



EMPLOYMENT AND  
ECONOMIC DEVELOPMENT

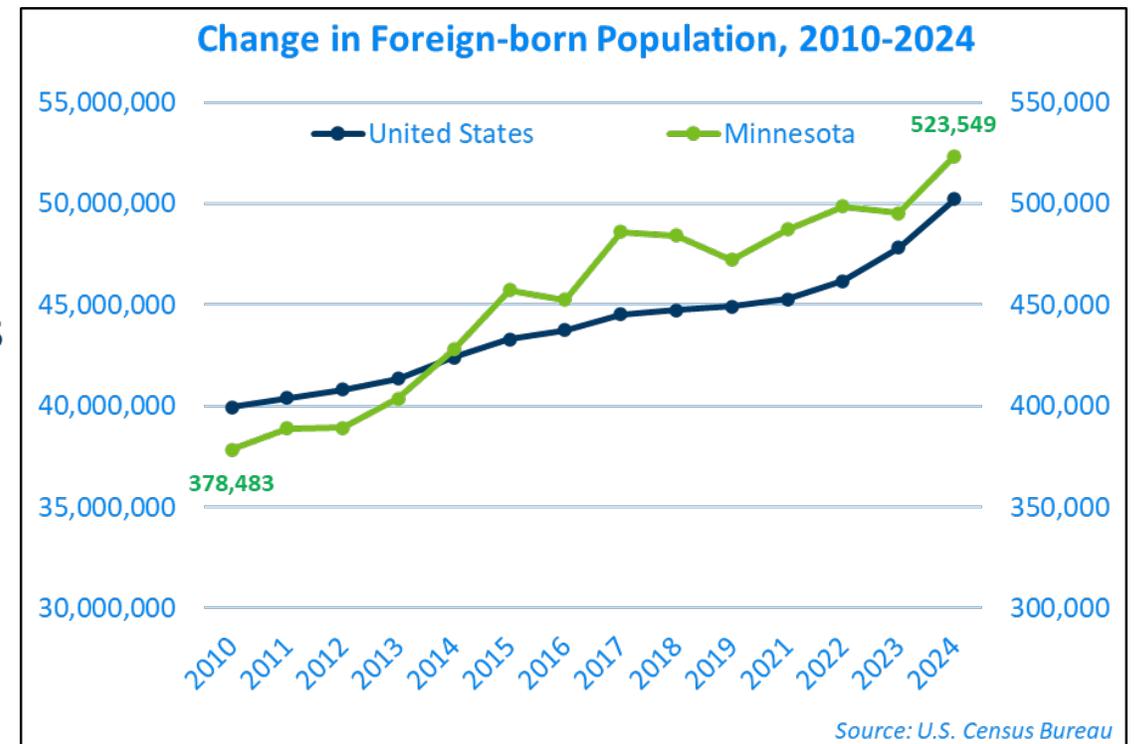
# Immigrants in Minnesota's Economy

Matt Varilek | Commissioner



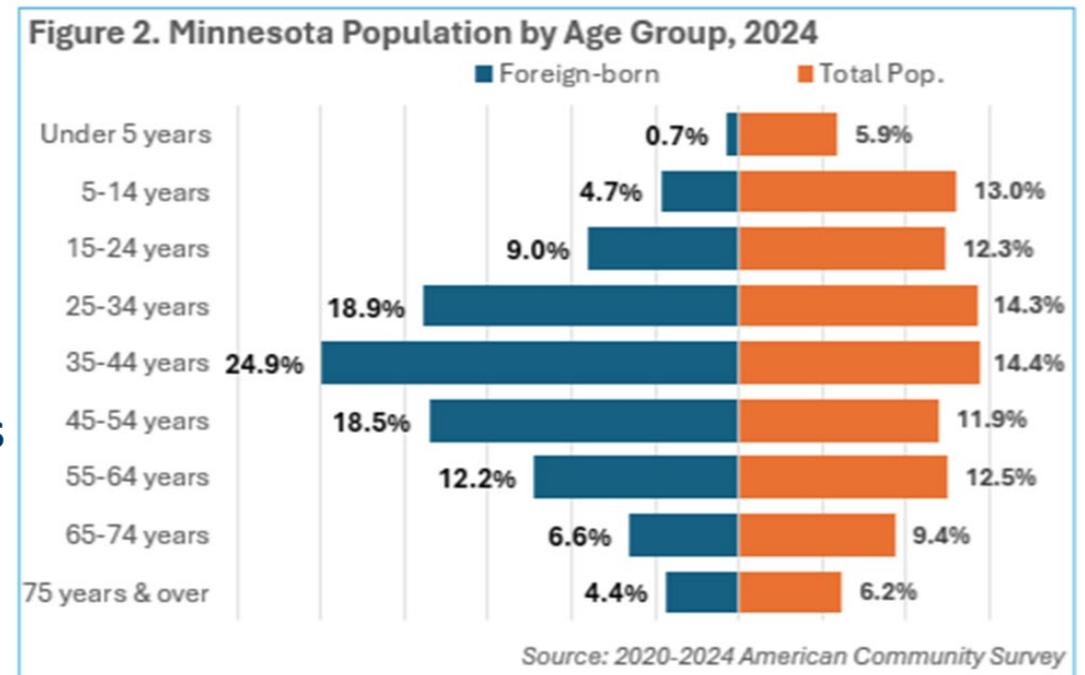
# Immigrants in Minnesota – Demographics

- Minnesota had nearly 525,000 foreign-born residents in 2024, comprising 9.0% of the state's total population (U.S. = 14.8%)
- Minnesota gained 95,500 foreign-born residents from 2014 to 2024, a 22.3% increase (U.S. = 18.5%)
  - Total population grew 336,000 (+6.2%)
  - *From 2020-2024, International in-migration of +81,000 people; Domestic out-migration of -48,000 people*
- 58.1% of Minnesota foreign-born residents have become naturalized U.S. citizens (U.S. = 47.1%)
- 77.6% of the state's immigrants live in the 7-county Twin Cities metro area
  - Compared to 55.2% of the total population
  - Also has a higher naturalization rate (61.2%)



# Immigrants in Minnesota – Economic Impact

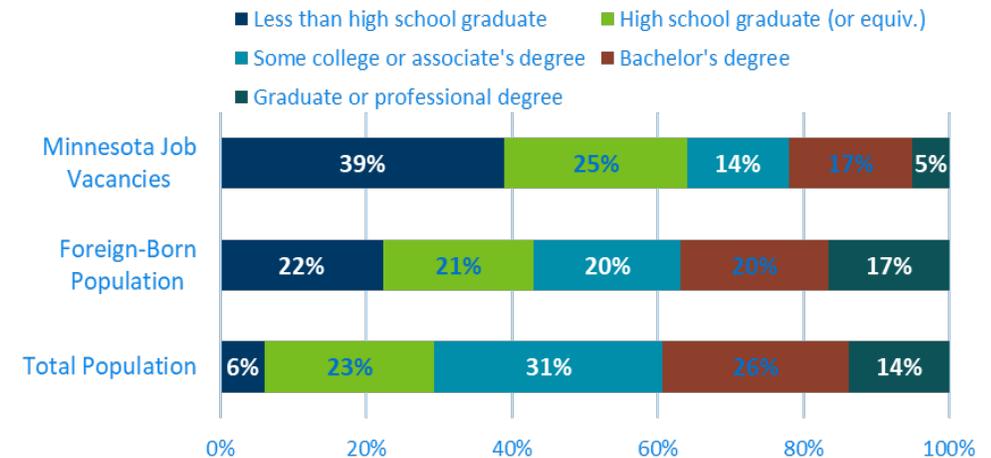
- The age demographics of Minnesota's growing foreign-born population create valuable opportunities for the state's workforce
- The foreign-born population is heavily concentrated in prime working ages, with 62.3% between the ages of 25 and 54 years, compared to just 40.6% of the total population
- 35- to 44-year-olds make up 24.9% of foreign-born residents compared to 14.4% of the total population
- As Minnesota faces the challenges of an aging population, these demographic patterns position foreign-born residents as a vital source of current and future workforce growth



# Immigrants in Minnesota – Economic Impact

- As of 2024, more than 370,000 foreign-born workers accounted for 11.7% of the Minnesota's labor force (U.S. = 18.3%)
- Minnesota has the highest foreign-born labor force participation rate at 74.9% (U.S.=67.6%)
  - Almost 7% higher than the statewide labor force participation rate, which was 6<sup>th</sup> highest among all states
- Minnesota is up +84,500 foreign-born workers since 2014 (+29.6%)
  - Overall labor force grew 166,000 workers, a +5.5% growth rate
  - Nationally, the foreign-born labor force grew twice as fast as overall (+20.4% vs. +10.1%)
  - *Higher than the native-born LFPR (67.3%), and going up while native-born LFPR went down...*
- **Bifurcated educational attainment**
  - Foreign-born workers bring valuable skills and experience that align with the state's diverse labor market needs
  - Their participation is becoming increasingly crucial in industries facing persistent labor shortages

Figure 4. Educational Attainment for the Adult Population (25 years & over) and Educational Requirements of Job Vacancies, 2024



Source: 2020-2024 ACS, DEED Job Vacancy Survey

# Impacts of Operation Metro Surge – What We're Hearing

- Trauma from witnessing how the federal government conducted the surge
- Fear around security and safety – in leaving homes to go shopping, seek services, or going to work
- Concerns about data collection of personal information by the government
- People aren't showing up at workforce training programs and are not accessing services
- Employers are struggling to staff their workforces
- Businesses are struggling to stay open with fewer workers AND customers

# Business Relief for Small Businesses Impacted by Metro Surge

- Governor Walz recommends \$10 million in relief for small businesses negatively impacted by Operation Metro Surge.
- Specifically for businesses with annual revenues of \$250,000 to \$4,000,000.
- This program would provide partially forgivable loans ranging from \$2,500 to \$25,000.
- Loans may have up to three-year terms, with up to 50% of the loan being forgivable.

Thank you!

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