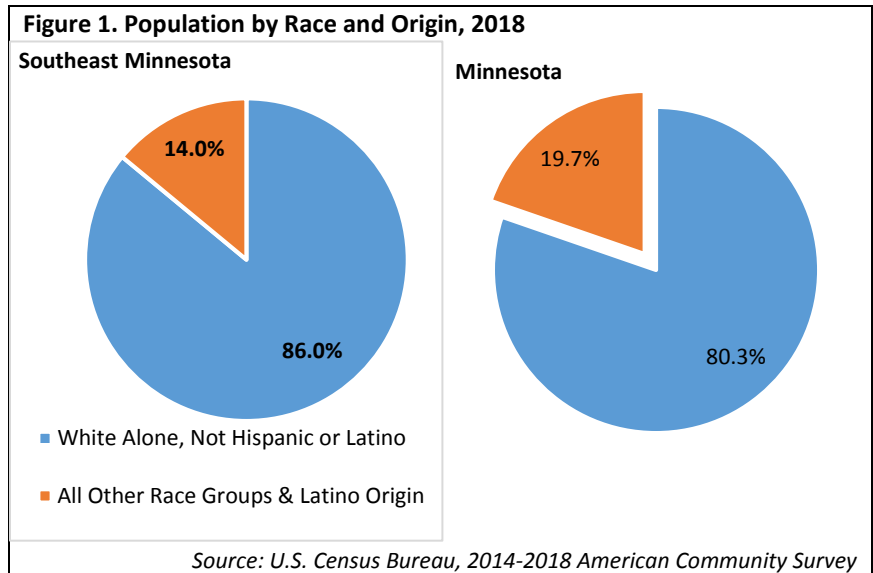


Southeast Minnesota Regional Disparities by Race and Origin

Southeast Minnesota’s population is relatively non-diverse, but is becoming more diverse over time. Through 2018, about 86 percent of the region’s population reported being White alone, and not of Hispanic or Latino origin; while the other 14 percent of the population reported a different race – such as Black or African American, American Indian, Asian, Some Other Race, or Two or More Races – or Hispanic or Latino Origin. That was 5.7 percent lower than the population statewide, where 19.7 percent of residents reported a race or origin other than White alone (see Figure 1).



Southeast Minnesota was home to 504,331 people in 2018, an increase of over 44,000 new residents since 2000. The 11-county region saw an increase of 18,836 White residents, accounting for 42.6 percent of the recent population growth. However, the region experienced even faster population growth from people of other races and origins (see Table 1).

With just over 28,000 residents, people of Hispanic or Latino origin – who can be of any race – comprised the largest minority group in the region, accounting for 5.6 percent of the total population. That was slightly more concentrated than in the state as a whole. The region’s Hispanic or Latino population more than doubled from 2000 to 2018, increasing 110.2 percent.

Table 1. Population Change in Southeast Minnesota, 2000-2018

	Southeast Minnesota				Minnesota	
	2018 Population Estimate	2018 Percent	Change from 2000-2018		2018 Percent	Change from 2000-2018
Total Population	504,331	100.0%	+44,229	+9.6%	100.0%	+12.4%
White	452,889	89.8%	+18,836	+4.3%	83.3%	+4.7%
Black or African American	17,192	3.4%	+11,618	+208.4%	6.2%	+99.3%
American Indian & Alaska Native	1,877	0.4%	+472	+33.6%	1.1%	+7.3%
Asian & Other Pac. Islander	15,295	3.0%	+6,563	+75.2%	4.8%	+83.8%
Some Other Race	7,368	1.5%	+1,776	+31.8%	1.8%	+48.7%
Two or More Races	9,710	1.9%	+4,964	+104.6%	2.9%	+90.7%
Hispanic or Latino origin	28,009	5.6%	+14,685	+110.2%	5.3%	+104.2%

Source: U.S. Census 2014-2018 American Community Survey

The next two largest race groups each had over 15,000 residents in the region. Southeast Minnesota had 17,192 Black or African American Residents in 2018, a 208.4 percent rise since 2000. Likewise, the region was home to 15,295 Asian or Other Pacific Islanders, after gaining 6,563 additional residents since the turn of the century. Residents reporting Two or More Races increased 104.6 percent in the region from 2000 to 2018, and now account for 9,710 people, which is about 1.9 percent of the total population.

Though the population reporting Some Other Race increased by only 1,776 people from 2000 to 2018, the region had 7,368 people of Some Other Race in 2018. Finally, the smallest race group in the region was American Indian and Alaska Natives, with 1,877 people after adding 472 new residents since 2000. In sum, about 10.2 percent of the population in the region was a race other than White.

Employment Diversity

People of other races held just 9.2 percent of total jobs in Southeast Minnesota, according to data from the Quarterly Workforce Indicators program. Based on annual averages for 2019, nearly 23,000 jobs were held by people of other races, compared to about 225,000 White workers. While still a small portion, workers of other races held just 4.3 percent of the total jobs in 2000, meaning their employment presence more than doubled from 2000 to 2019 (see Figure 2).

In sum, workers of other races have filled an additional 13,500 jobs in the region since 2000, accounting for 45 percent of the 29,800 new jobs added. With 9,489 jobs, Black or African Americans were the largest race group in the regional economy, after gaining 6,454 jobs since 2000, a 213 percent increase. The next largest group was Asians, who held 8,958 jobs in 2019 after rising 101 percent from 2000 (see Figure 3). Workers of Hispanic or Latino origin filled 12,922 jobs in the region, up by 7,132 jobs since 2000, a 123 percent gain.

Most industry sectors in Southeast Minnesota are non-diverse, but there are a couple that rely more heavily on workers of other races. The largest number of minority workers were employed in

Health Care and Social Assistance, though 89 percent of the jobs in the industry were held by White workers. Workers of other races were also employed in larger numbers in Manufacturing, Accommodation and Food Services, and Retail Trade (see Figure 4). The most diverse industry in the region was Administrative Support and Waste Management Services, where 16.3 percent were non-white.

Fig. 2. Employment by Race & Origin, All Industries, Southeast MN, 2019

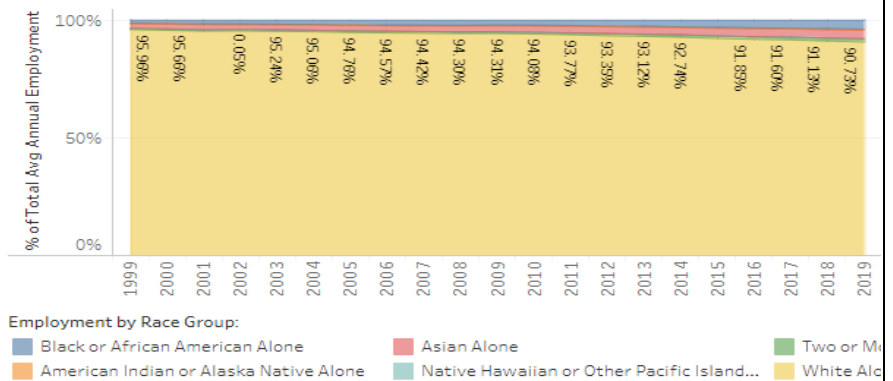


Fig. 3. Employment by Other Races, All Industries, Southeast MN, 2019

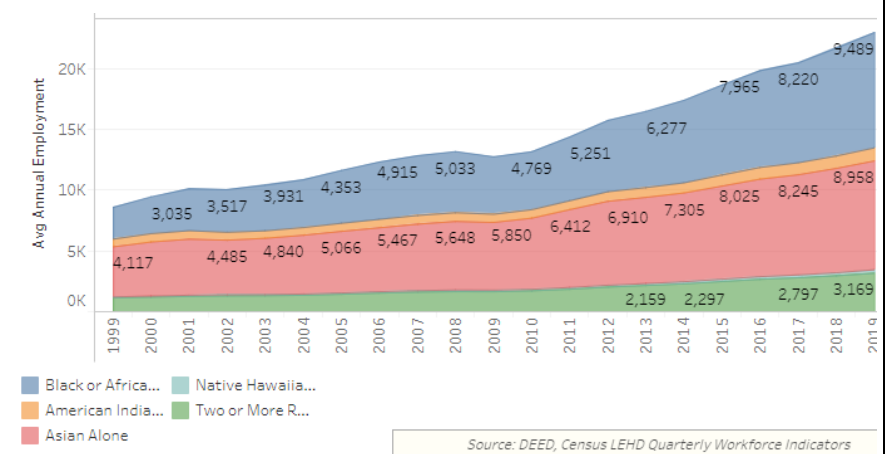
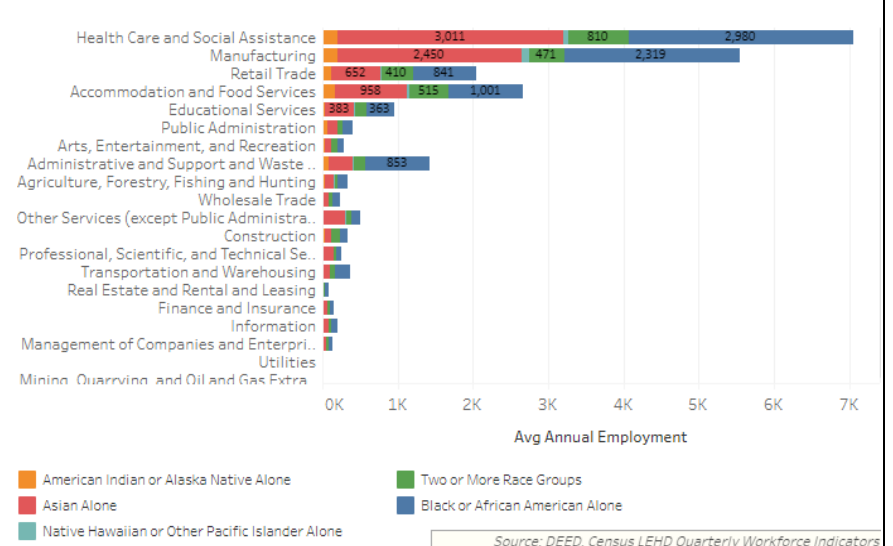


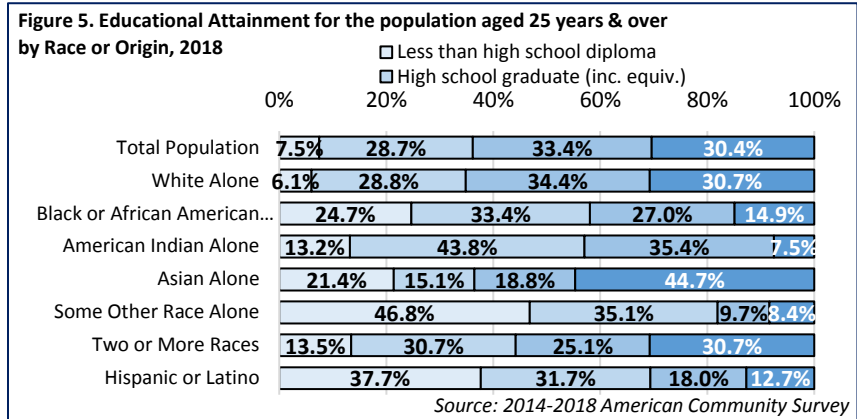
Fig. 4. Employment by Other Races by Industry, Southeast MN, 2019



Employment Characteristics

Comparing the economic status of people of other races with the region’s White residents reveals many disparities including educational attainment, labor force participation, unemployment, and income and poverty levels. Closing these gaps is crucial to keep the region’s economy moving forward.

People of other races exhibited lower educational attainment than their White counterparts, with a much higher percentage of people with less than a high school diploma. Close to half of those of Some Other Race and almost 40 percent of those identifying as Hispanic or Latino had less than a high school diploma. In contrast, Asian residents had a higher percentage of people with a bachelor’s degree or higher (see Figure 5).



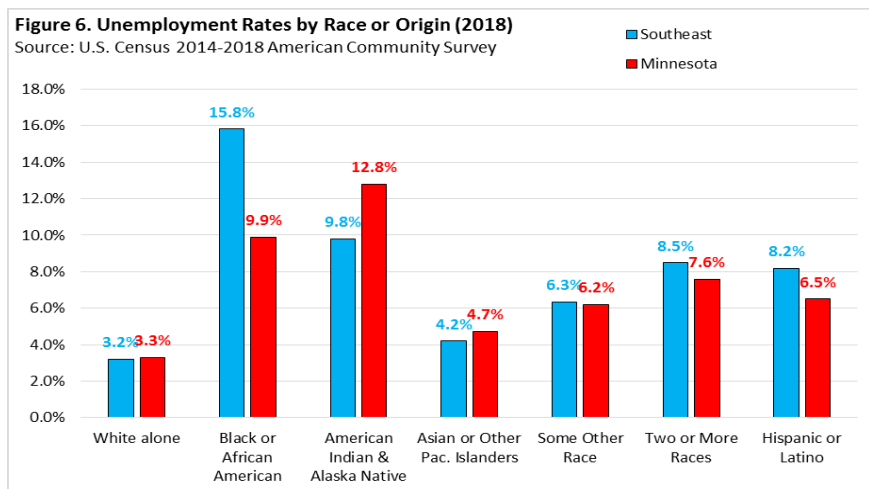
Labor force participation rates are slightly lower in Southeast Minnesota than the state as a whole. People of Some Other Race had the highest labor force participation rate in the region at 74.8 percent, and Hispanic or Latino, Two or More Races, and Asian workers also participated at a higher rate than whites. In contrast, Black or African American and American Indian/Alaska Native workers had lower labor force participation rates (see Table 2).

Table 2. Southeast MN Employment Characteristics by Race & Hispanic Origin

	Southeast			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
White alone	250,983	68.6%	3.2%	69.5%	3.3%
Black or African American	7,661	66.9%	15.8%	70.7%	9.9%
American Indian & Alaska Native	751	50.7%	9.8%	58.5%	12.8%
Asian or Other Pac. Islanders	8,333	70.9%	4.2%	71.3%	4.7%
Some Other Race	3,811	74.8%	6.3%	77.2%	6.2%
Two or More Races	3,491	71.4%	8.5%	73.1%	7.6%
Hispanic or Latino	13,342	74.4%	8.2%	76.3%	6.5%

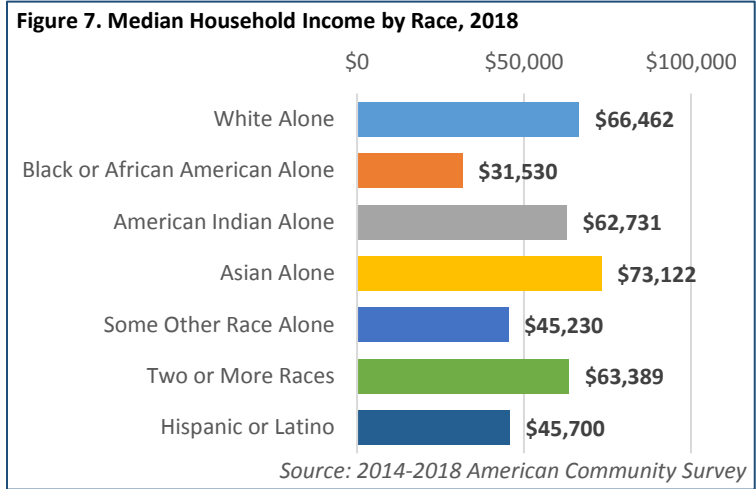
Source: U.S. Census 2014-2018 American Community Survey

Despite the job growth detailed above for workers of other races and origins, unemployment rate disparities continue to exist in the region. All race and ethnicity groups had higher unemployment rates than Whites. In 2018, the region’s White unemployment rate was 3.2 percent which was slightly lower than the state rate. At 15.8 percent, Black or African Americans had the highest unemployment rate in the region, almost 5 times the rate for Whites, and 5.9 percentage points higher than the state rate for Blacks or African Americans. Likewise, rates were significantly higher for American Indian and Alaska Natives, people of Some Other Race, Two or More Races, and Hispanic or Latino origin. However, unemployment rates were just 4.2 percent for Asian and Other Pacific Islander workers (see Figure 6).

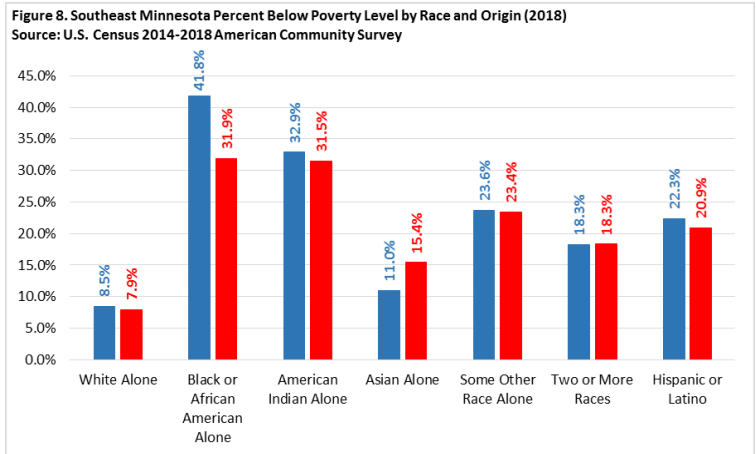


Economic Disparities

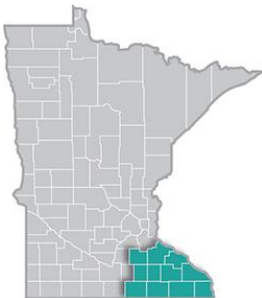
Racial disparities exist in employment characteristics, but they also are found in economic outcomes as measured by household income and poverty levels. The region’s median household income was \$65,054 in 2018, but varied by race groups. The median household income for Black or African American households was \$31,530, almost \$35,000 less than White households. Incomes were also relatively low for Hispanic or Latino households and households of Some Other Race, but the median income was actually higher for Asian households than for Whites (see Figure 7).



Another measure of economic outcome is the percent of the population below the poverty level. Again, there exists disparities between Whites and people of other races in Southeast Minnesota. Overall, the region’s poverty rate was 10.1 percent, which was a little lower than the statewide rate of 10.5 percent. However, in 2018 it was estimated that 41.8 percent of the region’s Black or African American population was below the poverty level, compared to just 8.5 percent of the White population. Likewise, the poverty levels hovered around 33 percent for American Indians, and around 23 percent for those of Some Other Race and of Hispanic or Latino Origin. In most cases, the region’s poverty rate was higher than the state’s poverty rate, with the exception of Asians and Two or More Races, the latter of which saw the region’s rate equal to that of the state.



These racial disparities exist and persist for a wide variety of reasons, but the economic challenges and opportunities the region will face over the next 15 years are so great that they will need to be tackled with a multi-pronged approach to attracting, retaining, and training workers of all demographic characteristics. Working on solutions to address these disparities between the White population and populations of other races is not only the right thing to do, it is the necessary thing to do if the region is going to provide employers with the workforce needed for success.



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