Minneapolis Federal Reserve Regional Economic Conference

David T. Flynn, Ph.D.

University of North Dakota
College of Business & Public Administration
Department of Economics & Finance

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North Dakota is a rural state in a significantly rural Fed district.
District Demographics

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- It has also, until recently, been a declining population state.
District Demographics

- North Dakota is a rural state in a significantly rural Fed district.
- It has also, until recently, been a declining population state.
- Minneapolis Fed District is third largest in area but smallest in population.
Economically Diverse

- District is economically diverse.
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- Individual states are more concentrated.
Economically Diverse

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- West of Minnesota concentrated in agriculture and energy.
Economically Diverse

- District is economically diverse.
- Individual states are more concentrated.
- West of Minnesota concentrated in agriculture and energy.
- There is a labor supply issue.
Labor Demand

- There are sectors with clear labor demand right now.
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- Energy is the major growth sector.
There are sectors with clear labor demand right now.

- Energy is the major growth sector.
- It is creating at least indirect shortages in other sectors.
Labor Demand

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  - Energy is the major growth sector.
  - It is creating at least indirect shortages in other sectors.

- Failure to get adequate labor is leaving growth and development on the table.
Labor Supply

- How do we increase available labor?
Labor Supply

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- Two conventional demographic methods:
Labor Supply

- How do we increase available labor?
- Two conventional demographic methods:
  - Fertility
How do we increase available labor?

Two conventional demographic methods:
  ▶ Fertility
  ▶ Migration (domestic and international)
Labor Supply

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- Two conventional demographic methods:
  - Fertility
  - Migration (domestic and international)

Obviously there are different implications and lags for each policy.
Labor Market & Policy

- Nationally and in North Dakota there are more job openings than unemployed.
Labor Market & Policy

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- The nation is dealing with a problem North Dakota has had for a long period of time.
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- First best solution is wage increases.
Labor Market & Policy

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- The nation is dealing with a problem North Dakota has had for a long period of time.
- First best solution is wage increases.
- Whether this is happening is debatable so far, especially in North Dakota.
County Population Estimate (Thousands), 2010

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County Population Estimate (Thousands), 2017

Minneapolis Federal Reserve District

Net Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
Change in County Population Estimate (Thousands), 2010-17

Minneapolis Federal Reserve District

Net Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
Median Age by County (Both Sexes)

Minneapolis Federal Reserve District

Data: US Census Bureau
2012-16 ACS 5-yr est.
Median Age by County (Males)

Minneapolis Federal Reserve District

Data: US Census Bureau
2012-16 ACS 5-yr est.
Median Age by County (Females)

Minneapolis Federal Reserve District

Data: US Census Bureau
2012-16 ACS 5-yr est.
County population born out of state (per 1000 population)

Minneapolis Federal Reserve District

Born out of state

Data: US Census Bureau
2012-16 ACS 5-yr est.
County population foreign born (per 1000 population)

Minneapolis Federal Reserve District

Data: US Census Bureau
2012-16 ACS 5-yr est.
County net migration rate, 2011

Minneapolis Federal Reserve District

Net Migration Rate

-50  -25  0  25  50  75

Data: US Census Bureau
CO-EST2017-altdata
County net migration rate, 2012

Minneapolis Federal Reserve District

Net Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County net migration rate, 2013

Minneapolis Federal Reserve District

Net Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County net migration rate, 2015

Minneapolis Federal Reserve District

Net Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County net migration rate, 2016

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County international migration rate, 2011

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County international migration rate, 2012

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County international migration rate, 2013

Minneapolis Federal Reserve District

International Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County international migration rate, 2014

Minneapolis Federal Reserve District

International Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County international migration rate, 2015

Minneapolis Federal Reserve District

International Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County international migration rate, 2016

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County domestic migration rate, 2011

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County domestic migration rate, 2012

Minneapolis Federal Reserve District

Domestic Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County domestic migration rate, 2013

Minneapolis Federal Reserve District

Domestic Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
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Minneapolis Federal Reserve District

Domestic Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
County domestic migration rate, 2015

Minneapolis Federal Reserve District

Data: US Census Bureau
CO-EST2017-alldata
County domestic migration rate, 2016

Minneapolis Federal Reserve District

Domestic Migration Rate

Data: US Census Bureau
CO-EST2017-alldata
Immigration

Little in the way of positive net international migration.
Immigration

- Little in the way of positive net international migration.
- More response in the way of net domestic migration.
Immigration

- Little in the way of positive net international migration.
- More response in the way of net domestic migration.
- These flows reverse quickly.
Fertility

- Conference is on immigration so fertility not covered here.
**Fertility**

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- Seems to be responding to economic events.
Fertility

- Conference is on immigration so fertility not covered here.
- Seems to be responding to economic events.
- If the fertility increase is to recent in-migrants there is a chance for quick departure too.
Williams County Fertility & ND Oil Price

Data: ND Dept of Health, US Census Bureau, EIA
Wages

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- Responses vary by region and industry right now.
Wages

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- Responses vary by region and industry right now.
- General wage pressures not evident at this time.
The national picture and policy are key to this right now.
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Wage pressures leading to increases outside Minneapolis Fed District are not likely to make the picture any rosier in the district.
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For ND, fixed nature of extraction and little vertical integration at this time limit growth and development opportunities.