

# A New Age of Immigrants

Making Immigration Work for Minnesota



photo: HOPE Community

Summary of Key Findings  
August 2010



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AUGUST 2010

#### **About this report**

This report builds on The Minneapolis Foundation's decade-long role as a community resource for education and information about immigration in Minnesota. It summarizes the Wilder Research report, *A New Age of Immigrants*, a study commissioned by the Foundation to lay out immigration facts and pose unanswered questions. These findings provide the groundwork for informed, constructive discussion to shape immigration-related programs and public policies that work for all Minnesotans.

Also, through our Minnesota Meeting public affairs forum, we've brought together hundreds of community leaders to learn more about the issue and identify positive strategies to move our state forward. And through our grantmaking and community partnerships, we invest time and resources in advancing strategies to help communities fully realize the benefits immigrants bring, while making Minnesota a more fair and welcoming place.

Visit [www.minneapolisfoundation.org](http://www.minneapolisfoundation.org) to learn more about our work on immigration and to download this report and other informational resources.



photo: Minneapolis Adult Basic Education Consortium





**Minnesota's early history is rich** with examples of significant and lasting changes immigration has brought to our state. By 1900, Minnesota had the seventh highest number of foreign-born residents of any state, and their contributions were vital to the state's economic emergence in the first half of the century.

Minnesota is now in the midst of a new age of immigrants — and facing very different demographic trends, a global economy, and a charged cultural/political landscape. What sort of impact do they have on the state's economy and our public institutions? What role should immigration play in Minnesota's future?

Commissioned by The Minneapolis Foundation, Wilder Research produced a detailed research report on immigration in Minnesota. It lays out the facts, as best we know them, and identifies some key areas for further research and discussion. This summary from the report highlights some of the most important facts we uncovered in our research.

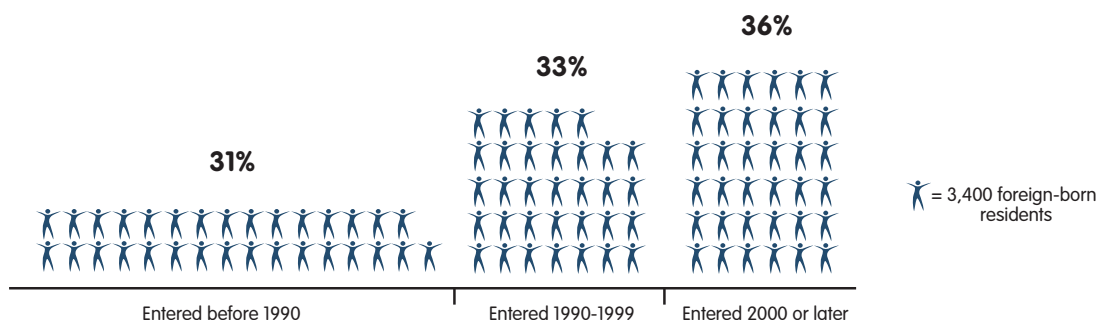
## POPULATION AND DEMOGRAPHICS

Minnesota's general population is trending toward a greater proportion of older adults who are not of working age; the resident workforce is not replenishing itself. Many policymakers and economists warn that the entitlement systems of Medicare and Social Security will topple and fall if they are not supported by the labor of younger workers, both immigrants and native-born alike.

### Immigrants are a small but growing part of Minnesota's population.

- In 2008, 6.5% of Minnesota's total population was foreign born (340,657 out of 5,287,975). In contrast, approximately 13% of the entire nation's population is foreign-born; and in some leading gateway states, such as California, over one-third of all residents are now immigrants. (American Community Survey)
- During the 1990s, the state's foreign-born population increased by over 130% compared to a 57% nationwide increase over the same period. Between 2000 and 2007, it increased another 33% in Minnesota, compared to 22% nation-wide.

### Period of entry to U.S. among Minnesota's current immigrants

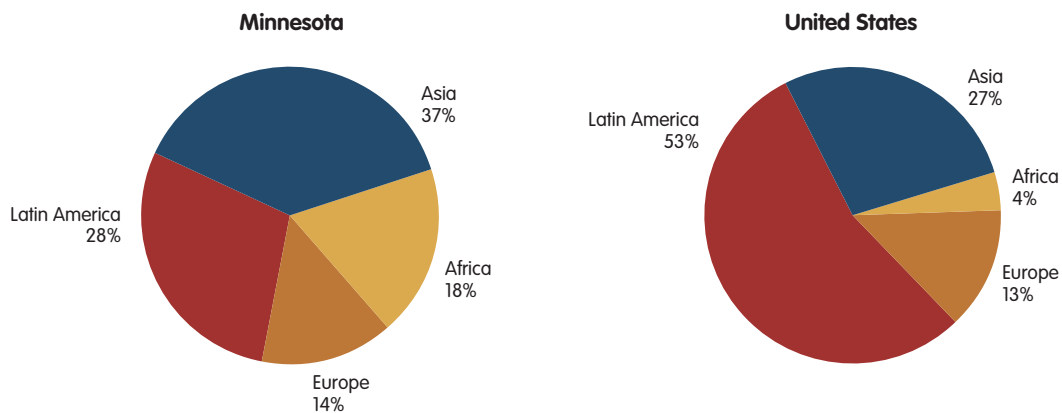


Source: American Community Survey, 2006-2008

**Minnesota's immigrant population is unusually diverse  
in terms of nationality and immigration status.**

- Between 1982 and 2008 over one million immigrants representing 182 nations passed through Minnesota, seeking either temporary or permanent homes. Approximately one-third have remained in our state.
- Asians make up almost 40% of Minnesota's immigrant population, but we also have large populations of Africans and Central and South Americans. This is very different from most of the United States, where Latino immigrants predominate.
- The most common countries of origin among Minnesota's foreign-born are Mexico (41,592), Laos (25,968), Vietnam (15,727), Canada (13,183) and Korea (11,853).

**Place of origin of immigrants in Minnesota and the United States, 2008**



Source: American Community Survey, 2005-2008

- A designated refugee resettlement area, Minnesota has an unusually large refugee population. In recent years, one in five of the state's new immigrants has been a refugee or asylee fleeing persecution in their homeland.
- In 2008, almost 45% of the Minnesota immigrants granted legal permanent residency status (also known as a green card) were refugees or asylees. Most other Minnesota immigrants receiving green cards in 2008 (32%) were the immediate relatives of U.S. citizens.

**The exact size of Minnesota's undocumented population remains unknown.**

- Estimates of the number of undocumented immigrants in Minnesota have ranged from 55,000 to 85,000, but both the state demographer and the Minnesota Legislative Auditor have concluded that these numbers are not reliable, because they extrapolate from national trends that do not reflect the composition of immigration in Minnesota. (Minnesota Legislative Auditors Report, 2006)
- Compared to the rest of the U.S. as a whole, Minnesota is thought to have both a smaller share of Latinos overall, and a higher proportion of citizens among the Latinos residing in the state. However, the state demographer has concluded that it is not possible to provide a reliable estimate of the state's undocumented population at this time. (Minnesota Legislative Auditors Report, 2006)



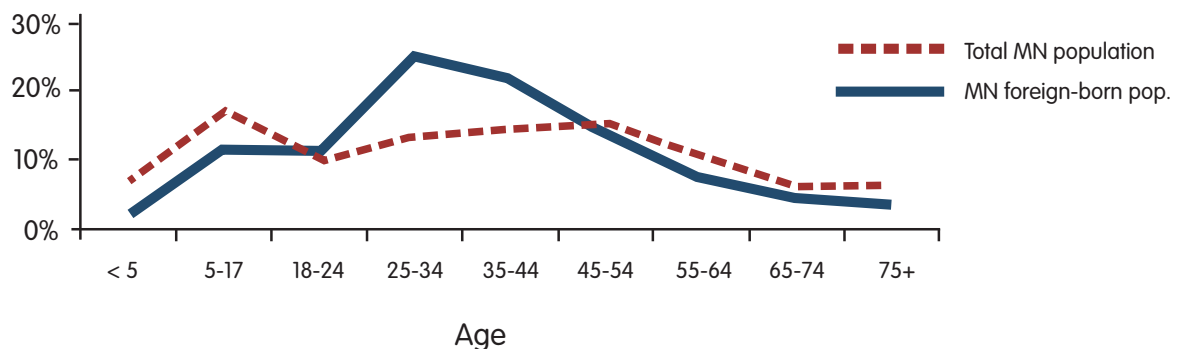
## WORKFORCE AND ECONOMY

Foreign-born residents represent a significant and growing economic force. Their contributions as workers, consumers, and taxpayers are felt throughout Minnesota and are key to the vitality of the state's service and labor-intensive industries.

**Minnesota's immigrants represent an important component of the state's current and future workforce.**

- Most of Minnesota's foreign-born residents are working-age adults between the ages of 18 and 65. At the same time, Minnesota's general population is trending toward a greater "dependency ratio" – or a greater proportion of older adults who are not of working age.

**Age distribution of Minnesota's foreign-born population**



Source: American Community Survey 2006-2008 3-year estimates.

- In general, immigrant workers are concentrated at the very-low and very-high skill ends of the spectrum: 27% of the state's foreign-born adults lack a high school degree or GED (compared to just 9% of native-born adults), while 32% hold a 4-year college, graduate, or professional degree (compared to 31% of the native born population).
- The Minnesota Chamber of Commerce reports that many of the state's low-skill immigrants are currently working labor-intensive, low-paying jobs in agriculture, manufacturing, and a variety of service industries. The Chamber is concerned that without an expanded immigrant labor force, key industries will be unable to find the workers they need. (Wilder Research, 2009)
- Minnesota's Department of Employment and Economic Development also projects that the industries expected to see the most growth between 2006 and 2016 are concentrated in both high-skill and low-skill fields.



photo: Organizing Apprenticeship Project

### Employment projections for high-growth jobs, 2006-2016

Job type	Projected number of new jobs	Projected percentage job growth
Personal and home care aides	17,675	60%
Home health aides	11,688	47%
Landscaping and groundskeeping workers	2,920	19%
Combined food preparation and serving workers	10,080	17%
Janitors and cleaners	6,262	14%
Maids and housekeeping cleaners	3,435	13%
Nursing aides, orderlies, and attendants	3,591	12%
Child care worker	3,237	11%
Food Preparation workers	1,455	11%
Waiters and waitresses	N/A	10%

Source: Minnesota Employment Projections, 2006-2016, Minnesota Department of Employment and Economic Development, as reported in Minnesota Employment Review, June 2008.

### Immigrants contribute to Minnesota's economy as taxpayers, entrepreneurs, and consumers.

- In Southwest Minnesota alone, Latino workers generated about \$45 million in state and local taxes in 2000. (Kielkopf, 2000)
- Immigrants own approximately 3% of Minnesota's businesses. In 2002, there were 7,700 Asian businesses and almost 4,000 Hispanic businesses operating throughout the state, with annual sales exceeding \$2 billion.
- The St. Paul Neighborhood Development Center reports that, as of 2002, 138 immigrant-owned businesses had created 386 new jobs, and spent \$5.6 million on payroll, rent, supplies and other expenses. (Fennelly, 2008)
- Concordia University economist Bruce Corrie has calculated that Asian-Americans and Latinos in Minnesota account for approximately \$7 billion in purchases annually.

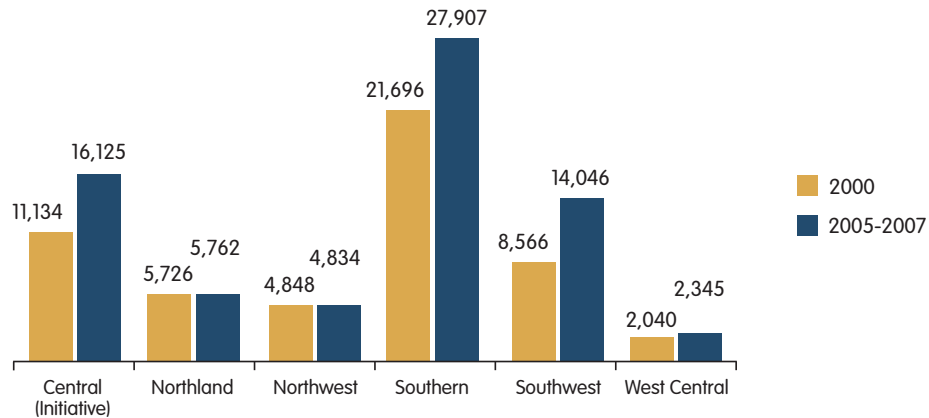


photo: HOPE Community

### The state's foreign-born population has had a particularly strong economic impact on some rural regions.

- The highest concentrations of foreign-born in rural Minnesota are found in the Southern and Western regions of the state, where Latinos, East Africans, and Southeast Asians are working in meat-packing, poultry-processing and other large-scale agricultural operations.

### Foreign-born population by Greater Minnesota region, 2000-2007



Source: Minnesota Compass

- One study, conducted in 2000, showed that Latinos add nearly \$500 million to the economies of south-central Minnesota, through their labor force contributions, their spending as consumers, and the increased demand by employers for regionally supplied goods and services. After considering both direct and indirect expenditures and revenues, the study's author concluded that the economic benefits of immigration to the region outweighed the costs by a ratio of about 2 to 1. (Kielkopf, 2001)

## SOCIAL SUPPORTS

It is important to recognize the growing presence in our school and social support systems of immigrant families — in many cases including both foreign-born (noncitizen) parents and native-born (citizen) children. Additional resources will be necessary to help these children and their parents transition to productive lives in the decades ahead.

The unique educational needs of immigrant students have challenged some communities with high concentrations of foreign-born residents.

- Immigrant students graduate at rates similar to native-born students, if they have strong English language skills, but drop-out rates are considerably higher for those students with Limited English Proficiency — both native-born and foreign-born. (Citizens League of Minnesota).

### High school students graduating on time, Minnesota 2008



Source: Minnesota Compass

- Because of high levels of immigration, some school districts in the state have seen their Limited English Proficiency rates climb dramatically in the last decade. In 2009, non-native English speakers accounted for over 40% of the student body in the St. Paul public school system. Of the nine districts with non-English home language rates greater than 30%, five were in southern Minnesota, three were in the metro, and one was in western Minnesota.
- According to the Urban Institute, about 30% of Minnesota's foreign-born children have Limited English Proficiency. In addition, about 15% of the native-born children of immigrants have limited English language skills.
- In Minnesota, schools receive at least \$800 per student in additional revenue for Limited English Proficiency students (\$100 in federal funding, and \$700 in state funding). However, the actual cost of programming varies significantly from school district to school district, and tight budgets and a lack of bilingual staff limit many districts' capacity to meet their students' needs.
- During the academic year 2006-2007, Minnesota's Limited English Proficiency student-teacher ratio was 49:1—well below the national average of 19:1.



photo: Minneapolis Adult Basic Education Consortium

#### **Rates of poverty are high among Minnesota's foreign-born population.**

- In Minnesota, 17% of immigrant families live in poverty; this is nearly three times the poverty rate among native-born families (5.5%). (American Community Survey, 2008 Data)
- The percentage of older adults (age 65 or above) living in poverty is nearly twice as high among Minnesota's foreign-born (16.5%), compared to the state's total population (8.3%). (American Community Survey, 2008 Data)
- 43% of female-headed foreign-born households live in poverty (compared with 21.6% of all of the state's female-headed households). (American Community Survey, 2008 Data)
- These high rates of poverty may reflect the relatively recent (post-1990) arrival of most Minnesota immigrants. Immigrants who have lived in the U.S. for a long time are less likely to be poor than recent immigrants. (U.S. Census Bureau)

#### **Despite their high poverty rates, Minnesota's immigrants do not use a disproportionately large share of public health dollars.**

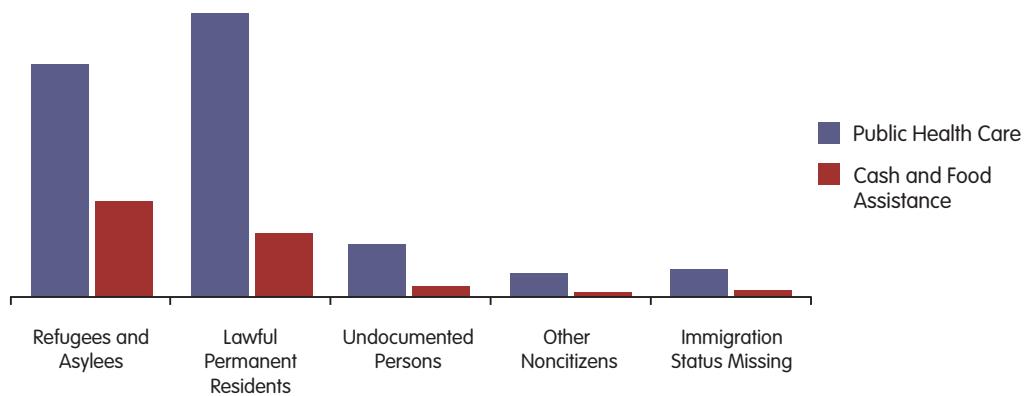
- Immigrants account for approximately 7% of the population of Minnesota, and make up approximately 7% of enrollment in state public health programs. (Office of the Legislative Auditor, 2006)
- The only state-funded public health programs with noncitizen enrollments of higher than 10% are the Emergency Medical Assistance program and the Refugee Medical Assistance program, both of which were designed specifically for immigrants.
- Undocumented immigrants in Minnesota are eligible to receive prenatal care from the public health system. Otherwise, they are eligible to participate in only one state-funded public health program – the Emergency Medical Assistance Program. In 2005, this program served a total of 1,065 documented and undocumented noncitizens—a number equal to between 1 and 3% of Minnesota's estimated undocumented population.



### Some immigrant groups do make heavy use of food stamps and public cash assistance.

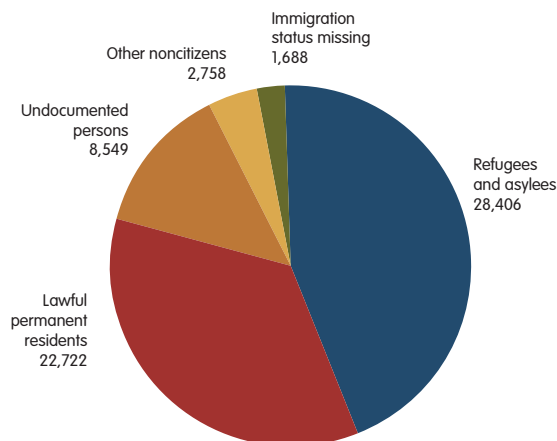
- In 2008, 6.8% of the foreign-born population reported receiving some type of cash assistance income from public programs, compared with 2.8% of the state's native-born population.
- 12.8% of immigrants reported using Food Stamps in 2008 (versus 4.7% of native-born residents), and 4.7% of immigrants received Supplemental Security Income (versus 2.5% of native-born Minnesotans).
- Refugees and asylees make up almost half of the immigrant population receiving public health care and cash and food assistance in Minnesota. In 2008 Hmong and Somali refugees utilized the Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) more than any other foreign-born population.

### MN public health care and assistance payments to noncitizens in FY2005



Source: Office of the Legislative Auditor's analysis of Department of Human Services data.

### Number of recipients of public health care and cash and food assistance among noncitizens in Minnesota



Source: Office of the Legislative Auditor's analysis of Department of Human Services data.

### **There is no evidence that increases in immigrant populations are associated with increases in crime.**

- Despite the record numbers of immigrants arriving in the state in recent years, FBI Uniform Crime Reports indicate that Minnesota has been experiencing a steady decline in both violent and property crimes for several years.
- Minnesota's crime rate in 2008 was the lowest it has been since 1969. Recent drops in crime have also occurred at the local level in many Minnesota communities with the high concentrations of immigrants, including Minneapolis, St. Paul, and Austin.

## **WHERE DO WE GO FROM HERE?**

Immigration in Minnesota is an important fact to be reckoned with. Our state is playing host to many who have arrived as refugees and asylees from strife-torn countries, and to others who have come seeking opportunity or family connections. At the same time, the threat of terrorism has changed the perspective of most Americans since 9/11, making many of us more cautious about welcoming newcomers to our shores.

In the political arena it will be important for Minnesota's elected officials to understand clearly what is at stake in future decisions regarding proposed changes in immigration law. While the business community seldom speaks with a single voice, it is essential to recognize the role played by immigrant workers and consumers. And all of us must reckon with the fundamental shift in population that will change the social fabric of the state — and, most critically, affect the supply of workers to fund entitlements for seniors.

This document is intended to be a starting point, a set of facts that we can agree on and move forward with. There are still many questions that must be answered, as we outline below.

But one thing is clear. Ignoring the changes that the latest wave of immigrants and refugees has brought to Minnesota is not an option.

## **UNANSWERED QUESTIONS ABOUT IMMIGRATION IN MINNESOTA**

Despite the wealth of information available about some aspects of immigration in Minnesota, there are many areas where the facts are still unknown. Some of the most pressing questions related to immigration are:

- How have levels of immigration and immigration patterns changed since the last census in 2000?
- How has immigration to the state been affected by the current economic recession?
- To what extent, if any, are Minnesota's immigrant workers competing for jobs with native workers? And what impact may this competition have on wages?
- To what extent, if any, are Minnesota's immigrants competing with historically oppressed minority groups for resources and employment? And what is the best way to address perceived conflicts between these groups?
- What is the most effective way to ensure that schools and social service providers in communities with high levels of immigration are not overwhelmed by newcomers' needs?
- What, if any, successful strategies have already been established for helping to ease cultural tensions between immigrants and native-born residents (particularly in rural regions)?

- Are there specific communities that might serve as models, or provide lessons learned, for thinking about immigration in Minnesota?
- How can we create safe spaces for discussing immigration, and foster more open, constructive dialogue between individuals and interest groups with competing visions?
- How can we create state, local, and federal policies that recognize and address the remarkable diversity of Minnesota's immigrant and refugee population?

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## WEBSITES ON IMMIGRATION IN MINNESOTA

American Community Survey, United States Census Bureau: <http://www.census.gov/acs/www/>

Grantmakers Concerned with Immigrants and Refugees webpage, *Immigration Fast Facts*:  
<http://gcir.org/immigration/facts>

Migration Policy Institute: <http://www.migrationpolicy.org/>

Minnesota Compass, an online data source for state and regional data: <http://www.mncompass.org/index.php>

Minnesota Department of Health's website, *Refugee Health*: <http://www.health.state.mn.us/divs/idepc/refugee/index.html>

Minnesota State Demographer's Office *International Immigration and Foreign-born Population* web resource: <http://www.demography.state.mn.us/immigration.htm>

Wilder Research's online report database: [http://www.wilder.org/reports.0.html?&no\\_cache=1](http://www.wilder.org/reports.0.html?&no_cache=1)



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