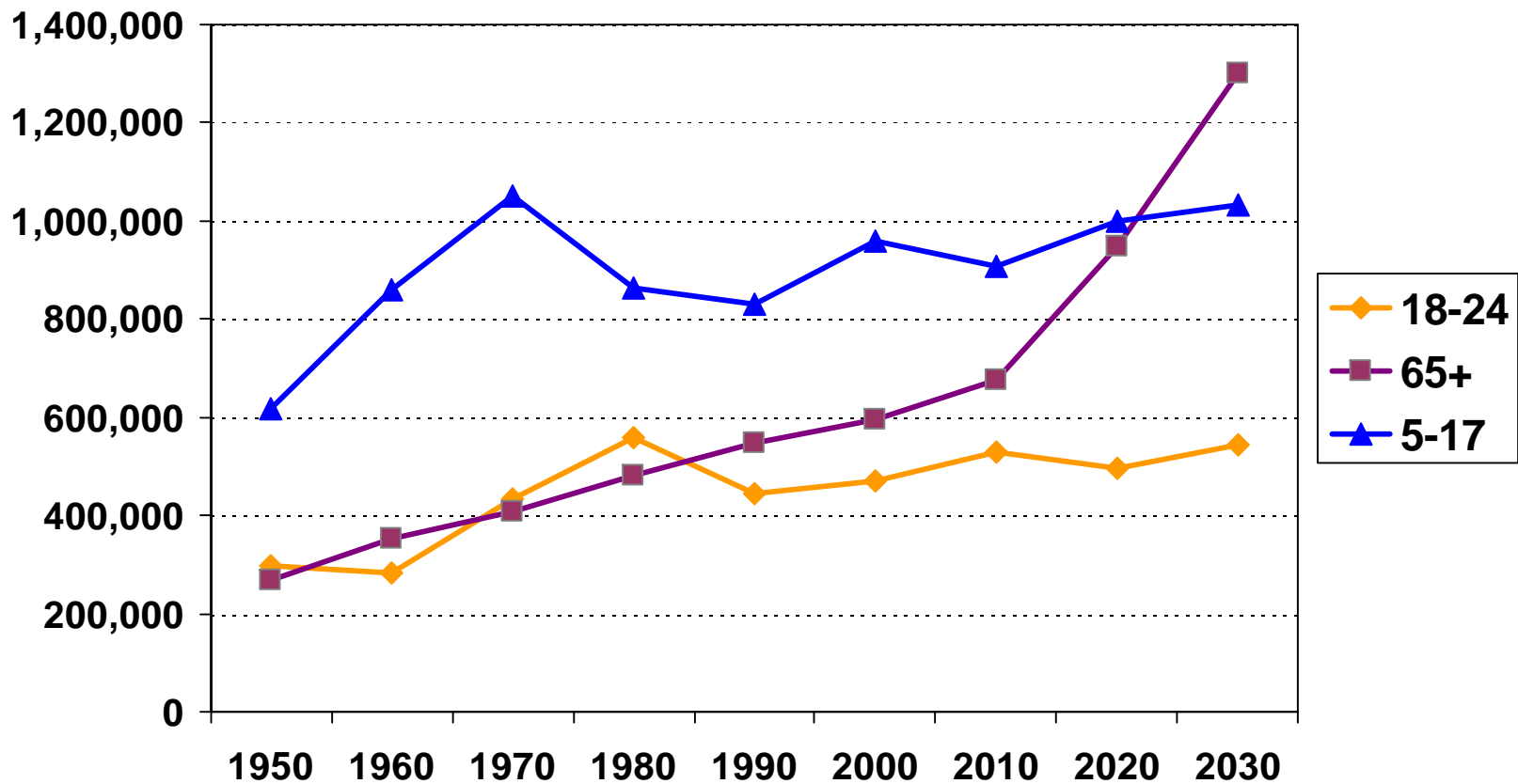
- Population ages dramatically
- Labor force growth declines
- New enterprises critical to growth
- Needs foreign \$\$\$s & expertise
- **New Americans key to MN growth**

MN's Immigrant Opportunity: Who Can Help?

- U.S. Congress: MN Senators on Judiciary Comm
- Education: Ready for higher ed and/or work
- Foundations: Business start up \$\$\$s
- State Legislature & Governor?

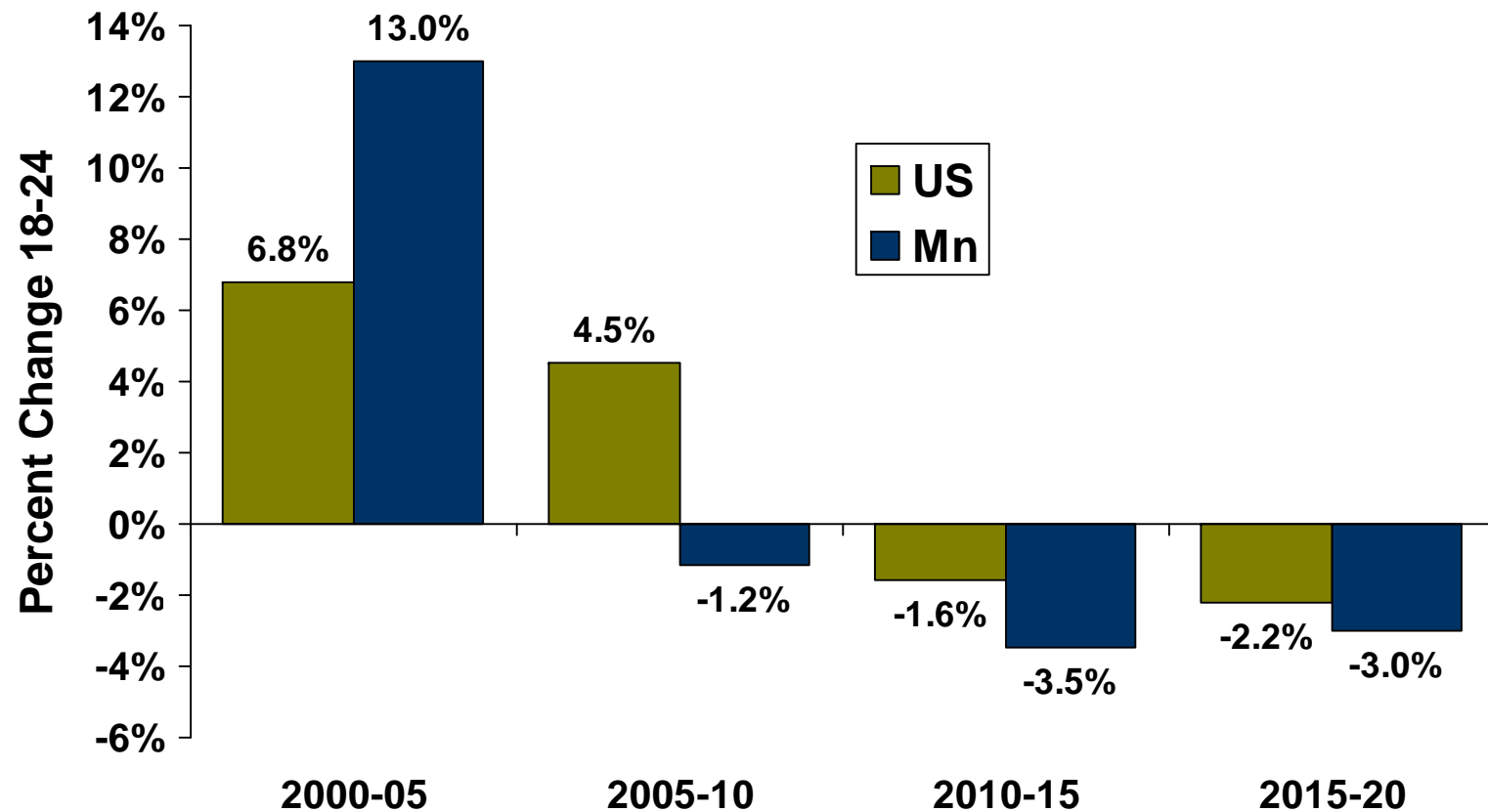
**QUESTIONS?
COMMENTS?**

The Boom Generation Starts Turning 65 in 2011 65+ Passes School Age Around 2020



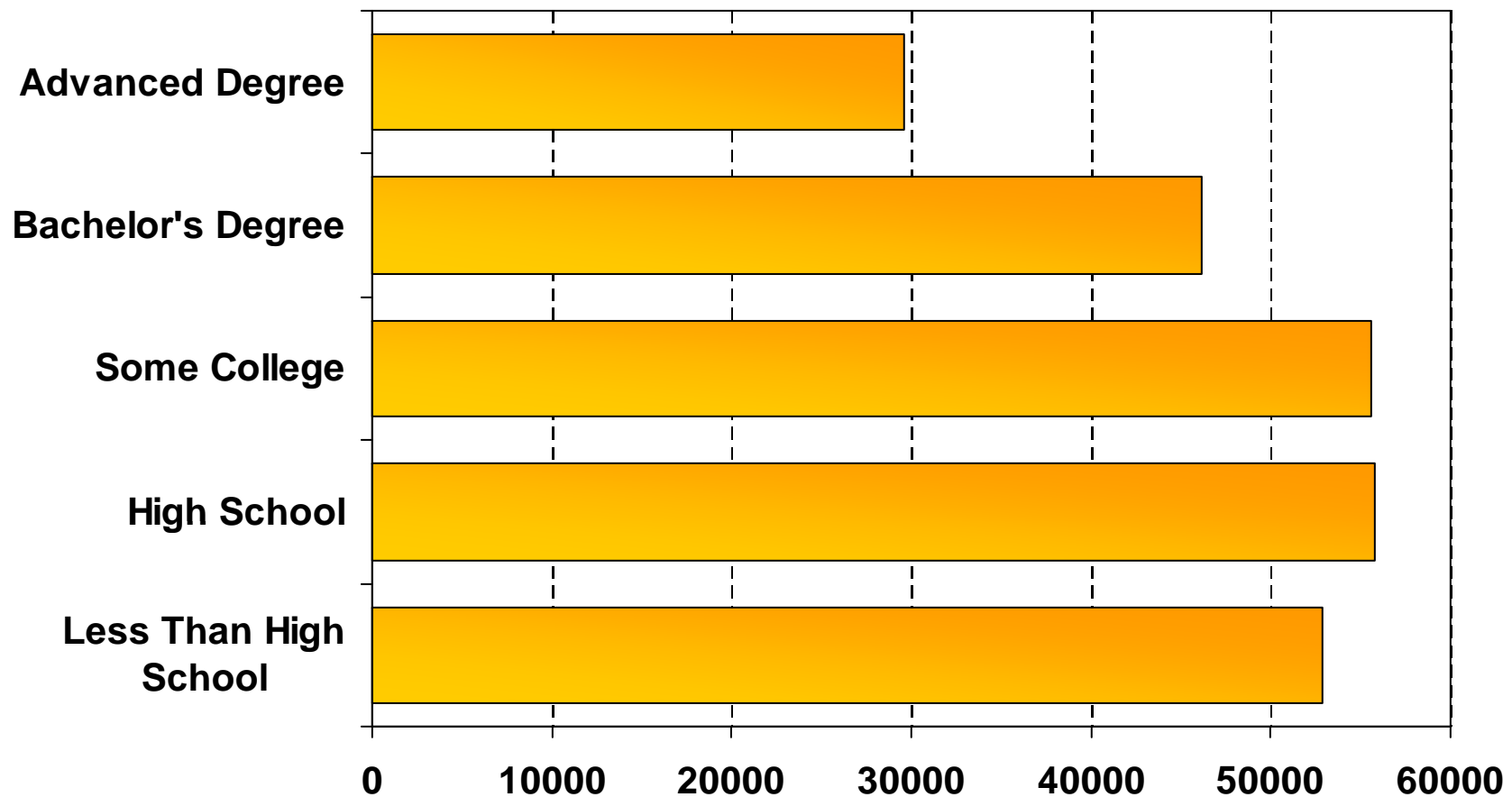
Census counts & State Demographer projection, revised 2007

Competition for the Future Workforce Will Increase



Census Bureau US Proj, Mn State Demographer revised 2007

MN's '06 Foreign Born Workforce Was 240,000 or 8% of the Total Workforce



Percent Foreign Born MN & U.S., 1950-2008

