



State of Rural 2021

DECEMBER 2021

Who we are

The Center for Rural Policy and Development is a non-partisan, not-for-profit policy research organization dedicated to benefiting Minnesota by providing its policy makers with unbiased information and evaluation of issues from a rural perspective.

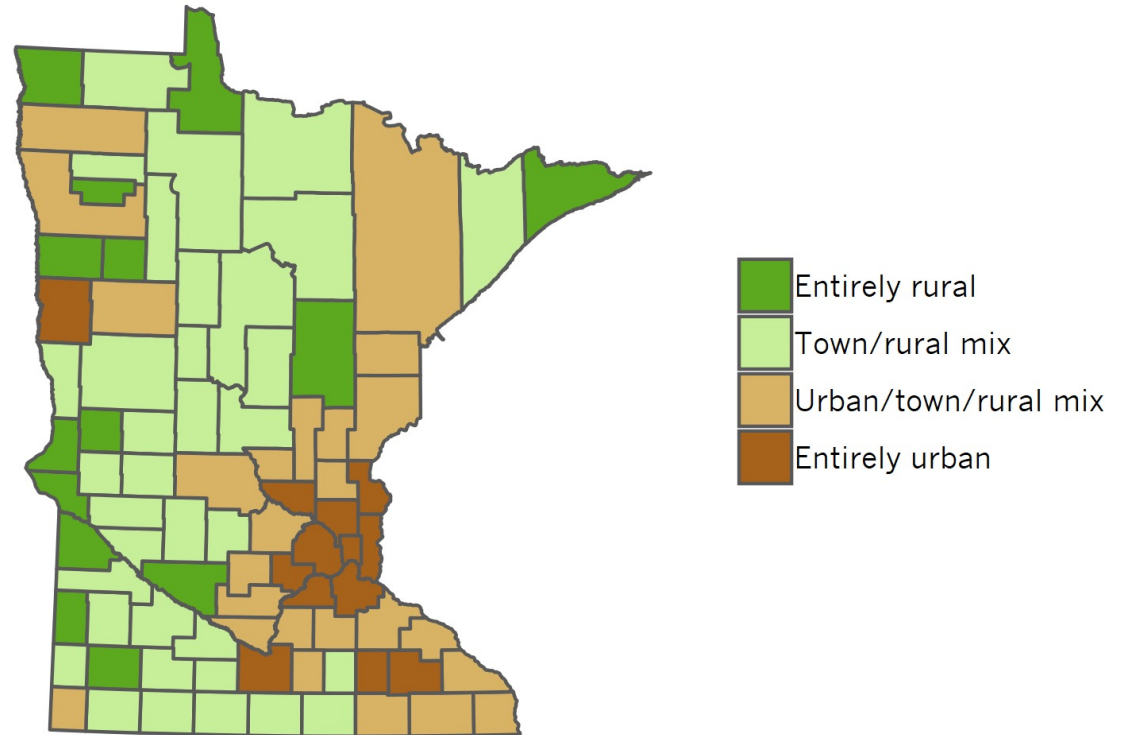


Defining rural

Throughout this presentation we will present information using four county groups developed by the Minnesota Demographic Center using USDA's Rural-Urban Commuting Area codes.

Grouping counties by “ruralness” and “urbanness” instead by location gives us another way to look at the state.

County categorizations based on rural-urban commuting areas



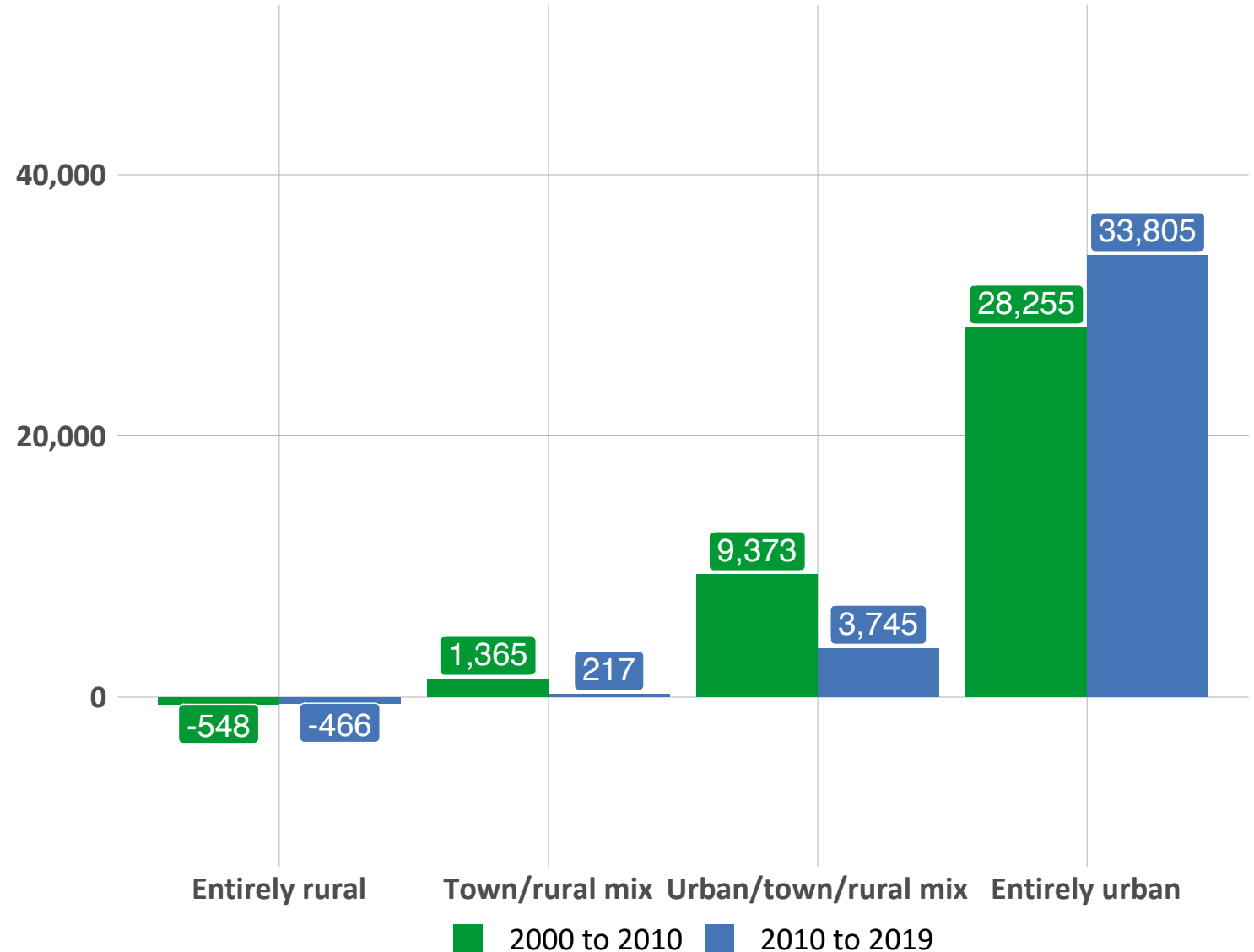
People

POPULATION GAINS SLOWING THROUGHOUT GREATER MINNESOTA
WHILE DECLINES CONTINUE IN THE MOST RURAL AREAS

Earlier population gains in some rural counties are now slowing.

Comparing the population changes between 2000-2010 and 2010-2019 (est.) shows a definite slowing of population growth except in “entirely urban” counties, while “entirely rural” counties continued to lose people at about the same rate.

Average annual population change, 2000 to 2010 compared to 2010 to 2019



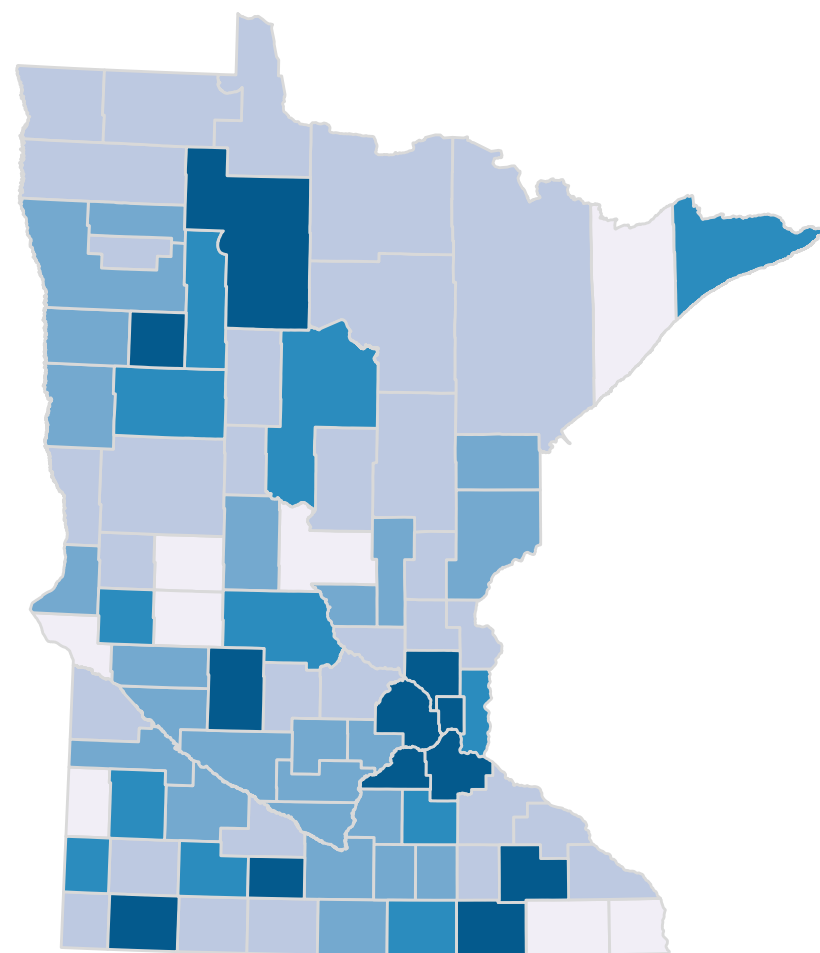
People

POPULATION OF BIPOC POPULATIONS CONTINUE TO GROW IN
RURAL MINNESOTA

Most counties in greater Minnesota have 10% or more of population BIPOC or Latino

Over forty counties across Greater Minnesota have 10% or more of their population that is black, indigenous, person of color or Latino.

Percent of population that is BIPOC or Latino, 2019



U.S. Census Bureau - Decennial Census & Population Estimates

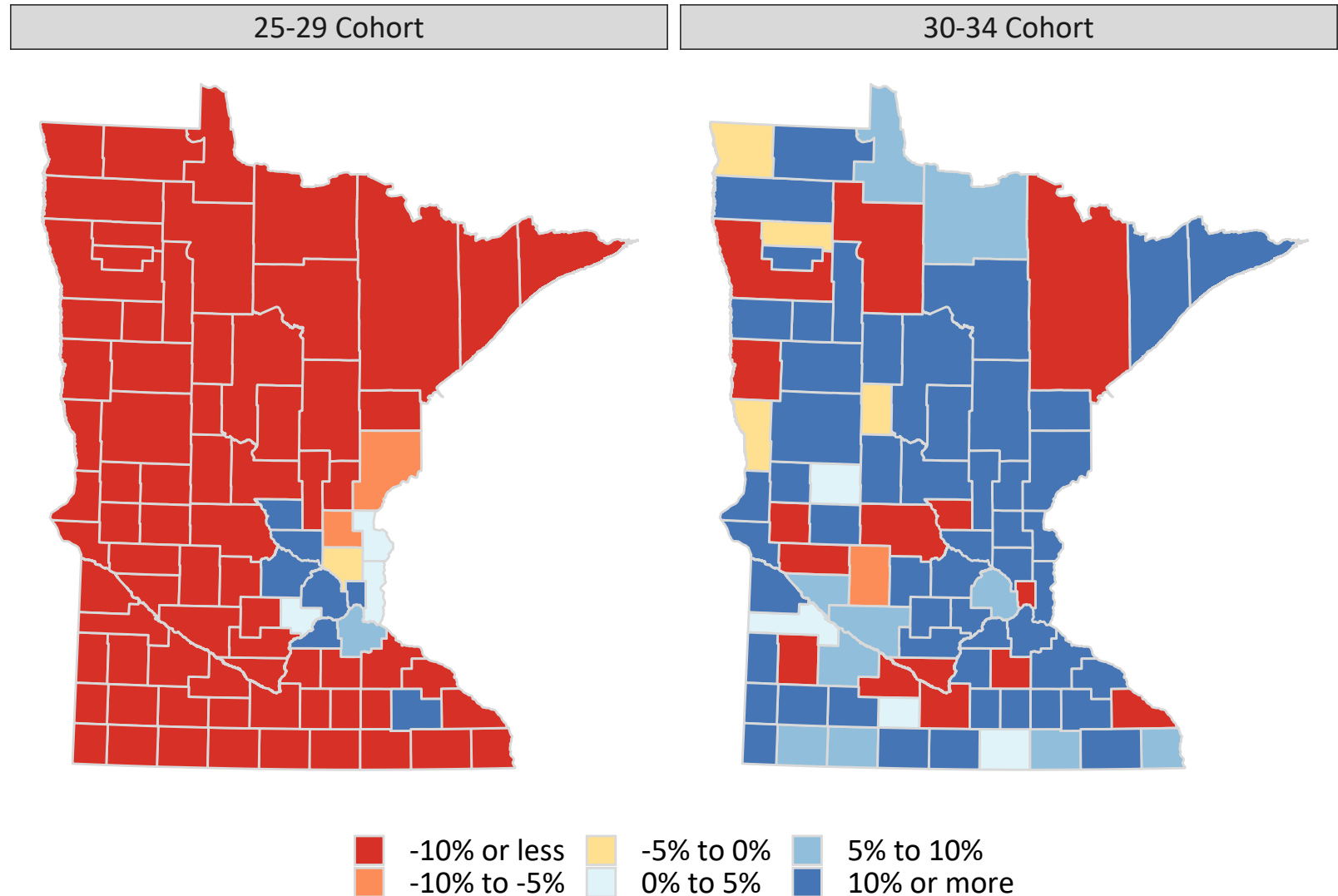
People

MOST RURAL COUNTIES EXPERIENCE AN IN-MIGRATION OF 30 – 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, those 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.

Change in age cohort from previous census



U.S. Census Bureau - Decennial Census

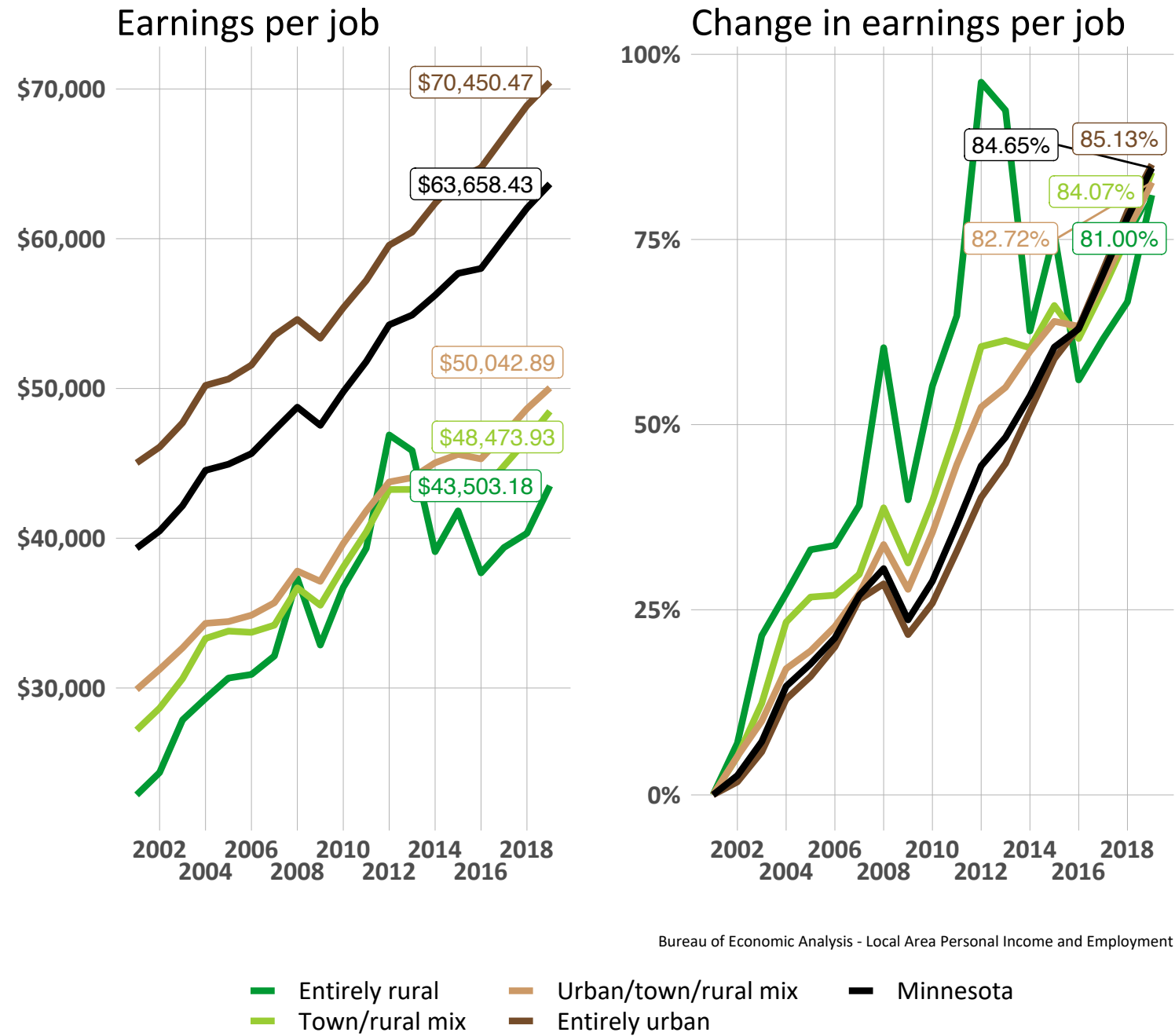
Economic Vitality

GROWTH IN EARNINGS SIMILAR ACROSS MINNESOTA

Change in earnings similar across Minnesota

Despite the continuing gap in earnings between the entirely urban counties and the rest of Minnesota, the in earnings per job since 2001 continues to be nearly the same across Minnesota.

The entirely rural county group has been on a roller coaster ride in earnings due to the ups and downs of the farm economy.



Bureau of Economic Analysis - Local Area Personal Income and Employment

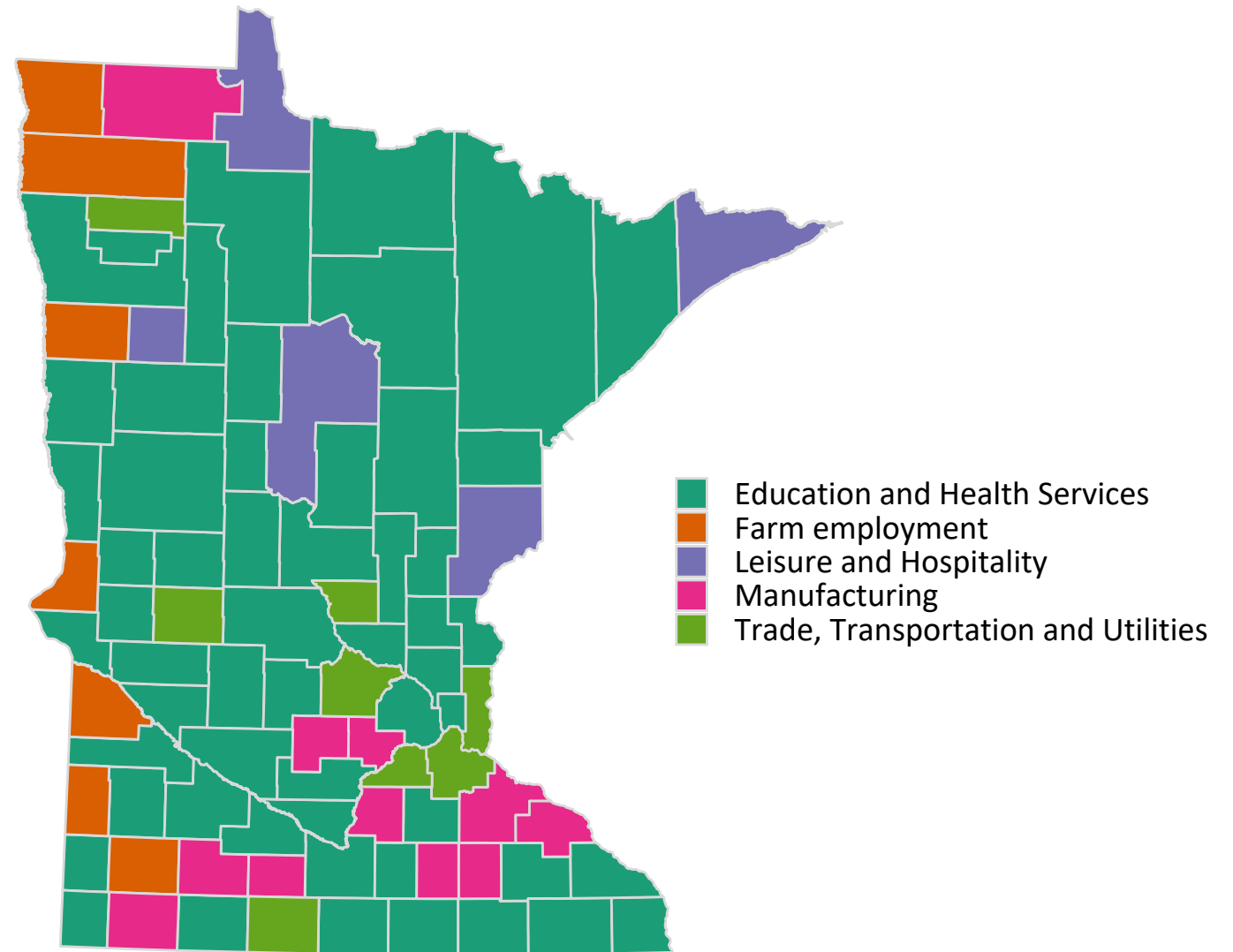
Economic Vitality

RURAL AREAS HAVE A HIGHER PERCENTAGE EMPLOYED IN
GOVERNMENT, AND SELF-EMPLOYED

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.

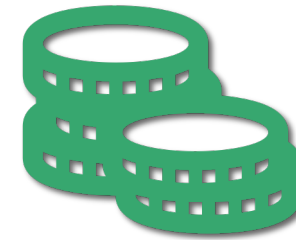
Top employment industry, 2019



Major employment industries



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

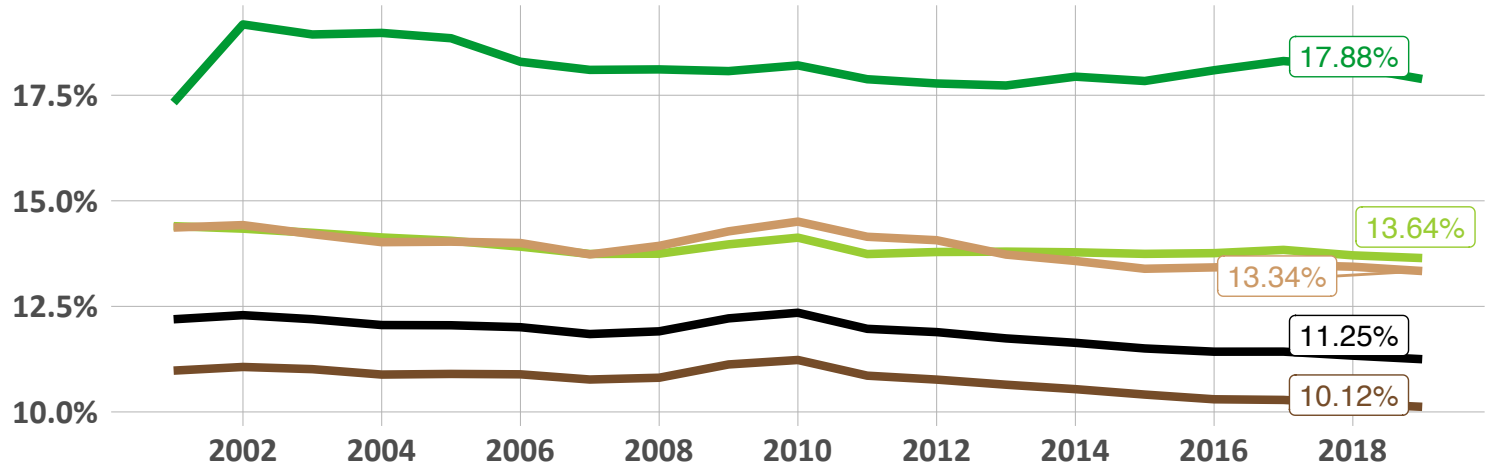
Farm employment

Professional and Business Services

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

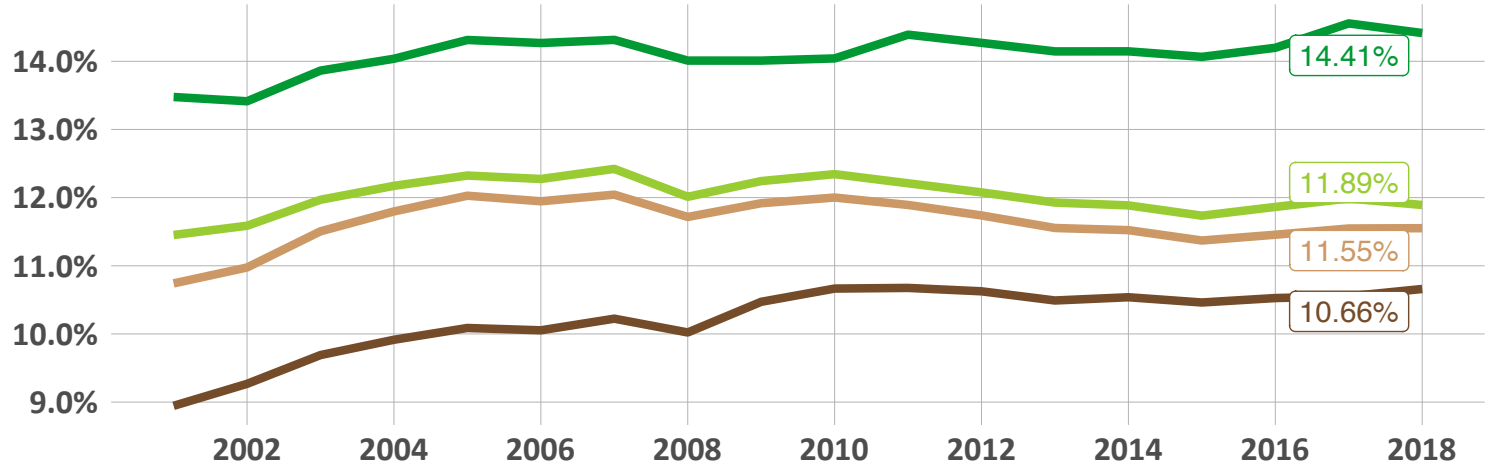
A surprising employment fact in rural regions is the number of non-employers and self-employed as well as the percentage of jobs that are in government. Our most rural counties in the state have the highest percentage of both.

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

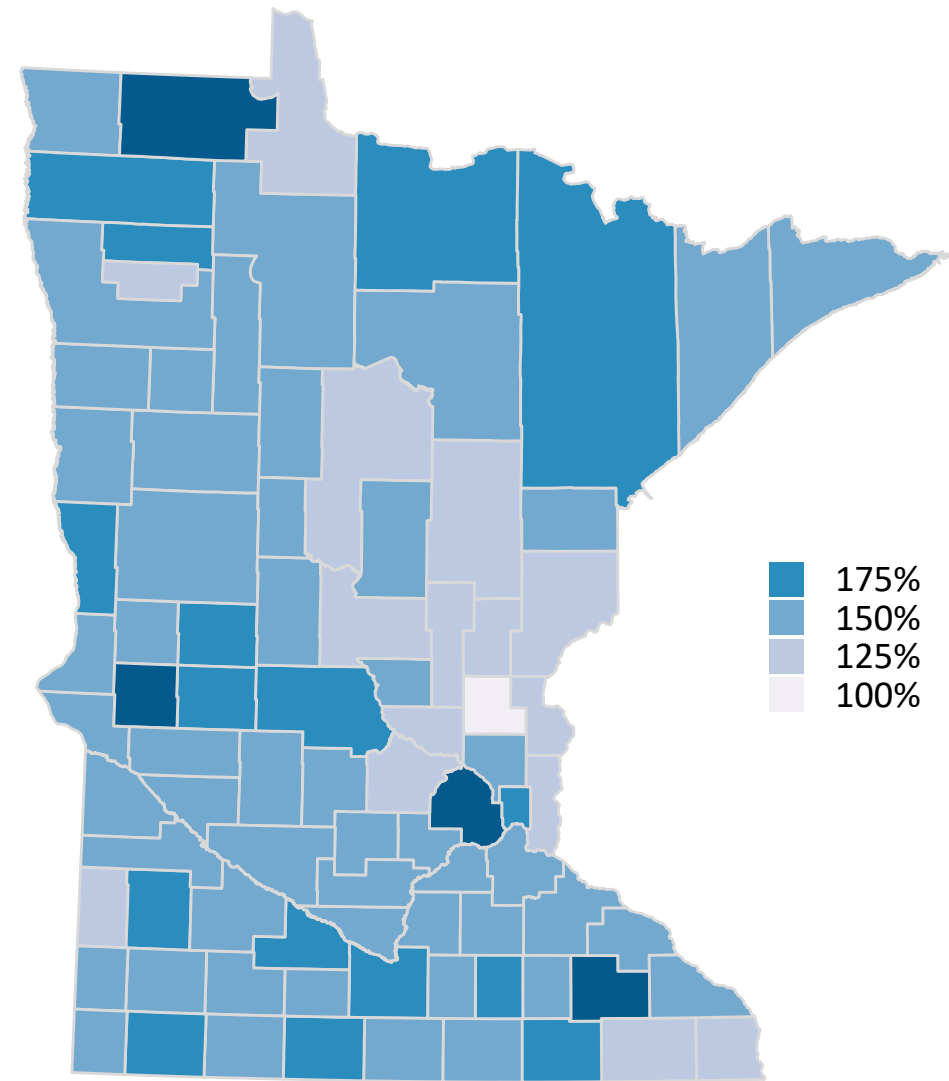
- Entirely rural
- Town/rural mix
- Urban/town/rural mix
- Entirely urban
- Minnesota

Economic Vitality

LOWER WAGES CAN GO FURTHER IN GREATER MINNESOTA

The cost of living is calculated by MN DEED for a three-person household, one person working full-time and another working part-time with one child needing child care. As the map shows, even though wages tend to be lower in Greater Minnesota they are just as competitive, if not more, when taking the lower cost of living into consideration.

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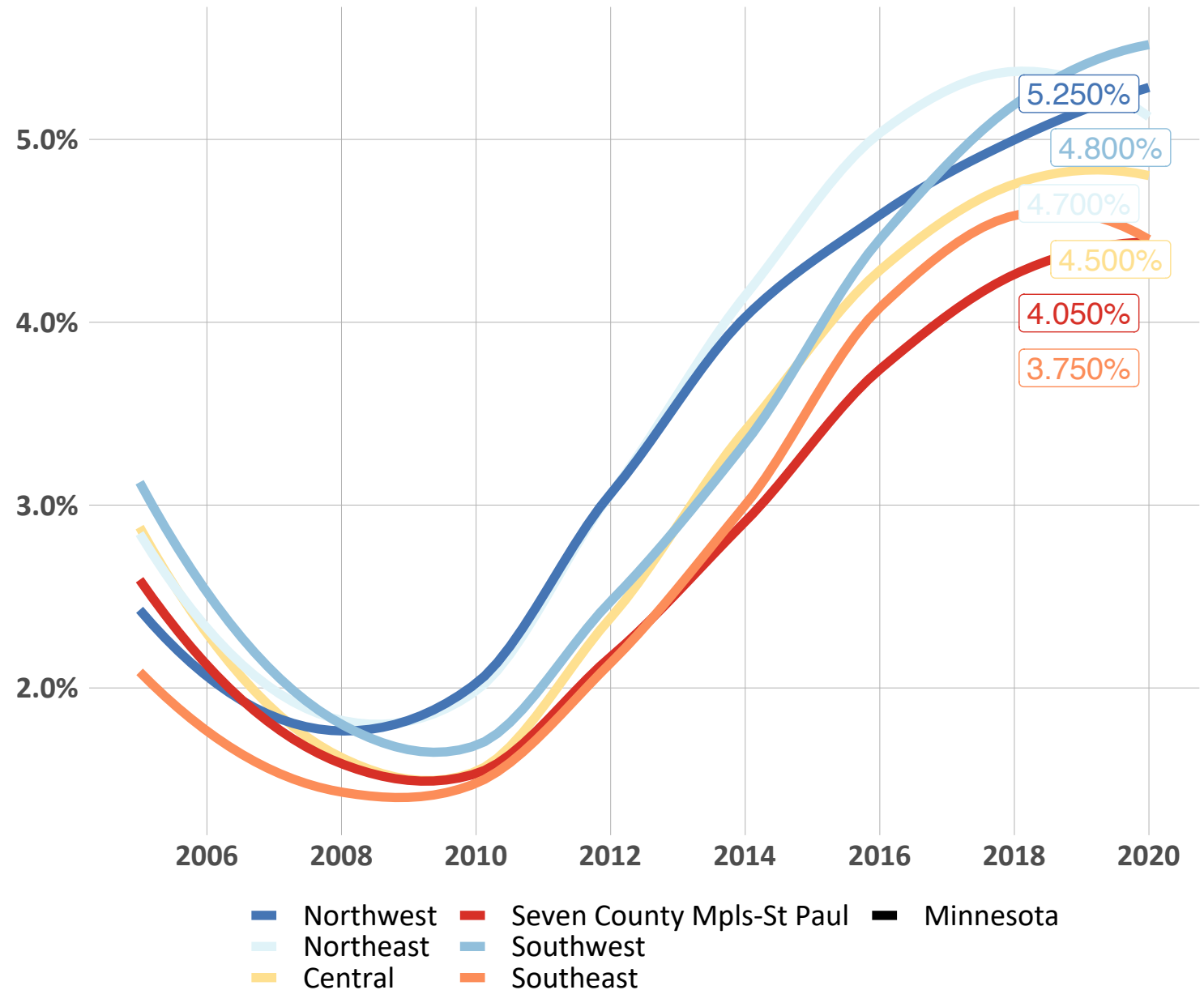
Economic Vitality

GREATER MINNESOTA FEELING PRESSURE TO FILL JOB VACANCIES

The job vacancy rate is higher in Greater Minnesota

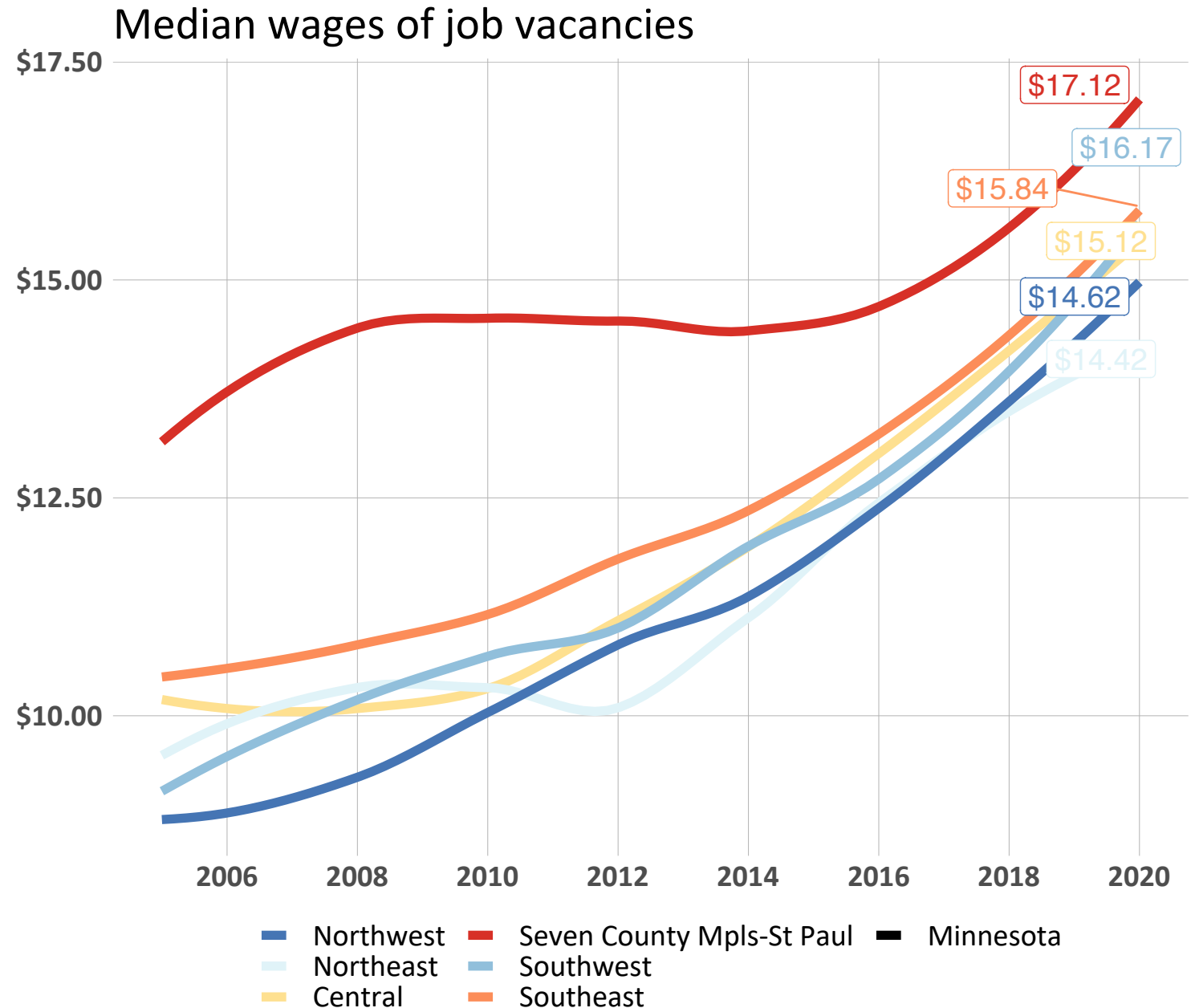
The job vacancy rate reflects the average quarterly number of job vacancies each year as a percentage of total jobs in the region. The higher the percentage, the more challenging it is to fill the positions. The highest rates exist in regions outside of the seven-county metro. And even though there has been a dip due to COVID-19, it's expected that the 2021 job vacancy numbers will be very high once again.

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 occurred in Greater Minnesota.

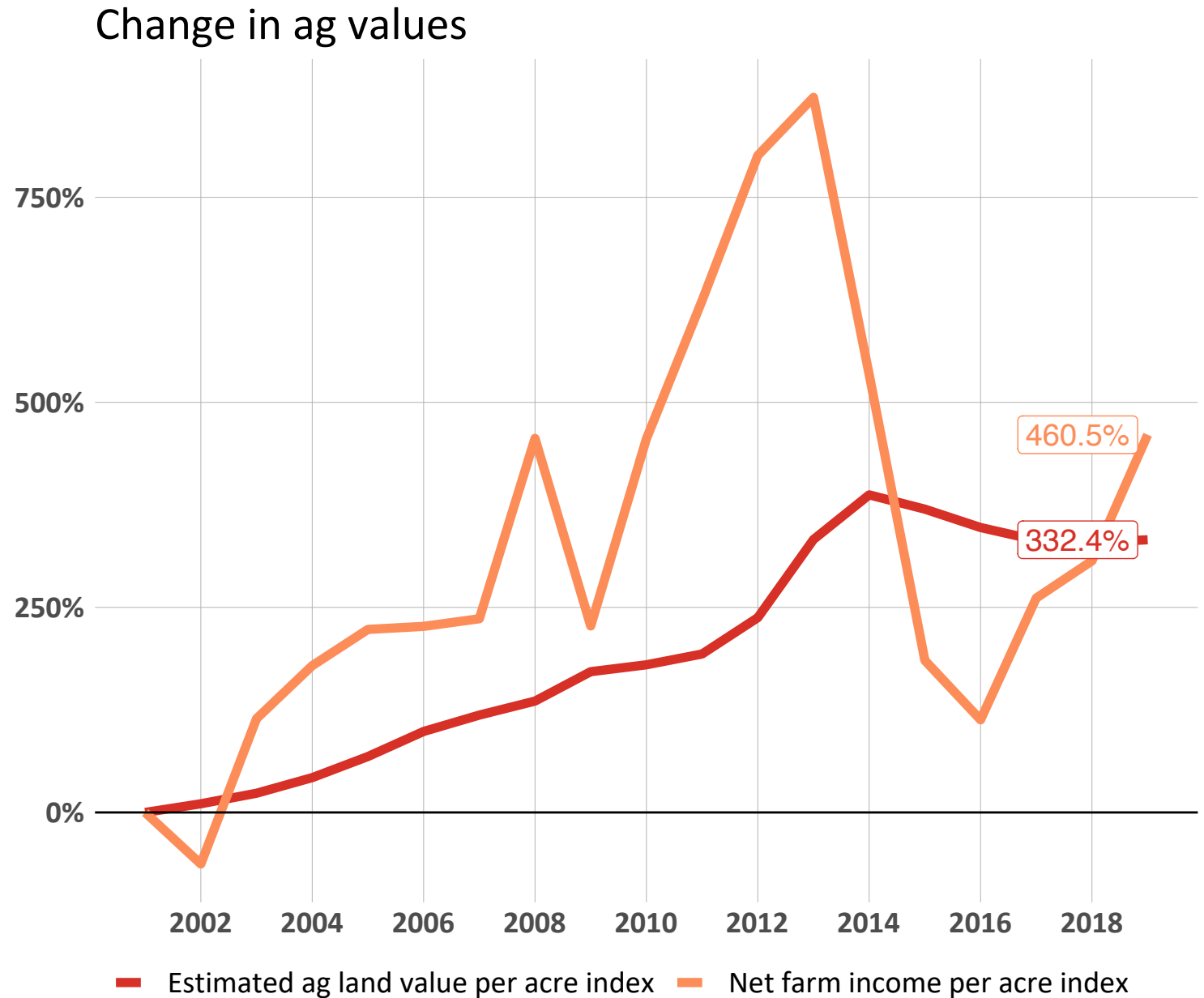


Agriculture

AG LAND STILL CONSIDERED A GOOD INVESTMENT

Land values and farm income continue to be high

Land value estimates from the University of Minnesota Land Economics department show a continued high values in agriculture land values. Net income for farms continues to be healthy due to both good markets and government safety nets during tougher times.



Bureau of Economic Analysis - Local Area Personal Income and Employment
U of Minnesota - Land Economics



Questions?

Email: crpd@ruralmn.com

Phone: (507) 934-7700