

# Workforce

DEVELOPMENT, INC.

*The Workforce Development Board  
of Southeast Minnesota*



## **Southeast Minnesota Regional Workforce Development Strategic Planning Summit**

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**August 2, 2018**



# What Did We Learn Last Year?

- **Many reasons for misalignment between job openings and job seekers**
- **People must have a broad set of skills and a flexible employment plan**
- **It is important to have an identifiable Workforce Development System**
- **Ensure all existing resources are aligned and local control of those resources is essential**
- **We need an expanded array of training opportunities, including work-based learning, built around the Career Pathways Concept**

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# Actions Taken This Past Year

- **Attracted \$1.6 million to the region for Career Pathways – manufacturing, healthcare, construction, and the public sector**
- **Organized taskforces for the region representing women and minorities, the previously incarcerated, veterans, the disabled, and youth**
- **Helped develop a model for career awareness and engagement to be used by K-12 schools**
- **Developed legislation to provide local control of the State's Workforce Development Fund**

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# Accomplishments and Outcomes

- Served nearly 5,000 adults and 600 youth in need of career services
- Met or exceeded all Federal WIOA outcome measures
- Set a record average wage at placement
- Returned \$35 million to government, by way of new taxes paid and welfare avoided, yielding a 597% Return on Investment (ROI)

# This Year's Challenges

- **Increase the workforce participation rate amongst youth and minorities**
- **Provide outreach and connection with the underemployed and working poor**
- **Convert to a new “CareerForce” brand and system strategy**
- **Continue to promote local control and secure sustainable funding for Career Pathways projects**

# Discussion Topics For Lunch

- **Who are the underemployed people in our region and what prevents them from having full-time, living-wage work?**
- **Why have the workforce participation rates for youth (16-19) not yet rebounded?**

# SE MN Economy at a Glance

- **Business expansion is strong and growing**
  - 6,651 new jobs added from 2013-2017
  - \$814 million invested in business expansions in 2017 alone, to generate another 2,152 jobs
- **Manufacturing, healthcare, and construction are leading the way**

# Labor Supply Concerns

- **There are only 0.6 unemployed job seekers for every 1 job opening in SE MN: the lowest ratio in the State**
- **Labor supply growth continues to slow: it's projected to actually shrink by 6,000 workers from 2020 to 2030**
- **Business expansion could be halted with an inability to find workers: supply chains and customer satisfaction may erode**

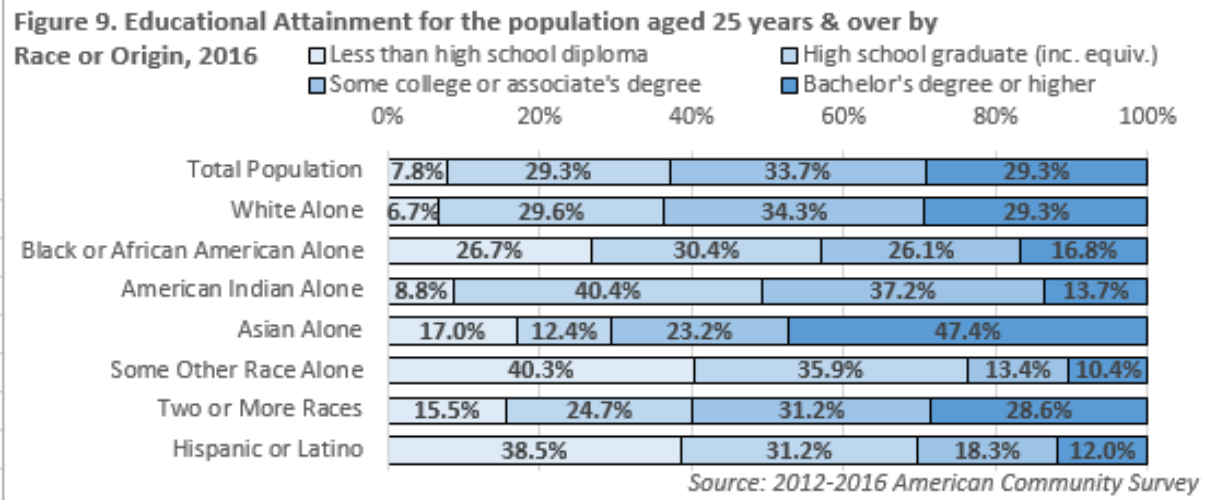


# SE MN Regional Labor Market Data

**Table 19. Educational Attainment for the population aged 25 years and over by Race or Origin, 2016**

	Total Population, 25 years & over	Less than high school diploma	High school graduate (inc. equiv.)	Some college or associate's degree	Bachelor's degree or higher
White Alone	311,287	20,842	92,249	106,877	91,319
Black or African American Alone	7,296	1,950	2,218	1,904	1,224
American Indian Alone	1,117	98	451	415	153
Asian Alone	8,538	1,452	1,060	1,978	4,048
Some Other Race Alone	3,160	1,273	1,134	425	328
Two or More Races	2,825	438	697	881	809
Hispanic or Latino	12,356	4,761	3,849	2,267	1,479
<b>Total Population</b>	<b>334,223</b>	<b>26,053</b>	<b>97,809</b>	<b>112,480</b>	<b>97,881</b>

*Source: 2012-2016 American Community Survey, 5-Year Estimates*

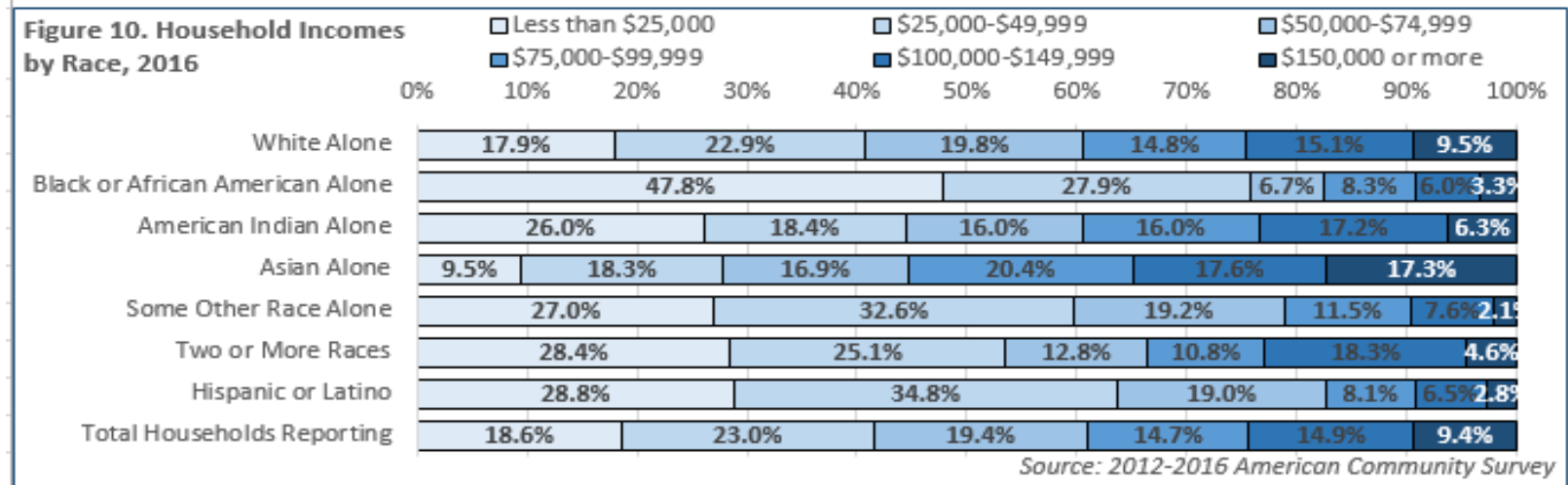


# SE MN Regional Labor Market Data

**Table 20. Household Income in the past 12 months by Race or Origin, 2016**

	TOTAL Households Reporting	Less than \$25,000	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000-\$99,999	\$100,000-\$149,999	\$150,000 or more
White Alone	184,133	33,009	42,081	36,467	27,257	27,826	17,493
Black or African American Alone	4,087	1,955	1,139	275	339	244	135
American Indian Alone	511	133	94	82	82	88	32
Asian Alone	3,637	345	664	615	742	641	630
Some Other Race Alone	1,586	429	517	304	183	120	33
Two or More Races	1,399	398	351	179	151	256	64
Hispanic or Latino	6,473	1,865	2,255	1,229	522	421	181
<b>Total Households Reporting</b>	<b>195,353</b>	<b>36,269</b>	<b>44,846</b>	<b>37,922</b>	<b>28,754</b>	<b>29,175</b>	<b>18,387</b>

*Source: 2012-2016 American Community Survey, 5-Year Estimates*



# SE MN Regional Labor Market Data

<b>Table 25. Poverty Status in the past 12 months by Race or Origin, 2016 (total population for whom poverty status is determined)</b>	<b>Total Population</b>	<b>Income below the poverty level</b>	<b>Poverty Rate (% below pov. level)</b>	<b>Income at or above the poverty level</b>	<b>Minnesota Poverty Rate</b>
White Alone	440,830	41,205	9.3%	399,625	8.2%
Black or African American Alone	13,567	6,212	45.8%	7,355	34.0%
American Indian Alone	1,341	327	24.4%	1,014	31.4%
Asian Alone	13,140	907	6.9%	12,233	16.1%
Some Other Race Alone	5,591	960	17.2%	4,631	23.7%
Two or More Races	7,980	1,527	19.1%	6,453	19.4%
Hispanic or Latino	25,665	6,531	25.4%	19,134	22.2%
<b>Total Population</b>	<b>482,449</b>	<b>51,138</b>	<b>10.6%</b>	<b>431,311</b>	<b>10.8%</b>
<i>Source: 2012-2016 American Community Survey, 5-Year Estimates</i>					

# SE MN Regional Labor Market Data

Subject	Olmsted County, Minnesota					
	Total		Male		Female	
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population 16 years and over with earnings	87,445	+/-682	44,359	+/-428	43,086	+/-494
Median earnings (dollars)	38,063	+/-1,050	41,672	+/-825	34,421	+/-1,358
Full-time, year-round workers with earnings	55,399	+/-892	30,965	+/-671	24,434	+/-620
\$1 to \$9,999 or less	1.7%	+/-0.4	1.8%	+/-0.5	1.7%	+/-0.6
\$10,000 to \$14,999	2.6%	+/-0.5	2.2%	+/-0.7	3.1%	+/-0.7
\$15,000 to \$24,999	8.5%	+/-0.8	7.7%	+/-1.0	9.5%	+/-1.1
\$25,000 to \$34,999	13.8%	+/-1.0	12.3%	+/-1.4	15.8%	+/-1.4
\$35,000 to \$49,999	21.2%	+/-1.0	18.8%	+/-1.4	24.3%	+/-1.5
\$50,000 to \$64,999	18.0%	+/-0.9	17.9%	+/-1.1	18.1%	+/-1.4
\$65,000 to \$74,999	7.4%	+/-0.7	7.3%	+/-0.9	7.4%	+/-0.8
\$75,000 to \$99,999	11.1%	+/-0.7	11.8%	+/-1.1	10.2%	+/-0.9
\$100,000 or more	15.6%	+/-0.7	20.2%	+/-1.1	9.8%	+/-1.0
Median earnings (dollars)	(X)	(X)	54,480	+/-1,503	46,861	+/-920
Mean earnings (dollars)	68,063	+/-1,290	76,104	+/-1,974	57,873	+/-1,432
<b>MEDIAN EARNINGS BY EDUCATIONAL ATTAINMENT</b>						
Population 25 years and over with earnings	43,277	+/-1,250	49,328	+/-1,796	40,043	+/-1,237
Less than high school graduate	19,978	+/-2,090	24,758	+/-2,903	13,963	+/-5,111
High school graduate (includes equivalency)	30,366	+/-957	33,296	+/-3,223	25,371	+/-1,653
Some college or associate's degree	36,713	+/-1,113	40,729	+/-1,353	33,574	+/-1,664
Bachelor's degree	55,145	+/-1,880	64,083	+/-3,124	47,350	+/-2,038
Graduate or professional degree	71,597	+/-2,190	84,426	+/-3,919	64,048	+/-1,683
<b>PERCENT ALLOCATED</b>						
Earnings in the past 12 months	13.6%	(X)	(X)	(X)	(X)	(X)

# How Many Teens (Ages 16-19) Work?

TABLE I  
Minnesota Youth (Ages 16-19)  
Employment and Unemployment, 2000 to 2016

Year	16-19 Youth Population in Minnesota	Number of 16-19 Youth Employed	16-19 Youth Unemployment Rate (%)	Workforce Participation Rate (%)*
2000	293,000	186,000	8.9	69.6
2001	302,000	180,000	7.5	64.6
2002	315,000	182,000	9.5	63.7
2003	299,000	154,000	13.9	59.8
2004	290,000	152,000	12.4	59.7
2005	313,000	165,000	14.1	61.2
2006	316,000	160,000	14.7	59.3
2007	300,000	150,000	13.6	58.0
2008	280,000	131,000	13.7	54.2
2009	255,000	108,000	21.1	53.6
2010	262,000	106,000	21.1	51.3
2011	291,000	122,000	19.1	51.7
2012	286,000	105,000	18.6	45.1
2013	291,000	115,000	15.0	46.4
2014	284,000	122,000	11.4	48.5
2015	263,000	121,000	9.1	50.4
2016	292,000	132,000	10.1	50.3
2017	289,000	136,000	9.8	52.2

\*Workforce participation rates measure the number of employed and unemployed persons as a proportion of the civilian non-institutional population who are 16 to 19 years old. Source: Bureau of Labor Statistics, "Expanded State Employment Status Demographic Data," <https://www.bls.gov/lau/ex14tables.htm>

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