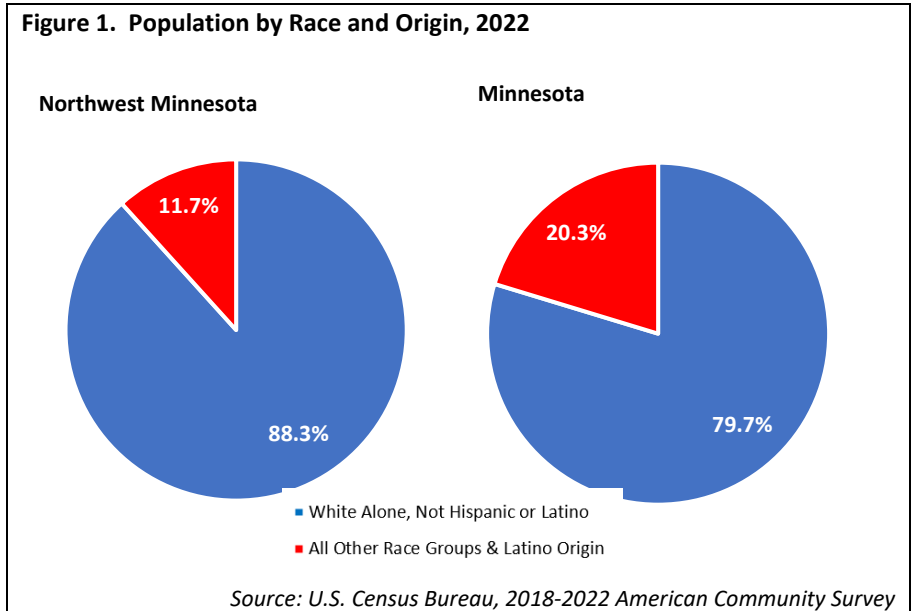


Northwest Minnesota Regional Disparities by Race and Origin

Northwest Minnesota’s population is relatively non-diverse, but is becoming more racially diverse over time. Through 2022, 88.3% of the region’s population reported being white alone, and not of Hispanic or Latino origin; while the other 11.7% 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 8.6% lower than the population statewide, where about 20% of residents reported a race or origin other than white alone (see Figure 1).



Northwest Minnesota was home to more than 576,000 people in 2022, an increase of nearly 24,000 residents since 2011. The 26-county region saw an increase of 281 White residents. However, the region experienced even faster population growth from people of other races and origins.

With nearly 26,550 residents, people of Two or More Races comprised the second largest race group in the region, accounting for 4.6% of the total population, after growing 170.3% from 2011 to 2022. That was even faster than the 159.6% increase experienced statewide (see Table 1).

Table 1. Race and Hispanic Origin, 2022	Northwest Minnesota				Minnesota	
	Number	Percent	Change from 2011-2022		Percent	Change from 2011-2022
			Numeric	Percent		
Total	576,263	100.0%	+23,826	+4.3%	100.0%	+7.9%
White	511,941	88.8%	+281	+0.1%	79.7%	-0.4%
Black or African American	7,303	1.3%	+3,548	+94.5%	6.7%	+44.3%
American Indian & Alaska Native	20,002	3.5%	-234	-1.2%	0.9%	-10.2%
Asian & Other Pac. Islander	4,586	0.8%	+870	+23.4%	5.1%	+37.1%
Some Other Race	5,888	1.0%	+2,637	+81.1%	2.3%	+84.7%
Two or More Races	26,543	4.6%	+16,724	+170.3%	5.3%	+159.6%
Hispanic or Latino origin	19,381	3.4%	+7,175	+58.8%	5.7%	+34.6%

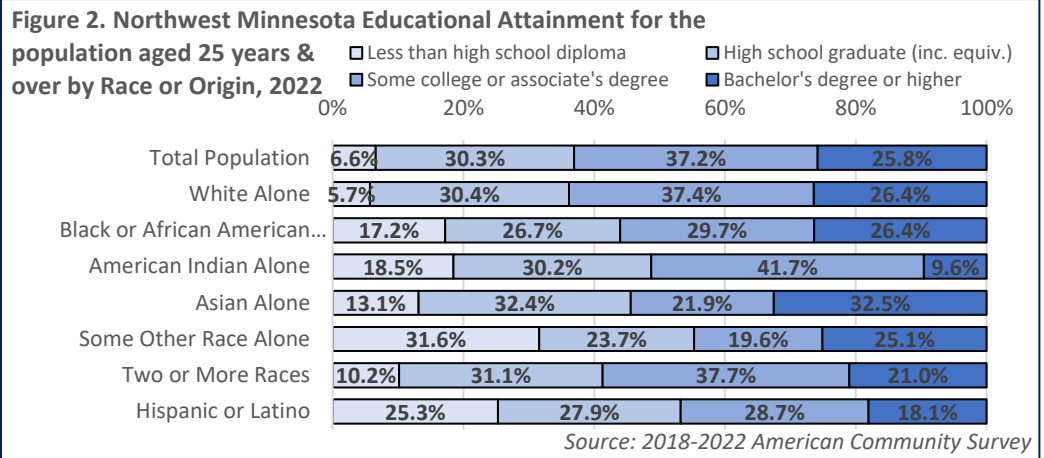
Source: U.S. Census Bureau, 2018-2022 American Community Survey

American Indian or Alaska Native were the third largest race group in Northwest Minnesota with 20,002 people in 2022, a decrease of 234 people since 2011. At 3.5%, the region had a much higher concentration of American Indians than the rest of the state.

With an increase of 7,175 residents since 2011, people of Hispanic or Latino origin are the next largest group, with just under 19,400 residents. Though still comprising about 1.3% of the total population, Black or African Americans were the second fastest growing race group in the region, increasing over 94.5%, to 3,548 residents in 2022. The region’s Black or African American population grew faster than Minnesota overall, which grew by 44.3% within the same time frame. Next, there were about 5,890 people identifying as Some Other Race within the region. People of Some Other Race experienced an increase of 81.1% from 2011 to 2022. Finally, the smallest race group in the region was Asian or Other Pacific Islanders, which experienced a 23.4% gain since 2011.

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 keep 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. However, American Indians had a higher percentage of people with some college experience or associate’s degrees, and Asian residents had a higher percentage of bachelor’s degrees or higher (see Figure 2).

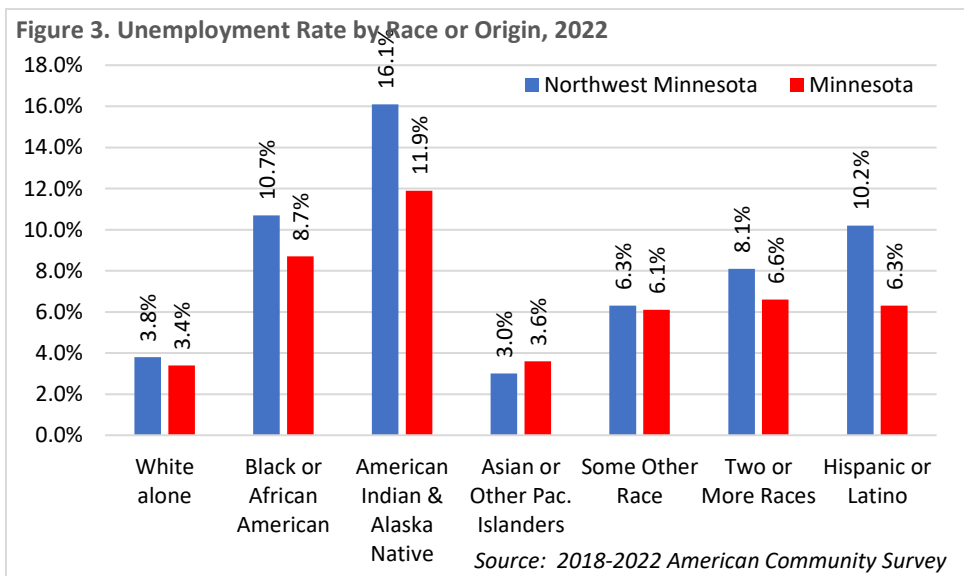
At 63.1%, labor force participation rates are much lower in Northwest Minnesota than the state as a whole, primarily due to the region’s older population. Hispanic or Latino workers had the highest labor force participation rates in the region, at 76.6%. Blacks and workers of Some Other Race were both above 70% as well. American Indians had the lowest participation rates in the region, at less than 58.6% (see Table 2).

Table 2. Employment Characteristics by Race or Origin, 2022

	Northwest Minnesota			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	289,474	63.1%	4.4%	68.7%	4.0%
White alone	261,369	62.8%	3.8%	67.8%	3.4%
Black or African American	3,374	70.7%	10.7%	71.5%	8.7%
American Indian & Alaska Native	7,954	58.6%	16.1%	57.6%	11.9%
Asian or Other Pac. Islanders	2,342	64.3%	3.0%	73.9%	3.6%
Some Other Race	3,077	71.5%	6.3%	76.1%	6.1%
Two or More Races	11,290	68.7%	8.1%	74.3%	6.6%
Hispanic or Latino	9,243	76.6%	10.2%	77.0%	6.3%

Source: 2018-2022 American Community Survey, 5-Year Estimates

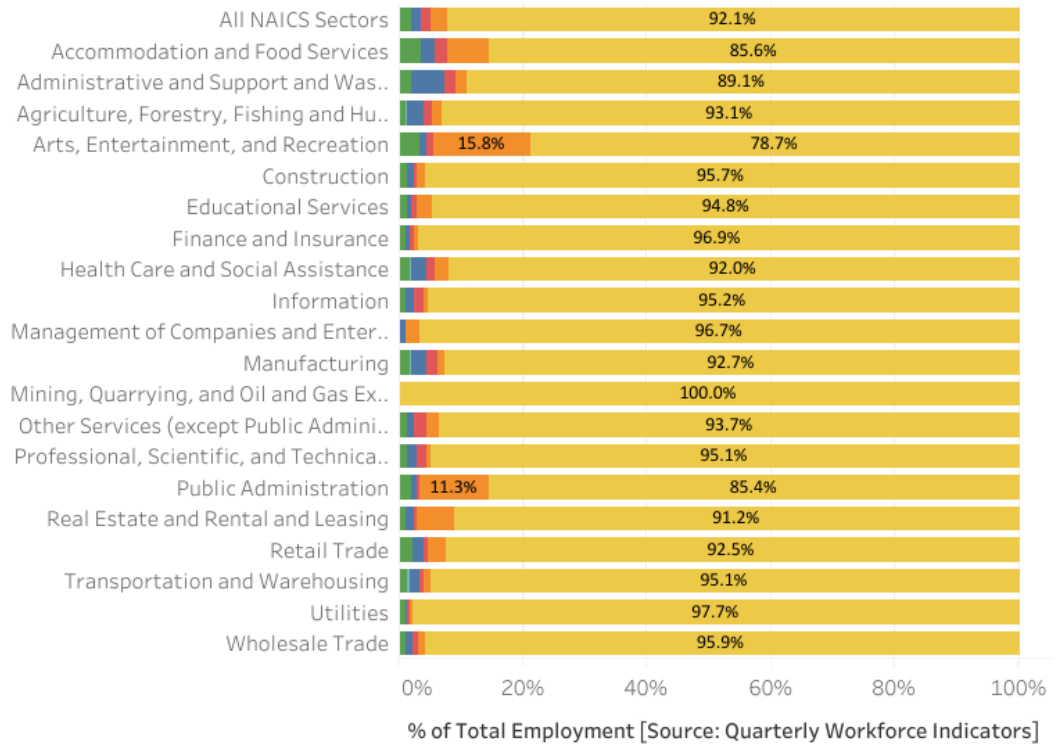
Despite the considerable job growth for workers of other races over time, unemployment rate disparities continue to exist in the region. Most race groups had a higher unemployment rate than for whites. The region’s white unemployment rate was 3.8% in 2022, which was higher than the state rate. At 16.1%, American Indian and Alaska Natives had the highest unemployment rate in the region. Likewise, rates were significantly higher for Black or African Americans and workers of Hispanic or Latino origin, which were both above 10%. In contrast, unemployment rates were lowest for Asian or Other Pacific Islanders (see Figure 3).



Employment Diversity

While people of different races make up 11.7% of the overall population, they held just 7.9% of total jobs in Northwest Minnesota, according to data from the Quarterly Workforce Indicators program. In quarter 2 of 2023 that equaled 17,464 workers of other races, compared to 202,935 white workers (see Figure 4). However, workers of other races held just 4.6% of total jobs in the region in 2002, meaning their employment presence rose rapidly from 2002 to 2023.

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

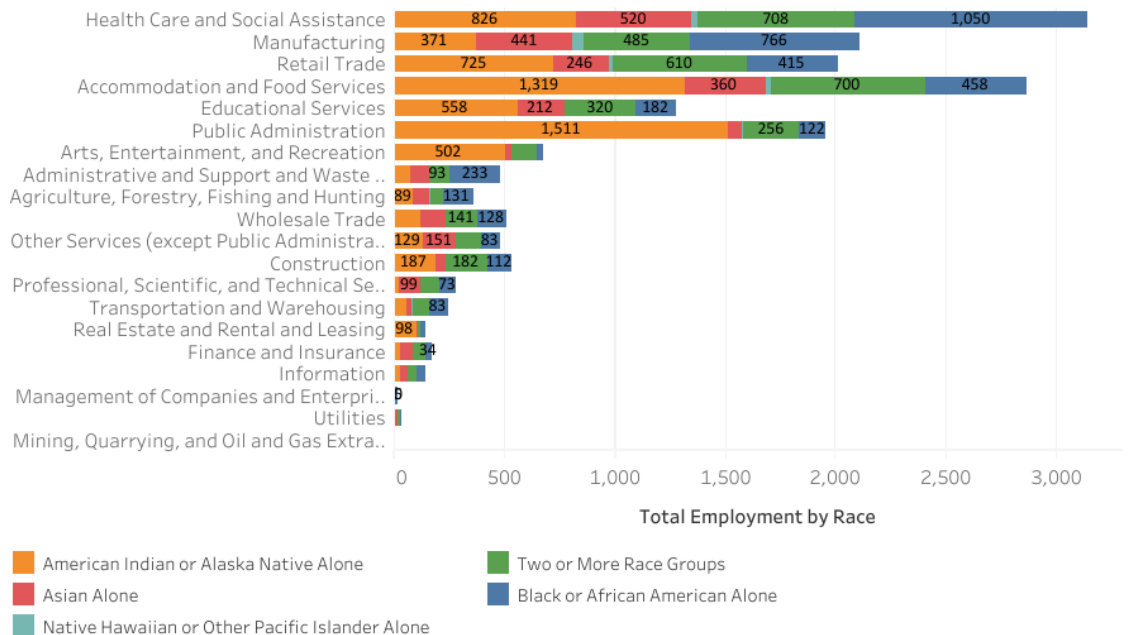


In sum, workers of other races have filled an additional 8,653 jobs in the region since 2002, accounting for 44% of new jobs added. With 6,672 jobs, American Indians were the largest race group after whites in the regional economy, after gaining 1,726 jobs since 2002. The next largest group was people of Two or More Races, who held 4,068 jobs in 2023 after rising 144.6% since 2002. Black or African American held 3,974 jobs in the second quarter of 2023, which has increased by 353% since 2002. After more than doubling from 2002 to 2023, workers identifying as Asian held 2,569 jobs in the region.

Most sectors in Northwest Minnesota are non-diverse, but there are a couple industries that rely more heavily on workers of other races. For example, 78.7% of the Arts, Entertainment & Recreation workforce is white, while 15.8% are American Indian.

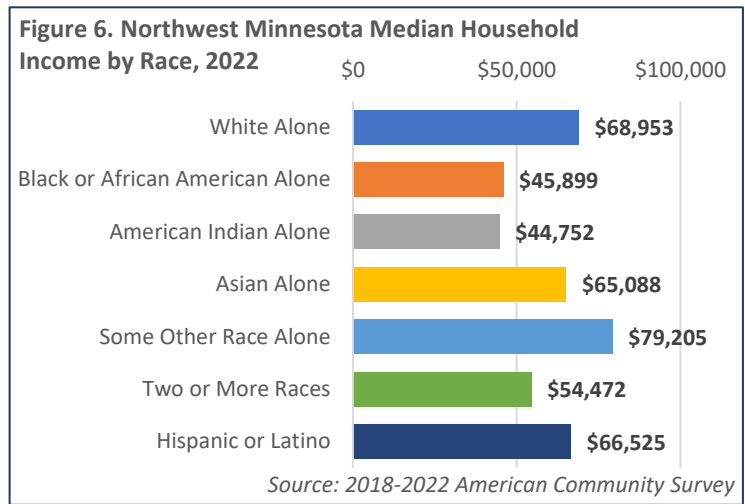
Likewise, about 85% of both the Public Administration and Accommodation & Food Services industries were white. The largest number of workers of other races were employed in Accommodation & Food Services, Retail Trade, Manufacturing, and Health Care & Social Assistance (see Figure 5).

Figure 5. Northwest Minnesota Employment by Other Races by Industry, Q2 2023

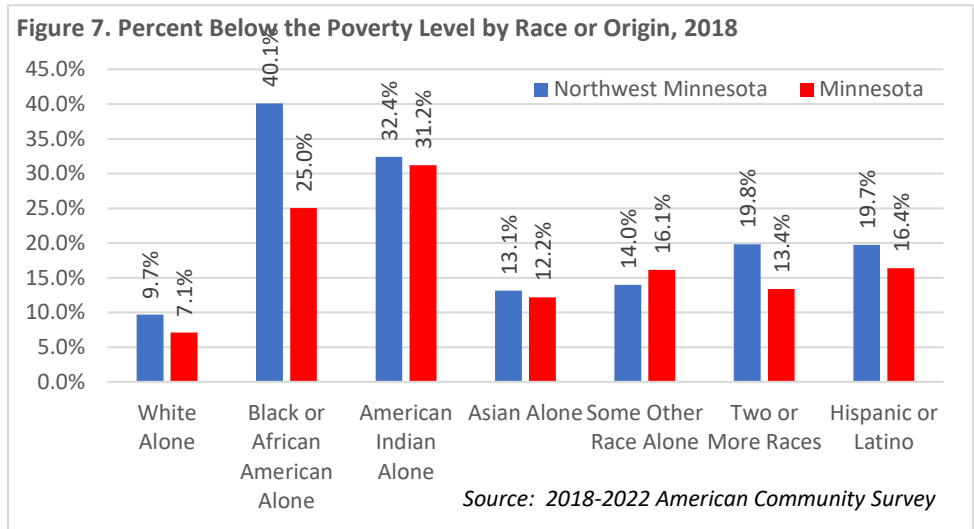


Economic Disparities

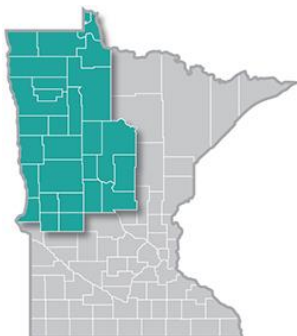
Racial disparities exist in employment characteristics but they also are found in economic outcomes as measured by household income and poverty levels. The region’s overall median household income was \$67,528 in 2022, but varied widely by race groups. The median household income for American Indian households was \$44,572, about \$24,000 less than white households. Similarly, Black incomes were around \$46,000. Some Other Race households had the highest median household income in the region, while all other race groups were below 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 Northwest Minnesota. Overall, the region’s poverty rate was 11.3%, which was 2% above the statewide rate. However, in 2022 it was estimated that 40.1% of the region’s Black or African American population was below the poverty level, compared to just 9.7% of the White population. Likewise, poverty levels hovered around 32% for American Indians, and about 19.8% for people of Two or More Races and Hispanic or Latino origin. 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.



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