

The Importance of Immigration in Northwest Minnesota

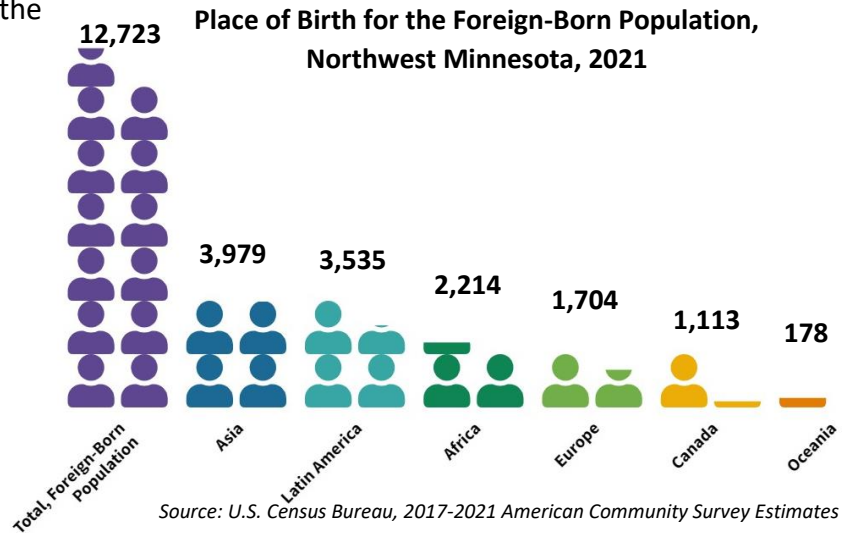
Northwest Minnesota is now home to **just over 580,000 people**, after welcoming almost 6,000 new residents since 2020. Home to an older and aging population, the 26-county planning region faced a negative rate of natural increase – more deaths than births – leading to 1,043 fewer people from 2020 to 2022. However, that was offset as Northwest enjoyed domestic in-migration of 6,160 people and international net in-migration of 653 additional foreign-born residents. In sum, the region added 346 residents from 2020 to 2022.

Cumulative Estimates of the Components of Population Change in Northwest 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
581,275	+5,856	-1,043	14,215	15,258	+6,813	+653	+6,160

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

Immigration has been a small but helpful part of Northwest Minnesota’s growth. According to the U.S. Census Bureau’s 2021 American Community Survey 5-Year Estimates, Northwest is now home to just over **12,700 foreign born residents**, or about **2.2% of the total population**. The number of immigrants in the region increased by just **+20.1%** 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 3,979 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**.



About 3,500 of the region’s immigrants were from **Latin America**, including about 2,266 residents who were from Mexico. The fastest growth was coming from South America, most notably **Brazil and Colombia**.

There has been a decline of immigrants from **Canada** since 2010 (-12.2%), leading to 1,113 people living in Northwest Minnesota in 2021.

Another 1,704 foreign born residents were from **Europe**, though that was a 16.1% decline since 2010. The region saw smaller numbers of immigrants Southern Europe, with only 49 people immigrants residing in Northwest Minnesota.

In contrast, Northwest Minnesota saw a significant gain in the number of immigrants from **Africa** from 2010 to 2021, now comprising 2,214 people. Nearly 1,250 of those foreign-born residents are from Eastern Africa, which increased by 159.9% since 2010. The smallest number (178 people) of immigrants in the region was from **Oceania**, which includes Australia and New Zealand.

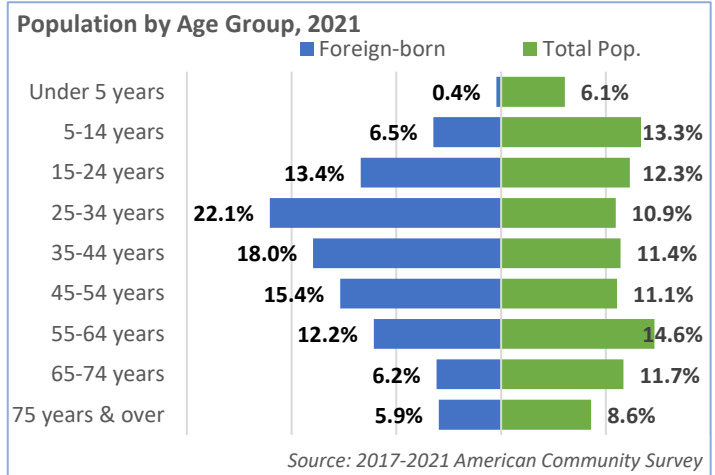
Based on year of entry, **Northwest Minnesota’s foreign born population was both “newer” and “older”** than the rest of the state. About 24.3% of the region’s immigrants entered the U.S. before 1990 and another 17.6% entered between 1990 and 1999, compared to 19.8% and 21.7% statewide, respectively. The remaining 58.1% of immigrants in the region settled in the U.S. since 2000.

Ready and Willing to Work

Not surprisingly, **immigrants have a much younger age profile** than the native born population. In 2021, about 55.5% of the foreign born population were in their prime working years between 25 and 54 years of age, compared to just 33.4% of the total population. However, only 6.9% of Northwest Minnesota’s immigrants were under 15 years of age, compared to 19.4% of the total population. Likewise, 12.1% of the region’s foreign born population was 65 years and over, compared to 20.3% of the total population.

Population by Age Group for the Foreign Born Population in Northwest, 2021			Total Population
	Number	Percent	Percent
Under 5 years	57	0.4%	6.1%
5-14 years	822	6.5%	13.3%
15-24 years	1,707	13.4%	12.3%
25-34 years	2,809	22.1%	10.9%
35-44 years	2,284	18.0%	11.4%
45-54 years	1,956	15.4%	11.1%
55-64 years	1,547	12.2%	14.6%
65-74 years	785	6.2%	11.7%
75 years & over	756	5.9%	8.6%
Total, Foreign Born	12,723	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.

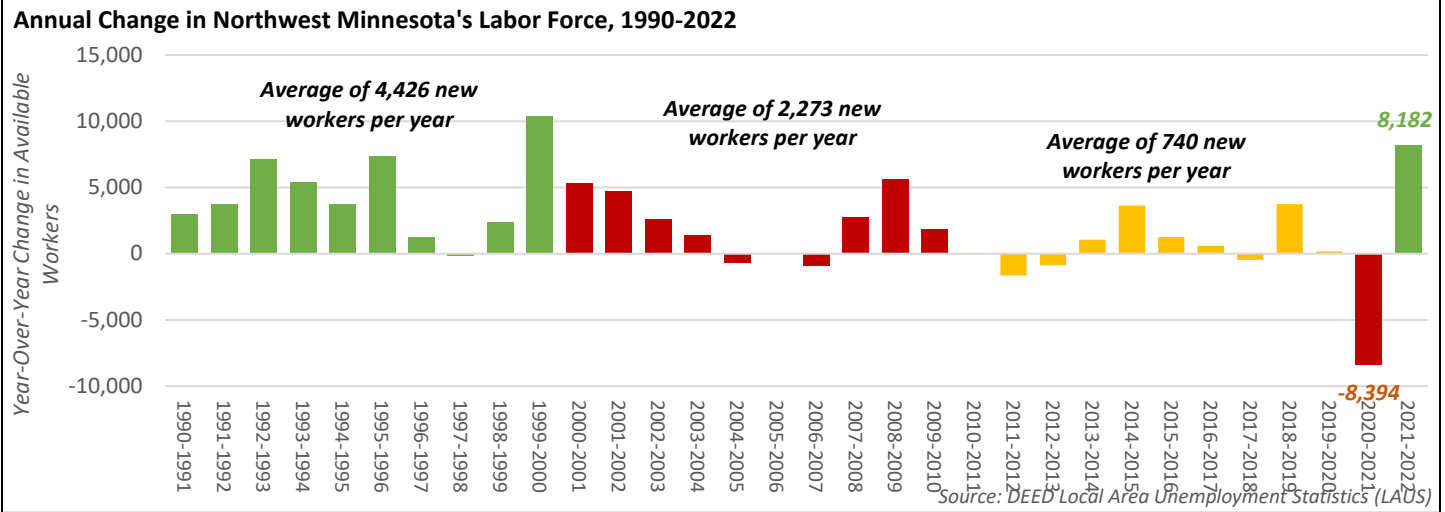
Statewide, 74.3% of the foreign born population aged 16 years and over was actively participating in the labor force, which was higher than the labor force participation rate for the native born population (69.2%). And while the state’s overall labor force growth was slowing, the number of immigrant 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 Northwest Minnesota, that would equal about **8,500 available immigrant workers**, comprising **2.9%** of the region’s workforce in 2021. If the region matched state growth rates, that would be an addition of nearly 2,000 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.

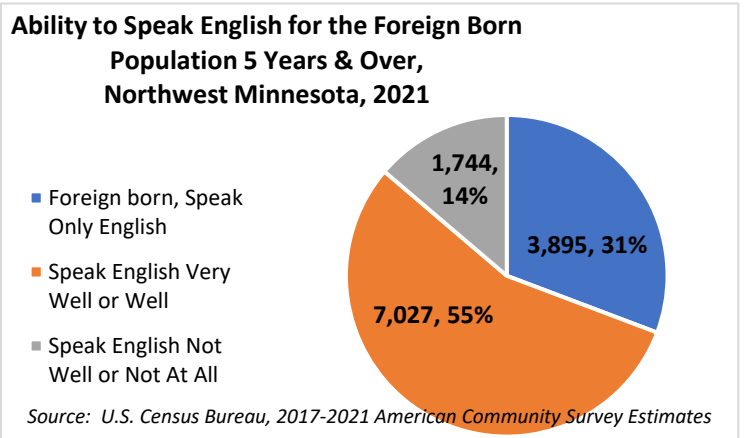
After averaging a net gain of just over 4,400 additional labor force participants per year between 1990 and 2000, Northwest Minnesota employers were able to tap into a large and growing pool of talented workers. However, from 2000 to 2010, Northwest Minnesota’s labor force began to grow more slowly, adding just 2,273 workers per year. In the past decade, the labor force growth slowed even further to 740 workers new workers per year. While still expanding, the region peaked with 305,387 workers in 2020 before declining to 296,993 in 2021. In 2022, Northwest Minnesota bounced back to 305,175 workers in the labor force.



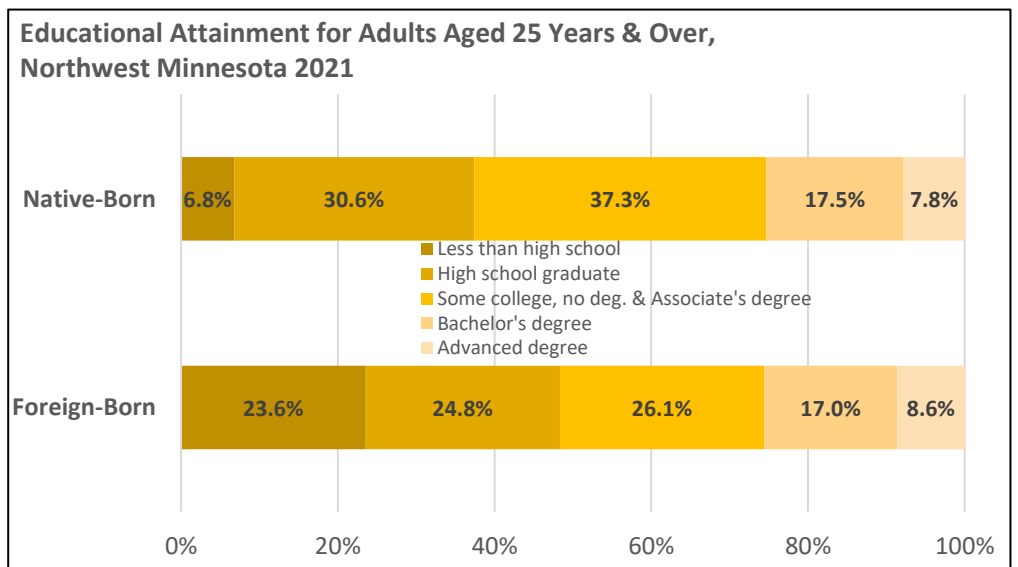
Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent in the years ahead, with **Northwest Minnesota expected to gain about 8,000 workers between 2025 and 2035**, an average of about 800 new workers per year. This will 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 69% of immigrants in Northwest Minnesota reported speaking a foreign language, but many of them also had some ability to speak English. Just over 85% percent reported speaking only English or being able to speak English “well” or “very well”, while just 14% spoke English “not well” or “not at all.”



Educational attainment also creates challenges in the workplace. About 48% 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.

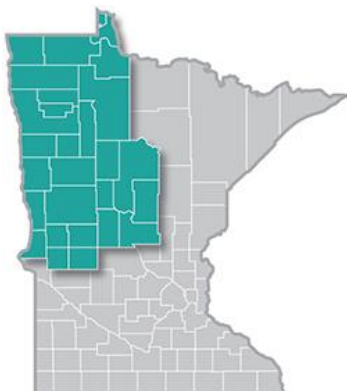


Perhaps due in part to the language and educational barriers described above, immigrants were more likely to work in certain occupation and industry groups than native born workers. For example, foreign born workers were found more often in service occupations, which includes healthcare support, protective 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 Northwest 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 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 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:



DEED Regional Analysis & Outreach Unit

Anthony Schaffhauser

Northwest Regional Analyst

CareerForce Bemidji

Office: 320-441-6594

Email: anthony.schaffhauser@state.mn.us

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%	1,778	\$15.86
Janitors & Cleaners, exc. Maids & Housekeeping	19.5%	620	\$18.16
Laborers & Freight, Stock, & Material Movers, Hand	12.2%	462	\$19.01
Registered Nurses	10.2%	459	\$39.02
Waiters & Waitresses	11.7%	402	\$11.67
Food Preparation Workers	14.2%	280	\$14.42
Construction Laborers	10.9%	259	\$22.36
Packaging & Filling Machine Operators & Tenders	53.3%	240	\$18.45
Licensed Practical & Licensed Vocational Nurses	12.5%	186	\$24.63
Food Batchmakers	26.6%	176	\$17.72
Software Developers	26.5%	159	\$49.55
Accountants & Auditors	9.4%	129	\$31.00
Butchers & Meat Cutters	38.7%	124	\$18.81
Food Processing Workers, All Other	36.4%	120	\$18.95
Cleaners of Vehicles & Equipment	25.2%	111	\$15.89
Electrical, Electronic, & Mechanical Assemblers	33.2%	100	\$18.64
Inspectors, Testers, Sorters, Samplers, & Weighers	13.5%	85	\$23.73
Clinical Laboratory Technologists & Technicians	17.9%	64	\$29.72
Computer User Support Specialists	12.6%	63	\$27.36
<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>			