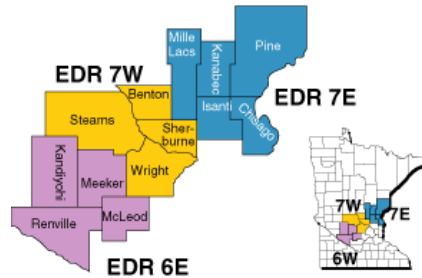


Central Minnesota Regional Profile

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Central Minnesota
Economic Development Regions



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Regional Analysis & Outreach Unit
Communications, Analysis, and Research Division

Demographic Changes

- Central Minnesota is the fastest growing region of the state
 - Grew **16.1%** from 2000 to 2007 (state = **5.7%**)
 - Grew **23.5%** from 1990 to 2000 (state = **12.4%**)
 - Grew **118.8%** from 1960 to 2007 (state = **52.3%**)
- Six of the eight fastest growing counties in the state since 2000
 - Sherburne Co. = **34.0%** (2nd)
 - Wright Co. = **30.4%** (3rd)
 - Isanti Co. = **24.4%** (5th)
 - Chisago Co. = **22.0%** (6th)
 - Mille Lacs Co. = **18.0%** (7th)
 - Benton Co. = **15.4%** (8th)
 - Stearns Co. = **9.7%** (17th)
 - Kanabec Co. = **7.3%** (21st)
 - McLeod Co. = **6.7%** (25th)

	2000 Pop.	2007 Pop.	2000 - 2007	2000 - 2007
Benton Co.	34,226	39,504	5,278	15.4%
Chisago Co.	41,101	50,128	9,027	22.0%
Isanti Co.	31,287	38,921	7,634	24.4%
Kanabec Co.	14,996	16,090	1,094	7.3%
Kandiyohi Co.	41,203	40,784	-419	-1.0%
McLeod Co.	34,898	37,220	2,322	6.7%
Meeker Co.	22,644	23,211	567	2.5%
Mille Lacs Co.	22,330	26,354	4,024	18.0%
Pine Co.	26,530	28,164	1,634	6.2%
Renville Co.	17,154	16,132	-1,022	-6.0%
Sherburne Co.	64,417	86,287	21,870	34.0%
Stearns Co.	133,166	146,051	12,885	9.7%
Wright Co.	89,986	117,372	27,386	30.4%
Central Minn.	573,938	666,218	92,280	16.1%
Minnesota	4,919,479	5,197,621	278,142	5.7%

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



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Demographic Changes

- Higher percentage of younger, married couple families
 - From 2000 to 2007, Central Minnesota saw a **21%** increase in the number of people under 5 years of age (state = **7.3%**)
- Central Minnesota is projected to remain the fastest growing
 - Projected to grow **64%** from 2005 to 2035 (state = **24.2%**)
 - *Might seem strange to predict having over 1 million people by 2035; but who would have predicted 656,702 in 2005? (348,028 people in 1970)*
 - Seeing gains in every age group, unlike other regions
 - 0-14 years = **+61,874 people**
 - 15-24 years = **+23,695**
 - 25-34 years = **+41,170**
 - 35-44 years = **+41,292**
 - 45-54 years = **+59,808**
 - 55-64 years = **+53,552**
 - 65 years = **+138,887**
 - Total = **+420,278**

Table 2: Central Minnesota Population Projections, 2005-2035

	2005 Pop.	2015 Pop.	2025 Pop.	2035 Pop.	2005-2035 Change
0-14 years	139,306	162,080	187,850	201,180	44.4%
15-24 years	108,755	111,920	112,980	132,450	21.8%
25-34 years	92,170	128,500	132,730	133,340	44.7%
35-44 years	102,268	108,190	136,260	143,560	40.4%
45-54 years	74,022	107,890	109,050	133,830	80.8%
55-64 years	67,158	100,660	119,640	120,710	79.7%
65 years & over	73,023	101,730	157,490	211,910	190.2%
Total Population	656,702	820,970	956,000	1,076,980	64.0%

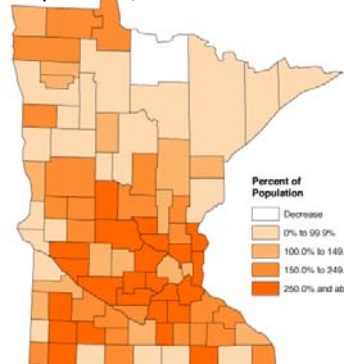
Source: Minnesota State Demographic Center

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Demographic Changes

- Positive natural rate of increase & in-migration from 2000-2005
 - From 2000 to 2005, **71%** of Central Minnesota's population gain came from in-migration – more people moving in than moving out (state = **46%**)
 - Central Minnesota accounted for **26.6%** of the state's pop. growth
- Central Minnesota saw positive changes in all race & origin categories
 - The region is predominantly white (**96.2%**)
 - Four counties of Region 6E have higher percentages of Hispanic or Latino residents, but still lower than the U.S. average (**15.1%**)
- Changing demographics in schools
 - 8 of 51 school districts had more than **15%** minority students
 - Increased demands for LEP programs
 - Five counties in Region 7E are less diverse

Figure 1: Change in Distribution of People of Color, 1990-2004

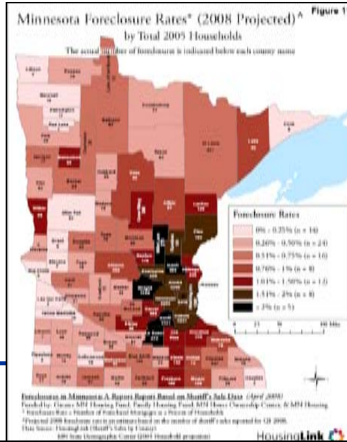


Data source: Minnesota State Demographic Center
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Housing Changes

- Demographic growth created increased housing demands
 - Wright County added **13,569 net new housing units** from 2000 to 2007 (1,938 units per year), while Renville County added **67 units** (10 per year)
 - Region 7W and Chisago & Isanti added housing units the fastest; Region 6E and Kanabec & Pine lagged
- Twin Cities housing market slowed (2006-2007 sales = **-25%**)
 - Number of sales rose in two counties: Kandiyohi & Renville
 - Sales prices dropped in six counties: Kanabec, Pine, Sherburne & Benton
 - One foreclosure for every 54 households from 2005 to 2007; with **28,000 more** in 2008; *one in 31 households from 2005 to 2008!*
 - Wright, Sherburne, Stearns, Isanti, Chisago, and Mille Lacs hit hardest



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Labor Force Changes

- Fastest growing region of the state from 2000 to 2008
 - Central Minnesota added nearly **44,000 workers** to the labor force
 - Central Minnesota's unemployment rate was below the U.S. rate from 2000 to 2005; then matched it in 2006; then surged above in 2007
 - Lowest in Region 6E; highest in Region 7E
- Central Minnesota is projected to add over **200,000 workers** through 2035 (*nearly half (45.9%) of the additional workers in the state!*)
 - Slower growth in younger workers; fastest growth in older workers
 - Nearly **30,000** additional senior citizen workers!
 - Region 6E growing slowest; Region 7W and 7E both growing fastest
 - High female labor force participation rates in the region
 - Large numbers of dual-income families
 - Region 7E has higher rates of single-parent families
 - Affordable childcare issue

Table 5: Labor Force Projections, 2005-2035, Central Minnesota

	2005	2015	2025	2035	2005 - 2035 % Change
Total labor force	375,940	467,530	523,510	576,100	53.2%
Age 16-24	71,650	67,250	74,520	84,100	17.4%
Age 25-44	173,990	216,210	230,870	240,580	38.3%
Age 45-64	119,050	163,270	183,650	210,440	76.8%
Age 65 plus	11,250	20,840	34,530	40,960	264.1%

Source: Minnesota State Demographic Center

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Commuting Pattern Changes

- Close proximity to the Twin Cities, St. Cloud leads to commuting
 - In 2006, only **45.2%** of Central Minnesota residents worked in their county
 - Kandiyohi & Stearns held their workers best (Willmar & St. Cloud)
 - Major commuter counties include: Sherburne (**73.7%**), Benton (**72.0%**), Chisago (**70.2%**), Isanti (**69.2%**), Wright (**65.0%**), Kanabec (**60.2%**), and Meeker (**60.1%**)
 - More than **85,000** of the region's residents drive into the 7-County Twin Cities metro area – nearly one-third of the workforce!
 - Stearns County is the only labor importer
 - Most counties draw their workforce from local residents (**58%**)
 - The trend since 2000 had been toward increased commuting; but gas prices and mortgage foreclosures will have an impact in 2007, 2008, and beyond...

Table 6: Commuting Patterns, 2006

	Percent who work in their home county	Percent who commute elsewhere
Benton Co.	28.0%	72.0%
Chisago Co.	29.8%	70.2%
Isanti Co.	30.8%	69.2%
Kanabec Co.	39.8%	60.2%
Kandiyohi Co.	71.9%	28.1%
McLeod Co.	56.4%	43.6%
Meeker Co.	39.9%	60.1%
Mille Lacs Co.	44.1%	55.9%
Pine Co.	47.6%	52.4%
Renville Co.	48.9%	51.1%
Sherburne Co.	26.3%	73.7%
Stearns Co.	65.8%	34.2%
Wright Co.	35.0%	65.0%
Central Minnesota	45.2%	54.8%

Source: U.S. Census Worker Origin-Destination Database

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Regional Salary Surveys

- Pay is the primary factor in choosing a job, according to LFA
 - Better job benefits (including health insurance & retirement plans); better utilization of skills; job security; and schedule flexibility also important
- Central Minnesota is right in the middle for pay rates
 - Region 6E = **\$14.63**; Region 7E = **\$14.82**; Region 7W = **\$15.08**
 - Twin Cities = **\$18.94** – the difference in wages is between **\$8,000-\$9,000**
 - Low-paying jobs – food prep & serving; personal care & service; sales & related; building cleaning & maint. – have the smallest gaps in pay
 - High-paying jobs – management; architecture & engineering; business & financial operations; computer & mathematical; life, physical, & social science – have the largest gaps in pay (*from \$12,000 to \$30,000*)
 - Wage rates for community & social service; farming, fishing & forestry; and protective services occupations are all higher in Central Minnesota
 - Wage rates for education, training & library; production; transportation & material moving; installation, maintenance & repair occupations are very competitive in Central Minnesota (*less commuting likely*)

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UI Claims & Occupations In Demand

- UI Claims jumped **38.5%** from Nov. 2007 to Nov. 2008
 - Production and construction & extraction occupations showed the largest increases; while life, physical, & social science; architecture & engineering; production; and personal care & service occupations showed the fastest increases
- Still more than **100 occupations in high demand** in the region
 - CNAs, RNs, HHAs, LPNs, EMTs, and PTs in healthcare; CNC operators, drafters, welders, and first-line managers in manufacturing; elementary teachers, teacher assistants, school counselors, and administrators in education; cashiers, waiters & waitresses, retail salespersons, janitors & cleaners, and first-line supervisors in retail trade & accommodation; social & human service assistants, police officers, correctional officers, recreation workers, and substance abuse counselors in social services; among many others
 - Job opportunities at every level of education, from OJT to degrees
 - Jobs requiring short-term OJT tend to be lower paying, while jobs requiring post-secondary education tend to be higher paying (with exceptions)

Industry Employment Statistics

- Central Minnesota has seen **25 straight years of job growth**
 - From 1982 to 2007, Central Minnesota gained **138,162 jobs** (112.6%)
 - Had **7.4%** of statewide jobs; but provided **13.3%** of state's net job growth
 - Payroll increased **428%**, from **\$1.62 billion** in 1982 to **\$8.55 billion** in 2007
- Central Minnesota has **18,301 firms** and **261,946 covered jobs**
 - From 2nd Qtr. 2007 to 2nd Qtr. 2008, Central Minnesota lost **-1,687 jobs**
 - **\$630 average weekly wages**; **2.3%** increase since 2007
- About **23.4%** of employment is in the goods-producing domain
 - State = **17.8%**; Region 6E = **30.7%**; Region 7E = **16.5%**; Region 7W = **23%**
 - Health Care & Social Assistance = **43,822 jobs** (16.7%) \$671 wage; **+4.4%**
 - Manufacturing = **42,524 jobs** (16.2%) \$799 avg. wage; **-1.3% jobs**
 - Retail Trade = **34,514 jobs** (13.2%) \$406 avg. wage; **-3.6% jobs**
 - Educational Services = **24,101 jobs** (9.2%) \$754 avg. wage; **+1.3% jobs**
 - Accommodation & Food Services = **20,798 jobs** (7.9%) \$199 wage; **-2.6%**
 - Construction = **14,534 jobs** (5.5%) \$818 avg. wage; **-9.9% jobs**

Industry Employment Statistics

Table 12: Industry Employment Statistics, 2007-2008

Industry Title	Ownership Level	Number of Firms	Number of Jobs	Avg. Weekly Wage	Change from Qtr.2 2007 to Qtr.2 2008			
					Number of Firms	Number of Jobs	Number of Jobs	Avg. Wage
Total, All Industries	All Ownerships	18,301	261,946	\$630	194	-1,687	-0.6%	2.3%
Total, All Industries	Government	1,105	45,259	\$755	12	-98	-0.2%	4.4%
Total, All Industries	Private	17,196	216,687	\$604	182	-1,589	-0.7%	1.9%
Goods-Producing Domain	All Ownerships	4,820	61,322	\$785	26	-2,173	-3.4%	0.6%
Agriculture, Forestry, Hunt	All Ownerships	360	3,897	\$478	6	-4	-0.1%	3.5%
Mining	All Ownerships	31	367	\$1,057	1	-10	-2.7%	-3.3%
Construction	All Ownerships	3,176	14,534	\$818	23	-1,597	-9.9%	2.1%
Manufacturing	All Ownerships	1,253	42,524	\$799	-4	-561	-1.3%	0.1%
Service-Providing Domain	All Ownerships	13,481	200,624	\$582	168	487	0.2%	3.2%
Utilities	All Ownerships	64	2,522	\$1,307	0	-125	-4.7%	-8.5%
Wholesale Trade	All Ownerships	816	9,986	\$830	8	219	2.2%	3.5%
Retail Trade	All Ownerships	2,464	34,514	\$406	15	-1,294	-3.6%	2.3%
Transportation & Warehouse	All Ownerships	921	8,728	\$643	21	214	2.5%	-0.9%
Information	All Ownerships	276	3,447	\$647	7	-247	-6.7%	4.7%
Finance & Insurance	All Ownerships	958	7,222	\$790	-18	-153	-2.1%	-1.9%
Real Estate, Rental, Leasing	Private	677	2,036	\$445	-17	-265	-11.5%	7.7%
Professional & Technical Svc	Private	1,119	6,257	\$803	30	550	9.6%	5.1%
Management of Companies	All Ownerships	67	1,242	\$1,105	-4	106	9.3%	5.3%
Admin. & Waste Services	Private	762	9,111	\$485	2	-408	-4.3%	5.7%
Educational Services	All Ownerships	370	24,101	\$754	4	312	1.3%	4.9%
Health Care & Social Asst.	All Ownerships	1,293	43,822	\$671	34	1,850	4.4%	2.3%
Arts, Entertainment, & Rec.	Private	324	3,433	\$197	8	-94	-2.7%	1.0%
Accommodation & Food Svc	Private	1,283	20,798	\$199	33	-552	-2.6%	1.5%
Other Services, ex. Pub Adm.	All Ownerships	1,471	7,574	\$370	33	65	0.9%	3.6%
Public Administration	All Ownerships	568	12,439	\$724	12	114	0.9%	3.9%

Source: DEED Quarterly Census of Employment & Wages (QCEW) program

Workforce Demographics

- Central Minnesota has a high percentage of younger workers
 - 19.6% of the workforce is aged 14 to 24 years (State = 16.5%)
 - 64.2% of the workforce is aged 25 to 54 years (State = 67.1%)
 - 16.1% of the workforce is aged 55 years & over (State = 16.4%)
 - 52.2% of the workforce is female (State = 50.8%)
 - Turnover rates are very similar in the region to the rest of the state (6.9%)
- In manufacturing, 33.3% is under 35 years (State = 29.1%)
 - 41.1% of the workforce is aged 45 years & over (State = 45.2%)
 - 69.5% of the workforce is male (State = 69.5%)
- In healthcare & social asst., 83.9% is female (State = 79.7%)
 - 16.2% of the workforce is aged 14 to 24 years (State = 13.6%)
 - 17.2% of the workforce is aged 55 years & over (State = 17.4%)
- In retail trade, 34.5% is aged 14 to 24 years (State = 32.0%)
 - 13.5% of the workforce is aged 14 to 18 years (27.2% of teen workforce)

Industry Employment Statistics

- Region 6E had **3,741 firms** and **54,224 jobs** and **\$620** avg. wage
 - Added **+195 net new jobs** from 2007 to 2008; wages increased **0.6%**
 - **+174 jobs** in manufacturing; **+344 jobs** in health care & social assistance; **+246 jobs** in prof. & tech. svcs.; **+128 jobs** in public administration
 - **-288 jobs** in construction; **-169 jobs** in admin & waste; **-159** in information
 - **8,639 non-employers** with **\$293.4 million** in sales; **+57** from 2005-2006
- Region 7E had **3,932 firms** and **47,513 jobs** and **\$580** avg. wage
 - Lost **-24 net jobs** from 2007 to 2008; wages increased **2.8%**
 - **+493 jobs** in health care & social assistance; **+176 jobs** in prof. & tech. svcs.; **+114 jobs** in wholesale trade; **-100 jobs** in retail trade
 - **-209 jobs** in construction; **-116 jobs** in manufacturing; **-294** in accom. & food
 - **12,396 non-employers** with **\$473.8 million** in sales; **-63** from 2005-2006
- Region 7W had **10,628 firms** and **160,209 jobs** & **\$648** avg. wage
 - Lost **-1,857 net jobs** from 2007 to 2008; wages increased **2.7%**
 - **+1,014 jobs** in health care; **+128 jobs** in prof. & tech. svcs.; **+332 jobs** in educational services; **+145 jobs** in transportation; **-168 jobs** in finance & ins.
 - **-1,100 jobs** in construction; **-619 jobs** in manufacturing; **-1,077** in retail trade
 - **28,538 non-employers** with **\$1.2 billion** in sales; **+844** from 2005-2006

Questions

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Thank You!