

Demographic Change In Minnesota's Workforce

Testimony
Senate Jobs, Energy and Community Development
Committee

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Mn Dept of Administration
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Economic Growth Depends On

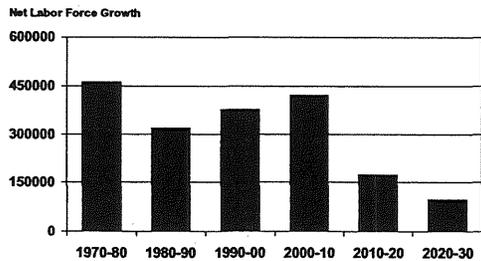
1. Increasing the size of the workforce

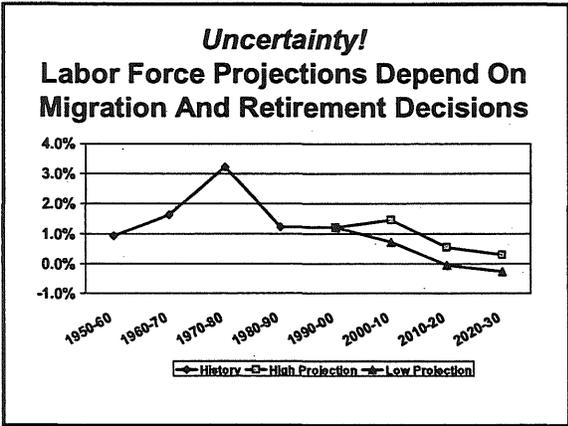
- Workforce growth will likely slow
- Growth will largely depend on increasing participation, especially of older workers, and importing workers from other state or nations

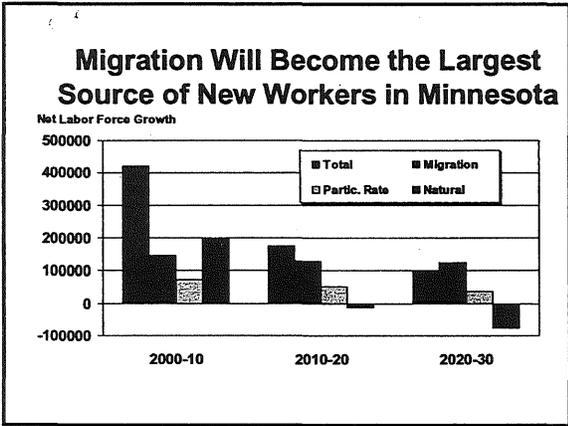
2. Increasing per worker productivity

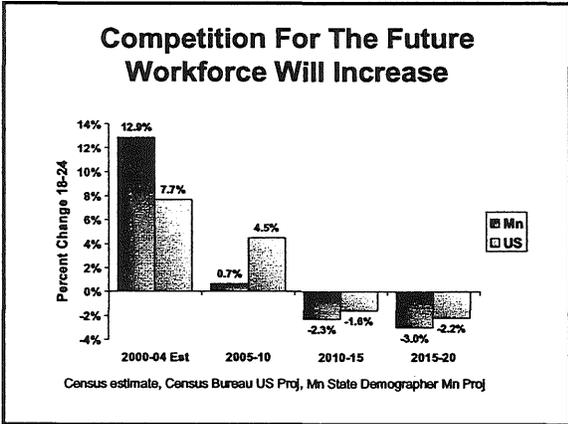
- Productivity depends largely on education and training

Minnesota Labor Force Expected to Grow by 421,000 by 2010 -- But Only 175,000 between 2010 and 2020





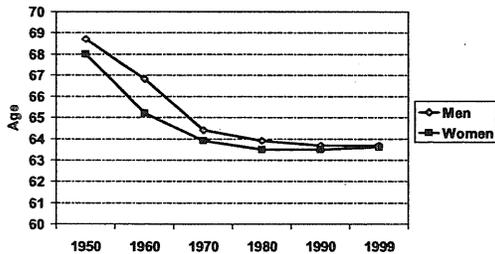




Retirement Age Is Younger

- Average age of retirement is around 63
- Minnesota is similar to the nation
- Age at retirement has declined has declined from about 68-69 in 1950
- Number of years in retirement have increased because people retire younger and live longer

Mean Age At Initial Award Of Social Security Benefits Declined Then Levelled

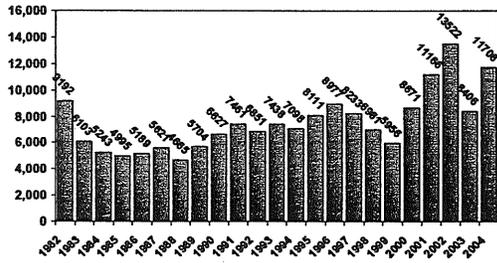


SSA

Choices Companies Have When Faced With a Tightening Labor Market

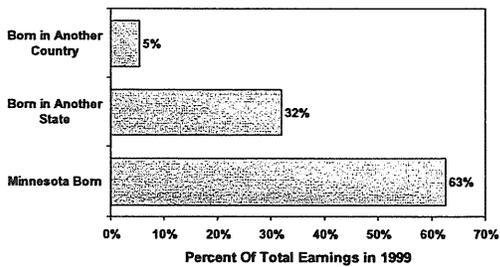
- Encourage retention or hiring of non-traditional workers such as older workers
- Increase per worker productivity
- Export jobs
- Import workers

Immigrants Admitted With Minnesota As Intended State Of Residence



US Dept of Homeland Security

Foreign Born Workers Account For 6% Of The Workforce & 5% Of Minnesota Earnings or About \$5 Billion



2000 Census
