



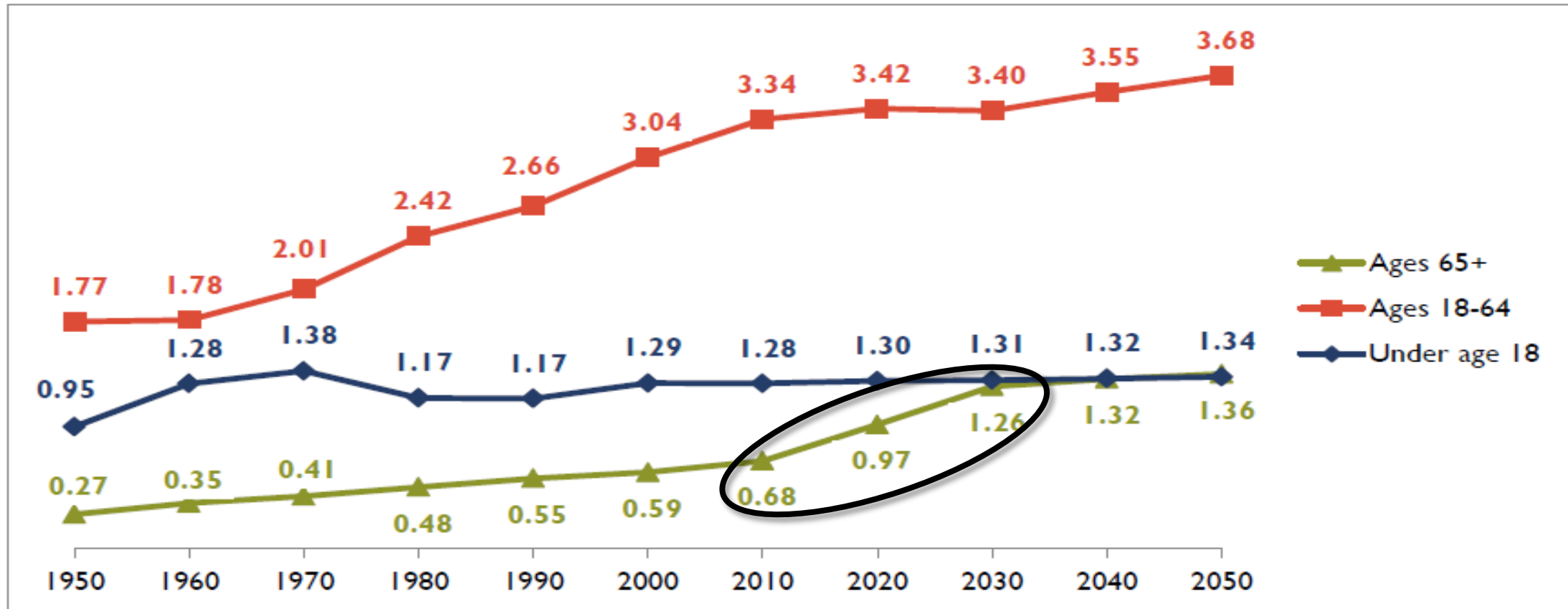
Demographic Considerations for Long-Range and Strategic Planning Legislative Commission on Pensions and Retirements

Susan Brower, MN State Demographer
February 6, 2018
mn.gov/demography



1. Population Aging

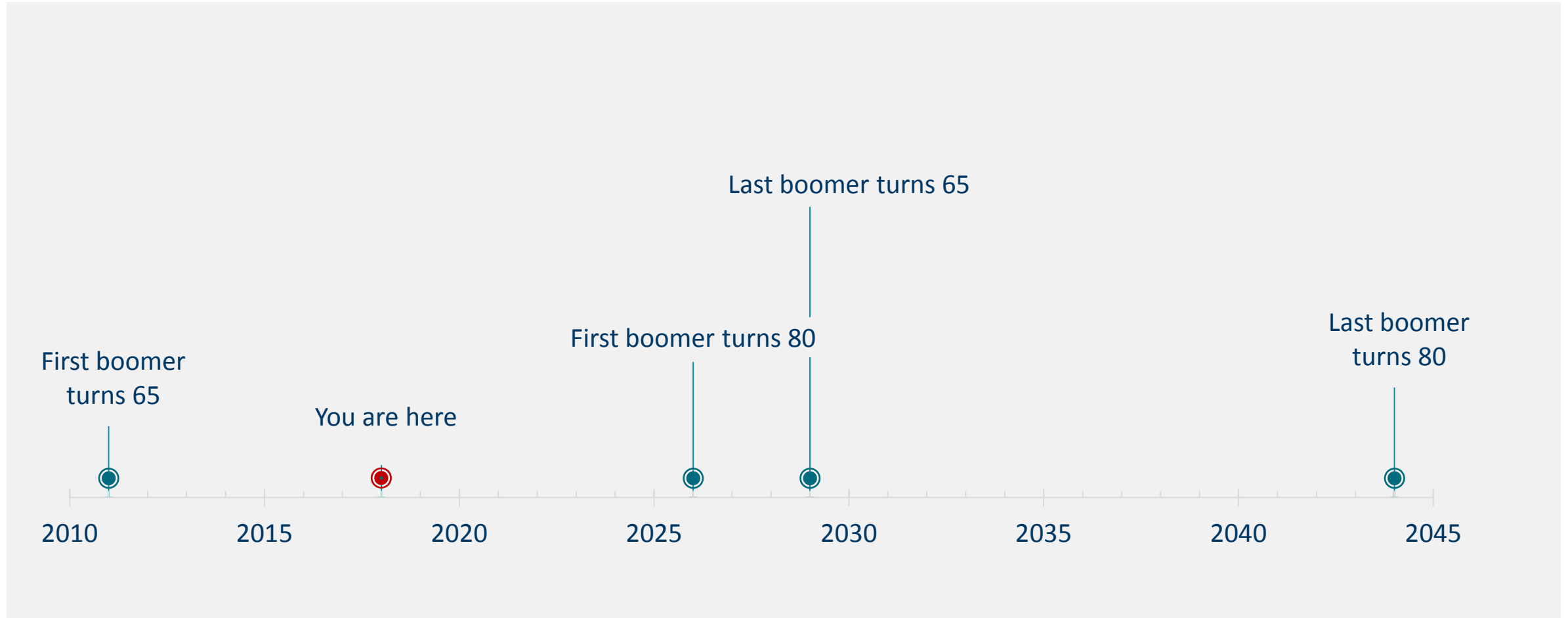
1950 to 2050 – Three major age groups in MN (in millions of people)



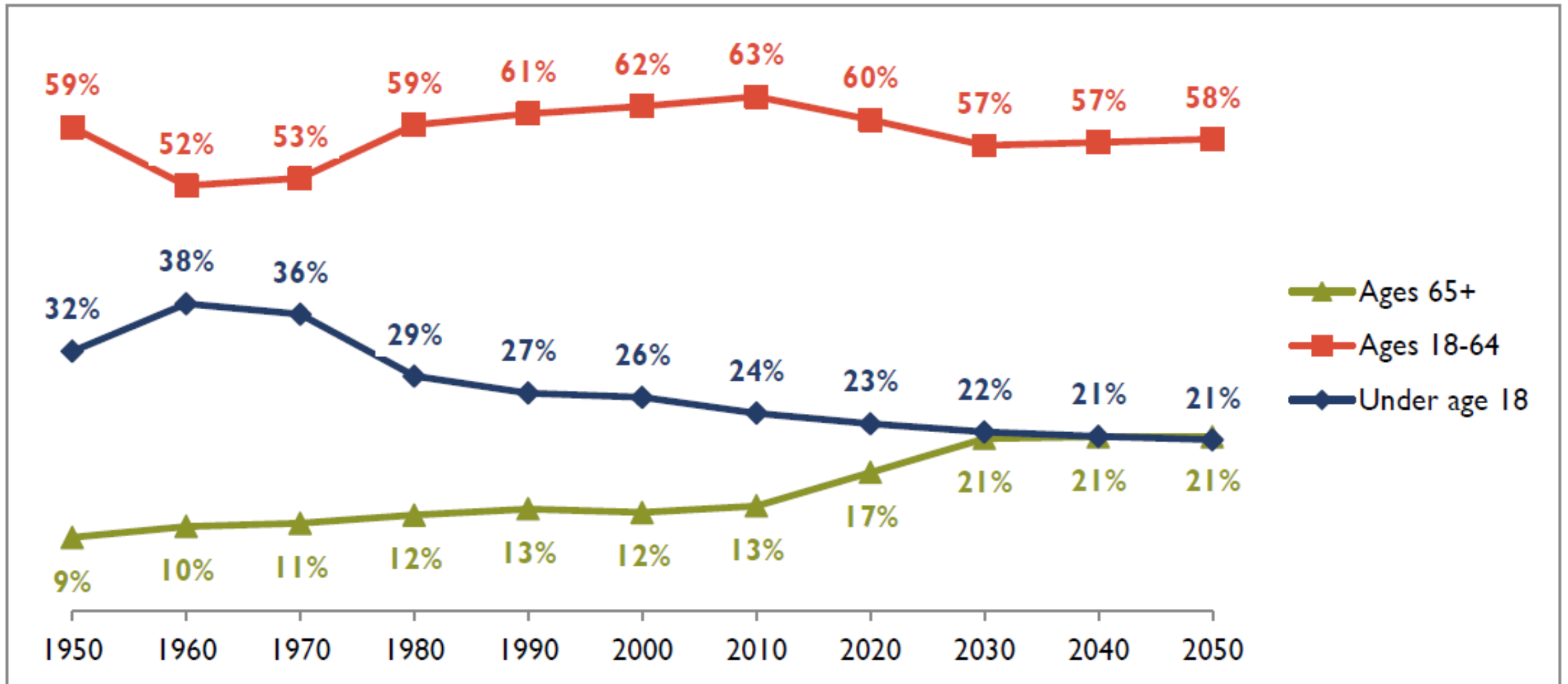
Source: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center Projections.

Source: MN State Demographic Center, "Demographic Considerations For Long-Range & Strategic Planning," March 2016. Available at: <http://mn.gov/admin/images/demographic-considerations-planning-for-mn-leaders-msdc-march2016.pdf>

The transition to an older Minnesota has just begun

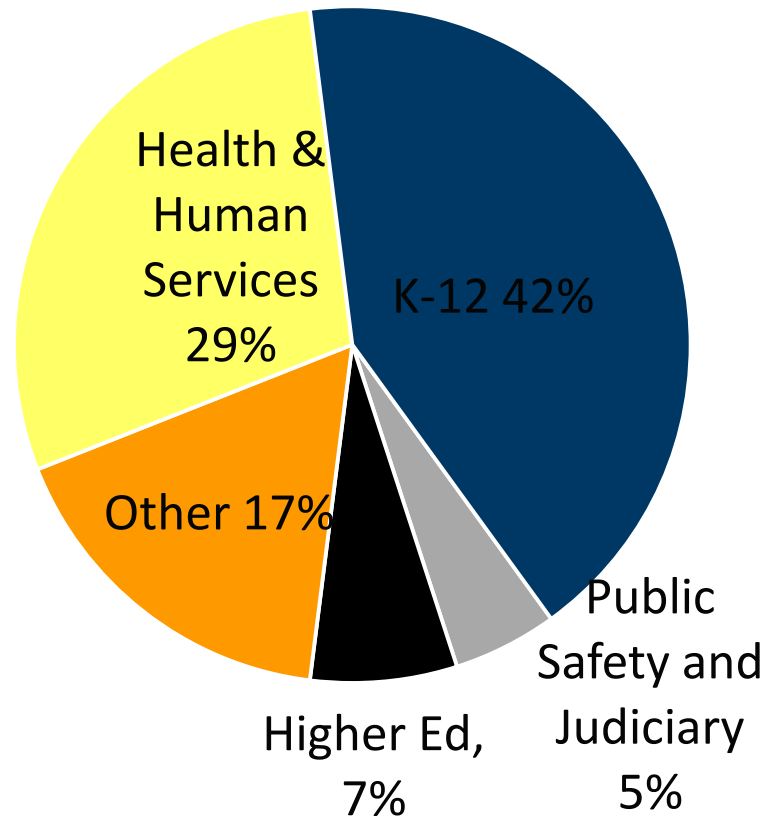


Historical and Projected Population Shares By Major Age Groups, 1950-2050



Demographic shifts will change demand for public services

General Fund Expenditures, 2016-2017

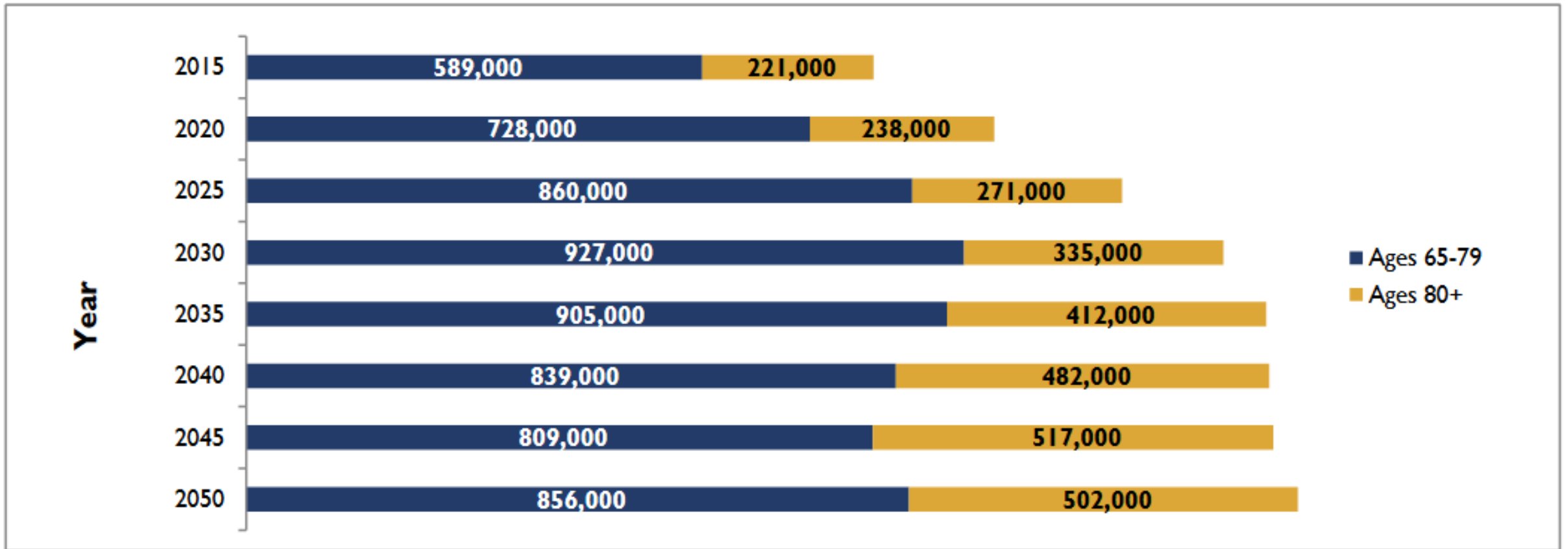


Within Health & Human Services

- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending
- MA expenditures include basic care, long-term care waivers and long-term institutional care

Sources: Minnesota Management and Budget, Nov 2017. House Research, Long-Term Care Services for the Elderly, November 2012

Projected Number of Older Adults Minnesota 2015-2050

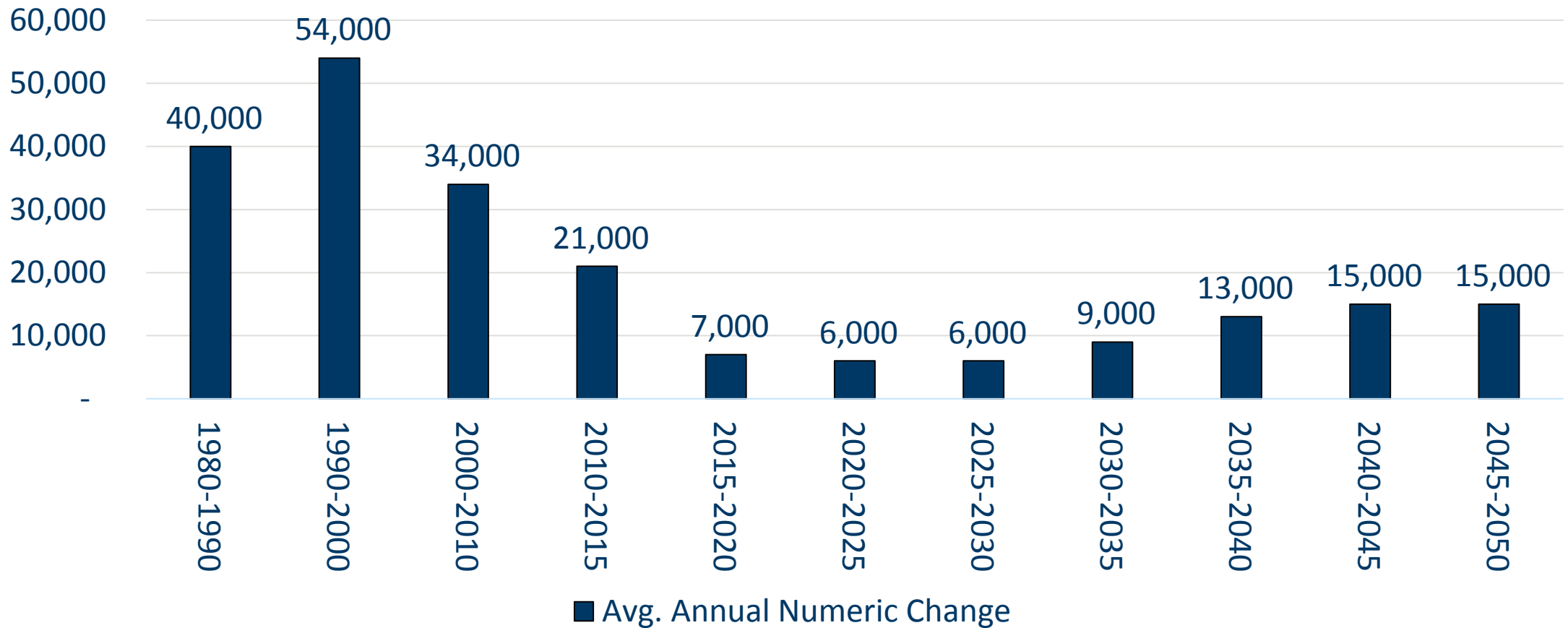


Source: Minnesota State Demographic Center Projections.



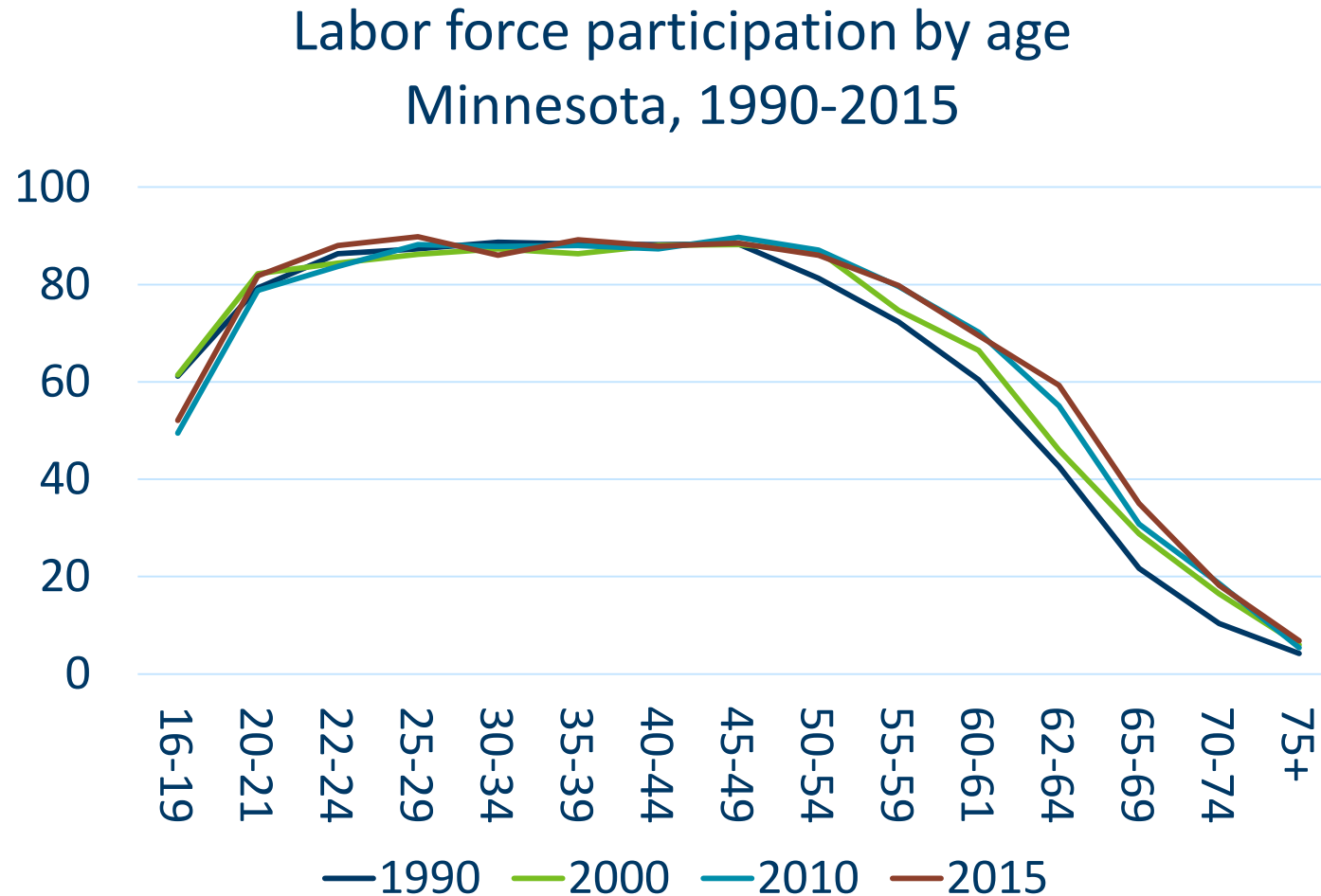
2. Workforce Changes

Minnesota's labor force growth is projected to slow further over the next 10 years – 2015 to 2025



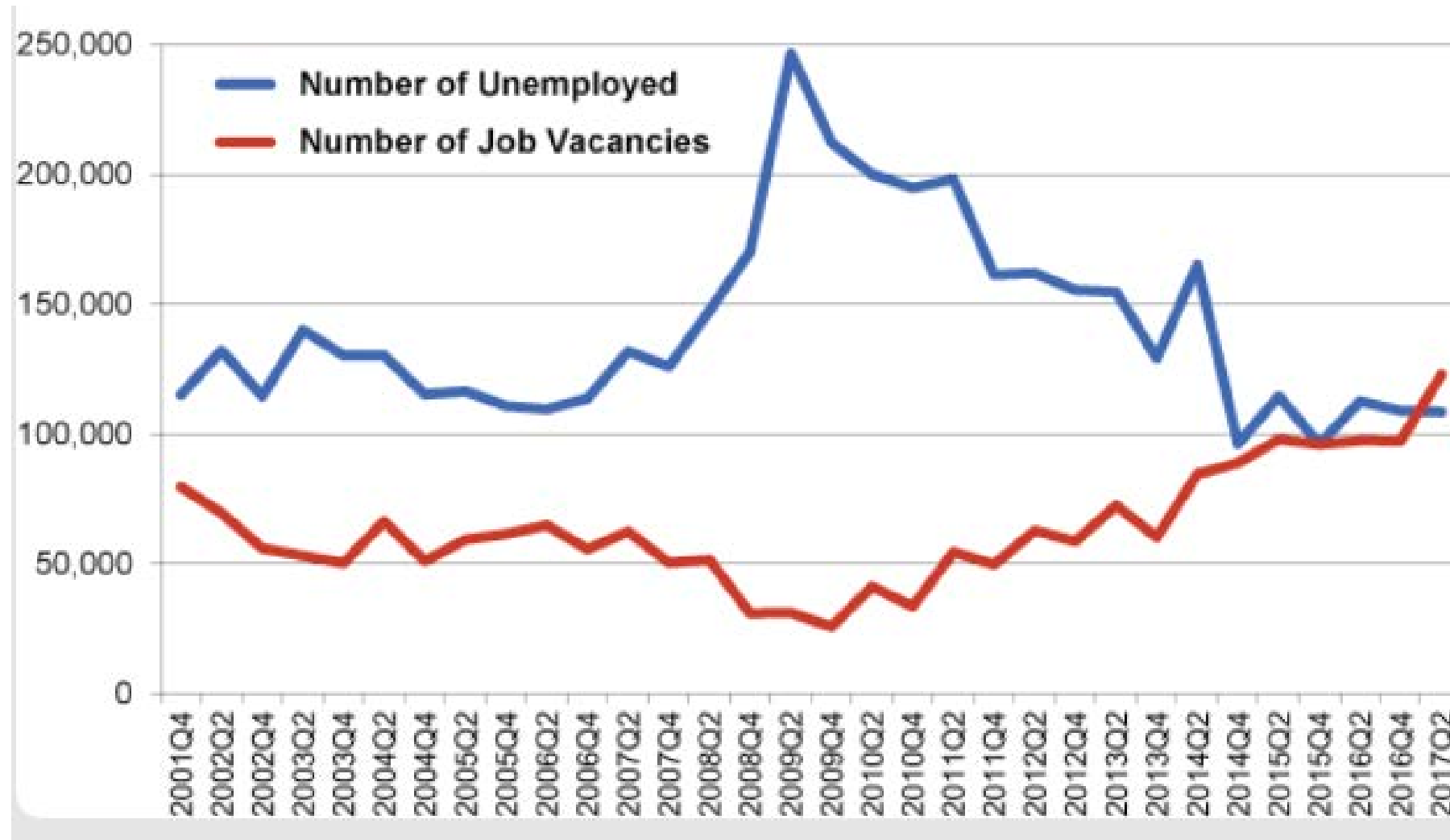
Source: U.S. Census Bureau (1980—2015) and Minnesota State Demographic Center Projections (2015-2045)

Older Minnesotans are working longer than in the past, but they are still retiring in great numbers



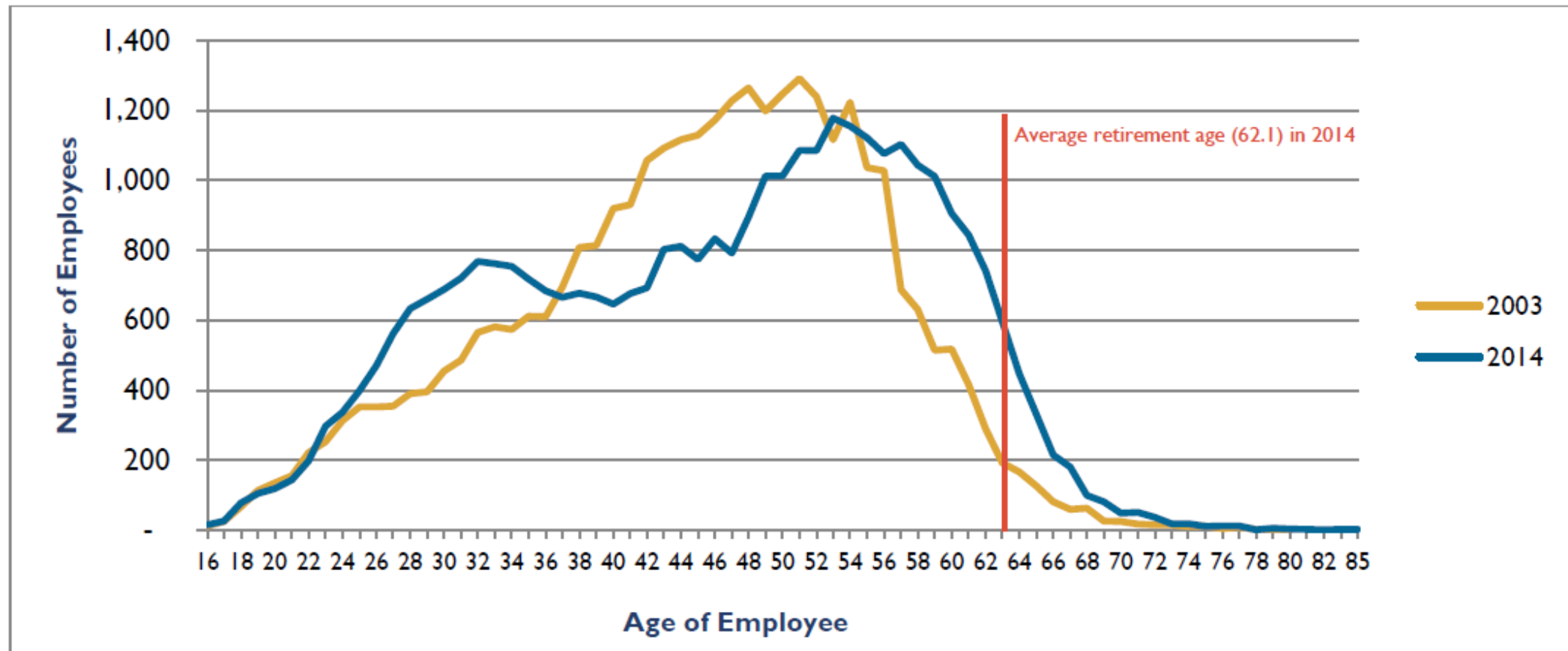
Source: U.S. Census Bureau, Decennial Census (1990-2000) and American Community Survey (2010-2015)

The number of job openings recently surpassed the number of people looking for work



State Executive Branch Workforce By Age Fiscal Years 2001 and 2014

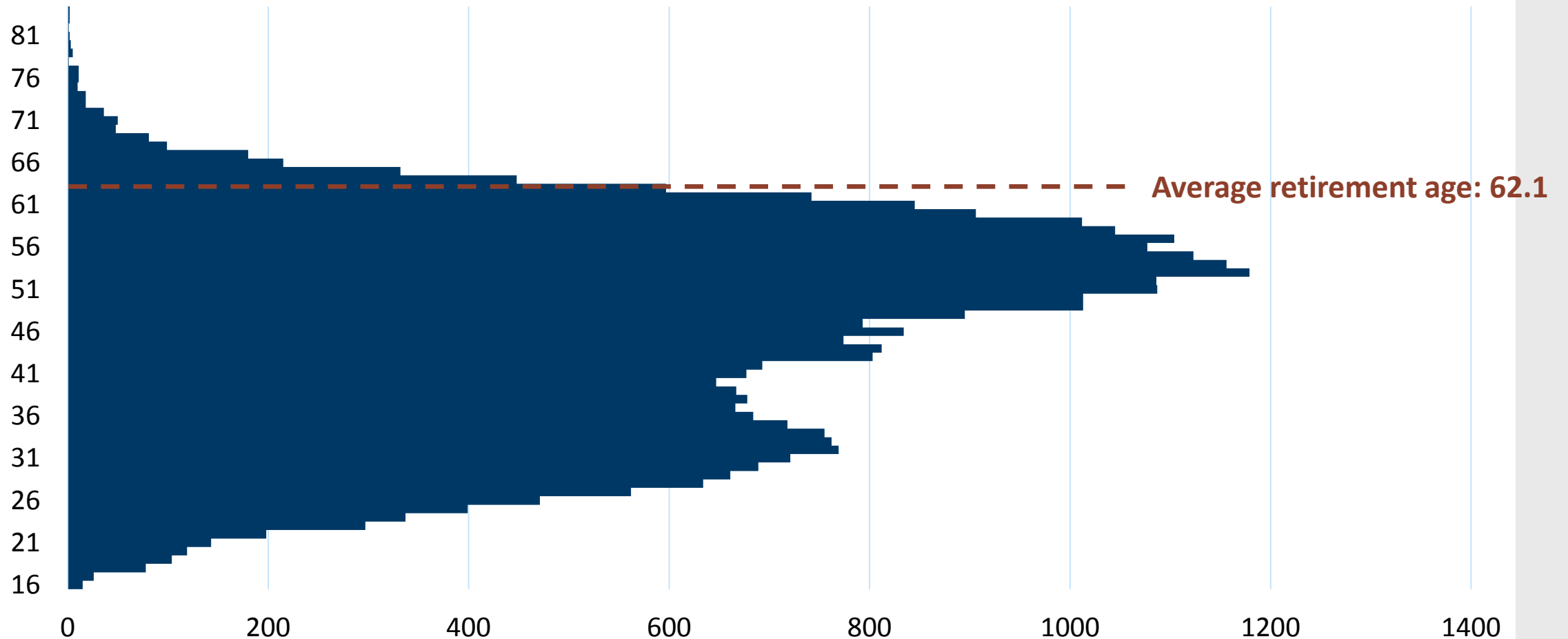
Figure 4: State Executive Branch Workforce By Age Distribution, State Fiscal Years 2003 and 2014



Source: "State of Minnesota Workforce Report 2014," Minnesota Management and Budget.

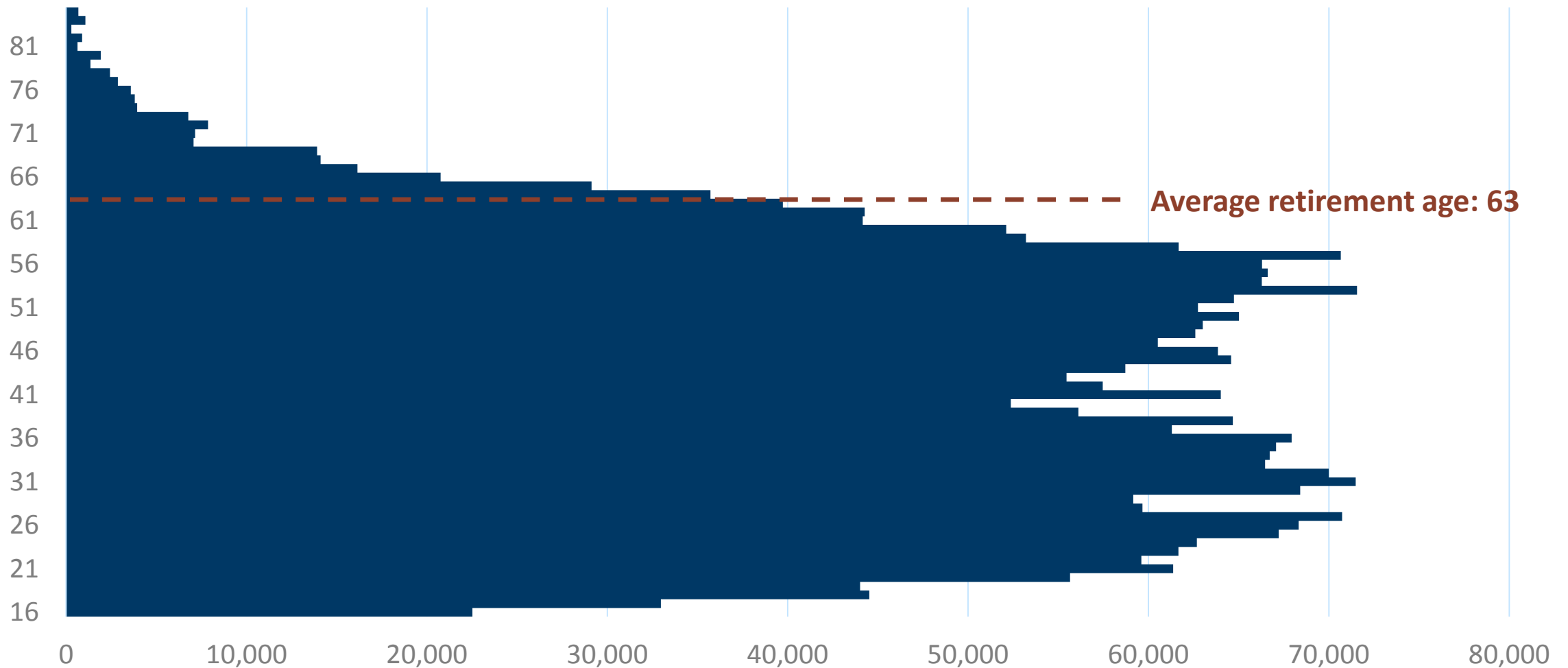
State government workforce will transform over next decade

State Government Workforce by Age (2014)



Minnesota's Workforce (Private and Public Sectors)

By Age, 2016



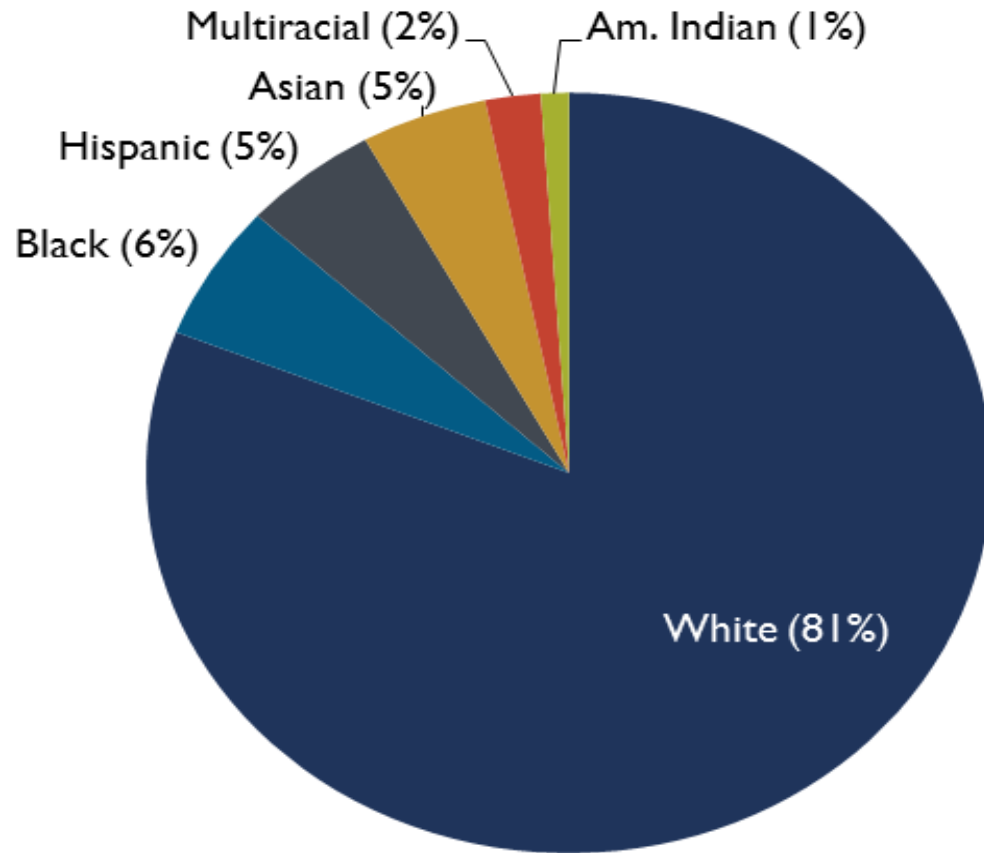
Source: 2016 American Community Survey

MN average retirement age tabulated from 2010-2014 ACS data by Nick Wallace, SmartAsset



3. Growing racial-ethnic-cultural diversity

MN in 2015 by race/ethnicity (Hispanics removed from all other race groups)



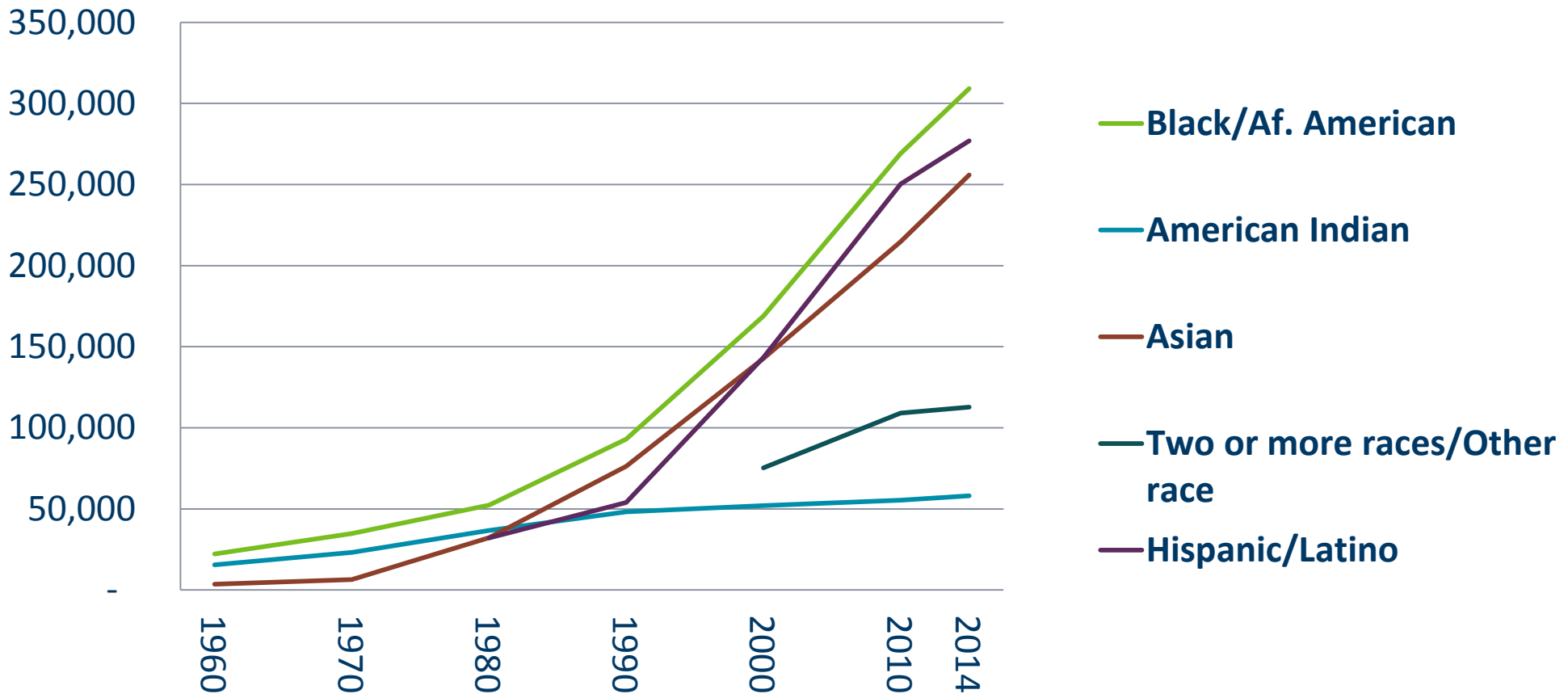
**White population =
4.5million**

**Populations of Color = 1.0
million**

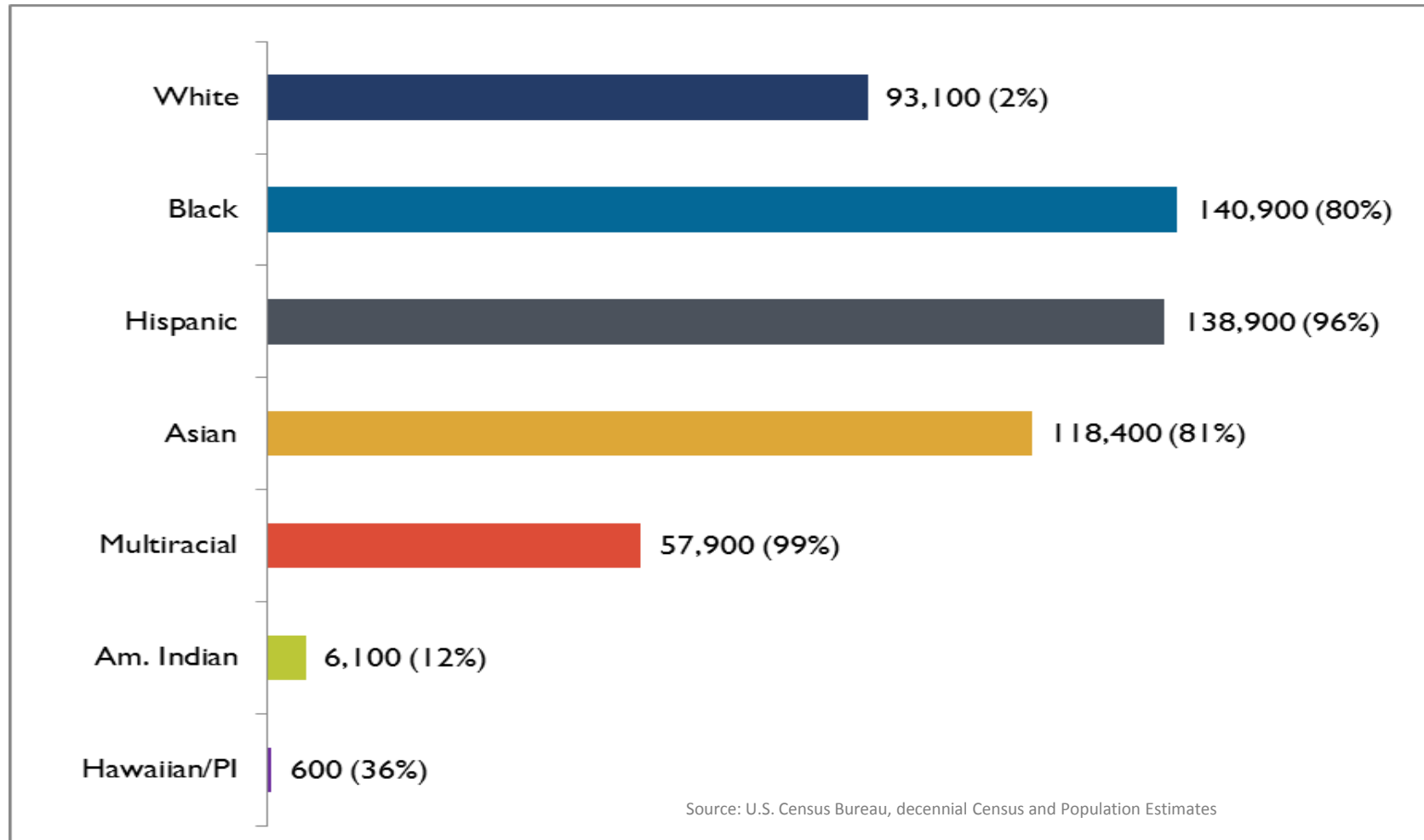
**MN population =
5.5million**

Populations of Color now total 1 million in MN, 19% of the population

Populations of color in Minnesota

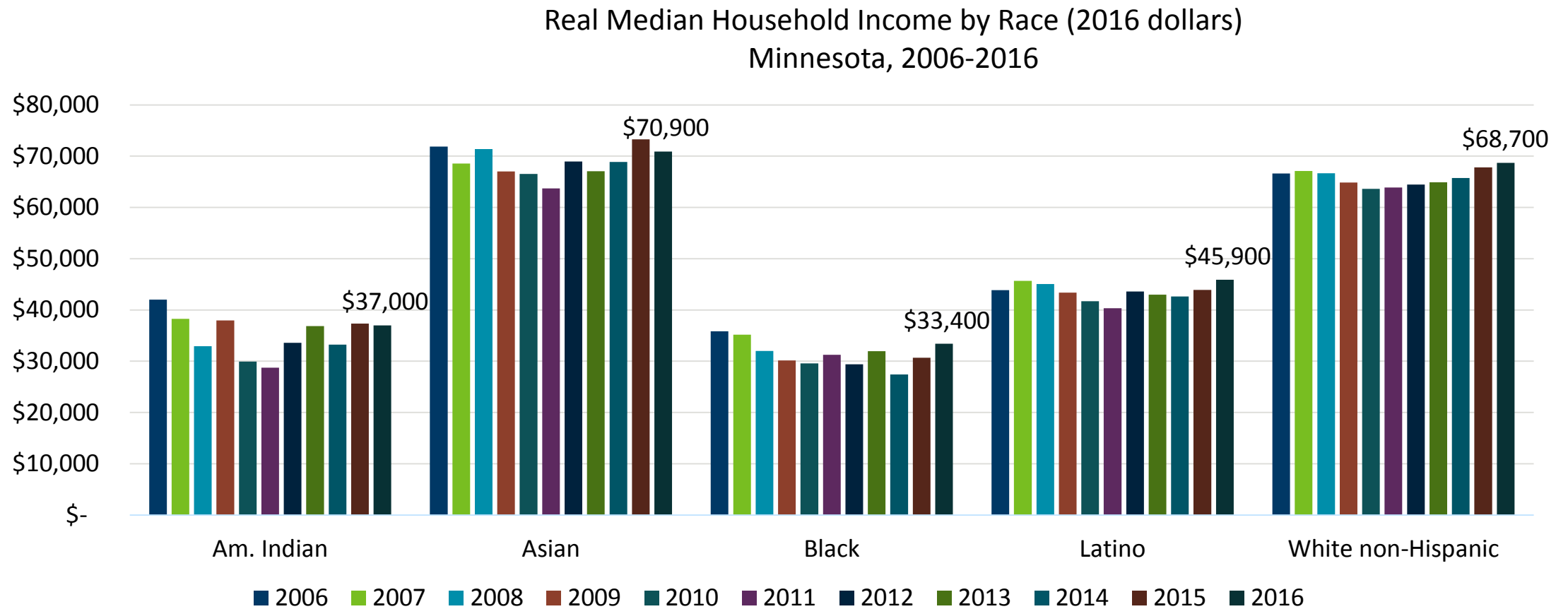


Populations of Color are driving growth in MN (Change, 2000-2015)



During the past 15 years, the White population grew by 2%, while the Asian, Black, Hispanic, & Multiracial populations grew by 80-96%.

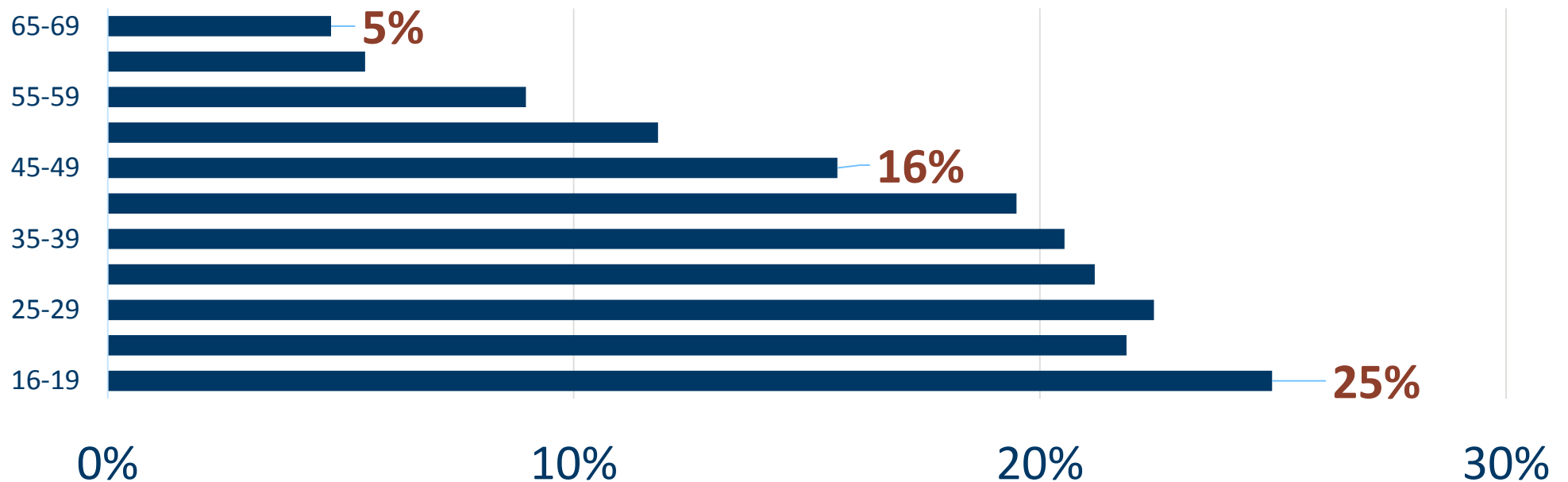
Real median household income grew for all race groups in Minnesota since 2010/2011



Differences tested between 2010-2016 at the 90% confidence level. American Indian, Black, Latino and White non-Hispanic median household income grew over that period. Asian median household income grew between 2011 and 2016.

People of color represent growing share of MN labor force

Percent of Minnesota's Labor force that are People of Color, by age, 2015



Thank you!

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