What is the role of the MN State Demographic Center?

- Serve as a liaison to the Census Bureau and assist with the decennial census counts
- Create MN population estimates and projections
- Analyze, interpret and distribute data from the state, U.S. Census Bureau and other sources
- Offer data and technical assistance to legislators, all levels of government, organizations and citizens across the state
- Monitor trends and help MN to make data-informed decisions
The nation in 1900

Source: U.S. Census Bureau

The nation in 1925

Source: U.S. Census Bureau
The nation in 1950

Source: U.S. Census Bureau

The nation in 1975

Source: U.S. Census Bureau
The nation in 2000

Source: U.S. Census Bureau

Minnesota total population in 5-year bars, 2010 decennial census

Population by age and sex
Minnesota, 2010
What Minnesota looked like…
last year

Population by age and sex
Minnesota, 2015

Source: Minnesota State Demographic Center

What Minnesota will look like…
in 9 years

Population by age and sex
Minnesota, 2025

Source: Minnesota State Demographic Center
What Minnesota will look like…
in 19 years

Source: Minnesota State Demographic Center

What Minnesota will look like…
in 29 years

Source: Minnesota State Demographic Center
Aging is gender lopsided

Among Minnesotans in their:
- early 60s, there are 97 men for every 100 women
- early 70s, there are 87 men...
- early 80s, there are 69 men...
- late 80s, there are 56 men...
- 90s plus, there are 35 men for every 100 women

Source: U.S. Census Bureau, 2010 decennial census.

What Minnesota looks like... this year

Population by age
Minnesota, 2015

Source: Minnesota State Demographic Center Projections
How many additional “older adults” will we gain during this decade?

Change in older adults, age 65+ (Thousands)

<table>
<thead>
<tr>
<th>Decade</th>
<th>1950s</th>
<th>1960s</th>
<th>1970s</th>
<th>1980s</th>
<th>1990s</th>
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</table>

Sources: U.S. Census Bureau and Minnesota State Demographic Center

This decade and next: Unprecedented increases in MN’s 65+ population

Change in older adults, age 65+ (in thousands)

<table>
<thead>
<tr>
<th>Decade</th>
<th>1950s</th>
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<th>1970s</th>
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<tbody>
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<td></td>
<td>85</td>
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<td>71</td>
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<td>285</td>
<td>335</td>
<td>97</td>
<td>66</td>
<td>56</td>
</tr>
</tbody>
</table>

Sources: U.S. Census Bureau, MN State Demographic Center
1950 to 2050 – Three major age groups in MN (millions of people)

1950 to 2050 – Three major age groups in MN (% of total population)

An “older Minnesota” is here to stay (2015 – 2065)
Median age in the darkest counties is 46 or older

By 2030, more than 1 in 5 Minnesotans will be 65+, including all Baby Boomers
County-level differences in aging

*In 35 counties, more than 1 in 5 residents are 65+ (i.e., 20% or more)
*Highest = Aitkin, at 30% of population being 65+
*Lowest = Scott, only county below 10%

Sources: U.S. Census Bureau Population Estimates, via MNCompass.org.

Minnesota’s 65+ population in 2014 (About 780,000 total residents)

6 largest MN counties by 65+ residents in 2014:

1. **Hennepin (150,000 residents, 19% of state’s 65+ population)**
2. Ramsey (69,000 residents, 9% of state)
3. Dakota (50,000 residents, 6% of state)
4. Anoka (41,000 residents, 5% of state)
5. St. Louis (35,000 residents, 4% of state)
6. Washington (32,000, 4% of state)

- Everywhere else (402,000 residents, 52% of state)
Counties are not comparable units for measurement!

5 largest MN counties in 2014:

1. Hennepin (1.2M residents, 22% of state)
2. Ramsey (530K, 10% of state)
3. Dakota (412K, 8% of state)
4. Anoka (343K, 6% of state)
5. Washington (249K, 5% of state)

Everywhere else (2.7M, 50% of state)

Considering our aging population: some key questions

- Will we have or create sufficient infrastructure for more transportation, caregiving, health care, and social support needs, as health challenges and disabilities increase, especially when children live far away?
- Will we be able to finance needed services, especially long-term care? Private and public medical expenses will increase considerably.
- Will older adults have sufficient financial resources for retirement, especially given lengthening life expectancies?
- Will we have the workers to form a strong, skilled, highly productive labor force as the Boomers retire — for economic growth, tax revenues for needed services, and maintaining a high quality of life in MN?
Aging: Assets of our older population

- Minnesota’s older adults are healthier, living longer, and working longer than prior generations
- Volunteerism and community involvement is high – essential “glue” for families, communities, state as a whole


Minnesota’s older adults remain in the labor force longer than before

Source: IPUMS version of U.S. Census Bureau, decennial census, and American Community Survey, Minnesota State Demographic Center tabulations.
Minnesota's older adults remain in the labor force longer than before

Source: IPUMS version of U.S. Census Bureau, decennial census, and American Community Survey. Minnesota State Demographic Center tabulations.

Change just since 2000:
- Early 60s: +11 Pts
- Late 60s: +5 Pts
- Early 70s: +2 Pts
- Late 70s: +1 Pt

Minnesota has shifted to an older workforce: 22% were 55+ in 2014

Figure 2: Percent of Minnesota Jobholders by Age Group, 1995-2014

Source: DEED Quarterly Workforce Indicators (QWI)
Total 25- to 64-year-olds in MN will be a roller coaster (2013-2035)

Ratio of available jobs to job seekers in MN is now roughly 1-to-1
Projected job growth and projected labor force growth

<table>
<thead>
<tr>
<th>Year</th>
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<th>Workers</th>
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<tr>
<td>2025</td>
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</tbody>
</table>

Source: DEED Employment Outlook and Minnesota State Demographic Center labor force projections

Opportunities to impact labor force’s quality and size

- Grow your own (train, retrain, and retain your own)
- Better alignment of preparation (& retooling)
- Pull (or keep) additional folks in the labor force:
  - Older workers!
  - People with disabilities
  - Parents, especially mothers
  - Discouraged workers
  - People with less education/skills that align poorly with available jobs
- Attract new workers (domestic, int’l migration)
Older adults more likely to be retiring with debt lately (nat’l data)

- From 1998-2012, the share of adults age 65+ with household debt increased from 30% to 44%.

- Older households with an outstanding mortgage rose from 16% in 1998 to 24% in 2012.


Median debt among older adults rising (in constant dollars)

- Median debt=$24,500.

- An increase of 74% since 1998 (among older adults with outstanding debt).

- As indebtedness grows at older ages, more families will have to devote part of their retirement income to servicing their debt, leaving fewer resources to meet routine living expenses.

Older adults in Minnesota volunteer impressively (outpacing U.S.)

Older adults who volunteered in the past year by detailed age
Minnesota and U.S., 2012-2014

- Ages 55-64: Minnesota 33%, U.S. 27%
- Ages 65-74: Minnesota 41%, U.S. 27%
- Ages 75+: Minnesota 38%, U.S. 20%

Source: MN Compass presentation of CPS Volunteering Supplement Data: http://www.mncompass.org/civic-engagement/volunteerism#1-4362-g

Healthy life expectancy at age 65 – Minnesota leads almost all states

- Life expectancy for Minnesotans age 65 now is 20.1 more years, with 15.6 years in good health (second only to Hawaii)
- Compare vs. 17.5 years, with 10.8 in good health, in Mississippi (Life expectancy at age 65)
- Variations in health and disability exist by sex, race, and education in MN as elsewhere

Source: Centers for Disease Control, 2013, Available at: http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6228a1.htm
Healthy life expectancy at age 65

Source: Centers for Disease Control, 2013

Life expectancy expected to continue to extend (national data)

- Men turning 65 in 2030 can expect to live 6 years longer than those who turned 65 in 1970.
- Over the same period, women’s life expectancy at 65 increased 4 years.
- One consequence of this increased longevity is that retirement savings will have to last longer.

Aging brings rising rates of disability (only showing those living in the community)

Percent with a disability by gender and age
Minnesota, 2011

Types of disabilities among 65+ (only showing those living in the community)

Individuals with a disability by type, ages 65 and older
Minnesota, 2012

Sources: U.S. Census Bureau, American Community Survey, via MNCompass.org.
Note: Relates only to the civilian, non-institutionalized population with a serious difficulty in one or more of four basic areas of functioning: vision, hearing, ambulation, and cognition.
Long-term care planning
(for individuals, families, MN)

- An estimated 12% of Minnesotans ages 65-84 have disabilities that require long-term care (DHS)
- Among 85+, more than half (55%)
- From 2015-2040: Anticipated 85% growth in MN enrollees in long-term care under MA/Medicaid (in nursing facilities or home/community via Elderly Waiver)
- Growth to 3.4 times the dollar amount spent upon it presently, to $3.8 Billion (split 50-50 with the fed gov’t)

Considerations of aging:
More residents in their 60s & early 70s

- Most transition out of the labor force in their 60s, impacting:
  - Daily activities
  - Transportation timing
  - Spending habits
  - Housing and migration
- Community impacts include:
  - Surplus of “free” time, creating opportunities for travel, volunteerism, encore careers
  - Population and housing shifts
  - Changes in labor force growth and dampened economic growth
Considerations of aging:
More residents in their 80s+

- Prevalence of disability and dementias, and need for long-term care will grow dramatically
- Private, public medical expenses will increase
- Gender imbalance much more prominent
- Likelihood of driving oneself falls
- Outliving financial resources of great concern

Minnesota’s population by age groups

Sources: U.S. Census Bureau, 2012 population estimates
Diversity among Minnesota’s older adults and next wave (2013)

- **White, non-Hispanic**
  - 65+: 94% (1,314,000)
  - 45-64: 89% (714,000)

- **Persons of Color**
  - 65+: 6% (42,000)
  - 45-64: 11% (157,000)

<table>
<thead>
<tr>
<th>Race/Culture</th>
<th>65+</th>
<th>45-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic</td>
<td>13,900</td>
<td>53,400</td>
</tr>
<tr>
<td>Black</td>
<td>12,700</td>
<td>41,100</td>
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<tr>
<td>Asian</td>
<td>5,300</td>
<td>10,700</td>
</tr>
<tr>
<td>Multiracial or other race</td>
<td>3,700</td>
<td>18,200</td>
</tr>
</tbody>
</table>

Diversity among Minnesota’s older adults and next wave (2013)
First ancestry given by older adults in MN and next wave (2013)

- Mexican: 18,000
- Vietnamese: 9,000
- Russian: 9,000
- Chinese: 7,000
- Hmong: 6,000
- Asian Indian: 6,000
- Somali: 4,000
- "African" unspecified: 4,000
- Laotion: 3,000
- Liberian: 2,000
- Nigerian: 1,000
- Cambodian: 1,000

Note: These individuals may be U.S. or foreign-born.

Take-away thoughts for those contemplating these trends

- All areas of the state will feel the effects of an aging population. Health care and long-term care will become cost-drivers of public budgets. How will we balance this with other public needs?

- However, older adults transitioning out the workforce will positively shape our communities with volunteerism, mentoring and advancing their own solutions to the challenges of aging.

- As Baby Boomers retire, a tightening labor force will create new opportunities for workers, but will place strain on employers. The search for skilled hands and minds will intensify (here and across much of the globe).

- Fewer workers relative to older adults puts a premium on developing, retaining, and attracting skilled workers and business leaders — to fuel continued economic growth.

- Minnesota’s communities, workplaces, and markets for business will grow more diverse in the decades to come. The success of populations of Color is essential for our state’s overall success. The next wave of older adults has a far different composition — so plan services with an eye to the future.
And Finally…

Communities leaders will need to be brave, creative, collaborative, and adaptive in responding to these demographic changes.

You are part of the solution!

Draw near the waterfall!

Andi Egbert
demography.helpline@state.mn.us
mn.gov/demography
@MN_StateData