



## Minnesota Workforce Council Association 2018 State Legislative Platform

*It is the mission of the Minnesota Workforce Council Association to provide Minnesota with a skilled and competitive workforce through engaged and proactive local elected officials, Workforce Boards, and staff.*

### WHO WE ARE

Minnesota's workforce development system continues to be a national model for excellence and innovation in employment and training programs.

The sixteen local, employer-led Workforce Development Boards (WDBs), in conjunction with local elected officials, are responsible for:

- setting policy and priorities in their communities;
- engaging employers to determine strategies and organizing the efforts of the broader workforce system to address employer needs; and
- being the accountability agents for local employment and training programs.

The Minnesota WDB's have a long-standing and demonstrated track record of developing cutting-edge new programs and strategies- while continuously improving the traditional services offered through Minnesota's WorkForce Centers and achieving outstanding performance results.

### STATE OF THE WORKFORCE

Minnesota's economy is strong; and while we are experiencing a severe skilled worker shortage, critical gaps exist in our labor force. The reasons for these gaps are complex; however, funding for employment and training programs are essential to ensure employers have the workers they need to support their economic vitality. And, funding needs to be better targeted and aligned to achieve the best return on those investments.

For over a decade, a worker shortage has been predicted, and employers are now experiencing the effects. In the 1990s, Minnesota's workforce was growing at a healthy clip of 40,000 people a year; but it's only growing at about a fifth of that lately<sup>i</sup> and will likely slow even more as baby boomers continue to age and retire. With low statewide unemployment rates and some regional unemployment rates even lower, we need to ensure we engage the *entire* workforce. An inadequate supply of qualified labor could cause the economy to stall, forcing businesses to export their work or leave Minnesota.

Furthermore, since the recession a paradox has occurred; there has been an increase in the number of part-time, low-wage service sector jobs – while at the same time there has been continued advancement in high skilled, high tech jobs. In many cases, those who are not yet working despite the economic recovery face barriers to employment (such as low skills, low literacy, disability status, homelessness, ex-offenders, older workers and veterans). And, youth continue to experience unemployment at higher rates than adults. Services provided through public investments *can* and *must* promote skills training for those who are un- or underemployed so that they can access jobs that employers struggle to fill, and we must also fund other supportive services necessary to ensure that jobseekers are successful in attaining and retaining employment.

Finally, there exist significant income disparities amongst those who *are* working – those groups that face the highest inequities are racial minorities and women. As a State, we must come together to promote inclusion in order to address these disparities.

Minnesota's WorkForce Center system has an exemplary record of connecting to barriered populations, as well as successful outreach to youth, women and people of color. Career pathways programs, which help individuals with limited skills access education and training that lead to family sustaining employment in high-demand occupations and industries, have demonstrated success and are critical to address gaps between employers and potential workers. Programmatic flexibility and partnered alignment are crucial to continued success.

Now, more than ever, Minnesota must rely on strong WDBs as they provide the *coordinated* and *responsive* public workforce development system many other states envy. This system deserves reinvigorated interest and investment from our elected

leaders to retool our low-skilled, low-wage and underutilized populations. While the locally-led system has the expertise and experience in place to address Minnesota's workforce development needs, the simple reality is that current resources are not adequate or targeted in a way that will make a real impact for Minnesota's employers.

## **MWCA Priorities - POLICY**

### Improving Alignment and Accountability

MWCA recommends directing Workforce Development Funds and any competitive grant funding to the local WDBs for their administration. Any and all funds directed to other entities for workforce development or training efforts must be coordinated and aligned with the local Workforce Development Area (WDA)'s WIOA plan to swiftly and strategically meet the unique needs of business in each of the local labor sheds.

## **MWCA Priorities - FUNDING**

### Investing in Our Current Workforce - Creating Connections for Adult Career Pathways

Local WDBs are responsible for ensuring those who can work do work, for assisting individuals with career navigation, and for partnering with employers to increase the skills of those already employed. Minnesota businesses are demanding a pipeline of higher-skilled employees; however, **no** state general funds are currently appropriated to local WDBs to initiate or further implement targeted, **sustained** workforce strategies **in every region** across the state for low-skilled, low-wage adult populations.

MWCA recommends dedicating funding to WDAs in order to advance career pathways and sector work, including incumbent worker training. This locally responsive approach allows Boards to identify the equity issues in their areas, create pathways for jobseekers, and coordinate education and training services to swiftly and strategically meet the needs of the region.

### Investing in Our Future Workforce- Recognizing the Unique Needs of Youth

The unemployment rate for youth is consistently higher than for that of other age groups. And, despite continued advocacy for more counseling in schools, Minnesota continues to have one of the highest student to counselor ratios in the nation. MWCA advocates for increased appropriations for the Minnesota Youth Program, which allows WorkForce Centers to partner with schools to provide career counseling, and to offer work experience to economically disadvantaged and at-risk youth. This program is available to participants in all 87 counties. The Minnesota Youth Program remains a flexible and critical investment in our future workforce and is regularly used to leverage federal and local investments in services to youth across the state.

## **Other Issues of Association Interest**

- MWCA is supportive of initiatives which ensure working low- and moderate- income people have access to stable and affordable housing, particularly near areas of employment growth.
- MWCA encourages investment in a wide range of affordable post-secondary options, with a priority on assistance for those pursuing high skilled occupations in demand.
- MWCA supports further development of apprenticeship opportunities and encourages the use of WDBs as the intermediary for apprenticeship programs across the state.
- MWCA is supportive of full funding for childcare programs that assist families in remaining productively employed.
- MWCA supports efforts to fully invest in Minnesota's critical pre-K, K-12 and Post-Secondary education programs to prepare youth for competitive employment and life-long learning. MWCA also supports increased funding for career counseling for youth.
- MWCA is supportive of any investments to improve our transportation infrastructure and provide jobs.

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<sup>1</sup> U.S. Census Bureau; calculations by The Conference Board; <http://www.mprnews.org/story/2015/10/13/worker-shortage-worries-drive-twin-cities-recruitment-push>