



Labor Shortage? The Impact of Demographics on the Labor Force

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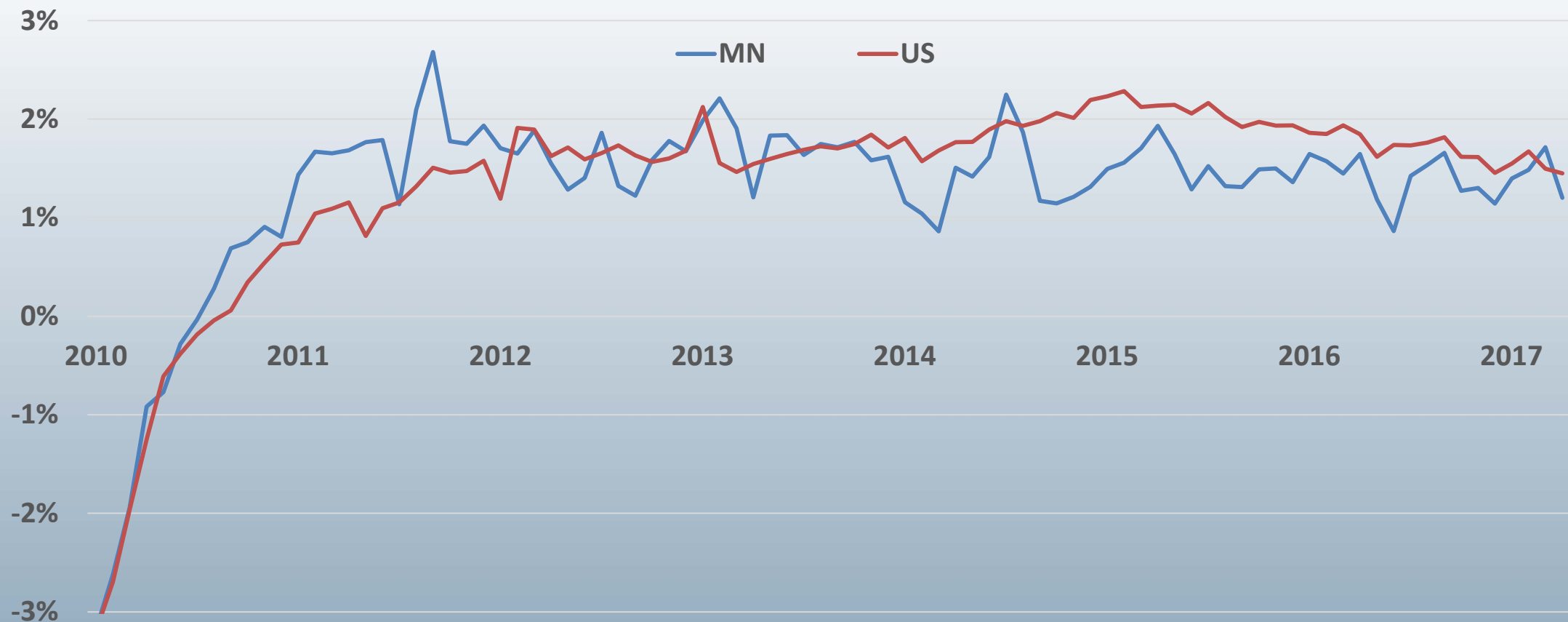
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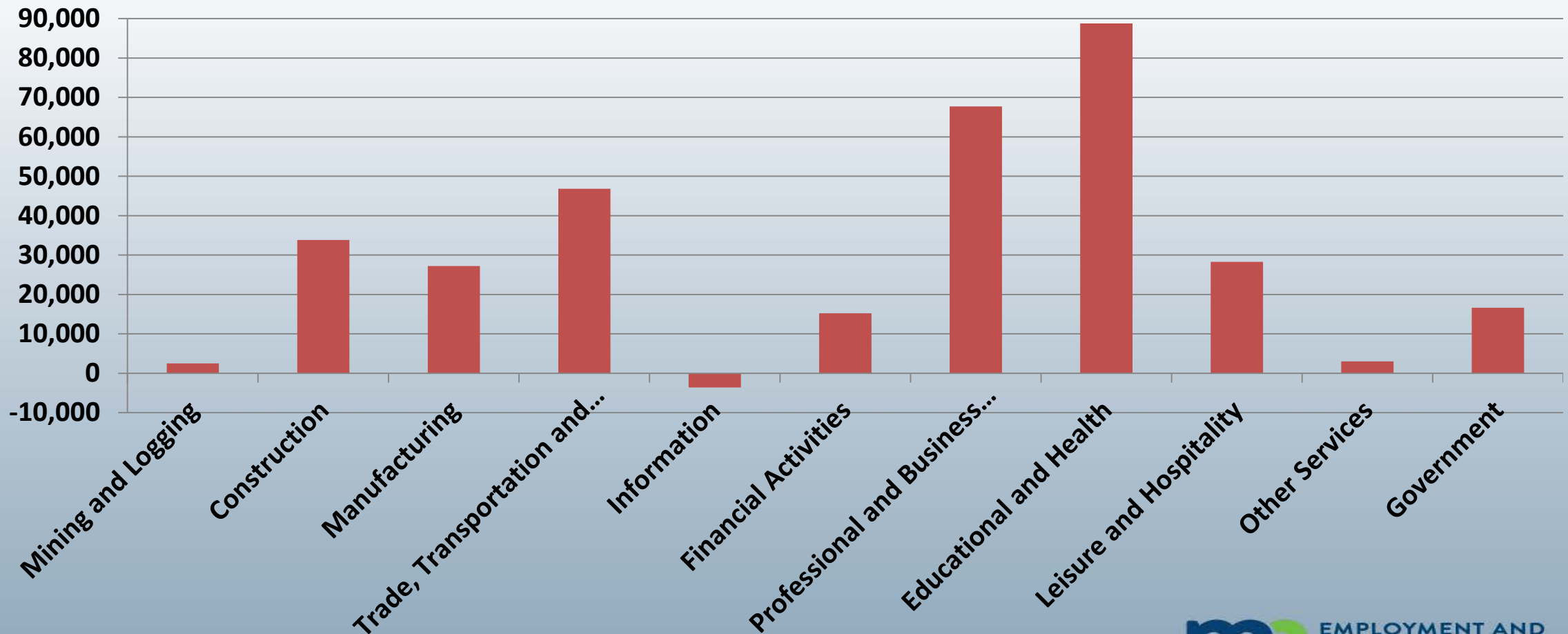
MN Job Growth Continues As Recovery Nears 8 Years

(Over-the-year total non-farm employment growth rates)

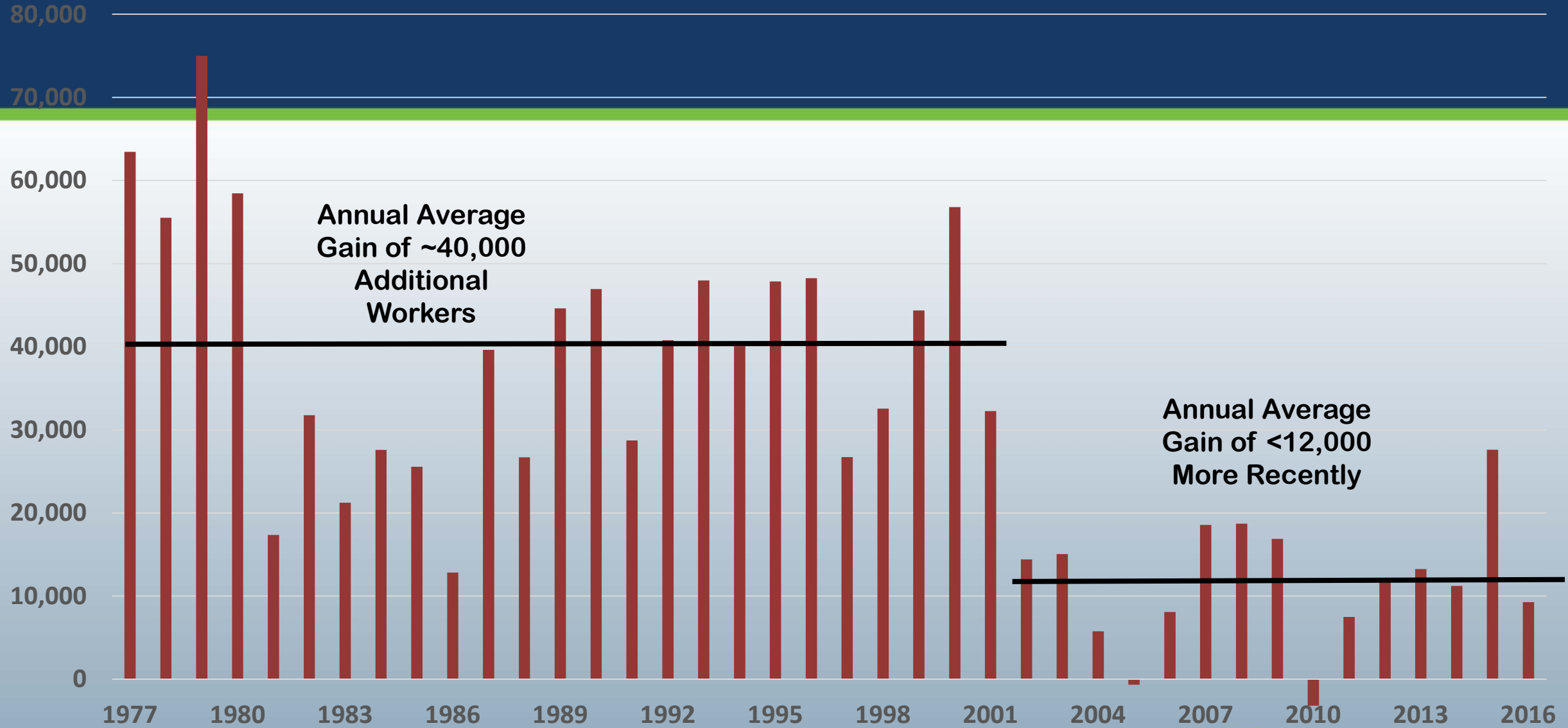


Number of Jobs Added Reveals Areas of Strength

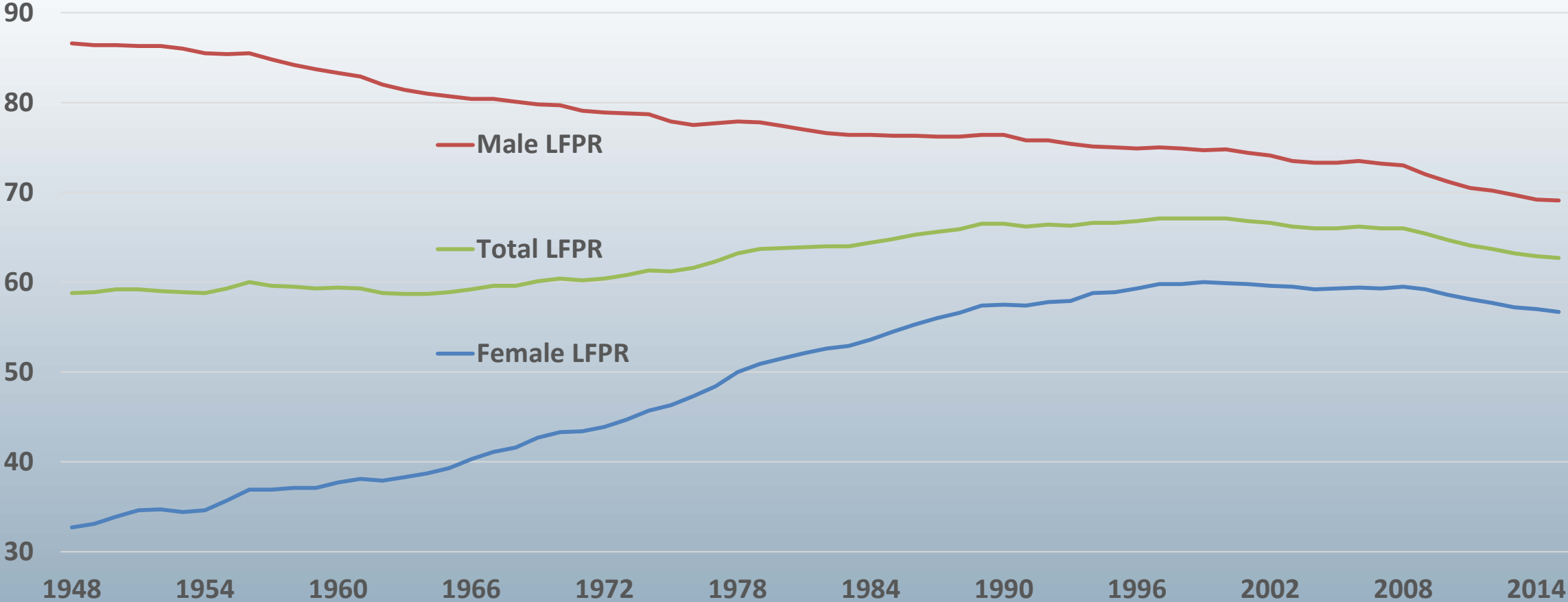
(Change in Employment by Sector Since September 2009)



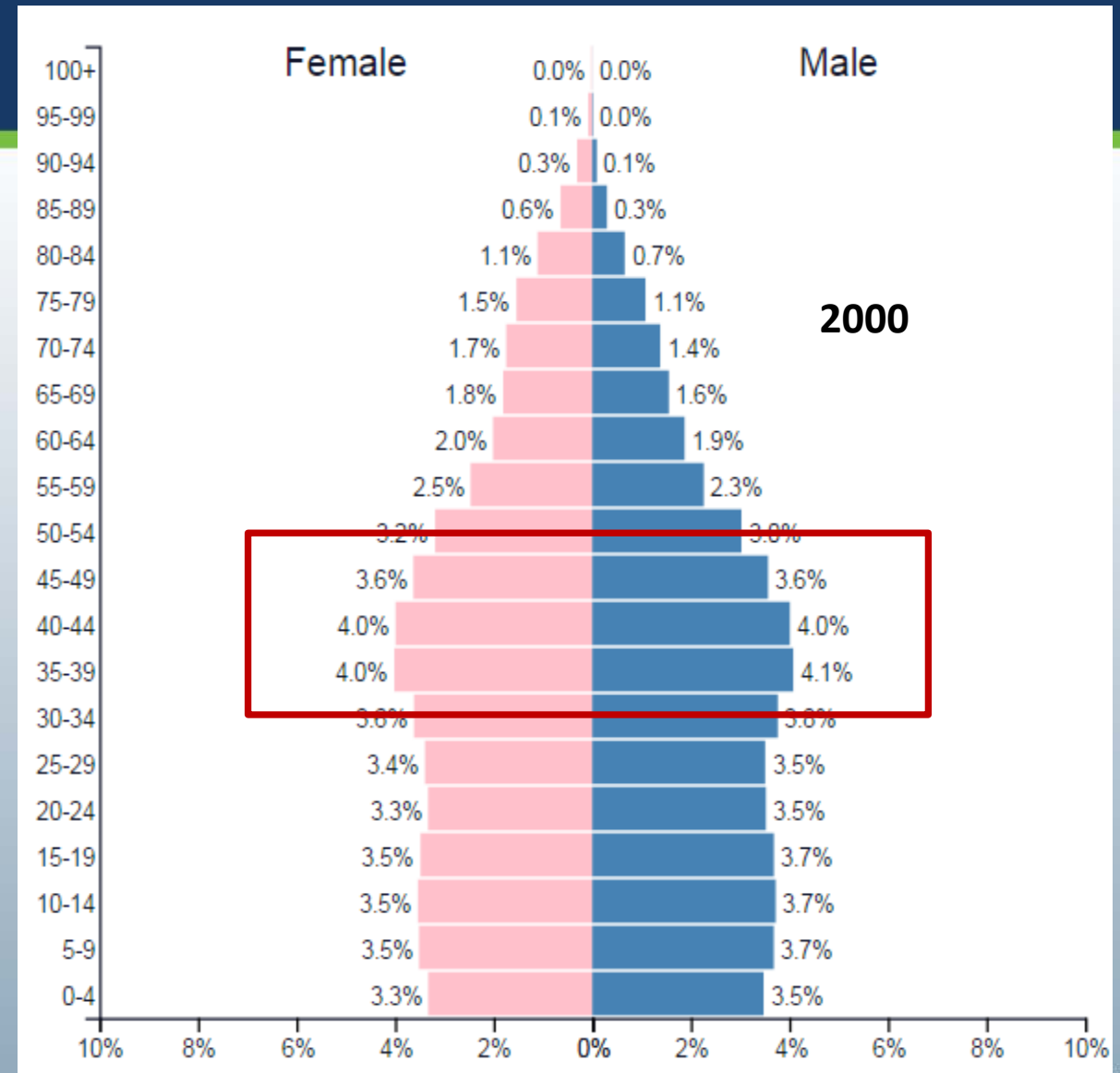
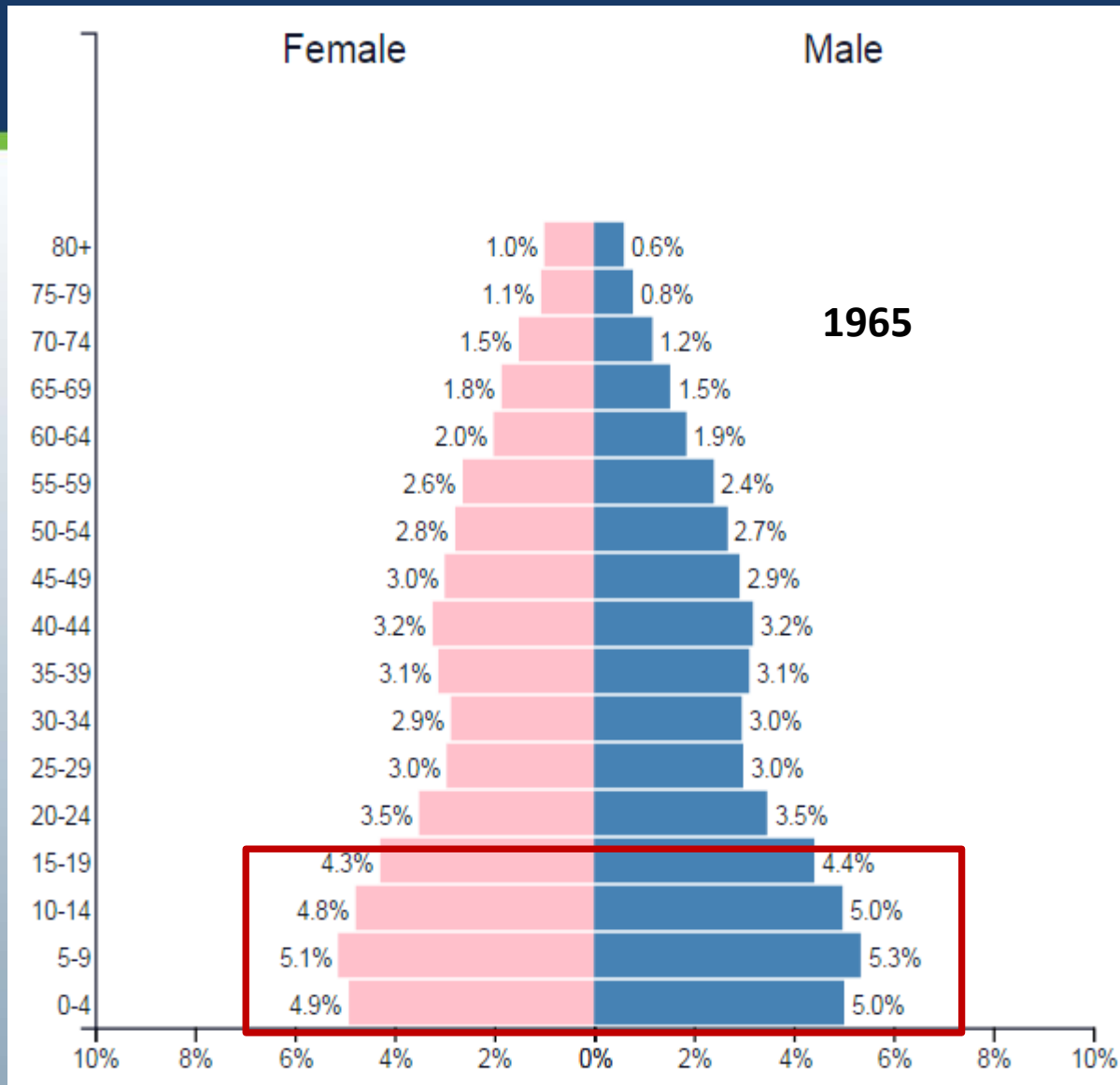
Labor Force Growth In Minnesota has Slowed Considerably



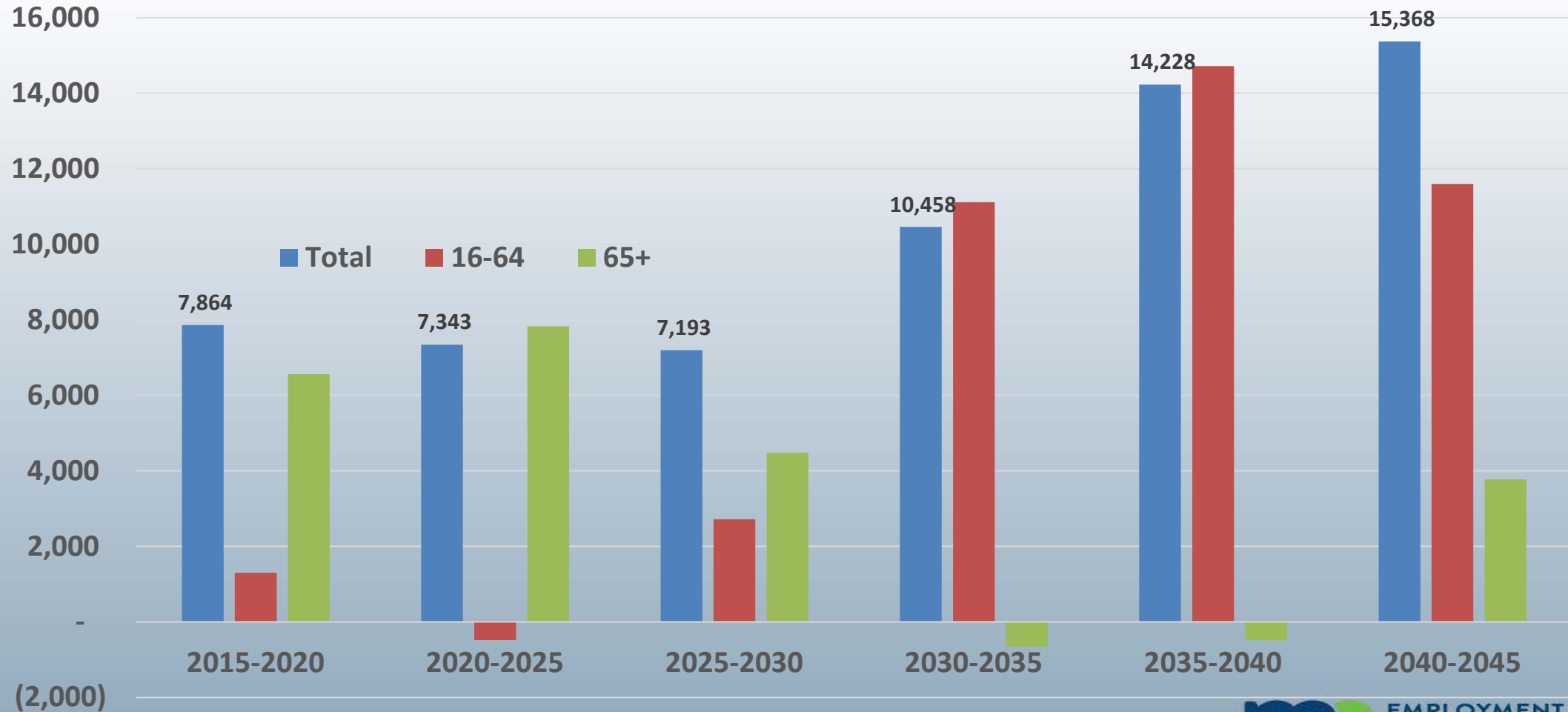
US Participation Rates – Note Female Participation



Baby Boomers Begin to Enter (1965) and Exit (2000) Prime Working Age

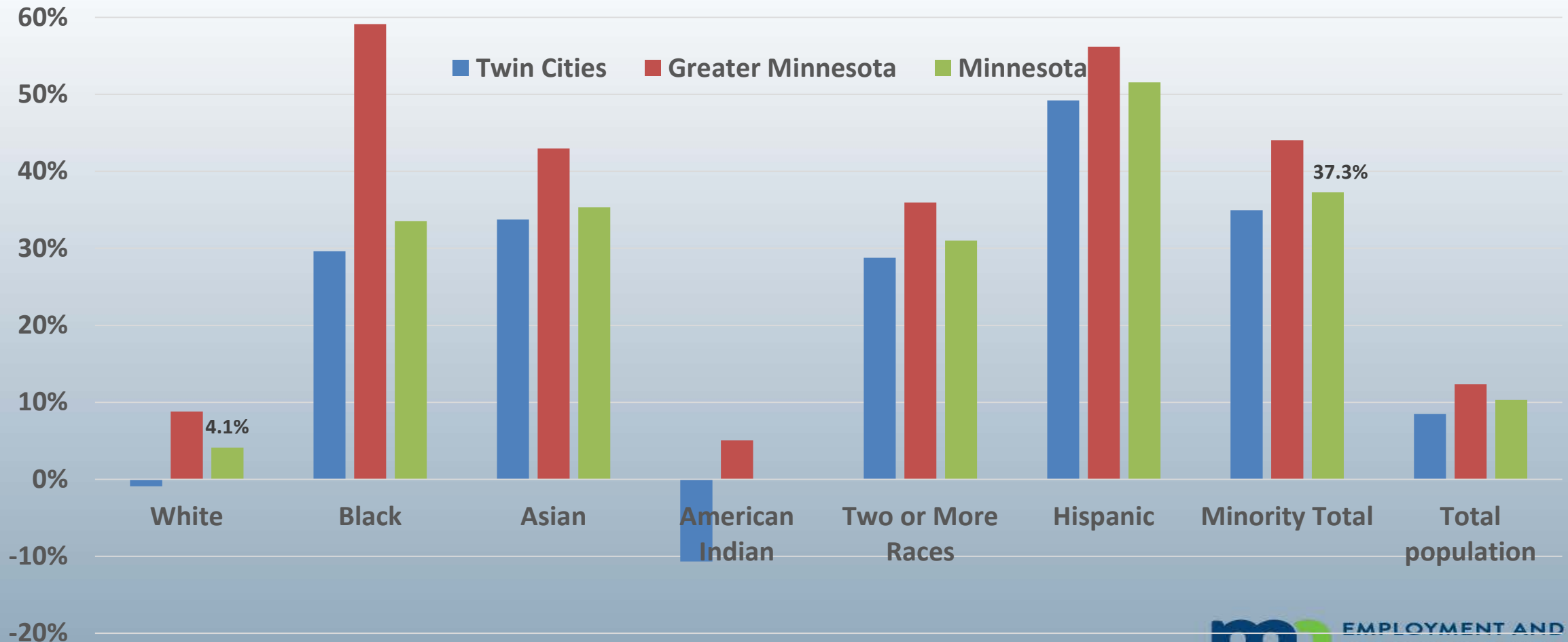


And is Projected to Slow Even More



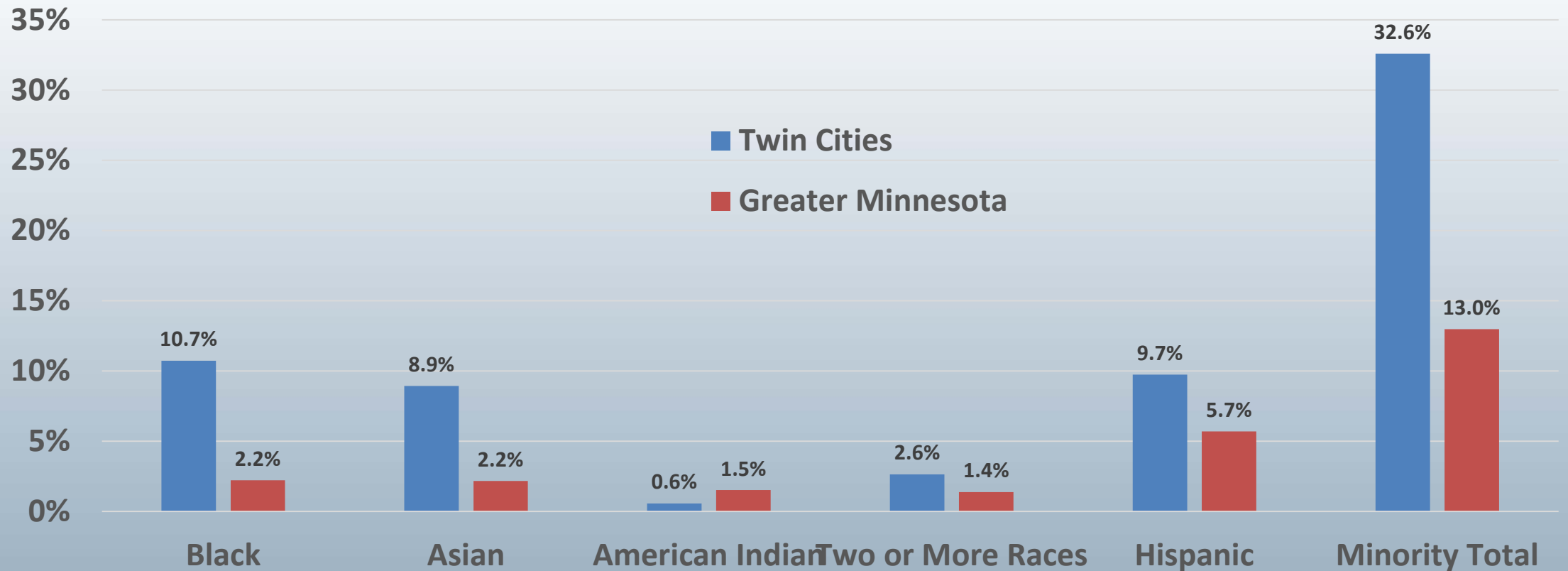
In Addition, the Workforce of the Future Will be More Diverse (Percent Growth, 2015-2030, by Racial/Ethnic Groups)

Source: State Demographic Center



Twin Cities will Continue to be Much More Diverse

(Share of Population in Each Racial/Ethnic Group by 2030)



Example of Trends to Come

(American Community Survey, 2013 to 2015)

	Change from 2013 to 2015	
	White alone or in combination with one or more other races	Black or African American alone or in combination with one or more other races
TOTAL POPULATION	26,769	25,743
Under 18 years	(4,236)	7,520
18 to 34 years	(3,332)	5,623
35 to 64 years	(7,539)	9,899
65 years and over	46,631	3,075
EMPLOYMENT STATUS		
Population 16 years and over	29,817	19,867
Civilian labor force	17,017	18,330
Employed	46,664	26,395
Unemployed	(25,822)	(8,065)
Not in labor force	8,975	1,537

Prime Working Age



Another Example of Trends to Come (American Community Survey, 2013 to 2015)

	Change from 2013 to 2015	
	US born	Foreign born
Total Population 16 and over	28,266	46,047
Civilian Labor Force	17,941	35,600
Employed	50,427	39,452
Unemployed	(32,486)	(3,852)
Not in labor force	10,325	10,447

Where Will Jobs of the Future Be?

<i>Occupation</i>	<i>Projected Employment 2024</i>	<i>Percent Change 2014 - 2024</i>	<i>Numeric Change 2014 - 2024</i>
Total, All Occupations	3,137,000	4.3%	130,000
Personal Care and Service	179,613	13.8%	21,822
Healthcare Practitioners	183,754	12.3%	20,142
Healthcare Support	107,588	17.6%	16,114
Food Preparation and Serving	243,330	5.0%	11,788
Sales	299,882	3.7%	10,788
Business and Financial	180,041	5.6%	9,586
Construction and Extraction	120,583	7.7%	8,722
Computer and Math	101,315	8.3%	7,812
Community and Social Service	65,412	9.1%	5,466
Management	233,599	2.2%	5,117
Building and Grounds Cleaning and Maintenance	103,887	4.7%	4,710
Installation, Maintenance, and Repair	107,472	4.4%	4,559
Transportation and Material Moving	180,617	2.3%	4,167
Education, Training, and Library	168,231	2.4%	4,014
Life, Physical, and Social Science	27,305	5.2%	1,351
Protective Service	48,999	2.5%	1,212
Legal	22,093	4.6%	990
Arts, Design, Entertainment, Sports, and Media	55,098	1.4%	770
Architecture and Engineering	52,634	0.6%	345
Farming, Fishing, and Forestry	15,175	-5.2%	-848
Office and Administrative	421,343	-0.9%	-4,040
Production	219,029	-2.0%	-4,587

Some Conclusions

- *These Projections illustrate the impact that an aging population will have on our economy*
 - Increase in health care, personal care are significant
 - Construction and IT are also strong sources of growth
- *Job growth will be constrained by lack of available workforce (especially in Greater Minnesota)*
 - By how much depends on immigration and removing racial barriers
 - These projections assume full employment (don't try to guess recessions) – another deep recession will change things
- *Must make most of the workforce we have by removing frequent impediments to work*
 - Align skills and training with needs, transportation, child care, sick leave, low wages, accommodate the older workers to name a few
- *Must improve worker mobility*
 - Housing markets, portable health care, labor exchange systems

Thank you!