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Dislocated Worker Programs

Adult Training & Dislocated Worker

ATDW

Annual Report



PROGRAM YEAR

1996

July 1, 1996 to June 30, 1997

Minnesota Department of Economic Security

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LETTER FROM THE DIRECTOR

I am pleased to present the Annual Report for the Minnesota Dislocated Worker Program. The Dislocated Worker Program continues to benefit thousands of Minnesota's workers as well as Minnesota's employers. This program provides dislocated workers with employment and training assistance at a time in their lives when they are the most in need. Also, as a result of these services, Minnesota employers are able to hire thousands of highly qualified and skilled workers.

The Federal and State Dislocated Worker Programs serve individuals dislocated from long-held jobs due to factors such as technological changes, investment strategies, and changes in consumption and competition. The goal is to help dislocated workers obtain new employment quickly at wages as close to their previous wage as possible. To achieve this, these programs focus on upgrading current job skills, retraining workers whose skills are not marketable and providing support services. The programs do not guarantee individual's jobs, but help affected workers identify areas of worker shortages and demand occupations. The focus is then to work with program participants to develop "Employability Plans" to assist the individual in setting realistic employment goals and expectations.

This Annual Report provides an overview and summary of the program for the past Program Year 1996, which spans from July 1, 1996 through June 30, 1997.

During the Program Year 1996, the Minnesota Dislocated Worker Programs served 13,109 individuals. Over 5,500 people were re-employed while most of the remaining individuals continued receiving services beyond the end of the program year.

The Dislocated Worker Programs are continuously improving and seeking to better serve Minnesota's workers and employers. This year, a comprehensive, independent evaluation of the Programs was conducted to evaluate Minnesota's approach, methods and delivery of service. The results of this evaluation is available and will be used to further refine and enhance dislocated worker services.

The Minnesota Department of Economic Security is pleased with the successes outlined in this report. We strongly feel that Minnesota leads the nation in providing comprehensive Dislocated Worker Program services. We continue seeking new and innovative approaches to help workers and employers meet their employment and training needs.

Sincerely,



James F. Korkki
Director

Governor's Workforce Development Council

G W D C

The Governor's Workforce Development Council (GWDC) is a 32 member board authorized by Federal law and Minnesota Statutes. The Governor appoints individuals from business, organized labor, education, state and local government, non-profit organizations and elected office. The Council advises the Governor on job training policy and oversees employment and training programs in Minnesota. The Governor's Workforce Development Council functions are carried out by a committee structure, with the Workforce Development Committee responsible for the Dislocated Worker Program activities. The members of the GWDC are listed below:

David Olson - Council Chair	<i>Business and Industry</i>
*Kelvin Johnson - Committee Chair	<i>Business and Industry</i>
Gary F. Haider	<i>Business and Industry</i>
Jennie Lightfoot	<i>Business and Industry</i>
Robert W. Anderson	<i>Business and Industry</i>
George Hawkins	<i>Business and Industry</i>
James R. Donovan	<i>Organized Labor</i>
Donald Gerdesmeier	<i>Organized Labor</i>
Thomas Sawyer	<i>Organized Labor</i>
Jean Dunn	<i>Organized Labor</i>
Scott Knight	<i>Organized Labor</i>
*Richard Steffes	<i>Organized Labor</i>
*Ralph Knapp	<i>Education</i>
Ginny Karbowski	<i>Education</i>
Lynn Steenblock	<i>Education</i>
Ernest L. Owens, Jr	<i>Education</i>
Thomas Ebert	<i>Community-based Organizations</i>
*Sharon Bredeson	<i>Community-based Organizations</i>
Karen Diver	<i>Community-based Organizations</i>
LaDonna Boyd	<i>Community-based Organizations</i>
Chancellor Morrie Anderson	<i>Higher Education</i>
Commissioner R. Jane Brown	<i>State Agency Head</i>
Commissioner Robert Wedl	<i>State Agency Head</i>
*Commissioner David Doth	<i>State Agency Head</i>
*Commissioner Jay Novak	<i>State Agency Head</i>
*Senator Arlene Lesewski	<i>State Elected Official</i>
Senator Tracy Beckman	<i>State Elected Official</i>
*Representative Jim Rostberg	<i>State Elected Official</i>
Representative Andy Dawkins	<i>State Elected Official</i>
*James Rossman	<i>Local Elected Official</i>
Richard Donat	<i>Local Programs</i>
Robert M. Jackson	<i>Director, Corporation for National Service</i>

*Member of Workforce Development Committee

Overview

PROGRAM YEAR 1996

Participant Information

The following demographic and participant information reports on all dislocated workers involved in the Dislocated Worker Program from July 1, 1996 to June 30, 1997:

Enrolled	13,109	Gender		Family Size	
Total Terminations	8,079	Female	57%	One Member	28%
Number Placed in Jobs	5,653	Male	43%	2-4 Member	61%
Placement Percent	72%	Age		5+ Member	11%
Average Wage of Last Job	\$13.52/Hr	14 to 20 yrs	1%	Weeks Unemployed	
Average Wage at Placement	\$12.19/Hr	21 to 30 yrs	16%	0	20%
Percent of Wage at Replacement	90%	31 to 40 yrs	32%	1 to 5	38%
		41 to 50 yrs	32%	6 to 14	21%
		51+ yrs	19%	15 to 26	19%
		Education		Dislocated Worker	
		Less than HS	3%	Hard to Serve*	76%
		HS Grad	33%	Obsolete, Dated or Unskilled	41%
		Post HS	37%	Older Workers	61%
		College Grad	27%		

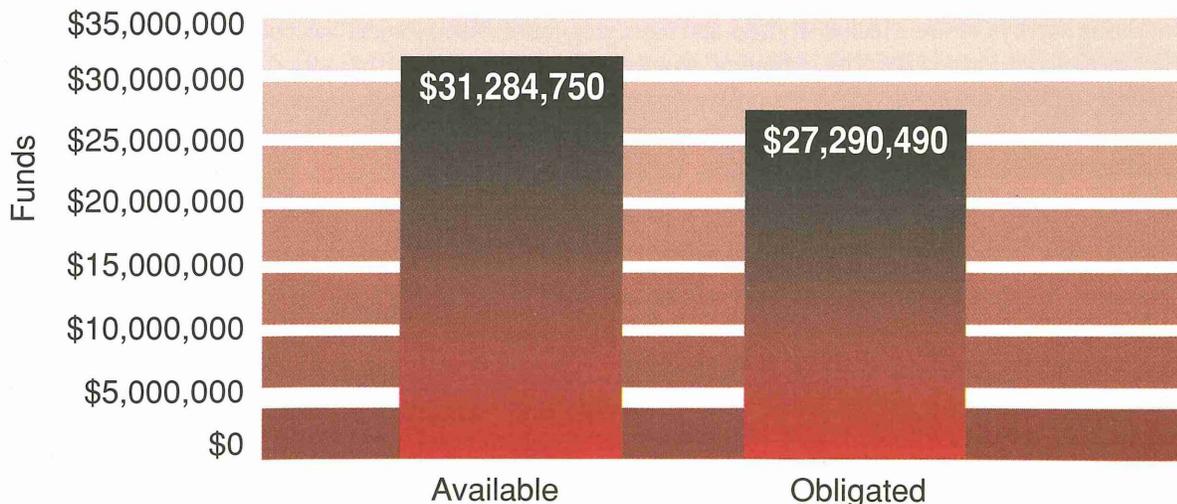
* Defined as lacking sufficient occupational skills to become re-employed.

Fund Availability

Minnesota receives Federal and State funds to provide services to dislocated workers. Funds are allocated by formula (described on following page) at the beginning of each program year to provide services to individuals affected by small layoffs. The remaining funds are reserved for projects to address the needs of workers affected by business closings and large layoffs. This chart reports the amount of available and obligated funds:

Available - This represents the total combined federal and state funds available for Program Year 1996.

Obligated - This represents the total combined federal and state funds allocated in Program Year 1996 for dislocated worker services. Unobligated funds are carried into Program Year 1997.



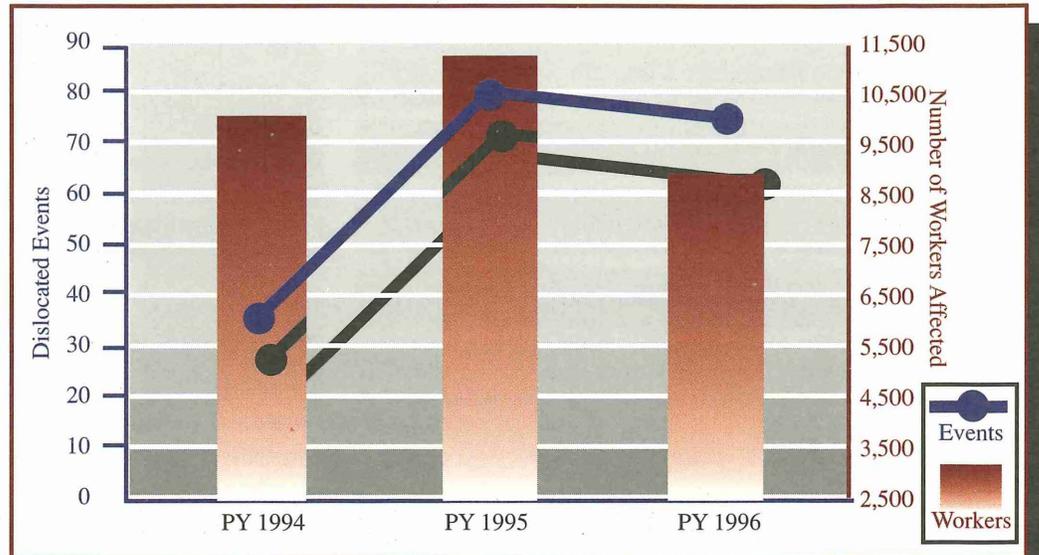
Activities and Programs

PROGRAM YEAR 1996

Rapid Response

The Adult Training & Dislocated Worker (ATDW) Unit established a Rapid Response Team (RRT) to identify and respond quickly to large layoffs and business closings so programs can be started in situations where workers are in need of services. Upon notification of layoffs and business closings the RRT immediately begins to work with the company, the community and the affected workers to lessen the impact of dislocation.

Reported Dislocation Events	76
Workers Affected	8,679
Projects Funded	35



Employee Management Committees

Employee Management Committees (EMC) are the cornerstone for planning and overseeing dislocated worker projects for large layoffs and business closings. If discretionary dislocated worker project funds are needed to serve a group of workers affected by a large layoff or a business closing, the establishment of an EMC is required. The EMC is responsible for assisting the development, implementation and oversight of a discretionary dislocated worker project. The majority of the EMC representatives are the affected workers. Company management staff are also encouraged to participate on each EMC. Affected labor organizations are involved whenever workers are represented by a union.

A primary EMC responsibility is selecting a service provider for the project. The RRT assists the EMC by providing information, conducting surveys of the affected workers and managing the service provider selection process. The selected service provider develops a proposal for project funding based on EMC input, the worker survey, and labor market information. The ATDW staff and Governor's Workforce Development Council review each proposal and make funding recommendations. Once a project is in place, the EMC is responsible for overseeing the activities of the service provider ensuring workers are receiving necessary services.

Early Readjustment Assistance Grants

Early Readjustment Assistance Grants (ERAG) provide immediate limited funding for services to dislocated workers while full program development is under way. ERAGs are valuable resources because they provide limited services to dislocated workers as quickly as possible. ERAG funding fills the gap between worker layoff notification and when full project funding is awarded.

Number of ERAGs	30
Number Workers Served	6,496
Total Amount	\$150,000

Activities and Programs

PROGRAM YEAR 1996

Formula Allocated Funds

These funds are allocated by formula to the 11 Substate Areas (SSA). The allocation formula for substate grantees contains data from six statistical categories that measure local unemployment and industry activity. Formula funds are generally used to provide services to workers laid-off in small numbers of 50 or less. This chart looks at data for all individuals served in the Program Year 1996:

Substate Area*	Enrollment	Total Terminations	Placed in Job	Placement Percentage	Placement Wage
SSA #1	944	453	397	88%	\$9.58
SSA#2	462	229	210	92%	\$10.53
SSA#3	942	576	540	94%	\$9.99
SSA#4	373	201	188	94%	\$11.14
SSA#5	889	491	428	87%	\$10.03
SSA#6	1008	697	599	86%	\$16.06
SSA#7	625	400	316	79%	\$14.13
SSA#8	317	168	134	80%	\$11.38
SSA#9	212	127	108	85%	\$14.05
SSA#10	447	312	250	80%	\$13.14
SSA#11	424	226	185	82%	\$12.60
Totals	6643	3880	3355	86%	\$12.08

*See Substate Directory and Map in this report for information on Substate Areas.

Projects for Business Closings and Large Layoffs

Projects provide services to workers who lose employment due to business closings and large layoffs. Projects address the specific training needs of a group of employees and are utilized when formula funds are not sufficient to meet the needs of a particular group. The chart below looks at data for the 30 projects completed in Program Year 1996:

Funds Source	Enrollment	Total Terminations	Placed in Job	Placement Percentage	Placement Wage
Federal Funds	1339	1229	792	64%	\$12.17
State Funds	1096	1088	808	75%	\$13.85
Federal Discretionary Funds	203	203	144	71%	\$10.42
Totals	2638	2520	1744	69%	\$12.80

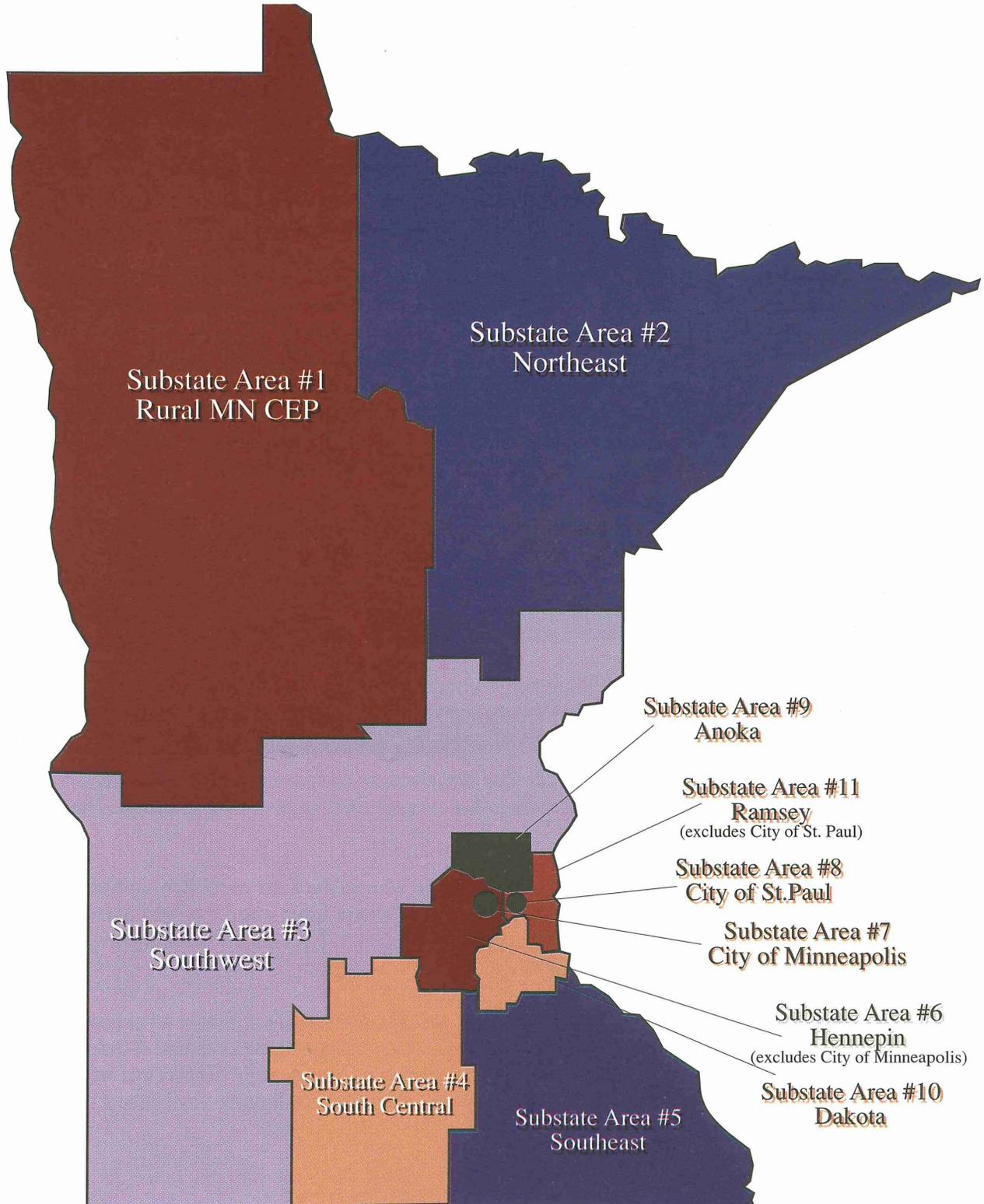
Directory of Minnesota Substate and Independent Grantees

PROGRAM YEAR 1996

Grantee	Address	Contact
Rural MN CEP SSA#1	803 Roosevelt Ave. P.O. Box 1108 Detroit Lakes, Minnesota 56501	Larry Buboltz, Director (218)847-7400
Northeast MN Office of Jobs & Training SSA#2	820 N. 9th Street Suite 240 Virginia Minnesota 55792	Dennis Wain, Director (218)749-1274
Southwest MN PIC SSA#3	1424 E. College Drive P.O. Box 3097 Marshall, Minnesota 56258	Juanita Lauritsen, Director (507)537-6987
South Central Workforce Council SSA#4	410 Jackson St. P.O. Box 3327 Mankato Minnesota	Sandra Oppegard, Director (507)345-1837
Southeast MN PIC SSA#5	300 11th Ave. NW, Suite 110 Rochester, Minnesota 55901	Randy Johnson, Director (507)281-1193
Hennepin County SSA#6	300 S 6th Street Minneapolis, Minnesota 55487	William Brumfield, Director (612)348-8953
City of Minneapolis SSA#7	310 1/2 City Hall Minneapolis, Minnesota 55415	F. A. Wells, Director (612)673-7037
City of St. Paul SSA#8	25 West Fourth Street 1100 City Hall Annex St. Paul, Minnesota 55101	Jacqui Shoholm, Director (612)266-6552
Anoka County Workforce Center SSA#9	1201 89th Ave. NE Suite 235 Blaine, Minnesota 55434	Jerry Vitzhum, Director (612)783-4800
Dakota County Workforce Service SSA#10	60 East Marie Suite 220 West St. Paul 55118	Helen Dahlberg, Director (612)450-2633
Ramsey County Job Service SSA#11	1945 Manton Street Maplewood, Minnesota 55109	Connie Peikert, Director (612)770-8900
UAW Dislocated Worker Program	640 N Prior, Suite 212 St. Paul, Minnesota 55104	Art Berens, Director (612)647-9322
Minnesota Teamster Service Bureau	2550 University Ave. W Suite 160 So St. Paul, Minnesota 55114	Jean Dunn, Director (612)647-6478

Minnesota Substate Areas

S S A



Activities and Programs

PROGRAM YEAR 1996

Pilot Projects

Pilot Projects customize skills training to meet changing industry needs so that workers, at risk of losing their jobs, can avoid layoff. The design of each project is uniquely responsive to the participating business and its workforce. In addition to customized training for at-risk workers, Pilot Project funds are also used to train groups of dislocated workers for demand jobs in growing industries. Participating businesses, by matching state funds, show they are committed to maintaining quality employment opportunities in Minnesota.

Partnering with local service providers, businesses assess their training needs and develop a plan specifically geared to company operations. Projects thus far have trained workers in precision machining, software applications, welding, metal fabrication and other job skills.

During Program Year 1996, four pilot project completed planned activities. These projects trained a total of 499 workers at a total cost of \$582,794. The average wage of the retrained workers was \$17.35 per hour. At a cost averaging \$1,168 per trainee, the projects resulted in increased job skills and steady employment for the workers, while participating businesses gained productivity and a more stable operating climate.

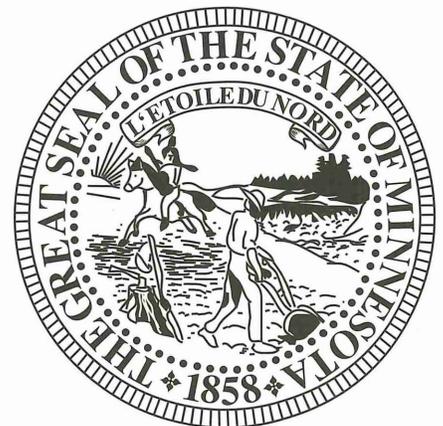
	Trainees Enrolled	Total Funds	Cost Per Trainee	Avg. Wage After Training
Pilot Projects	499	\$582,794	\$1,168	\$17.35

The Flood of 1997

Two major disaster declarations were issued for the state in the winter and spring of 1997 due to extensive snow, blizzards and ice storms. With the spring came an ice and snow melt resulting in statewide flooding. The floods had broad impact.

Entire communities evacuated as hastily constructed levees burst allowed the water to swallow up homes and businesses. The flooding devastated farmers. Whole herds of cattle drown while water destroyed stored grain. The infrastructure took a severe beating as roads, bridges and other public facilities were either destroyed or damaged and water and sewer systems were shut down.

The Minnesota Department of Economic Security received a \$2,000,000 emergency disaster relief grant from the U.S. Department of Labor to employ individuals in temporary jobs in counties declared federal disaster areas. These individuals were employed in temporary jobs that lasted up to six months or 1040 hours and were paid wages ranging from \$8.00 to \$12.00 an hour. The jobs included flood cleanup, day care services, and repair and restoration of public facilities.



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