

The Importance of Immigration in Northeast Minnesota

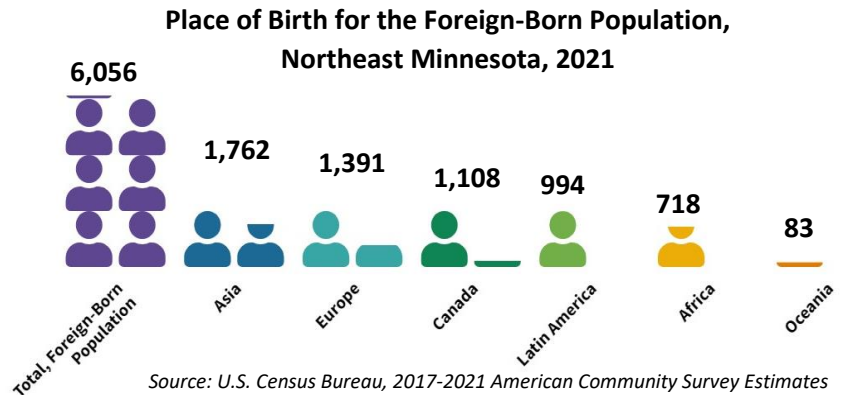
Northeast Minnesota is now home to **just over 325,000 residents**. Home to an older and aging population, the 7-county planning region faced a negative rate of natural increase – more deaths than births – leading to 2,925 fewer people from 2020 to 2022. However, that was offset as Northeast enjoyed domestic in-migration of 2,890 people and international net in-migration of 211 additional foreign-born residents. In sum, the region added 346 residents from 2020 to 2022.

Cumulative Estimates of the Components of Population Change in Northeast Minnesota, 2020-2022							
2022 Population Estimate	2020-2022 Estimated Population Change	April 1, 2020 to July 1, 2022					
		Vital Events			Net Migration		
		Natural Increase	Births	Deaths	Total	Inter-national	Domestic
326,062	+346	-2,925	6,453	9,378	+3,101	+211	+2,890

Source: [U.S. Census Bureau, Population Estimates Program](#)

Immigration has been a small but helpful part of Northeast Minnesota’s growth. According to the U.S. Census Bureau’s 2021 American Community Survey 5-Year Estimates, Northeast is now home to just over **6,000 foreign born residents**, or about **1.9% of the total population**. The number of immigrants in the region increased by just **+2.2%** from 2010 to 2021, well behind the statewide growth rate of +30.6%.

The largest number of foreign born residents in the region were from **Asia**, accounting for 29.1% of immigrants. Most of these immigrants came from Eastern Asia, including **China** and **Korea**, followed by Southeastern Asia, including the **Philippines** and **Vietnam**. But the fastest growth since 2010 occurred from Western Asia.



Another 23% (1,391 people) of the region’s immigrants were from **Europe**, split almost evenly between Western and Eastern Europe, including Germany, Russia, and Poland. However, due to a decline in the number of immigrants from Northern Europe, Europeans were no longer the largest foreign-born group in the region.

There has been a decline of immigrants from **Canada** since 2010 (-16.3%), leading to 1,108 people living in Northeast Minnesota in 2021.

Another 994 foreign born residents were from **Latin America**, a 22.9% increase since 2010. This included Northeast Minnesota also saw a significant gain in the number of immigrants from **Africa** from 2010 to 2021, now comprising 718 people. About 680 of those foreign-born residents are from Eastern Africa. The smallest number (83 people) of immigrants in the region was from **Oceania**, which includes Australia and New Zealand.

Based on year of entry, **Northeast Minnesota’s foreign born population was “older”** than the rest of the state. About 36.5% of the region’s immigrants entered the U.S. before 1990 and another 17.6% entered between 1990 and 1999, compared to 19.8% and 21.7% statewide, respectively. The remaining 45.9% of immigrants in the Northeast region settled in the U.S. since 2000.

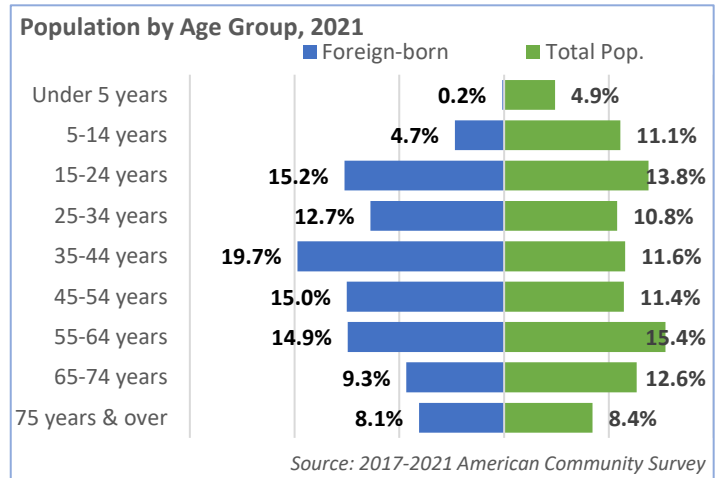
Just over half (56.1%) of foreign born residents in Northeast Minnesota have become naturalized U.S. citizens, similar to the share (55.7%) in the state overall. The other 43.9% of immigrants in the region are not citizens or have yet to become naturalized citizens.

Ready and Willing to Work

Immigrants have a much younger age profile than the native born population. In 2021, 47.5% of the foreign born population were in their prime working years between 25 and 54 years of age, compared to just 33.8% of the total population. However, only 4.9% of Northeast Minnesota’s immigrants were under 15 years of age, compared to 16% of the total population. On the other end of the age spectrum, 17.4% of the region’s foreign born population was 65 years and over, compared to just over 21% of the total population.

Population by Age Group for the Foreign Born Population in Northeast, 2021			Total Population
	Number	Percent	Percent
Under 5 years	11	0.2%	4.9%
5-14 years	285	4.7%	11.1%
15-24 years	923	15.2%	13.8%
25-34 years	772	12.7%	10.8%
35-44 years	1,195	19.7%	11.6%
45-54 years	910	15.0%	11.4%
55-64 years	904	14.9%	15.4%
65-74 years	565	9.3%	12.6%
75 years & over	491	8.1%	8.4%
Total	6,056	100.0%	100.0%

Source: 2017-2021 American Community Survey



In the face of increasingly tight labor markets, a growing scarcity of workers is now recognized as one of 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 Minnesota’s economy, providing a rapid stream of new workers in the face of an aging native-born workforce.

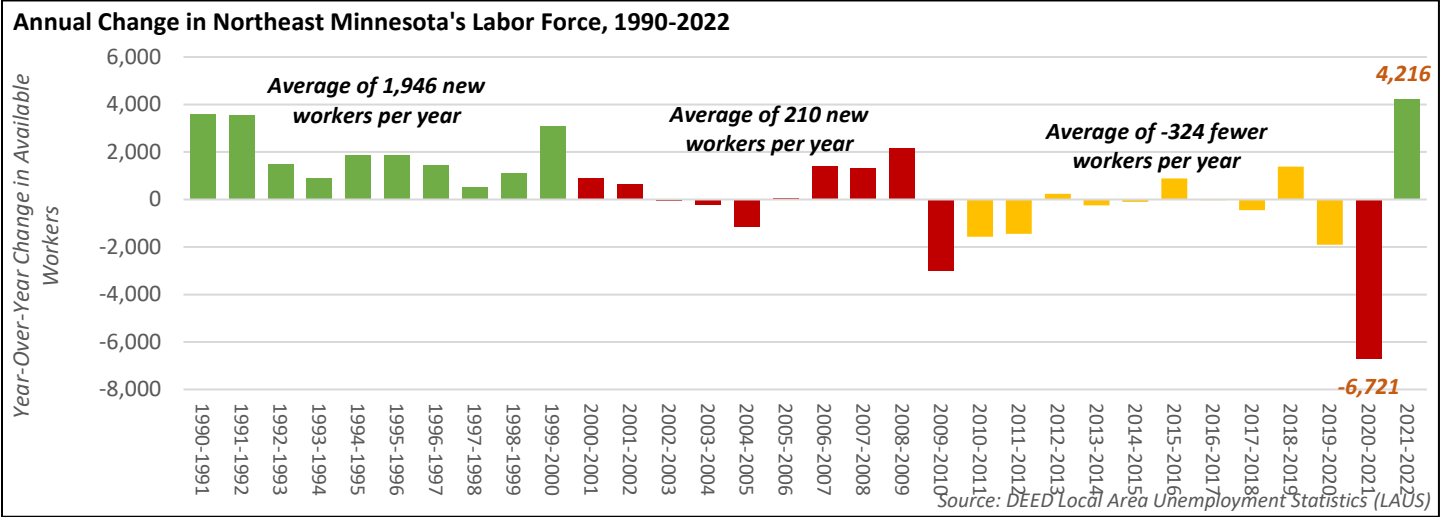
Statewide, 74.3% of the foreign born population aged 16 years and over was actively participating in the labor force, which was higher than the labor force participation rate for the native born population (69.2%). And while the state’s overall labor force growth was slowing, the number of immigrant workers in the state increased by more than **80,000 workers** from 2011 to 2021, a **+31.5% increase**. In comparison, the native born workforce expanded by 75,500 workers, a +2.8% increase. In sum, immigrants accounted for over half of the state’s labor force growth between 2011 and 2021.

	Minnesota Labor Force Change		Change from 2011-2021	
	2011 Labor Force	2021 Labor Force	Number	Percent
Total	2,955,746	3,115,022	+159,276	+5.4%
Native	2,702,643	2,778,107	+75,464	+2.8%
Foreign Born	254,573	334,774	+80,201	+31.5%

Source: American Community Survey, S0501

In Northeast Minnesota, that would equal about **4,300 available immigrant workers**, comprising **2.7%** of the region’s workforce in 2021. If the region matched state growth rates, that would be an addition of nearly 1,000 additional workers over the past decade, which would have been a vital source of growth since the region’s labor force was declining from 2011 to 2021.

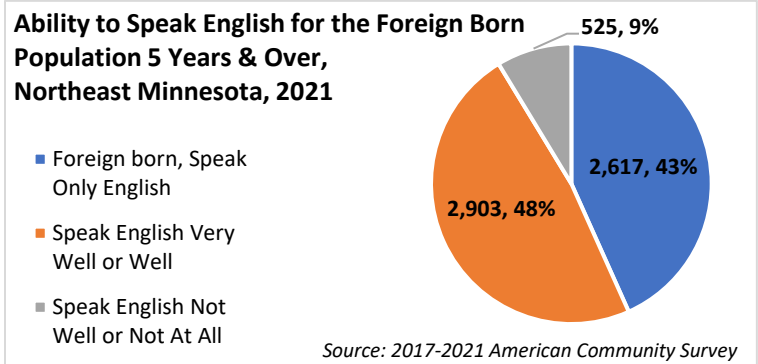
After averaging a net gain of nearly 1,950 additional labor force participants per year between 1990 and 2000, Northeast Minnesota employers were able to tap into a large and growing pool of talented workers. However, from 2010 to 2020, Northeast Minnesota’s labor force began to shrink. The region peaked with 169,773 available workers in 2009, then dropped to 165,400 in 2019 before the pandemic. In 2021, the labor force declined to a low of 156,800 workers, before climbing back to 161,000 in 2022.



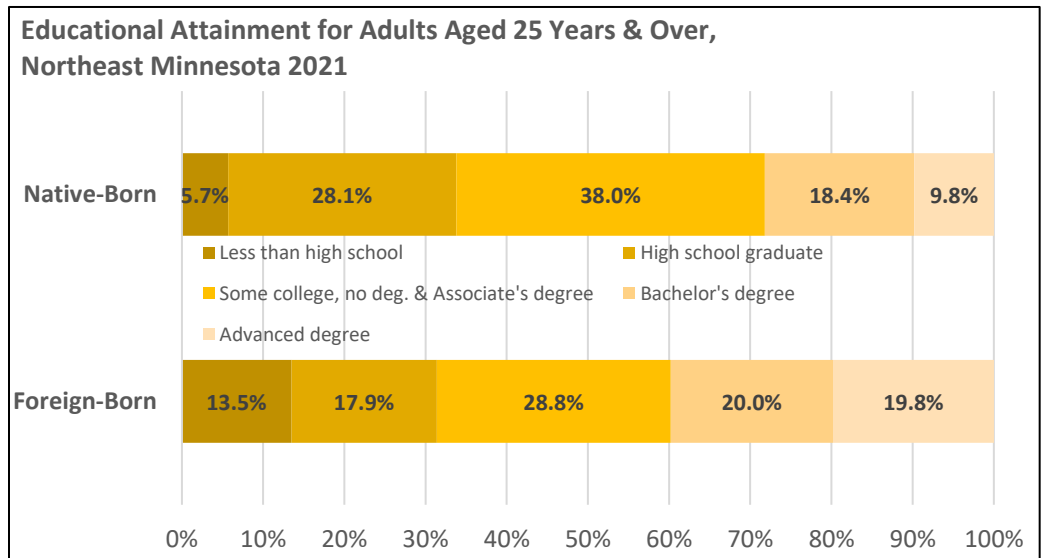
Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent in the years ahead, with **Northeast Minnesota expected to lose another 2,476 workers between 2025 and 2035**, an average of 250 fewer workers per year. This will make 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 57% of immigrants in Northeast Minnesota reported speaking a foreign language, but many of them also had some ability to speak English. Just over 90% percent reported speaking only English or being able to speak English “well” or “very well”, while just 9% spoke English “not well” or “not at all.”



Educational attainment also creates challenges in the workplace. In contrast, about 31.4% 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. However, foreign born adults also had a higher percentage of bachelor’s and advanced degrees, helping to fill other high demand openings in health care and computer-related fields.



Perhaps due in part to the language and educational barriers described above, immigrants were more likely to work in certain occupation 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 & serving, building & grounds cleaning, and personal care. Immigrants were also more concentrated in production, transportation, and material moving occupations.

Some of these occupations are already showing critical workforce shortages in

Northeast Minnesota, including Nursing Assistants, Home Health and Personal Care Aides, as well as other Healthcare, Production, and Computer-related occupations. Along those same lines, foreign born workers were much more likely to be found in industries like Manufacturing, Leisure & Hospitality, and Administrative Support & 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’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 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 Northeast Minnesota, contact:



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Top Occupations Employing Foreign Born Workers in Minnesota			
Occupation	Foreign Born Share of Total Employment*	Estimated Regional Foreign Born Employment	Regional Median Hourly Wage
Home Health & Personal Care Aides	25.8%	1,453	\$15.58
Registered Nurses	10.2%	462	\$37.92
Janitors & Cleaners, exc. Maids & Housekeeping	19.5%	423	\$16.83
Waiters & Waitresses	11.7%	274	\$11.25
Laborers & Freight, Stock, & Material Movers, Hand	12.2%	199	\$18.80
Software Developers	26.5%	151	\$49.54
Food Preparation Workers	14.2%	135	\$14.81
Construction Laborers	10.9%	131	\$23.08
Licensed Practical & Licensed Vocational Nurses	12.5%	96	\$34.51
Accountants & Auditors	9.4%	90	\$32.15
Clinical Laboratory Technologists & Technicians	17.9%	61	\$30.29
Cleaners of Vehicles & Equipment	25.2%	58	\$14.98
Computer User Support Specialists	12.6%	47	\$26.94
Butchers & Meat Cutters	38.7%	39	\$20.15
Packaging & Filling Machine Operators & Tenders	53.3%	37	\$19.85
Electrical, Electronic & Mechanical Assemblers	33.2%	37	\$17.57
Food Batchmakers	26.6%	35	\$15.39
Helpers--Production Workers	16.6%	25	\$18.78
Inspectors, Testers, Sorters, Samplers, & Weighers	13.5%	24	\$25.73
<i>Source: U.S. Census Bureau, DEED Occupational Employment & Wage Statistics (OEWS)</i>			
<i>* - foreign-born share of total employment by occupation in Minnesota</i>			