

The Importance of Immigration in Southwest Minnesota

Southwest Minnesota is now home to **392,228 residents**, after experiencing a loss of **-3,415 people** since 2010. Though the 23-county planning region enjoyed a natural increase – more births than deaths – of 6,319 people, Southwest Minnesota suffered an **out-migration of 13,742 people** who left to live elsewhere. Lost in the shadow of that outflow, however, was the region’s **international net in-migration of 3,968 new foreign-born Minnesotans**, which offset some of the domestic losses.

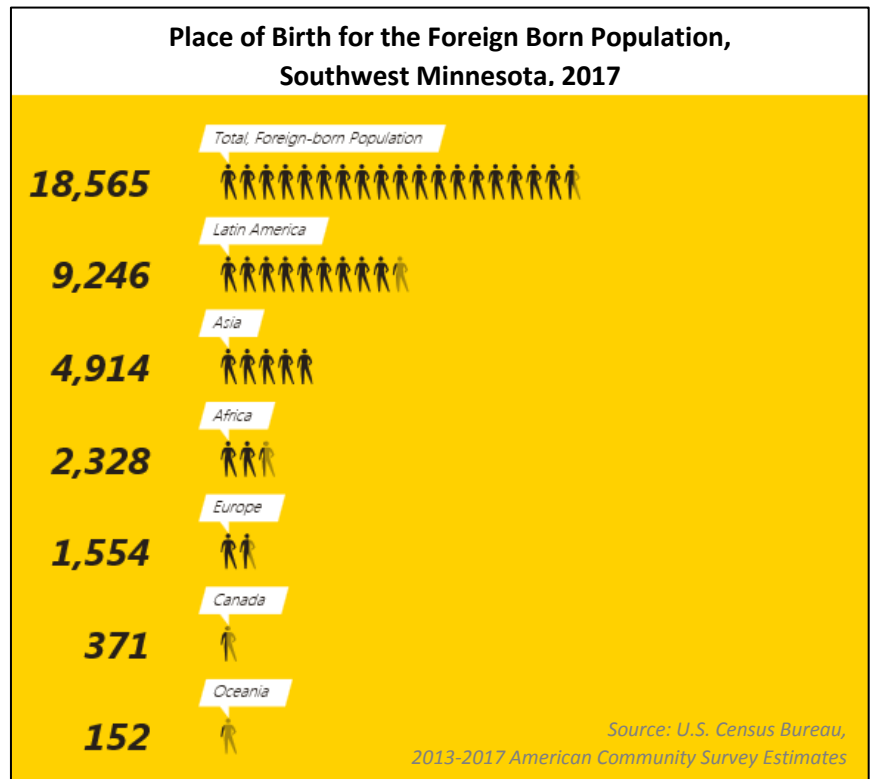
Cumulative Estimates of the Components of Population Change in Southwest Minnesota, 2010-2017							
2017 Population Estimate	2010-2017 Estimated Population Change	April 1, 2010 to July 1, 2017					
		Vital Events			Net Migration		
		Natural Increase	Births	Deaths	Total	Inter-national	Domestic
392,228	-3,415	+6,319	34,048	27,729	-9,774	+3,968	-13,742

Source: U.S. Census Bureau, Population Estimates Program

According to the U.S. Census Bureau’s American Community Survey, Southwest Minnesota is now home to **18,565 foreign born residents**, or about **4.7 percent of the total population**. The number of immigrants in the region increased by **28.6 percent** from 2010 to 2017, outpacing the statewide growth rate of 22.2 percent.

About half (9,246 people) of these immigrants were from **Latin America**, including 4,985 people from **Mexico**. The region gained 1,751 additional residents from Latin America between 2010 and 2017, a 23.4 percent gain.

The second largest number of foreign born residents were from **Asia**, accounting for one in every four immigrants. Over half of these immigrants (2,705 people) came from Southeast Asia, which included more than 1,500 people from **Laos** and **Thailand**; and about 1,100 people were from Eastern Asia, including **China** and **Korea**.



The fastest growing wave of new immigrants to Southwest Minnesota came from Africa, rising by just under 1,000 people from 2010 to 2017, a 71 percent jump. This recent surge pushed the region’s African population to 2,328 people. The largest contingent is from Eastern Africa, primarily **Somalia**, which eclipsed 1,660 people in 2017 after rising 135 percent since 2010.

Another 1,554 foreign born residents were from **Europe**, which was a slight 12.9 percent rise compared to 2010. Southwest Minnesota saw a drop in the number of immigrants from **Canada** from 2010 to 2017, now comprising just 371 people. The smallest number (152 people) of foreign born residents in the region was from Oceania, which includes Australia and New Zealand.

Based on year of entry, **Southwest Minnesota’s foreign born population was “newer”** than the rest of the state and the nation. Just under 24 percent of the region’s immigrants entered the U.S. since 2010 and another 35 percent entered since 2000, compared to 21.5 and 33.4 percent statewide, respectively. The remaining 42 percent of immigrants in the region settled in the U.S. prior to 2000.

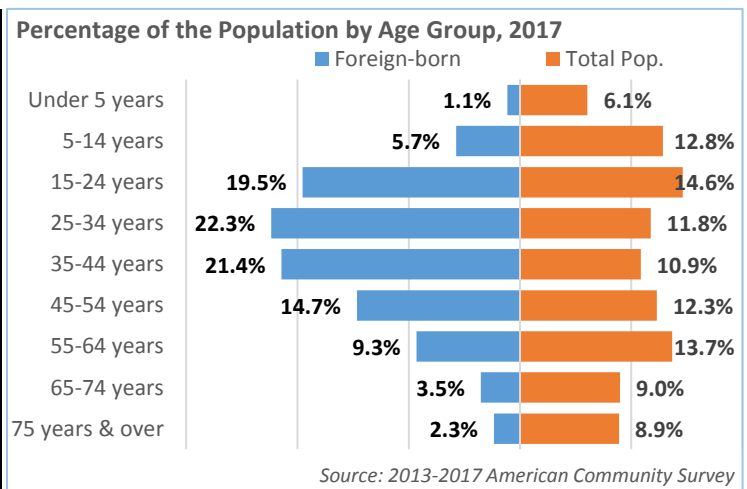
Almost two-thirds (64.8%) of foreign born residents in Southwest Minnesota were not U.S. citizens, compared to just under half (49.7%) of immigrants in the state. The other one-third of immigrants in the region have become naturalized citizens. Across the board, the longer that foreign born residents have lived in the U.S., the more likely they are to have become naturalized – just 7.5 percent of immigrants in the region that entered since 2010 were U.S. citizens, compared to 64 percent of residents who entered before 1990.

Ready and Willing to Work

Not surprisingly, **immigrants have a much younger age profile** than the native born population. In 2016, about 60 percent of the foreign born population were in their prime working years between 25 and 54 years of age, compared to just 35.3 percent of the total population. Almost one in every four (23.5%) immigrants in the region was between 25 and 34 years of age, which was nearly double the share in the region’s total population. In contrast, less than 6 percent of the region’s foreign born population was 65 years and over, compared to 17.7 percent of the total population.

Population by Age Group for the Foreign Born Population, 2017			Total Population
Southwest Minnesota	Number	Percent	Percent
Under 5 years	212	1.1%	6.1%
5-14 years	1,066	5.7%	12.8%
15-24 years	3,628	19.5%	14.6%
25-34 years	4,149	22.3%	11.8%
35-44 years	3,977	21.4%	10.9%
45-54 years	2,721	14.7%	12.3%
55-64 years	1,724	9.3%	13.7%
65-74 years	654	3.5%	9.0%
75 years & over	434	2.3%	8.9%
Total	18,565	100.0%	100.0%

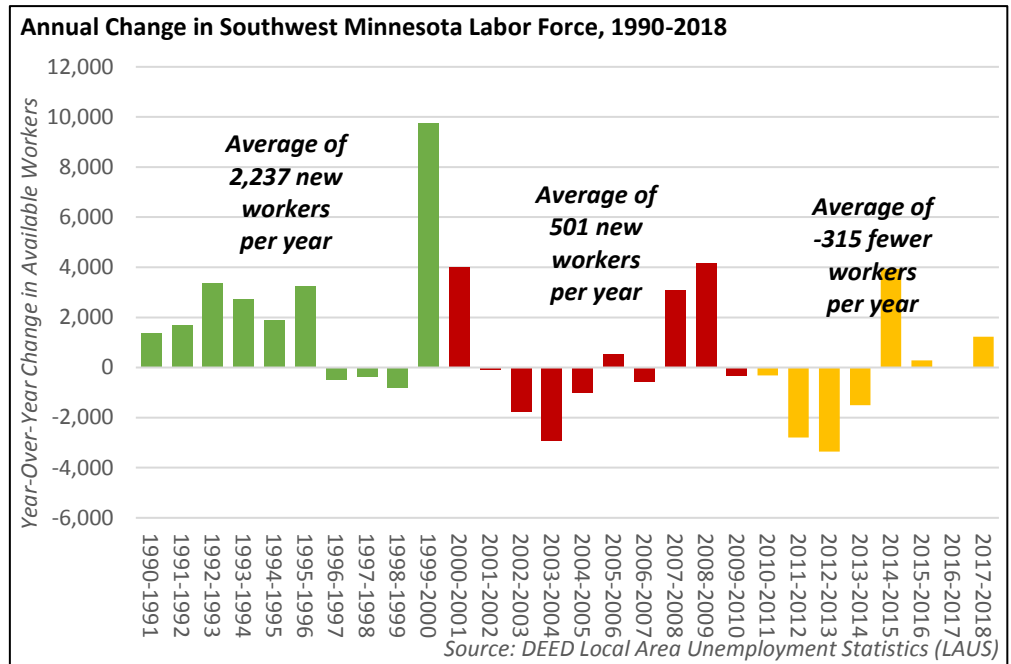
Source: [U.S. Census Bureau, 2013-2017 American Community Survey](#)



Statewide, 72.2 percent of the foreign born population aged 16 years and over was actively participating in the labor force, which was actually higher than the native born population (69.6%). In Southwest Minnesota, that would equal just under **12,000 available immigrant workers**, comprising about **5.6 percent** of the region’s workforce.

In the face of increasingly tight labor markets, a growing scarcity of workers is now recognized as one of Southwest 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 Southwest Minnesota’s economy, providing a rapid stream of new workers in the face of an aging native-born workforce. While the region’s overall labor force was shrinking, **the number of immigrant workers in the region would have increased by nearly 2,750 workers from 2010 to 2017.**

After averaging a net gain of just under 2,250 additional labor force participants per year between 1990 and 2000, Southwest Minnesota employers were able to tap into a large and growing pool of talented workers. However, from 2001 to 2018, Southwest Minnesota’s labor force began to shrink, losing almost 2,750 workers. The region peaked with 225,616 available workers in 2009, but had dropped to 222,762 workers by 2018.

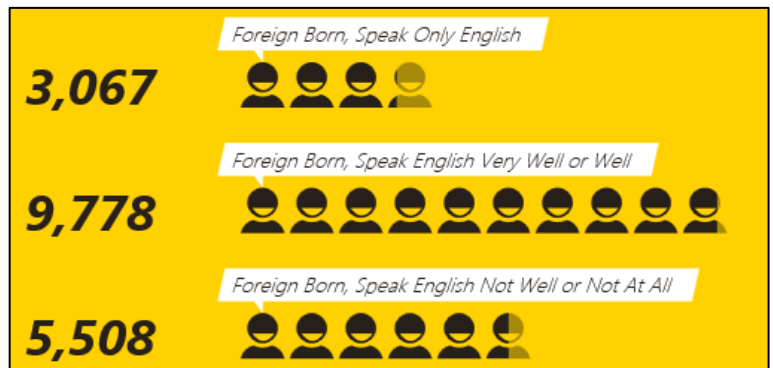


Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent in the years ahead, with **Southwest Minnesota expected to lose another 8,130 workers between 2020 and 2030**. This will make it even more challenging for employers to grow, but will also shine a light on the importance of immigration.

Removing Barriers to Growth

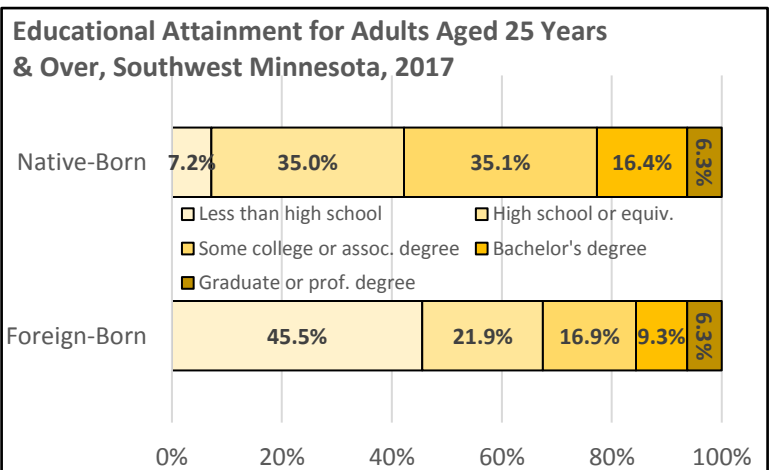
One challenge to assimilating in a new culture is language, but many new Minnesotans have made headway. Just over 83 percent of immigrants in Southwest Minnesota reported speaking a foreign language, but many of them also had some ability to speak English. Two-thirds (64.0%) reported being able to speak English “well” or “very well”, while the others spoke English “not well” or “not at all.”

Ability to Speak English for the Foreign Born Population 5 Years & Over, Southwest Minnesota, 2017



Source: U.S. Census Bureau, 2013-2017 American Community Survey Estimates

Over two-thirds (67.4%) 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 an identical percentage of advanced degrees, helping to fill high demand openings in health care and computer-related fields.



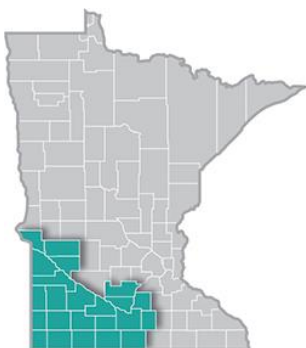
Perhaps due in part to the language and educational barriers described above, immigrants were much more likely to work in certain occupational and industry groups than native born workers. For example, foreign born workers were found more often in service occupations, which includes healthcare support, protective service, food preparation and serving, building and grounds cleaning, and personal care occupations. Immigrants were also more concentrated in production, transportation, and material moving occupations.

Some of these occupations are already showing critical workforce shortages in Minnesota, including nursing, psychiatric, home health and personal care aides as well as computer and construction related occupations. Along those same lines, foreign born workers were much more likely to be found working in industries like manufacturing, leisure and hospitality, and administrative support and 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.

Top Occupations Employing Foreign Born Workers in Southwest Minnesota			
Occupation	Foreign Born Share of Total Employment*	Estimated Immigrant Employment	Regional Median Wage
Personal Care Aides	18.4%	1,003	\$12.68
Nursing, Psychiatric, & Home Health Aides	15.4%	819	\$12.96
Janitors & Cleaners	16.7%	509	\$12.45
Cooks	18.8%	498	\$12.05
Miscellaneous Assemblers & Fabricators	26.4%	467	\$14.89
Packaging & Filling Machine Operators	38.0%	403	\$16.34
Butchers & Meat, Poultry, & Fish Cutters	39.5%	320	\$14.69
Maids & Housekeeping Cleaners	26.2%	317	\$11.06
Hand Packers & Packagers	35.8%	222	\$11.51
Physicians & Surgeons	22.0%	112	\$92.98
Postsecondary Teachers	19.3%	97	\$33.06
Software Developers, Applications & Systems	30.3%	94	\$38.80
Miscellaneous Personal Appearance Workers	64.2%	77	\$11.27
Computer Systems Analysts	17.8%	45	\$36.08
Computer Programmers	23.0%	41	\$27.92
Taxi Drivers & Chauffeurs	31.3%	41	\$12.43
Computer & Information Systems Managers	16.8%	30	\$48.60
Miscellaneous Agricultural Workers	17.9%	14	\$16.60
Miscellaneous Media & Communication Workers	63.6%	6	\$13.65
Biomedical Engineers	22.3%	N/D	N/D

*Source: [U.S. Census Bureau, DEED Occupational Employment Statistics \(OES\) program](#)
* - foreign-born share of total employment by occupation in Minnesota*

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 already 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.



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