

The Importance of Immigration in Minnesota

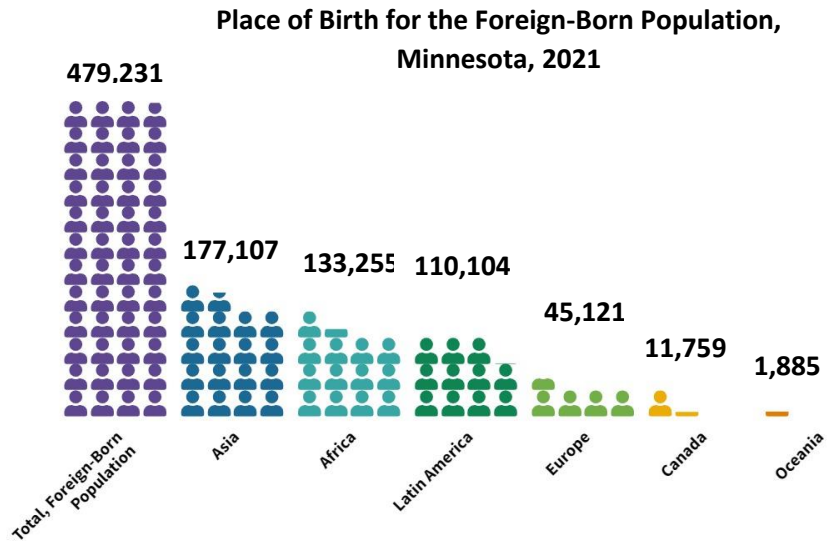
After decades of steady population growth, Minnesota is now home to **more than 5.7 million residents**. Since 2020, the state has enjoyed a natural increase – more births than deaths – of 26,917 people, but also suffered domestic **out-migration of 36,377 people** who left to live elsewhere in the United States. Lost in the shadow of that outflow, however, was the state’s **international net immigration of 20,012 new foreign-born Minnesotans**, which easily offset the domestic losses. In sum, the state added nearly 11,000 residents from 2020 to 2022.

Cumulative Estimates of the Components of Population Change in Minnesota, 2020-2022							
2022 Population Estimate	2020-2022 Estimated Population Change	April 1, 2020 to July 1, 2022					
		Vital Events			Net Migration		
		Natural Increase	Births	Deaths	Total	Inter-national	Domestic
5,717,184	+10,690	+26,917	144,350	117,433	-17,365	+20,012	-36,377

Source: [U.S. Census Bureau, Population Estimates Program](#)

Immigration has been key to Minnesota’s growth. According to the U.S. Census Bureau’s 2021 American Community Survey 5-Year Estimates, Minnesota is now home to **479,231 foreign born residents**, or about **8.5% of the total population**. The number of immigrants in the state increased by **+30.6%** from 2010 to 2021, compared to a national growth rate of +16%.

About 37% (177,107 people) of the state’s foreign born residents were from **Asia**. Over half of these immigrants came from Southeastern Asia, primarily from **Laos, Vietnam, and Thailand**; but the fastest growth was coming from Eastern and South Central Asia, most notably from **India**. Minnesota gained nearly 41,000 new residents from Asia between 2010 and 2021, a +30.2% increase.



The second largest number and the fastest growing wave of new immigrants to Minnesota came from **Africa**, which increased by more than 63,000 people from 2010 to 2021, an +89.8% jump, pushing the state’s African population to more than 133,000 people. The largest contingent is from Eastern Africa, primarily **Somalia and Ethiopia**.

The next largest number of foreign born residents were from **Latin America**, accounting for over 110,000 people. However, the flow of immigrants from Latin America slowed to just +8.5% growth since 2010, a gain of about 8,600 additional people. Another 45,000 foreign born residents were from **Europe**, which was a 0.3% increase since 2010. Minnesota actually saw a decline in the number of immigrants from **Canada** from 2010 to 2021, now comprising just 11,700 people, down from 851 in 2010. The smallest number of foreign born residents in the state was from **Oceania**, which includes Australia and New Zealand.

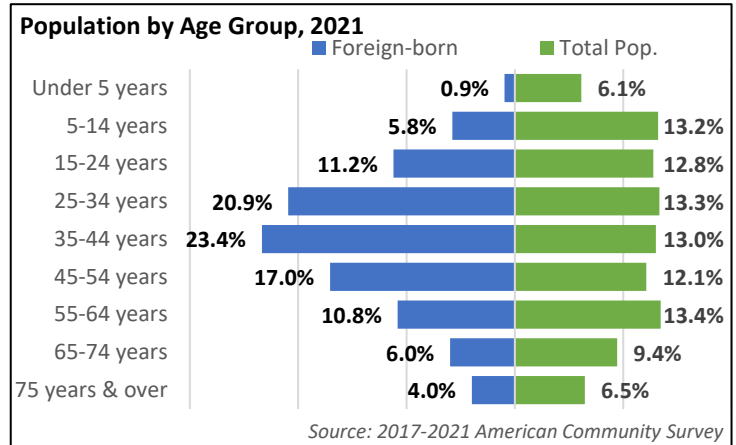
Based on year of entry, **Minnesota’s foreign born population was “newer”** than the rest of the nation. Just over 27.6% of the state’s immigrants entered the U.S. since 2010 and another 30.9% entered since 2000. The remaining 41.5% of immigrants in Minnesota settled in the U.S. prior to 2000, compared to 50.7% of immigrants nationwide. Over half (55.7%) of foreign born residents in Minnesota were naturalized U.S. citizens, compared to 51.6% of immigrants in the United States.

Ready and Willing to Work

Immigrants have a much younger age profile than the native born population. In 2021, about 61.3% of the foreign born population were in their prime working years between 25 and 54 years of age, compared to 38.5% of the total population. In contrast, just 6.7% of the state’s foreign born residents were under 15 years of age and 10% were 65 years and over, compared to 19.4% and 15.9% of the population overall.

Population by Age Group for the Foreign Born Population in Minnesota, 2021			Total Population
	Number	Percent	Percent
Under 5 years	4,506	0.9%	6.1%
5-14 years	27,709	5.8%	13.2%
15-24 years	53,654	11.2%	12.8%
25-34 years	100,234	20.9%	13.3%
35-44 years	111,937	23.4%	13.0%
45-54 years	81,667	17.0%	12.1%
55-64 years	51,877	10.8%	13.4%
65-74 years	28,627	6.0%	9.4%
75 years & over	19,020	4.0%	6.5%

Source: [2017-2021 American Community Survey](#)



In the face of increasingly tight labor markets, a growing scarcity of workers is now recognized as one of 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 Minnesota’s economy, providing a rapid stream of new workers in the face of an aging native-born workforce.

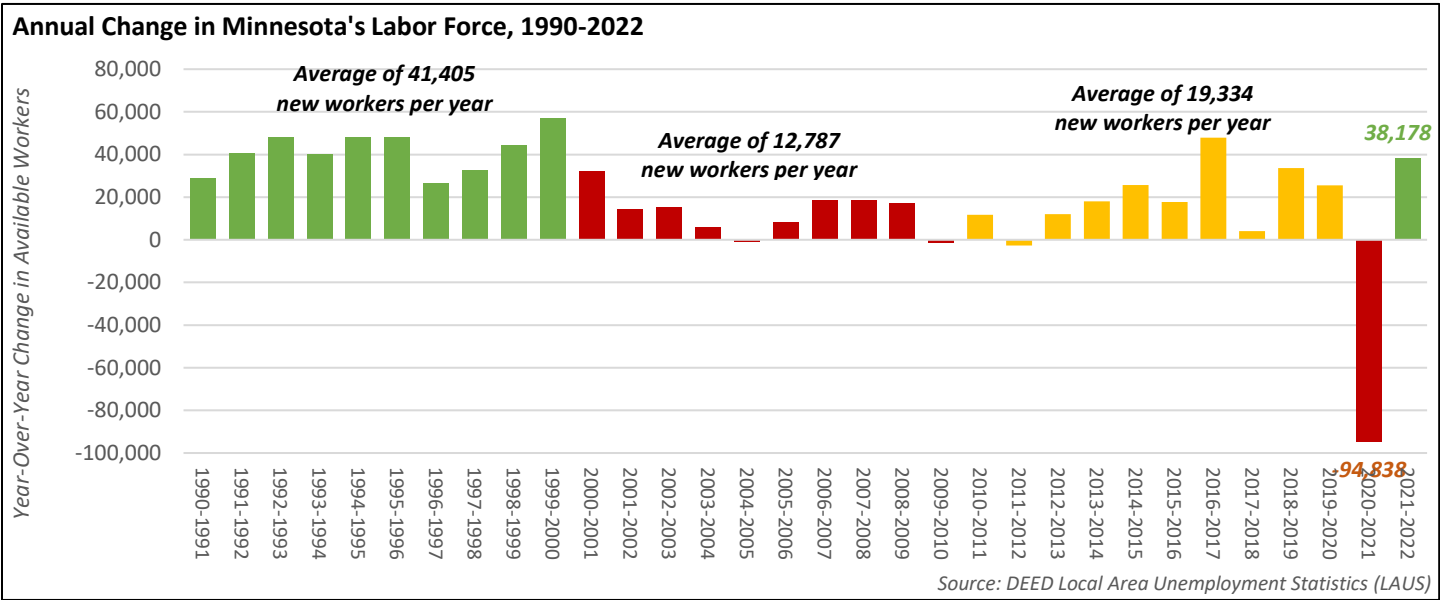
Statewide, 74.3% of the foreign born population aged 16 years and over was actively participating in the labor force, which was actually higher than the native born population labor force participation rate (69.2%). In Minnesota, that equaled about **335,000 available immigrant workers**, comprising about **10.7%** of the state’s total workforce in 2021. And while the state’s overall labor force growth was slowing, the number of immigrant workers in the state increased by more than **80,000 workers** from 2011 to 2021, a **+31.5% increase**. In comparison, the native born workforce expanded by 75,500 workers, a +2.8% increase. In sum, immigrants accounted for half of the state’s labor force growth between 2011 and 2021.

Minnesota Labor Force Change			Change from 2011-2021	
	2011 Labor Force	2021 Labor Force	Number	Percent
Total	2,955,746	3,115,022	+159,276	+5.4%
Native	2,702,643	2,778,107	+75,464	+2.8%
Foreign Born	254,573	334,774	+80,201	+31.5%

Source: [American Community Survey, S0501](#)

After averaging a net gain of 41,405 additional labor force participants per year between 1990 and 2000, Minnesota employers were able to tap into a large and growing pool of talented workers. However, from 2000 to 2010, the labor force began to slow in the state, averaging 12,585 new workers per year. As the state’s economy recovered and grew following the Great Recession, the state’s labor force averaged more than 19,300 additional workers per year from 2010 to 2020, with high labor force participation rates across most age and race groups.

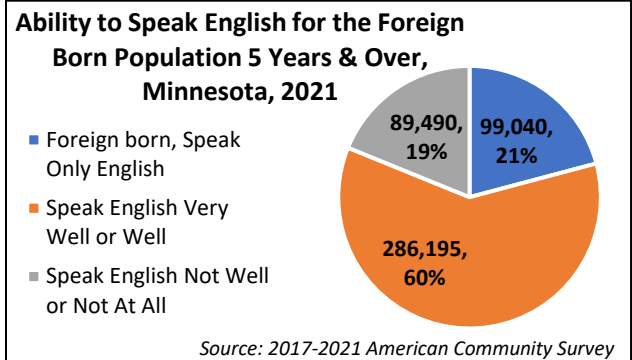
After reaching a new peak with 3,134,160 workers in 2020, the state lost almost 95,000 workers from 2020 to 2021, in part due to the COVID-19 pandemic as people permanently or temporarily left the labor force. Though almost 40,000 workers have re-entered, the state’s labor force is still behind pre-pandemic levels, but has gotten nearly back to normal by the middle of 2023.



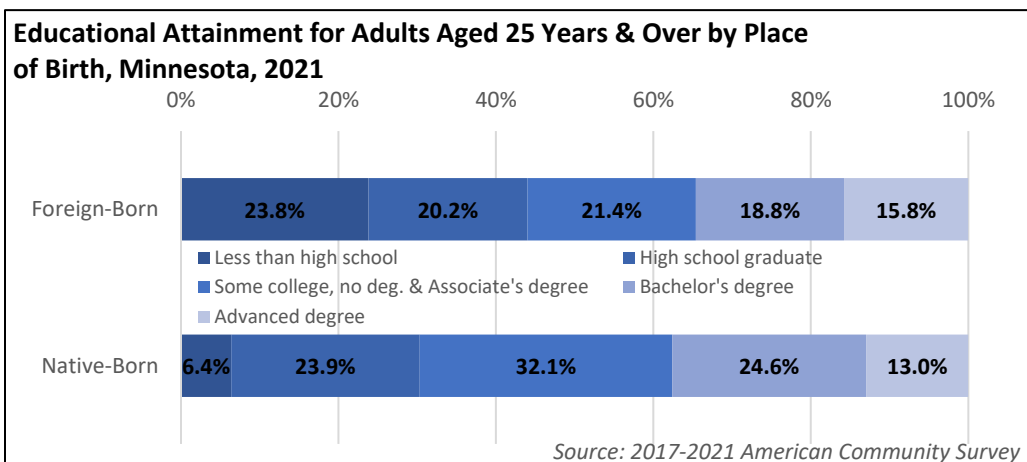
Recently released labor force projections from the Minnesota State Demographic Center suggest this trend will become even more apparent, with **the state expected to add about 104,850 workers between 2025 and 2035**, an average of 10,485 new workers per year. This will make it more challenging for employers 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. About 80% of immigrants in Minnesota reported speaking a foreign language, but many of them also had some ability to speak English, including 60% who reported being able to speak English “very well” or “well.” Another 20.9% speak only English, while the remaining 19% reported being able to speak English less than “not well or not at all.”



Educational attainment also creates challenges in the workplace. About one-fourth of foreign-born residents aged 25 years and over did not have a high school diploma, compared to less than 6.5% of the native born population. 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 a high percentage of bachelor’s or advanced degrees, helping to fill high demand openings in health care and computer fields for example.



Perhaps due in part to the language and educational barriers described above, immigrants were more likely to work in certain occupation 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 & serving, building & grounds cleaning, and personal care. 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 Assistants, Home Health and Personal Care Aides, as well as

other Healthcare, Production, and Computer-related occupations. Along those same lines, foreign born workers were much more likely to be found in industries like Manufacturing, Leisure & Hospitality, and Administrative Support & 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.

Wherever they work, these new Minnesotans are a vital part of the state’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 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.

Top Occupations Employing Foreign Born Workers in Minnesota			
Occupation	Foreign Born Share of Total Employment*	Estimated Foreign Born Employment	Median Hourly Wage
Home Health & Personal Care Aides	25.8%	27,513	\$15.88
Software Developers	26.5%	9,635	\$55.21
Janitors & Cleaners, exc. Maids & Housekeeping Cleaners	19.5%	8,126	\$17.87
Laborers & Freight, Stock, & Material Movers	12.2%	6,511	\$19.92
Registered Nurses	10.2%	6,508	\$41.96
Waiters & Waitresses	11.7%	4,355	\$11.71
Packaging & Filling Machine Operators	53.3%	4,221	\$18.98
Accountants & Auditors	9.4%	2,701	\$37.36
Construction Laborers	10.9%	2,616	\$23.97
Food Preparation Workers	14.2%	2,421	\$15.67
Electrical, Electronic & Mechanical Assemblers	33.2%	2,012	\$19.76
Food Batchmakers	26.6%	1,915	\$17.11
Licensed Practical & Vocational Nurses	12.5%	1,833	\$27.09
Computer User Support Specialists	12.6%	1,635	\$30.43
Cleaners of Vehicles & Equipment	25.2%	1,343	\$17.71
Inspectors, Testers, Sorters, & Weighers	13.5%	1,341	\$23.89
Clinical Laboratory Technologists & Technicians	17.9%	1,081	\$30.34
Butchers & Meat Cutters	38.7%	933	\$19.27
Helpers--Production Workers	16.6%	808	\$18.65
Food Processing Workers, All Other	36.4%	768	\$19.03
Source: U.S. Census Bureau, DEED Occupational Employment & Wage Statistics (OEWS)			
* - foreign-born share of total employment by occupation in Minnesota			



For more information about the importance of immigration in Minnesota, contact:

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