



# State of Rural 2024

MN ASSOCIATION OF WORKFORCE BOARDS

JULY 18<sup>TH</sup>, 2024



# About us

In 1997, a group of rural Minnesota advocates came together to create a rural policy “think tank” that would provide policy makers, rural advocates and concerned citizens with an objective, unbiased and politically unspun examination of today’s rural issues.

- Based in Greater Minnesota, serving Greater Minnesota.
- A non-partisan, non-profit policy research organization.
- Dedicated to providing Minnesota’s policy makers with an unbiased evaluation of issues from a rural perspective.
- 19 Board members
- 4 Staff members in home offices

# CRPD Staff



Left to right:

Kelly Asche, Research Associate in New London

Marnie Werner, VP of Research & Operations in Mankato

Julie Tesch, President & CEO in Waldorf

# Our Latest Research

[www.RuralMN.org](http://www.RuralMN.org)



The suicide epidemic in rural Minnesota: How we got here and how we move forward



The journey to meaningful workforce participation among Southwest graduates



Identifying bottlenecks and roadblocks in the rural mental health career pipeline

# Be the First to Know

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Website: [ruralmn.org](http://ruralmn.org)



Research overview and  
webinars on our website and



Center of Everywhere  
Podcast on our website,  
iTunes, and Spotify.

# The State of Rural, 2024

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Annual report

Covers

- People: Migration, population, race and ethnicity, age
- Economic vitality: Employment industries, jobs in government, self-employed, cost of living, earnings, etc....
- Agriculture: land values, government subsidies, net income



# 1a. People

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MIGRATION CHANGES

# Two drivers of population change

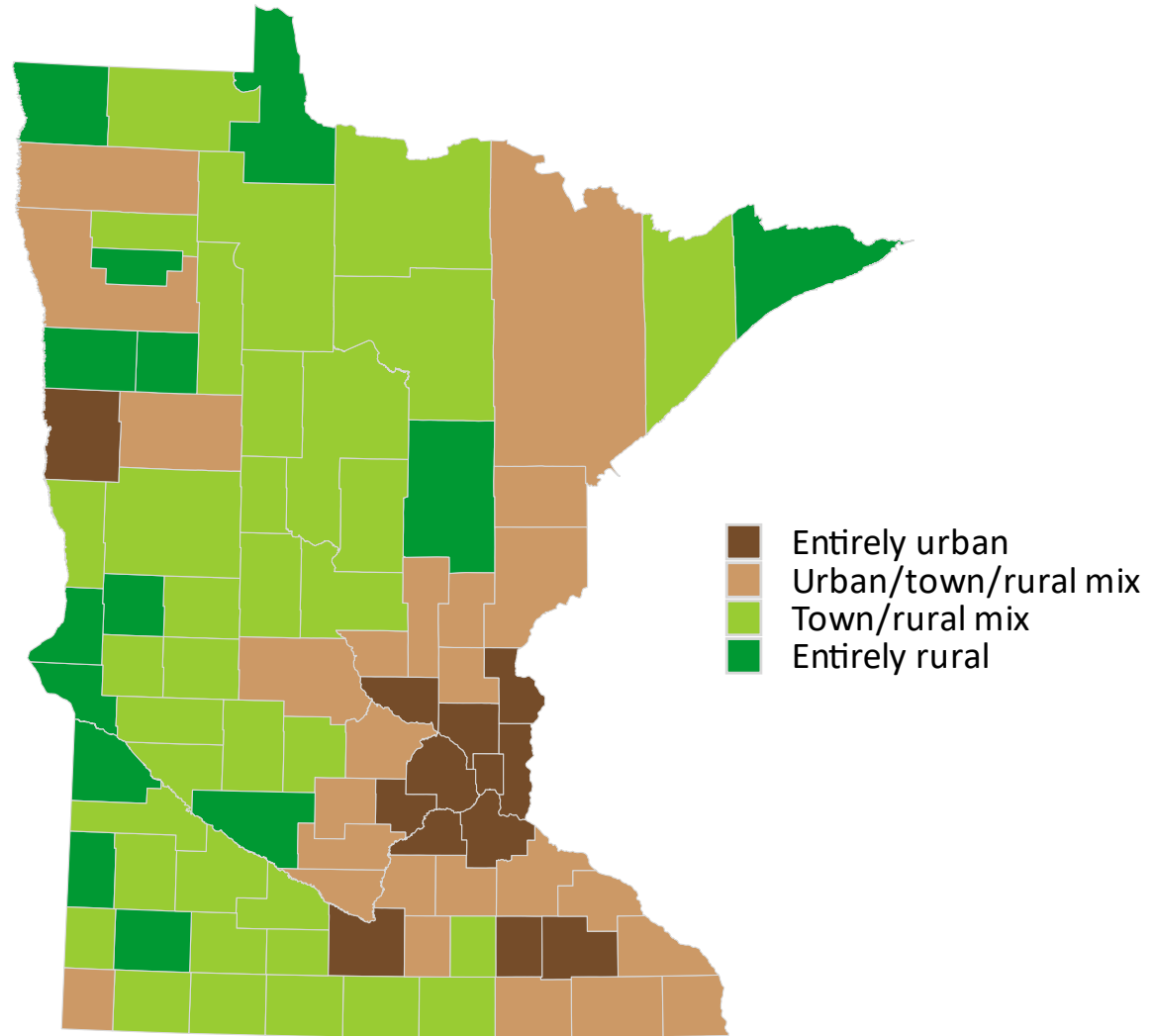
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**Natural Change**  
(Births – Deaths)

**Migration Change**  
(In-migration –  
Out-migration)

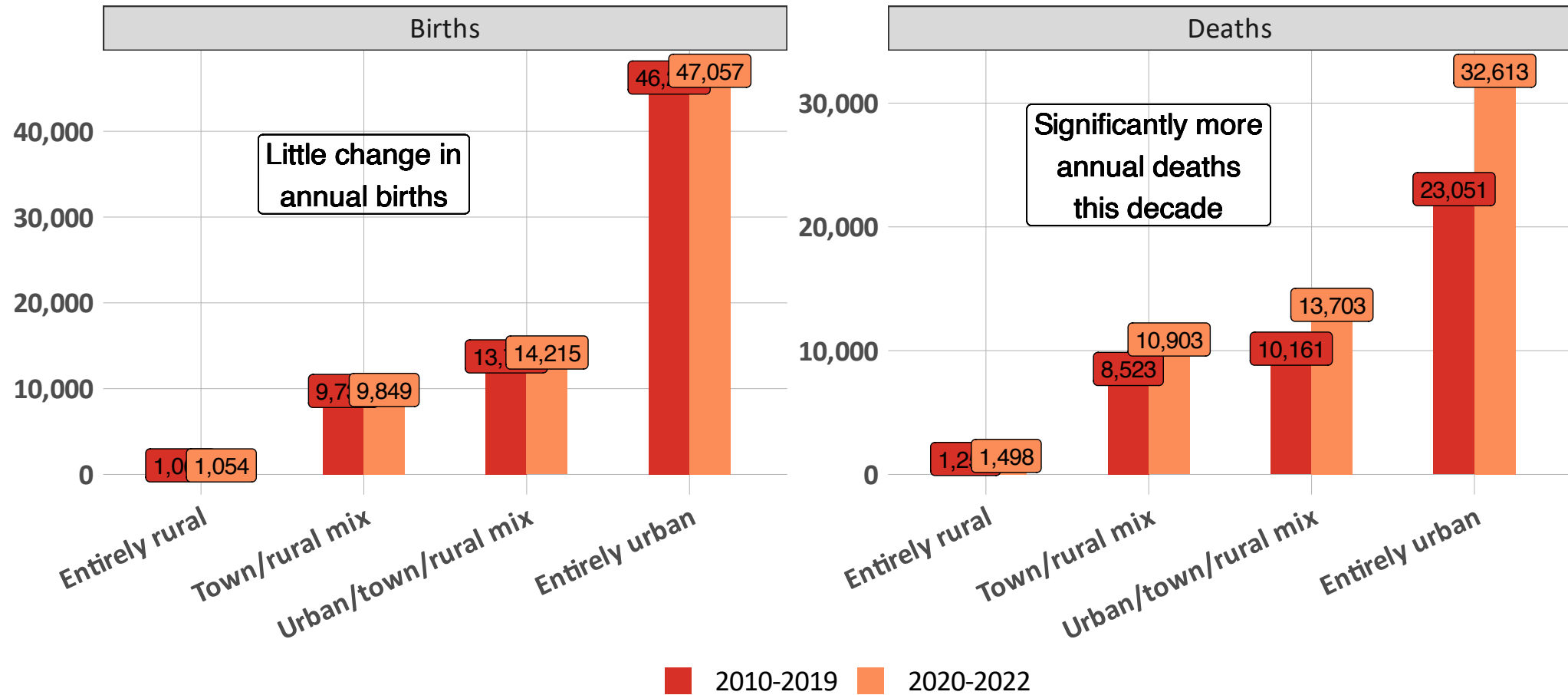


# RUCA categories



# Annual births and deaths

Although the annual number of births has remained consistent, the number of deaths annually increased significantly this decade due to the pandemic and aging populations.

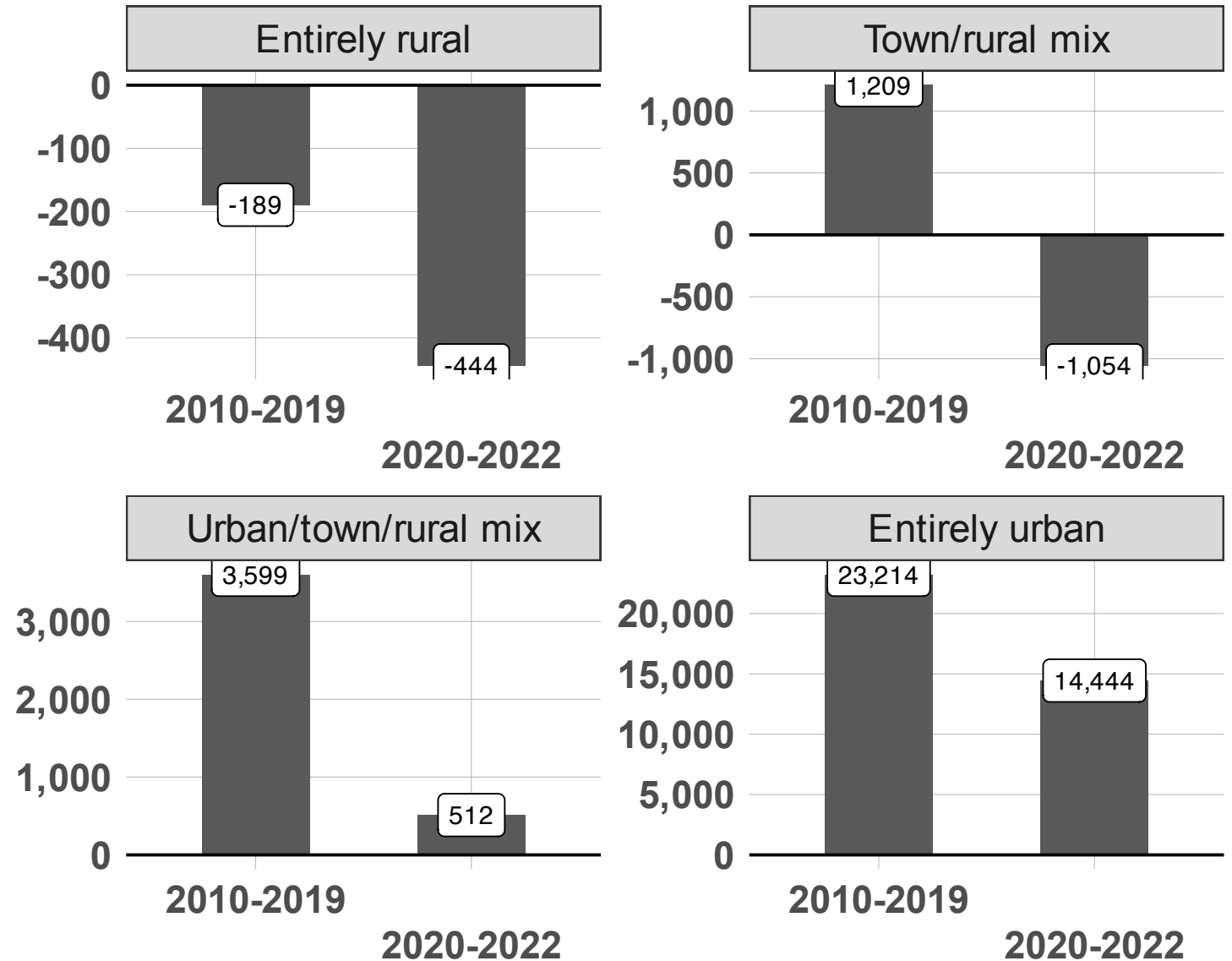


## Worsening natural change.

Due to the high annual deaths from 2020 to 2022, annual births are not able to keep up in replace people across Minnesota.

# Annual natural change - births minus deaths

Natural change has worsened across the state

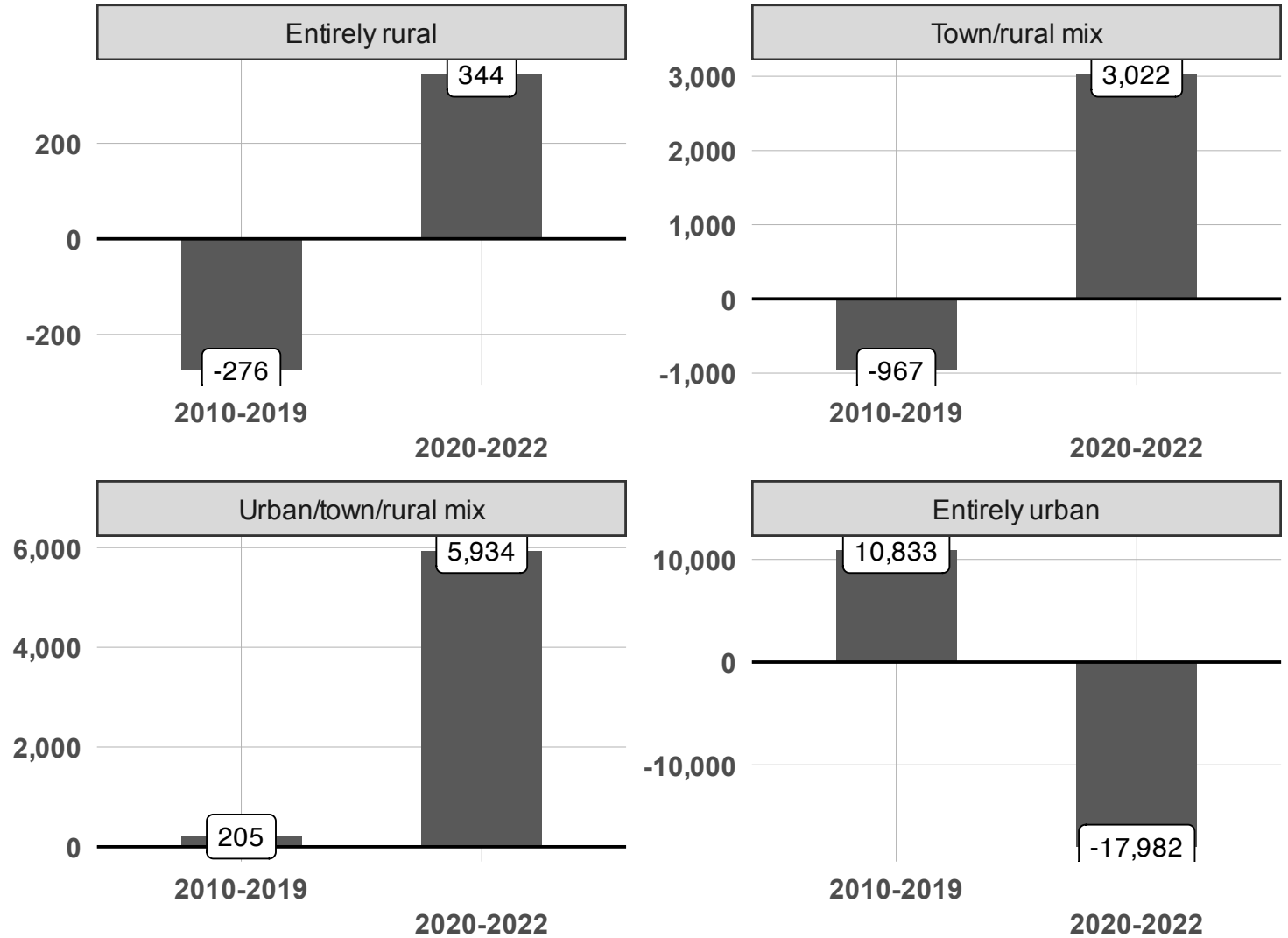


A major shift in migration over last few years.

Comparing the population changes between 2010-2019 to 2020-2022 shows a definite shift in migration. Rural areas are experiencing population increases while entirely urban counties experienced a decline due to changes in migration.

## Annual migration change - in-migration minus out-migration

Migration change has experienced a dramatic shift across the state

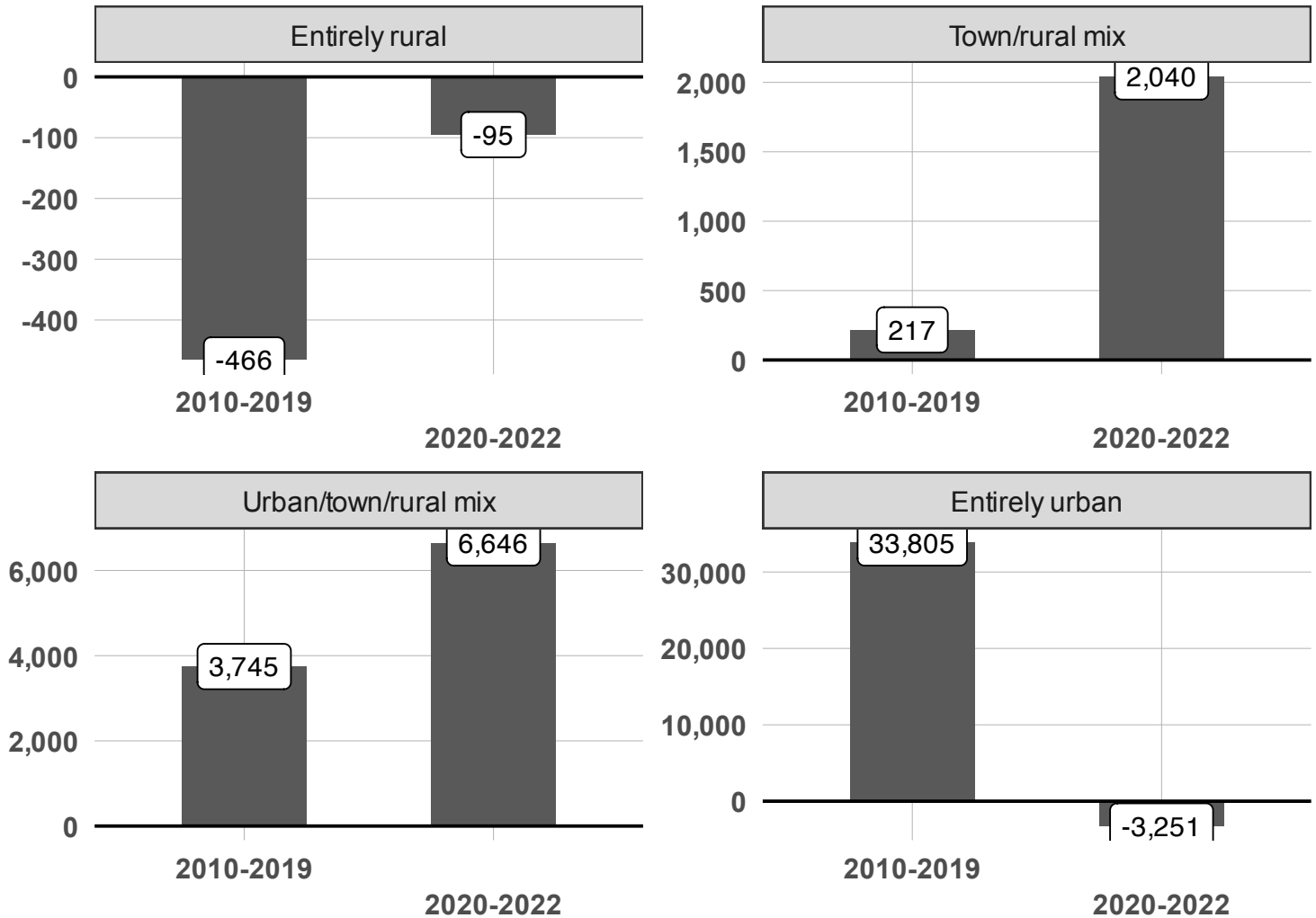


A major shift in migration over last few years.

Comparing the population changes between 2010-2019 to 2020-2022 shows a definite shift in migration. Rural areas are experiencing population increases while entirely urban counties experienced a decline due to changes in migration.

## Annual total population change - natural change plus migration change

Population change has shifted dramatically across Minnesota

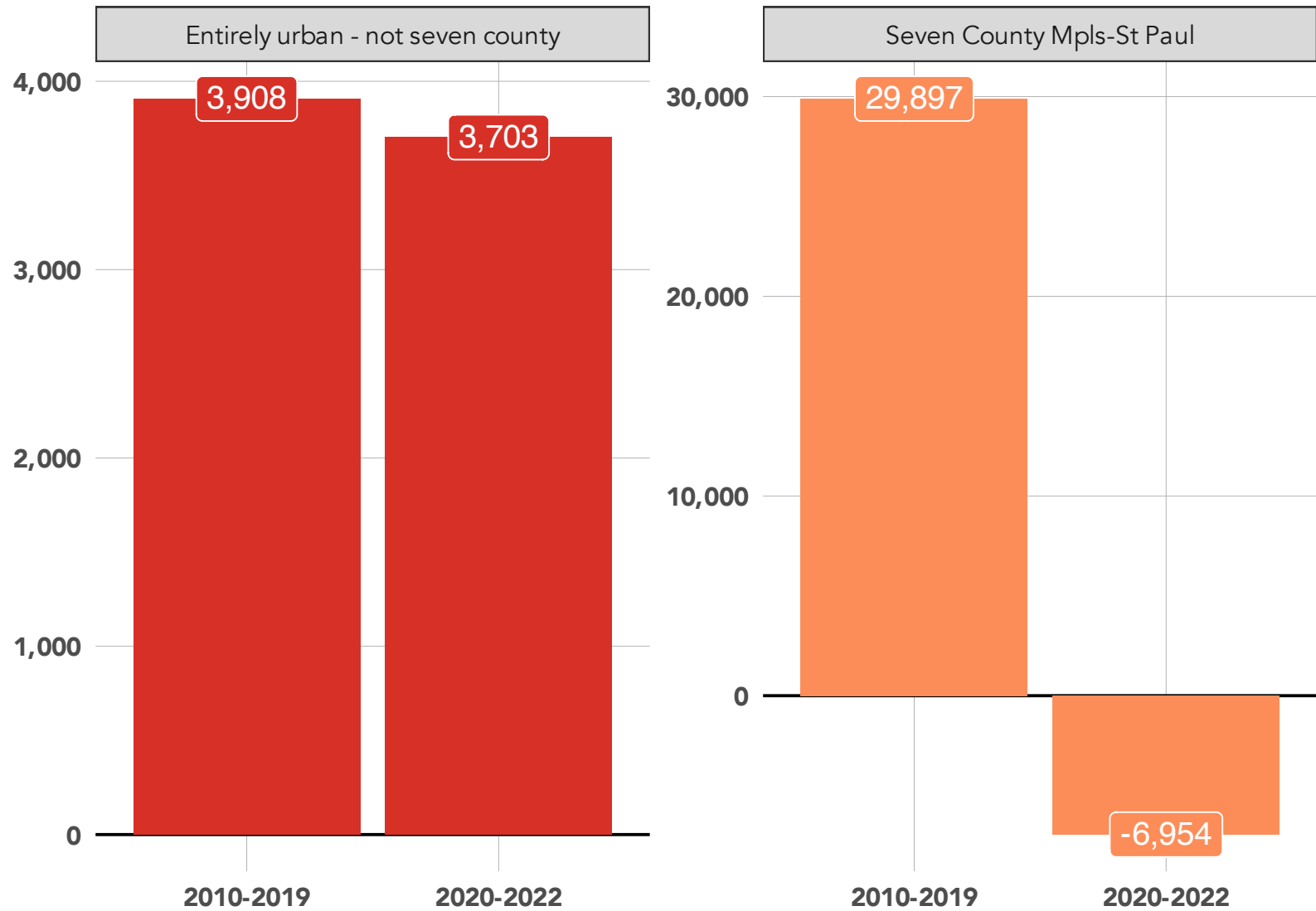


## It's not entirely about being "urban"

Entirely urban counties outside of the seven county metro continued to experience in-migration this decade. This was not the case for entirely urban counties within the seven county metro.

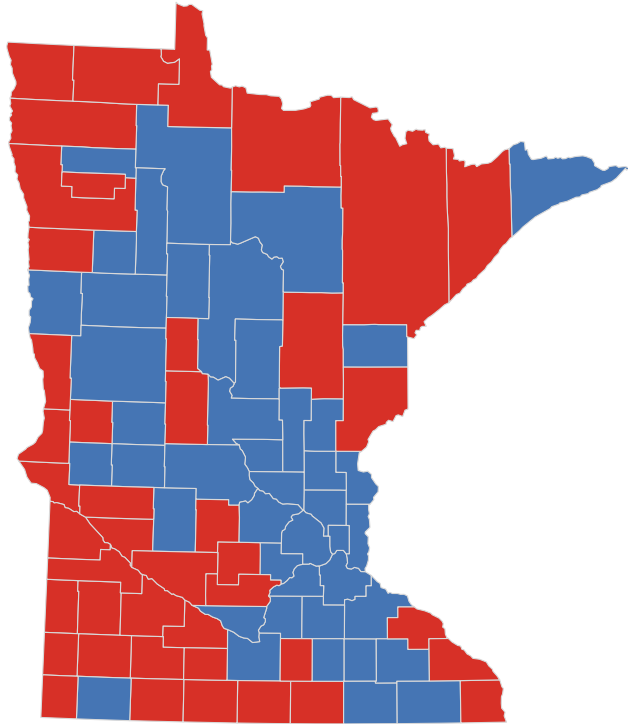
## Annual total pop change - entirely urban split

Population change has shifted significantly from last decade



## Population change from 2010 to 2019

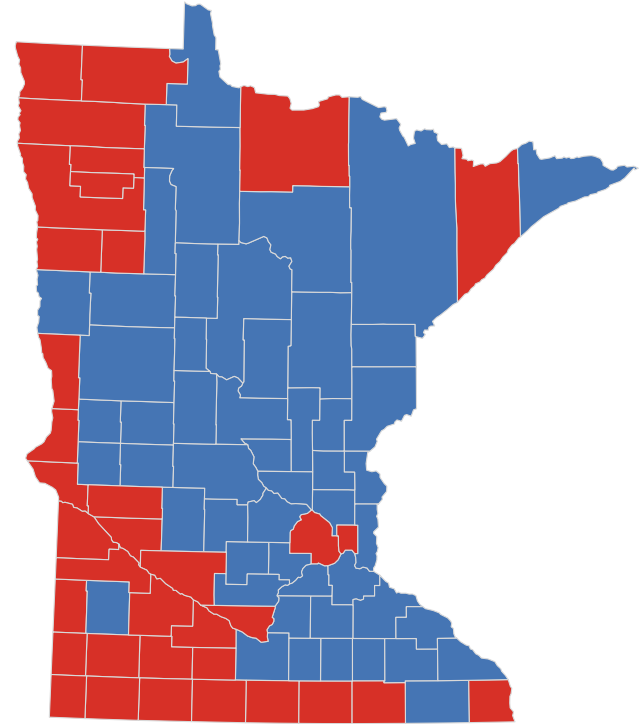
43 counties are decreased in population from 2010 to 2019



■ Population decrease ■ Population increase

## Population from from 2020 to 2023

36 counties are decreasing in population



■ Population decrease ■ Population increase

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# Population change last and current decade

# 1b. People

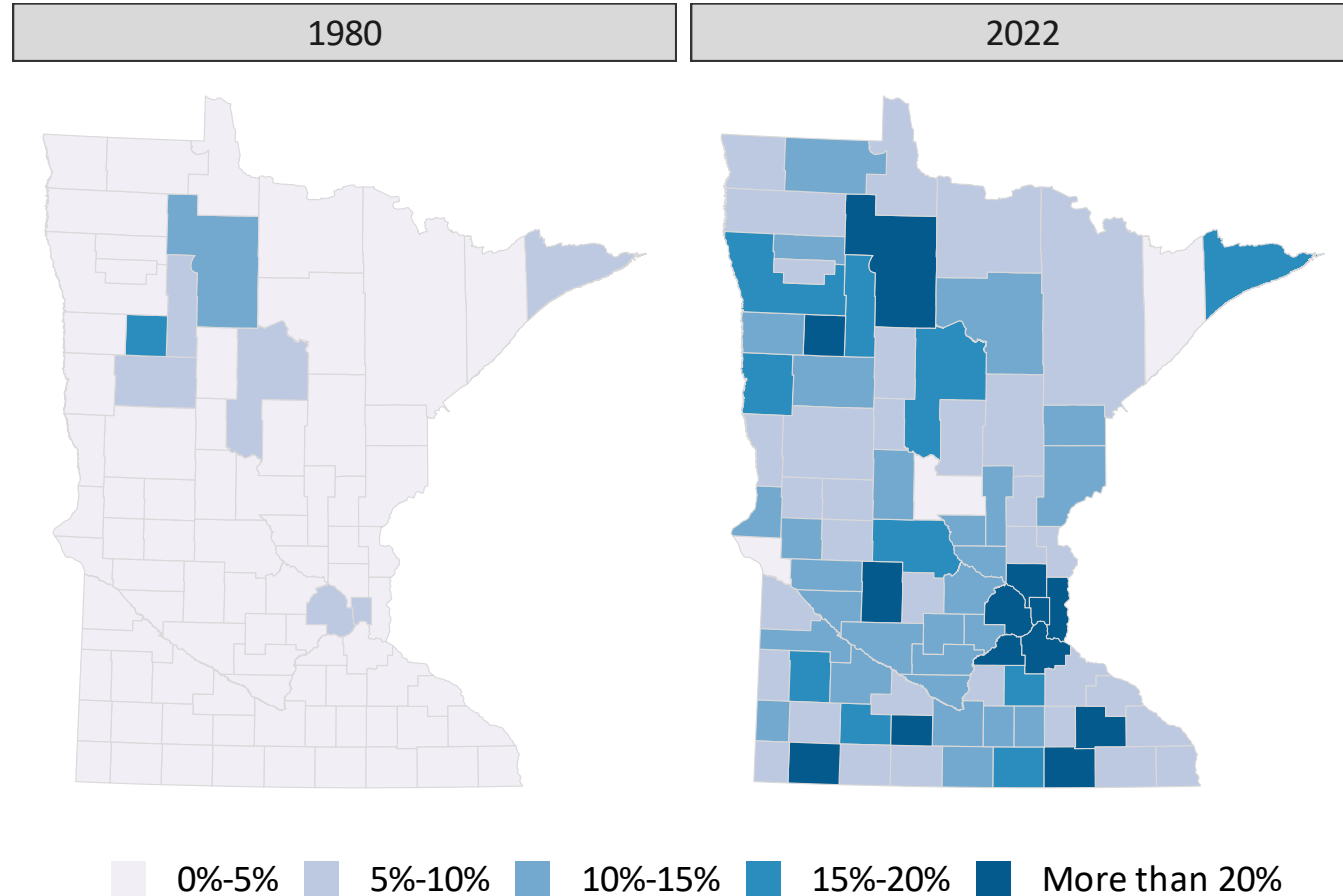
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BIPOC POPULATIONS CONTINUE TO GROW IN RURAL MINNESOTA



# Percent of population that is Black, Indigenous, Person of color, Latino or Hispanic

Although BIPOC populations continue to be concentrated in specific areas of Minnesota, much of Greater Minnesota has experienced growth in BIPOC populations.



US Census Bureau - Decennial Census & ACS 5-year

# 1c. People

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MOST RURAL COUNTIES EXPERIENCE A REGULAR IN-MIGRATION  
OF 30- TO 49-YEAR-OLDS

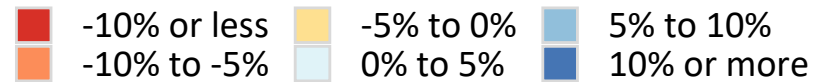
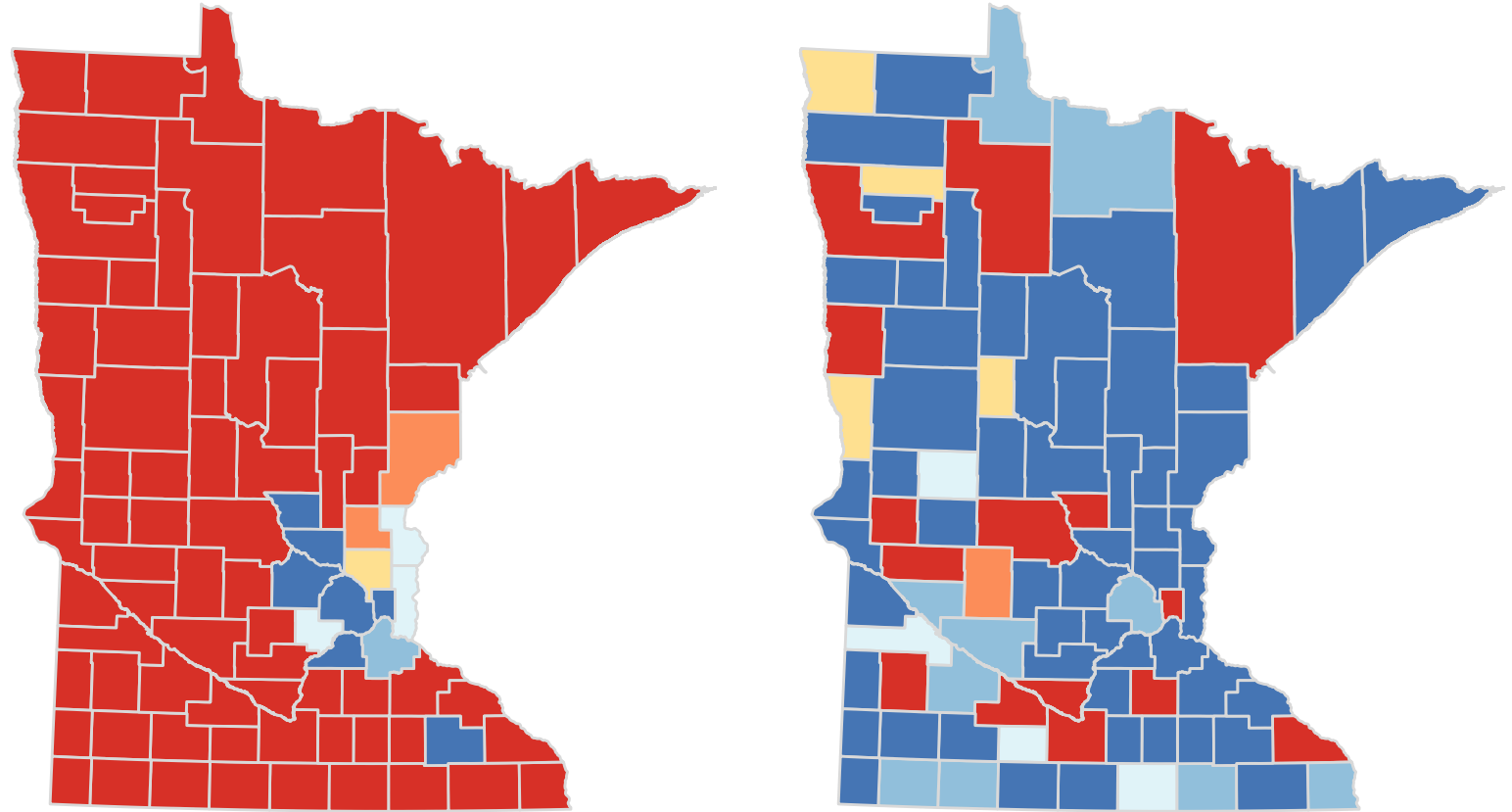
# Returning 30- to 49-year-olds

Almost all rural counties experienced an out-migration of people 25 to 29 years old between 2000 & 2010. However, at the same time, people in their early 30s were migrating into these same rural counties. This trend continues up through the 45-49 age cohort across all of rural Minnesota. New 2020 data, when it comes out, may reveal a continuation of this trend.

## Change in age cohort from previous census

25-29 Cohort

30-34 Cohort



U.S. Census Bureau - Decennial Census

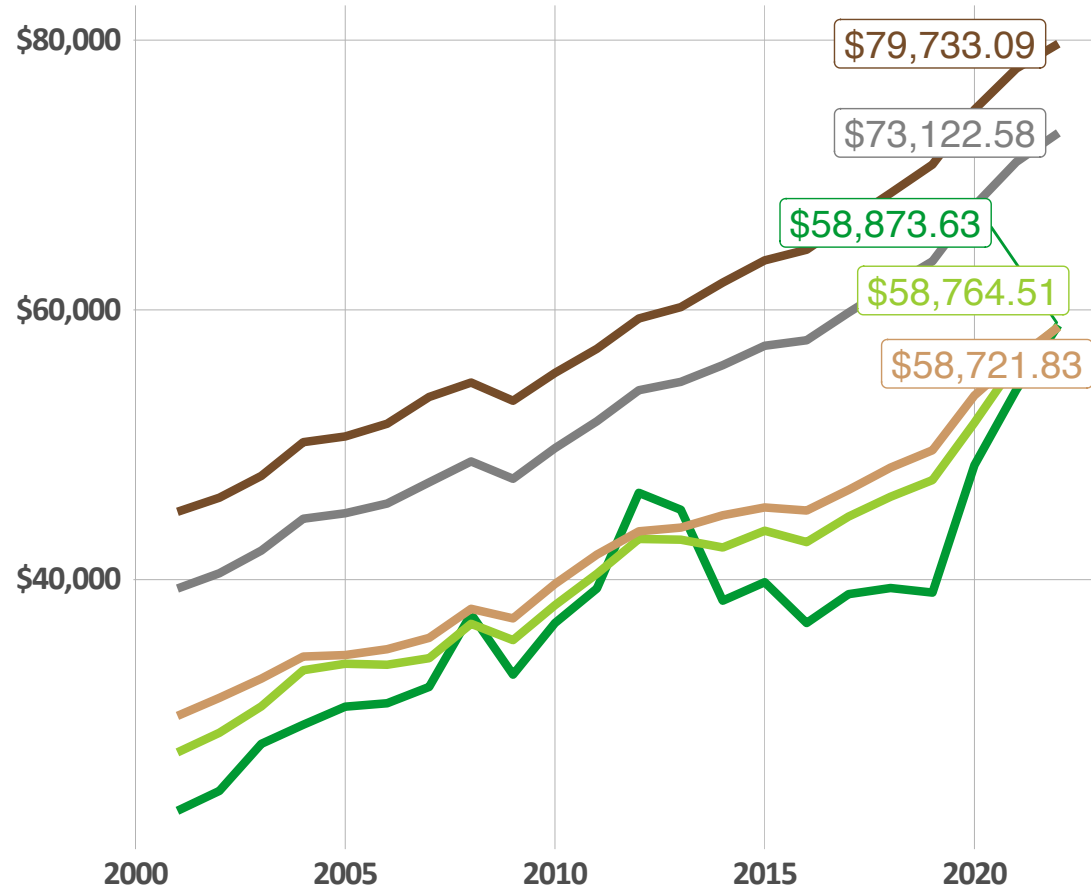
# 2a. Economic Vitality

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GROWTH IN EARNINGS SIMILAR ACROSS MINNESOTA

## Earnings per job

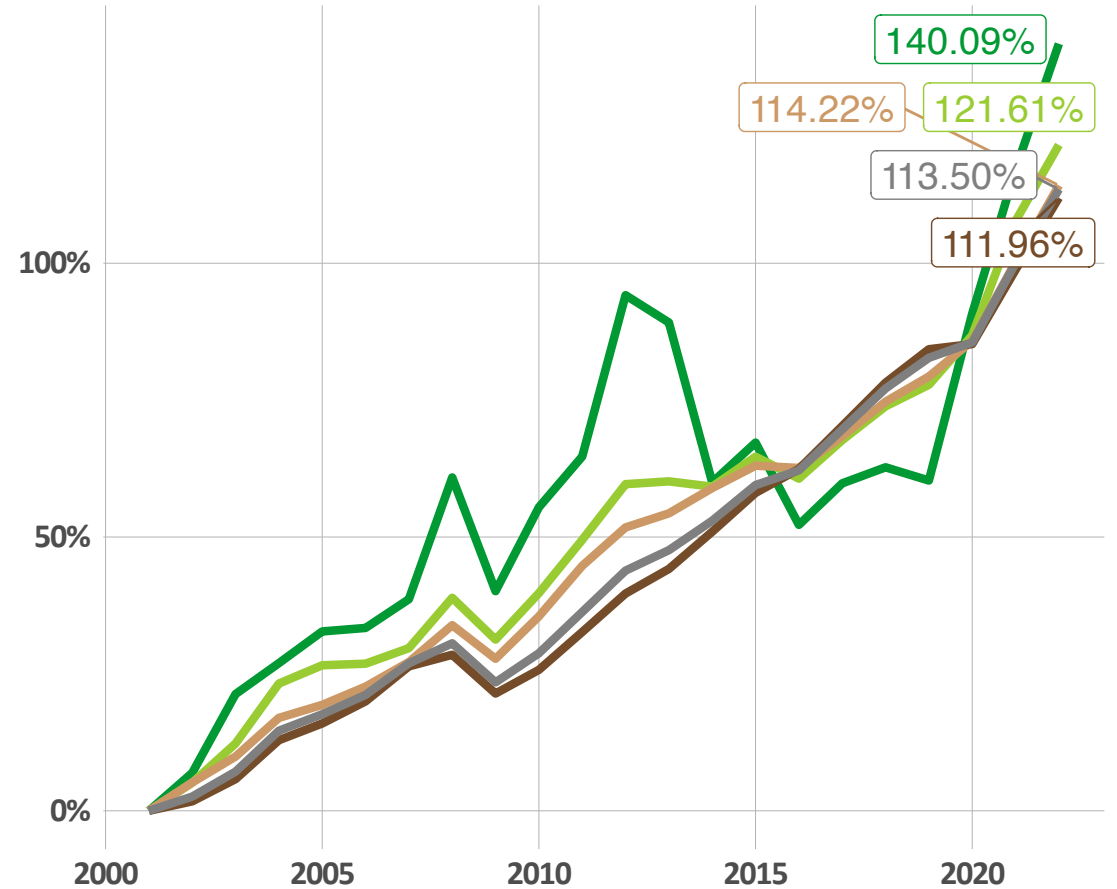
Earnings continue to be significantly lower in rural areas



- Entirely rural
- Town/rural mix
- Urban/town/rural mix
- Entirely urban

## Change in earnings since 2001

But, largest growth in earnings is occurring in rural Minnesota



Bureau of Economic Analysis - Regional Data, GDP and Personal Income

# 2b. Economic Vitality

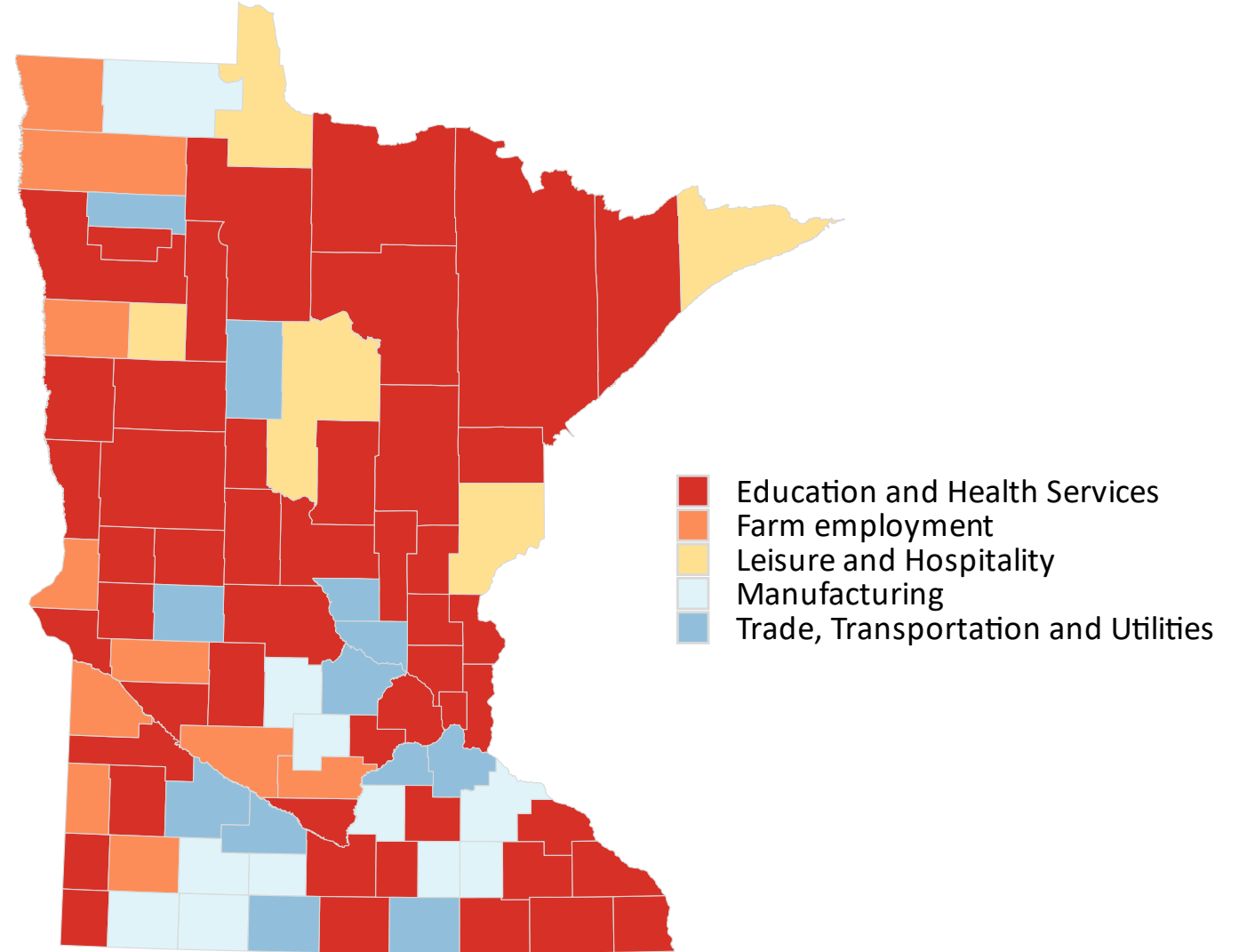
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RURAL AREAS HAVE A HIGHER PERCENTAGE OF WORKERS  
EMPLOYED IN GOVERNMENT OR AS SOLE PROPRIETORS

# Top employment industries

While the highest percentage of employment across Minnesota continues to be in the education and health services industry, farm employment is prominent in western counties, leisure and hospitality in a few northern counties, and manufacturing in southern Minnesota. It's worth noting that leisure and hospitality used to be the top employment industry in a few more northern counties but is no longer due to the repercussions of the pandemic. It hasn't gone away, but it is no longer the top employer it once was.

## Top employment industry, 2022



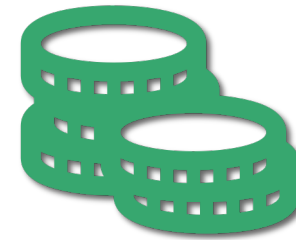
Bureau of Labor Statistics - QCEW  
Bureau of Economic Analysis - Local Area Personal Income and Employment

# Major employment industries

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**Top employment industry across all regions of Minnesota: Education and health services**



**Typically rounding out the top 5 employment industries**

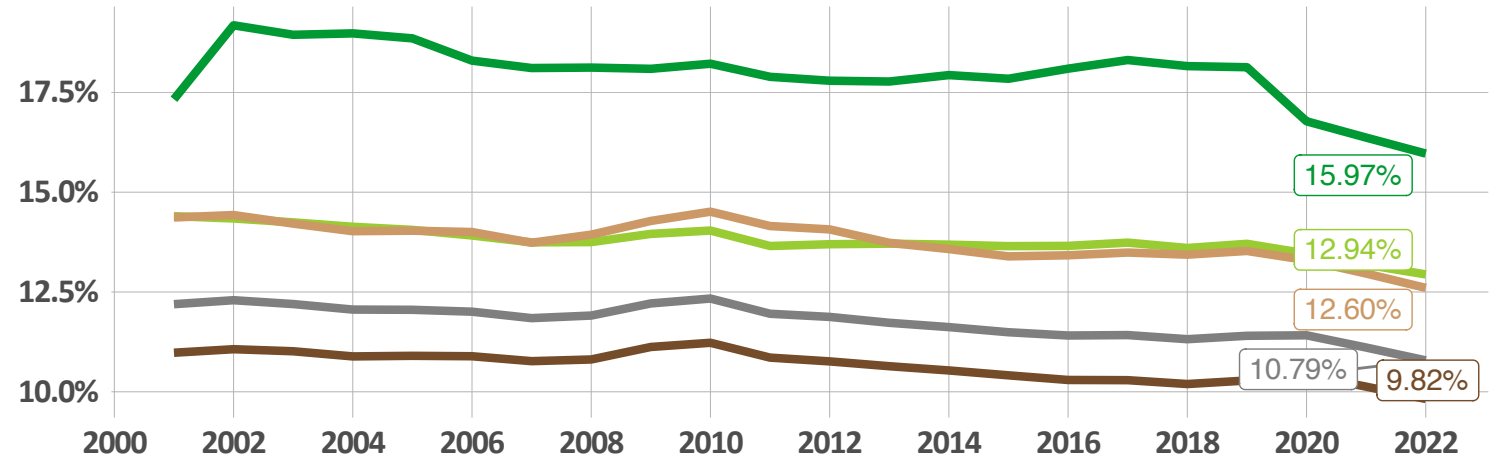
Trade, transportation and utilities  
Leisure and hospitality  
Manufacturing  
Construction  
Farm employment  
Professional and Business Services



# Non-employers are a larger share of jobs in rural areas.

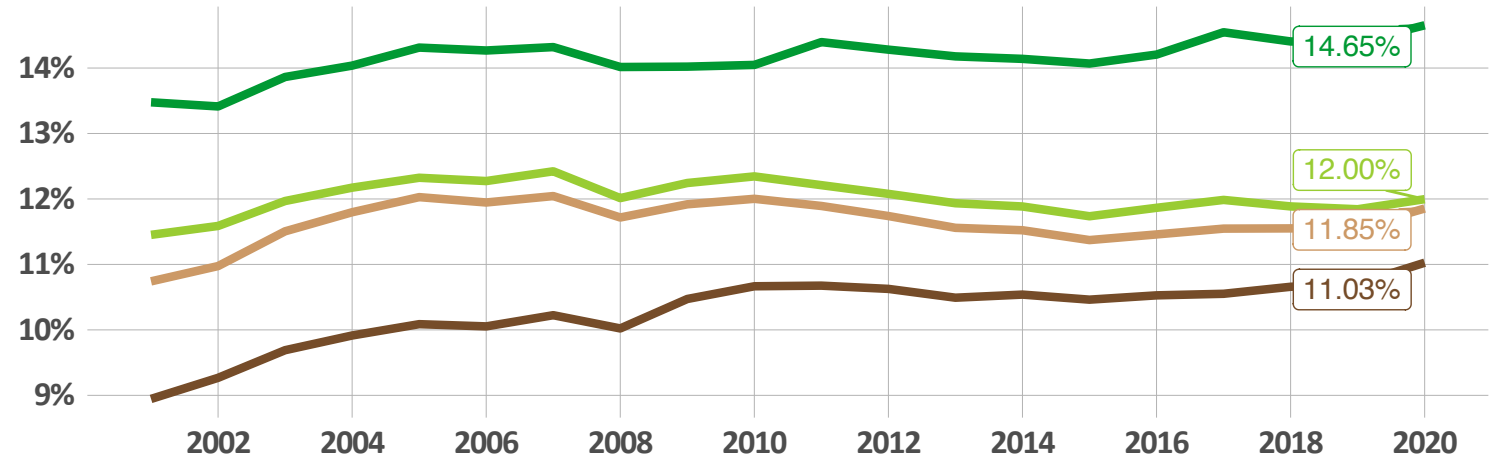
A surprising employment fact in rural regions is the number of non-employers and self-employed as well as the percentage of jobs in government. The state's most rural counties have the highest percentage of both.

## Percentage of jobs in government



Bureau of Economic Analysis - Local Areas Personal Income and Employment

## Non-employers/self-employed as a percentage of total jobs



U.S. Census Bureau - Non-employer Statistics

- Entirely rural
- Town/rural mix
- Urban/town/rural mix
- Entirely urban

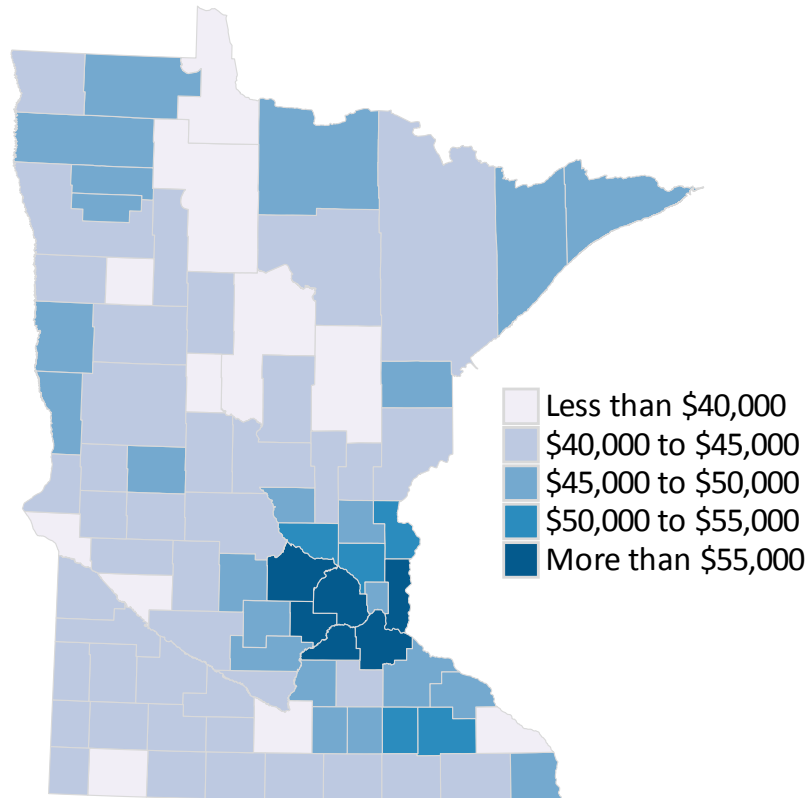
# 2c. Economic Vitality

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LOWER WAGES CAN GO FARTHER IN GREATER MINNESOTA

## Median earnings by county, 2022

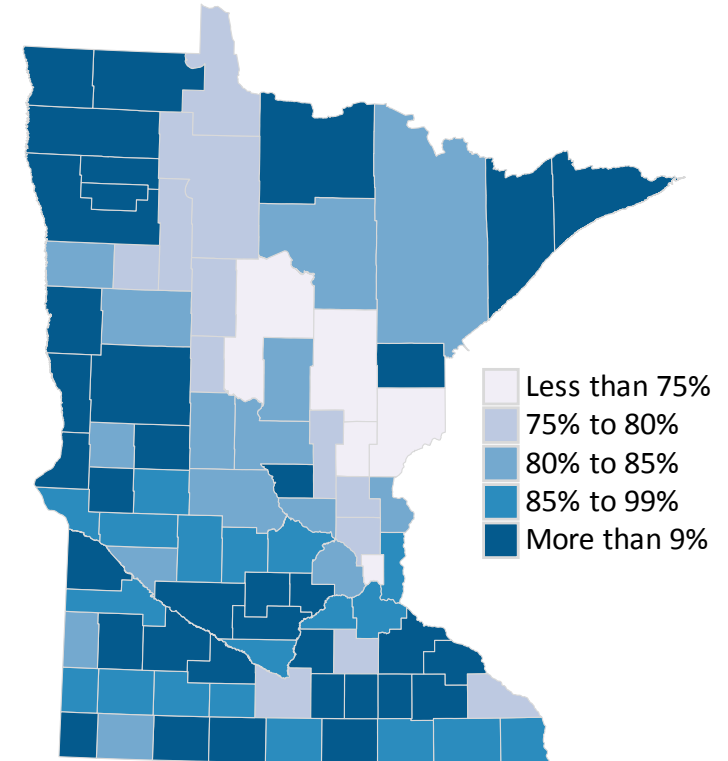
Lower earnings outside of twin cities



US Census Bureau - ACS 5yr (2022)

## Median wages as a percent of the cost of living, 2022

Lower wages make up a higher percentage of the cost of living in rural Minnesota



US Census Bureau - ACS 5yr (2022)  
MN DEED - Cost of living calculator

# Overcoming the wage narrative

# 2d. Economic Vitality

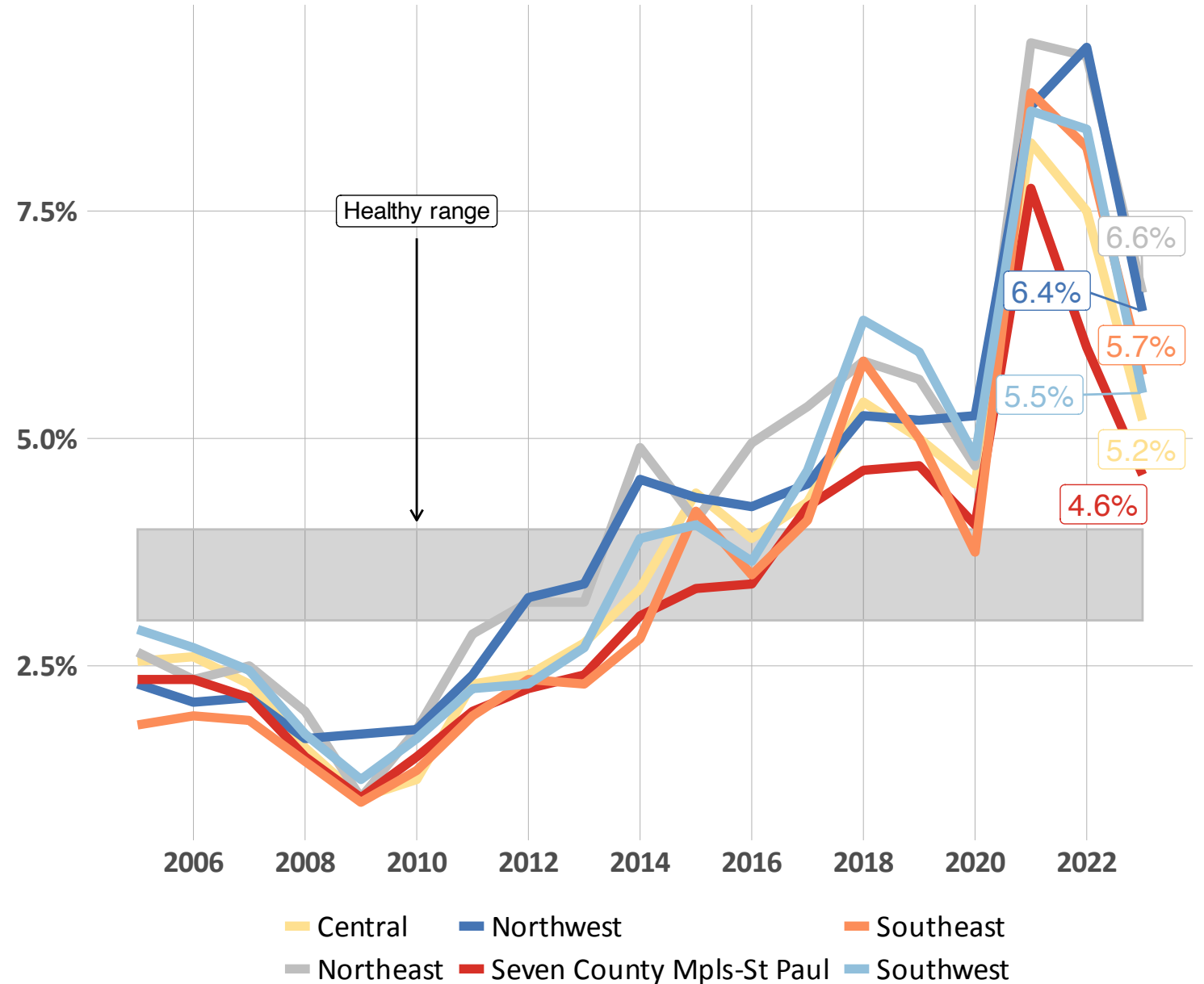
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GREATER MINNESOTA FEELING PRESSURE TO FILL JOB VACANCIES

# The job vacancy rate is higher in Greater Minnesota

The job vacancy rate reflects the average quarterly number of job vacancies each year as a percentage of total jobs in the region. The higher the percentage, the more challenging it is to fill the positions. Every region in the state is at or near its highest vacancy rate ever, despite the dip during COVID-19.

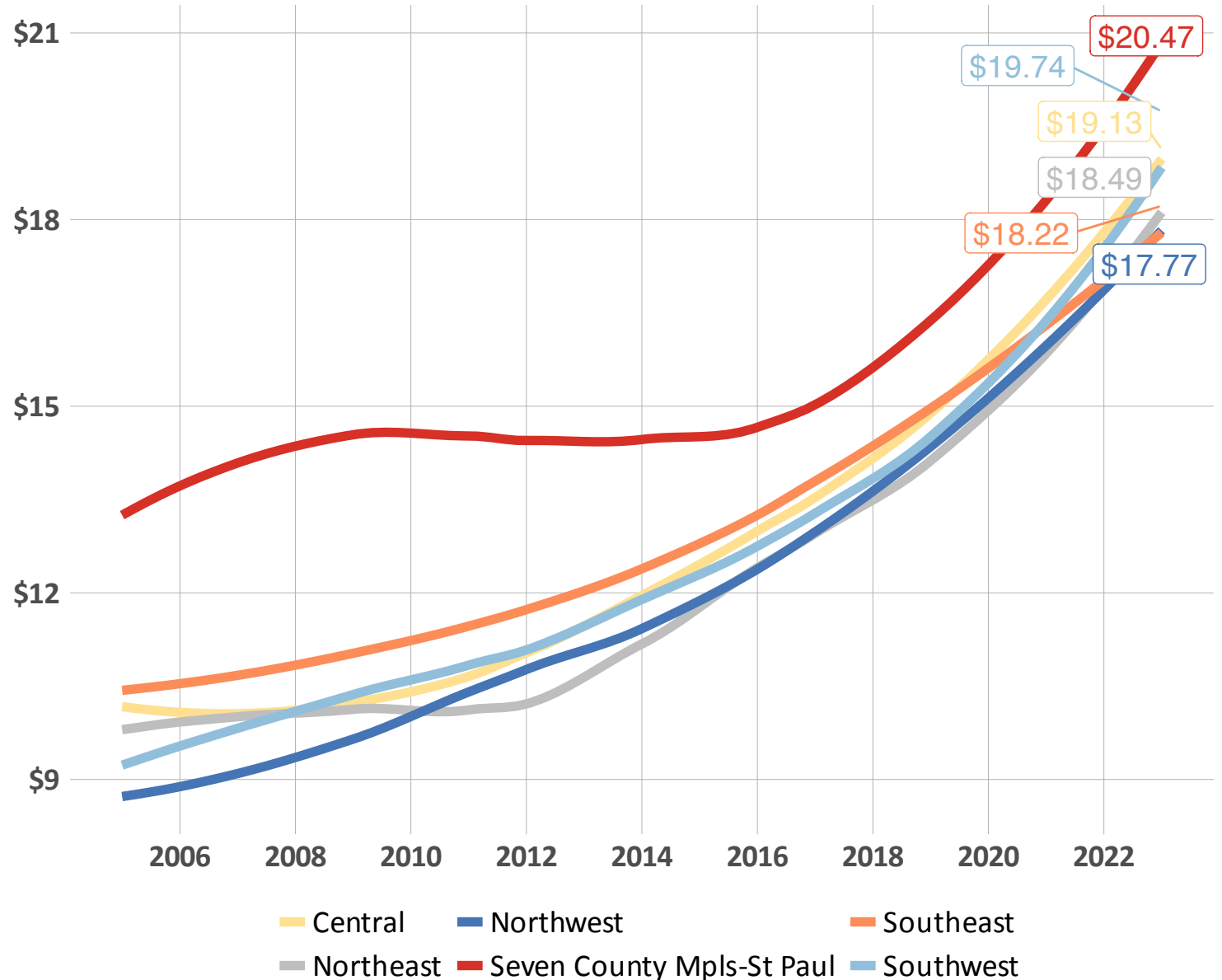
## Job vacancies as a percent of total employment



# Largest growth in wages for job vacancies is in Greater Minnesota

Although the median wages for all job vacancies continue to be lower in Greater Minnesota than in the seven-county metro area, the largest increases in wages have been occurring in Greater Minnesota. The Twin Cities' median wage is starting to swing upward as well, however.

## Median wages of job vacancies





## Questions?

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