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**MEETING NOTES
NORTH DAKOTA WORKFORCE DEVELOPMENT COUNCIL
PLANNING COMMITTEE
MARCH 8, 2004**

A meeting of the North Dakota Workforce Development Council – Planning Committee was held on Monday, March 8, 2004, at the North Dakota Department of Commerce, 1600 East Century Avenue, Suite 2, Bismarck, ND 58503.

MEMBERS PRESENT: Jim Walker, Jim Hirsch, Scott Holdman, and Lyn Dockter-Pinnick

MEMBERS ABSENT: Justin Schardin, Cathi Christopherson, Leo Cummings, Dr. David Gipp

GUESTS PRESENT: Wayne Kutzer, Korrine Lang, Gene Hysjulien, Jill Splonskowski

Jim Hirsch began the meeting by outlining “Jobs for America’s Graduates” (JAG) and providing a “White Paper” on the program. JAG is a school to career program implemented in over 1,000 sites in the United States and United Kingdom. The mission of JAG is to keep young people in school through graduation and provide work-based learning experiences leading to career advancement.

The Governor’s Office arranged for a teleconference with Ken Smith from JAG. The result of that meeting is plans to bring Ken Smith to North Dakota to meet with the

Planning Committee and other state agencies and education officials to determine if North Dakota is interested in a pilot project. This meeting is scheduled for April 5, 2004, at 10:30 a.m.

Administrative Announcements:

Jim Hirsch asked members if there is any old business.

Jim Walker informs the Committee that we need to develop a process of priorities/recommendations for the incentive awards and we also need to discuss and review the Strategic Plan modifications/recommendations from the United States Department of Labor.

Agenda:

March 8, 2004, Agenda is approved as-is by members.

Minutes:

February 10, 2004, Meeting Notes are approved as-is by members.

Presentations:

North Dakota Demographics

Dr. Richard Rathge from NDSU gave members a presentation (via IVN in Fargo) on the demographic challenges as they relate to the labor force. Four basic trends in North Dakota are:

- 1) Population Consolidation
- 2) Selective Out-migration
- 3) Aging Population
- 4) Shifting Economic Sectors

• *Population Consolidation*

North Dakota only had a .5% growth during the 1990s. Of the 53 counties in North Dakota, 28 have less than 5,000 people, 12 counties have 5,000 to 10,000 people, and 13 counties have greater than 10,000 people. The Great Plains and North Dakota have a very low rate of unemployment. We have a high rate of multiple job holders. We have shrinking rural communities and a declining rural workforce. We have a growing proportion of larger communities with an increased dependency on a commuting workforce. Some challenges are:

- 1) Future heightened unemployment
- 2) Multiple job holders of middle age

- *Selective Out-migration*

Losses since the 1960s have exceeded 40% in North Dakota. During the 1980s and 1990s there was some rebound of young people 30-40 years of age that moved back to the non-farm dependent communities. Young people are leaving the region/state at a rate of at least 30%. During the 1990s we lost a significant amount of North Dakota's population. Students ages 15-19 are leaving in enormous amounts. A large amount of seniors are populating the rural areas of the state. Some challenges associated with out-migration are:

- 1) Shrinking entry labor pool
- 2) Need to re-evaluate incentives, benefit packages to better fit young adults/young families
- 3) Recognize shifting generations and their implications
- 4) Finding a larger concentration of workers in mid-career and/or later opportunities

- *Aging Population*

In North Dakota, McIntosh County has 30% of its population over the age of 65. The major urban centers (Cass County, Grand Forks County, Morton County, Burleigh County, and Ward County) have lower concentrations of people over age 65. By the year 2010, we will have \$131,000 centenarians in the nation. North Dakota is the state with the highest concentration of people ages 85 and over. We will have in-migration of elderly people consistently in the Midwest in the future. Some challenges we face are:

- 1) Increase labor pool will be seniors
- 2) May need to re-evaluate benefit packages
- 3) Concentrate on the senior population for economic development in the future (e.g. social security, Medicaid, pension plans)

- *Shifting Economic Sectors*

During the 1800s, agriculture made up 100% of the workforce. In the 1900s, it was less than 50% of the workforce. The industrial age then took over. Next came the services industry, and today it is the information age. The residential health care industry nationwide is going to be growing significantly in the next 6 years. Information Technology is the fastest growing occupation nationwide. The Great Plains has the highest percentage of young people going to college, and we have the highest test score with the most outstanding young people nationwide. Challenges we must examine are:

- 1) How to position yourself for the information age
- 2) Success will depend on the ability to use knowledge, information, and technology to address the need – we must be bold and visionary
- 3) Key is **interdependence**, not independence

- 4) Recognize the need for constant skills training requirements

Data Warehouse – Eligible Populations

Nelse Grundvig from Job Service North Dakota gave a presentation to members on North Dakota's changing economy and changing demographics. Services and manufacturing continue to grow as does the number of farms with high sales; however, the overall number of farms is in decline. In 2002, over 50% of all firms in the state were located in 5 counties (Burleigh, Cass, Grand Forks, Morton, and Ward). These 5 counties account for 63% of the jobs in the state and 66% of the wages. According to the census, the average commute statewide is less than 16 miles, and most adults are open to the possibility of taking training. Labor availability studies show 2-3 times the available labor pool than the reported unemployment rate. The rural areas tend to have the lowest income levels. Most adults are open to taking some training; however, some groups are less willing. Those individuals have lower levels of educational attainment and would like the training to be short-term, as well as on-the-job. There are 2 main types of discouraged workers:

- 1) Older adults (50 and older)
- 2) Young adults (under 40)

Another special group is the disabled worker. The disabled worker is less likely to be employed than those without a disability. The three highest numbers of long-term, non-working individuals over a 5 year time span in North Dakota are:

- American Indians
- Blacks
- Hispanics

Nelse Grundvig then showed members several options and links available on the Job Service North Dakota website involved with the "Data Warehouse".

Role of State Agencies in Delivery of Workforce Development and Training Services

Wayne Kuzter from Career and Technical Education outlined the Carl Perkins Act and that the purpose is to develop more fully the academic, career, and technical skills of secondary and post-secondary students who elect to enroll in Career and Technical Education programs. Several agencies have appointed representatives to serve on the management team of the North Dakota Career Resource Network. Agencies on the management team for the North Dakota Career Resource Network have formed an organization called FINDET. The organization is a joint effort designed to collect common data and design a common reporting process. Each year Career and Technical Education receives \$4.2 million in funds and those funds are used to improve Career and Technical Education programs in schools. The program also has requirements for fund usage as well as permissive uses. In 2003, the number of students in Career and Technical Education programs was 28,660 students of the

34,773 enrolled (or 82.4% of grades 9-12 students). The most widely enrolled area of study is Family and Consumer Sciences.

Serving the Customer through the One-Stop System

Korrine Lang from Job Service North Dakota informed members of WIA services and activities provided through their agency. Job Service North Dakota provides customer-focused services to meet the current and emerging workforce needs of the state. The customer is the employer and job seeker. Some unmet needs in employment are insufficient number of workers, skill deficiencies, and jobs/workers are not available “right quick”. Some solutions to unmet needs are financial incentives and discovering the pools of workers. Job Service North Dakota is governed by Workforce Investment Act principles which are:

- Improve individual choices
- Reflect local conditions
- Increase employment, retention, and earnings of participants

Korrine Lang then covered some goals of the Workforce Investment Act, State responsibilities, workforce system components, and One-Stop required partners. Core services are available to everyone. Intensive services are more comprehensive than core services. Intensive services will provide a plan or assessment for employment. Training services must be directly linked to occupations that are in demand in local or relocation areas. Job Service North Dakota must submit performance accountability reports for adult, dislocated workers, and youth ages 19-21. They must also submit performance accountability reports for youth ages 14-18. Job Service North Dakota is subject to sanctions if they do not meet performance accountability for 2 consecutive years.

Vocational Rehabilitation

Gene Hysjulien from the Department of Human Services presented members with WIA services administered within their agency. The primary mission is to place individuals with disabilities in employment situations. They are focused on results and outcomes. One in six individuals in North Dakota has a disability. In 2003, the average income for those who sought their services increased from \$79 to \$309 per week. There were 860 Vocational Rehabilitation clients who became employed. Ninety-one percent (91%) were still employed 9 months after they began working. Eighty-three percent (83%) had a significant disability. Vocational Rehabilitation has a 94% satisfaction rate with their clients. The program spends approximately \$4000-\$5000 per client. They work very closely with Job Service North Dakota to place client with positions. In 2003, 700 businesses placed individuals with disabilities in North Dakota and internationally. At any given time, over 4,600 people are receiving Vocational Rehabilitation services. In 2003, Vocational Rehabilitation served 6,602 people with various disabilities. The overall accuracy rate on initial eligibility decisions was 93%. The primary disability with

Vocational Rehabilitation clients is orthopedic disabilities and the highest occupation category is the Services industry.

Agenda and next meeting date:

Jim Hirsch will try to pull together information on target populations for Jobs for America's Graduates.

Jim Hirsch also mentions that we as a Committee need to take a look at the Economic Development Foundation goals and objectives and recommend goals that support the Foundation plan when making funding recommendations and recommendations on the use of incentive awards.

The next Planning Committee meeting will be held on April 5, 2004. The meeting will be held at the North Dakota Department of Commerce, Workforce Safety Board Room, 1600 East Century Avenue, Bismarck, North Dakota starting at 10:30 AM.

The meeting was adjourned.

Action Steps:

- ✚ **Review Strategic Plan Modifications from the USDOL.**
- ✚ **Develop a process of goals/priorities/recommendations for incentive awards.**
- ✚ **Pull together needs assessment information on target populations for Jobs for America's Graduates.**