

It is the mission of the Minnesota Association of Workforce Boards 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
- Serving as the accountability agents for local employment and training programs.

# **Our Impact**

The Minnesota WDBs have a long-standing and demonstrated track record of developing cutting-edge new programs and strategies while continuously improving services offered through Minnesota's CareerForce system and achieving outstanding performance results. Every \$1 invested our workforce programs yields \$3 in returns.

# State of the Workforce

Minnesota's current employment landscape is complex as it still grapples with effects of the pandemic on businesses and the workforce. With a historically low unemployment rate, there are currently four job vacancies for every jobseeker looking for work.<sup>1</sup> This worker shortage is taking a toll on Minnesota employers as they struggle to fill positions and retain talent. Added to this, Minnesota has some of the starkest racial disparities in the country, with the unemployment rate for black Minnesotans two and half times higher than the white unemployment rate.<sup>2</sup>

Due to this complexity, proven employment and training programs are as critical as ever to ensure jobseekers are prepared to meet the current and future needs of employers. Funding needs to be better targeted and aligned to achieve the best return on these investments. A strong workforce system is imperative, regardless of the status of the economy, in order to be prepared for the future.

A proactive approach to recovery will include engaging the entire workforce. An inadequate supply of qualified labor could cause the economy to further stall, forcing businesses to leave Minnesota or delay/cancel planned expansions. In many cases, those who were not working prior to the pandemic or are not yet reattached to the workforce face barriers to employment such as unstable housing, lack of childcare, skill mismatch, or struggles with mental health and addiction. People with disabilities, ex-offenders, older workers, and veterans face additional barriers to gaining employment.

Significant income disparities exist among not only the unemployed, but also among many who are working. Groups that face the highest inequities are racial minorities, individuals with disabilities, youth, and women. As

<sup>&</sup>lt;sup>1</sup> https://mn.gov/deed/data/current-econ-highlights/monthly-snapshot.jsp

<sup>&</sup>lt;sup>2</sup> https://mn.gov/deed/data/current-econ-highlights/alternative-unemployment.jsp

a state, we must intentionally come together to address these disparities. Services provided through public investments in workforce development must promote skills training for those who are un- or under-employed so that they can access the jobs that employers struggle most to fill. We must also fund supportive services, such as transportation, housing, and childcare, which are necessary to ensure that jobseekers are successful in attaining and retaining employment.

There is great concern that Minnesotans experiencing economic disparities may be left even further behind due to the ongoing impacts of the pandemic. Other significant shifts in the labor market include the number of women and older workers who have dropped out of the labor force. In some parts of the state and/or specific industry sectors, however, worker shortages are similar to pre-pandemic levels or have even increased over the past months.

Minnesota's CareerForce system has an exemplary record of leveraging public investments to connect employers and jobseekers to the resources they need to be successful. Career pathways programs, which help individuals with barriers and/or 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 addressing gaps between employers and potential workers. Other targeted investments support youth career exploration and work experience, dislocated worker retraining, and incumbent worker training. Programmatic flexibility and partnered alignment are crucial to continued success.

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

# 2023 MAWB State Legislative Platform

#### **WORKFORCE FUNDING**

Local Workforce Development Boards are responsible for ensuring those who want to work, can work; for assisting individuals with career navigation; for addressing barriers to employment; and for ensuring our local labor force meets the needs of employers. As a state, we must provide those who are unemployed, underemployed, or under-represented in the workforce with opportunities to succeed, reduce disparities, and promote a diverse and inclusive workforce. The simple reality is that current investments are not targeted or sustained in a way that will make a real impact for Minnesota's employers.

- MAWB advocates for formula funding for local workforce development boards to address local postpandemic workforce challenges, including serving youth and adults with high barriers to employment and providing intensive services to employers in need of talent attraction and retention assistance.
- MAWB encourages legislative leadership to provide the Jobs and Economic Development finance divisions
  with funding targets that allow for substantial general fund investments in employment and training
  programs.
- MAWB recognizes the unemployment rate for youth is consistently higher than that of other age groups
  and our high school student-to-counselor ratio remains unacceptably high. MAWB, therefore, advocates for
  an increase in formula funding for the statewide Minnesota Youth Program which provides career
  counseling and on-the-job training opportunities for youth in all 87 counties. MAWB encourages efforts to
  increase employer engagement in youth counseling, mentoring, and training opportunities.

- MAWB encourages legislators to be mindful that the original intent of the Workforce Development Fund
  was to provide resources for dislocated worker and incumbent worker training and ensure that a balance
  remains which can fully address those needs, particularly in times of recession.
- MAWB supports state investments in the Minnesota Family Investment Program and other safety-net programs, particularly those that maximize federal match opportunities.

### **WORKFORCE POLICY**

- MAWB encourages the Legislature to carefully review waivers implemented during the pandemic and make permanent changes that have proven to be innovative and beneficial, particularly those that streamline processes and reduce barriers for participants.
- MAWB advocates that any and all funds directed to other entities for workforce development or training
  efforts be coordinated and aligned with Workforce Development Board local and regional plans, to swiftly
  and strategically meet the unique needs of businesses in each of the local labor sheds.
- MAWB encourages allowing maximum flexibility in the use of state funds to encourage innovation and allow local boards to design programs that meet the needs of employers and jobseekers in their areas.
- MAWB encourages the Legislature to align investments and eliminate silos across the workforce
  development system, regardless of funding committee or state agency structures. The workforce system,
  unified under the brand CareerForce, must be fully aligned to meet the needs of career seekers and
  employers who benefit from a coordinated approach to service delivery.
- MAWB recognizes the need to reduce disparities in our state as paramount. MAWB supports initiatives that directly and successfully address this issue and increases equity in employment.
- MAWB supports legislative and policy measures that further empower and streamline the Governor's Workforce Development Board.

### OTHER ISSUES OF ASSOCIATION INTEREST

- MAWB 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.
- MAWB supports the availability of a wide range of secondary and post-secondary options, including
  investments in Career and Technical Education programs (and integration with partners like Adult Basic
  Education), with a priority on assistance for those pursuing high skilled occupations in demand.
- MAWB supports further development of apprenticeship opportunities and encourages the use of WDBs as the intermediary for apprenticeship programs across the state.
- MAWB is supportive of full funding for childcare programs that assist families in remaining employed.
- MAWB supports efforts to fully invest in Minnesota's critical pre-K, K-12, and post-secondary education
  programs that encourage completion and that prepare youth and adults for competitive employment and
  life-long learning. More robust career pathway opportunities and career readiness state learning standards
  for all grades should be considered. MAWB also supports increased funding for career counseling in the K12 system as well as utilizing CareerForceMN.com as a career counseling tool.
- MAWB is supportive of any investments to improve our infrastructure, including transportation and clean energy, which have a strong workforce development component built in. MAWB also supports expanded broadband initiatives to close the digital divide in all parts of the state. To remain competitive, Minnesota must be forward thinking in these areas.

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