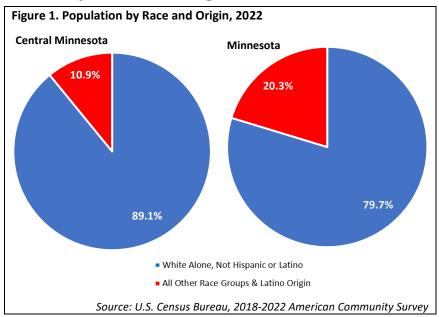


# **Central Minnesota Regional Disparities by Race and Origin**

Central Minnesota's population was seeing rapid growth, but is still relatively non-diverse, though it is becoming more racially diverse over time. Through 2022, about 89.1% of the region's population reported being white alone, and not of Hispanic or Latino origin; while the other 10.9% of the population reported a different race – such as Black or African American, American Indian, Asian, Some Other Race, or Two or More Races - or Hispanic or Latino origin. That was much less racially diverse than the population statewide, where 20.3% of residents reported a race or origin other than White alone (see Figure 1).



Central Minnesota was home to 728,856 people in 2022, an increase of just over 49,000 residents since 2011. The 13-county region saw an increase of 7,719 White residents. However, the region experienced even faster population growth from people of other races and origins.

With just over 29,900 residents, people of Hispanic or Latino origin comprised the largest minority group in the region, accounting for 4.1% of the total population. The number of Hispanics in the region expanded 45.4% from 2011 to 2022, a

		Centra	Minnesota					
Table 1. Race and Hispanic Origin, 2022	Number	Percent	Change from 2011-2022 Numeric   Percent		Percent	Change from 2011-2022		
Total	728,856	100.0%	+49,119	+7.2%	100.0%	+7.9%		
White	649,294	89.1%	+7,719	+1.2%	79.7%	-0.4%		
Black or African American	25,125	3.4%	+14,434	+135.0%	6.7%	+44.3%		
American Indian & Alaska Native	3,902	0.5%	-1,050	-21.2%	0.9%	-10.2%		
Asian & Other Pac. Islander	9,685	1.3%	+2,261	+30.5%	5.1%	+37.1%		
Some Other Race	12,243	1.7%	+6,553	+115.2%	2.3%	+84.7%		
Two or More Races	28,607	3.9%	+19,202	+204.2%	5.3%	+159.6%		
Hispanic or Latino origin	29,929	4.1%	+9,340	+45.4%	5.7%	+34.6%		
Source: U.S. Census Bureau, 2018-2022 American Community Survey								

gain of more than 9,340 people (see Table 1).

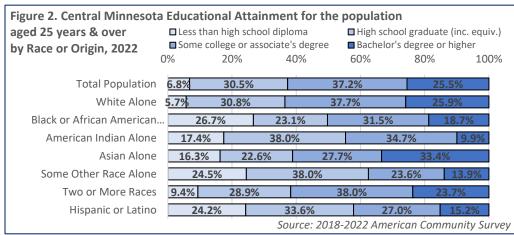
After tripling since 2011, people of Two or More Races are the next largest race group in Central Minnesota, with 28,607 people in 2022. The 204.2% rise since 2011 made it the fastest growing race group in the region, and now accounted for 3.9% of the region's total population. Central Minnesota was also home to about 25,125 people identifying as Black or African American, which was a 135% gain since 2011, nearly three times the state's comparable growth rate.

The region's population of Some Other Race gained 6,553 people over the past decade, essentially doubling to nearly 12,250 people, contributing 1.7% of the total population. Another 1.3% of the region's population reported being of Asian or Other Pacific Islander, accounting for just over 9,680 people, after increasing 30.5% since 2011. Finally, the smallest race group in the region was American Indian or Alaska Natives, with 3,902 people, after a decrease of 1,050 people, or a decline of -21.2%.



### **Employment Characteristics**

Comparing the economic status of people of other races with the region's white residents reveals many disparities including educational attainment, labor force participation, unemployment, and income and poverty levels. Closing these gaps is crucial to keeping the region's economy moving forward.



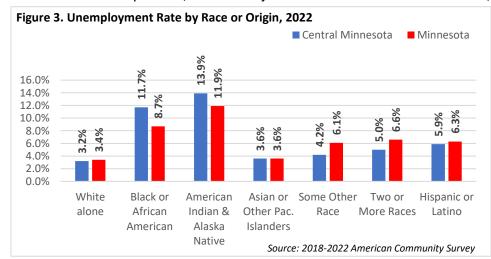
People of other races exhibited lower educational attainment than their white counterparts, with a much higher percentage of people with less than a high school diploma – about one-fourth of the region's Black or African American, Hispanic or Latino, and adults of Some Other Race had not finished high school. Likewise, with the exception of Asian residents, a much lower percentage of people of all other race and origin categories had earned a bachelor's degree or higher compared to whites.

At 69.4%, labor force participation rates are slightly higher in Central Minnesota than the state as a whole. However, several race groups had lower rates than the state, including American Indians at 53.3%. Workers of Hispanic or Latino origin, Black or African Americans, Asians, and people of Some Other Race and Two or More Races all had higher participation rates than whites (see Table 2).

Table 2. Employment Characteristics by Race or Origin, 2022									
	Cen	tral Minneso	Minnesota						
	In Labor	Labor Force	Unemp.	<b>Labor Force</b>	Unemp.				
	Force	Partic. Rate	Rate	Partic. Rate	Rate				
Total Labor Force	397,345	69.4%	3.5%	68.7%	4.0%				
White alone	359,492	69.2%	3.2%	67.8%	3.4%				
Black or African American	12,177	71.7%	11.7%	71.5%	8.7%				
American Indian & Alaska Native	1,535	53.3%	13.9%	57.6%	11.9%				
Asian or Other Pac. Islanders	5,664	73.0%	3.6%	73.9%	3.6%				
Some Other Race	6,573	74.4%	4.2%	76.1%	6.1%				
Two or More Races	11,844	71.1%	5.0%	74.3%	6.6%				
Hispanic or Latino	14,345	73.4%	5.9%	77.0%	6.3%				
Source: 2018-2022 American Community Survey, 5-Year Estimates									

Despite the considerable job growth for workers of other races over time, unemployment rate disparities continue to exist in the region. Only two race groups had a higher unemployment rate in the region than the state. The region's white unemployment rate was 3.2% percent, which was just below the state rate. At 13.9%,

American Indians or Alaska Natives had the highest unemployment rate in the region, more than four times the rate for whites. Likewise, rates were significantly higher for American Indian & Alaska Natives< Blacks, and workers of Some Other Race, Two or More Races, and Hispanic or Latino origin. In contrast, unemployment rates were lowest for white and Asian workers (see Figure 3).

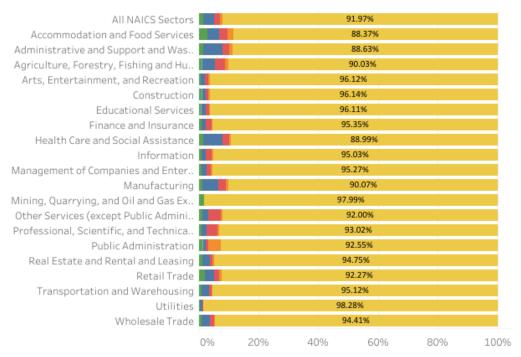




## **Employment Diversity**

While people of different races make up 10.9% of the overall population, they held 8% of total jobs in Central Minnesota, according to data from the Quarterly Workforce Indicators program. In the second quarter of 2023, that equaled 21,951 jobs held by workers of other races, compared to 251,532 white workers. However, workers of other races held just 3.5% of jobs in the region in the second quarter of 2002, meaning their employment presence more than doubled from 2002 to 2023 (see Figure 2).

Figure 4. Central Minnesota Employment by Race – All Industries, Q2 2023



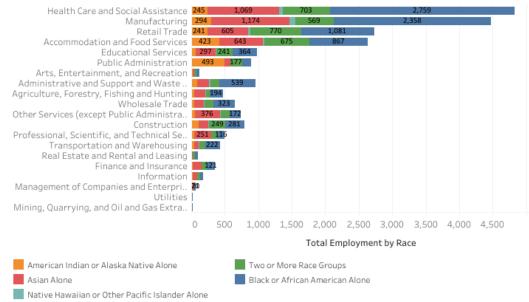
% of Total Employment [Source: Quarterly Workforce Indicators]

In sum, workers of other races have filled an additional 14,273 jobs in the region since 2002, accounting for 38.1% of new jobs added. With 9,689 jobs, Black or African Americans were the largest race group in the regional economy, after gaining 7,462 jobs since 2002. Asian or Other Pacific Islanders held the next largest number of jobs, with 5,485 jobs in 2023 after doubling since 2002. Workers of Two or More Races held 2,835 jobs, a 204% gain, and American Indians held 2,275 jobs, a 49.6% rise.

Most sectors in Central Minnesota are racially non-diverse, but there are a couple industries that rely more heavily on workers of other races. The largest number of minority workers were employed in Health Care & Social Assistance and Manufacturing, which both had about 4,500 jobs filled by workers of other races.

Accommodation & Food Services and Retail Trade also had a more diverse workforce, with about 2,600 and 2,700 workers of color, respectively. With workers of other races holding 11.6% of jobs, Accommodation & Food Services was the most racially diverse industry in the region, followed by Administrative Support & Waste Management Services, which includes temp help (see Figure 5).

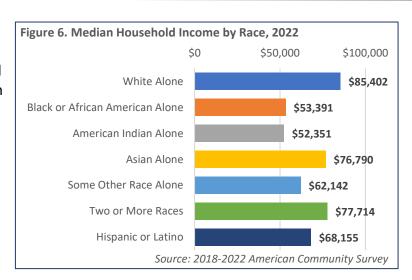
Figure 5. Central Minnesota Employment by Other Races by Industry, 2023



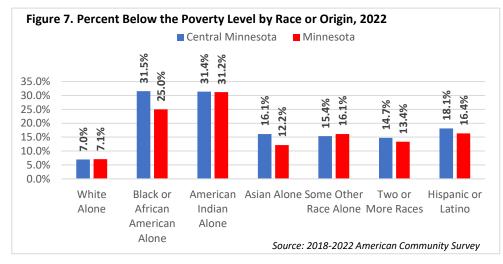


### **Economic Disparities**

Racial disparities exist in employment characteristics but they also are found in economic outcomes as measured by household income and poverty levels. The region's median household income was \$83,668 in 2022, but varied widely by race groups. The median household incomes for Blacks and American Indian households was just over \$53,000, which was about \$32,000 less than for white households. With the exception of Two or More Races and Asian households, other race groups in the region also had substantially lower household incomes than Whites (see Figure 6).

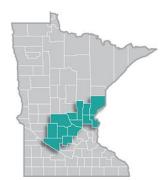


Another measure of economic outcome is the percent of the population below the poverty level, and again there exists disparities between whites and people of other races in Central Minnesota. Overall, the region's poverty rate was 8.5%, which was below the statewide rate of 9.3%. However, in 2022 it was estimated that about 31.5% of the region's Black or African American and American Indian



population was below the poverty level, compared to just 7% of the white population. Likewise, poverty levels were around 15% for Asians, Hispanics or Latinos, and people of Some Other Race or Two or More Races. In almost all cases, the region's poverty rate was higher than the state's poverty rate (see Figure 7).

These racial disparities exist and persist for a wide variety of reasons, but the economic challenges and opportunities the region will face over the next 15 years are so great that they will need to be tackled with a multi-pronged approach to attracting, retaining, and training workers of all demographic characteristics. Working on solutions to address these disparities between the white population and populations of other races is not only the right thing to do, it's the necessary thing to do if the region is going to provide employers with the workforce needed for success.



For more information about economic disparities by race in Central Minnesota, contact:

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