

Background

- Over 100 business & community leaders engaged in Legislative Council's Interim Business Climate Study meetings & Congress
- Resulting success in pro-business legislation: expansion of venture/risk capital; increased funding for North Dakota Trade Office & 16 Centers of Excellence
- North Dakota is a better place for business because we listen & act on what we hear
- We heard that workforce issues matter!

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Workforce Initiatives in 2007 Session

- Funding for comprehensive strategic plan for state's workforce system
- Expansion of Operation Intern
- Career specialist program to promote North Dakota careers to high school students
- Internship Employment Tax Credit
- Workforce Recruitment Tax Credit for hard-to-fill positions

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Interim Workforce Committee Process for 2008

- 4 Regional Input Sessions: Grand Forks, West Fargo, Minot, Dickinson
- 230+ signed up for sessions
- Pre-session survey – 270+ responses – over 55% response rate!
- April 10, 2008 Workforce Congress
- Identify top priorities for legislative package of proposed workforce initiatives

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Today's Agenda

- Quick overview of 2007 Workforce Report
- Quick review of survey responses
- Identification of **behaviors** we want to change
- Identification of **actions** needed to change identified behaviors
- Voting on **highest priority** action categories to take to Workforce Congress

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North Dakota Workforce Report 2007

(Workforce Associates, Inc)

- Economic strengths
- Demographic challenges
- Educational excellence
- Relatively low wages

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Economic Strengths

- 25,100 net new jobs since 2000
- Rise in per capita income of 30% since 2000
- 2062 new businesses created since 2000
- Bismarck & Fargo – Forbes top 5 as best smaller metros for business & careers

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Demographic Challenges

- Population peaked in 1930
- Many regions of state losing population
- Basically at full employment levels
- Baby boomers leaving workforce any minute
- Young, educated leaving workforce now

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Educational "Pyramid"

- Top tier in high school graduation rates
- Middle of pack in adults with college degrees
- 48th of 50 states in advanced degrees
- Many students in North Dakota colleges from out of state (40%) – and then leave

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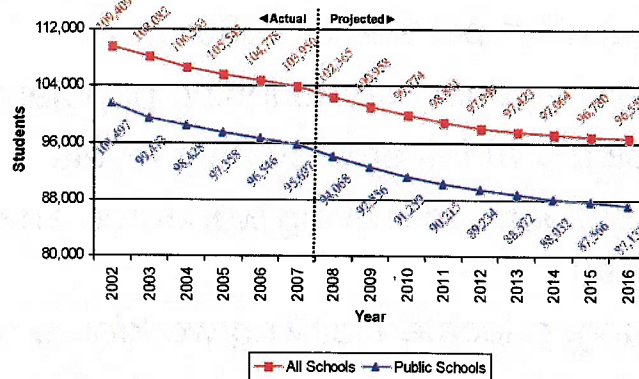
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ND K-12 Enrollment: Actual & Projected
NORTH DAKOTA DEPARTMENT OF PUBLIC INSTRUCTION
OFFICE OF SCHOOL FINANCE AND ORGANIZATION



NDDEPT@school Finance\11-19-2006

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North Dakota School Districts and Enrollment

	<u>1973</u>	<u>1996</u>	<u>2007</u>	<u>CHANGE</u>	
Total Enrollment	136,404	117,816	95,600	22,216	-19%
Total Districts	371	236	198	-38	-16%
Enrollment Per District	367	499	483	-16	-3%
Square Miles Per District	190	299	351	+52	+17%

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Relatively Low Wages

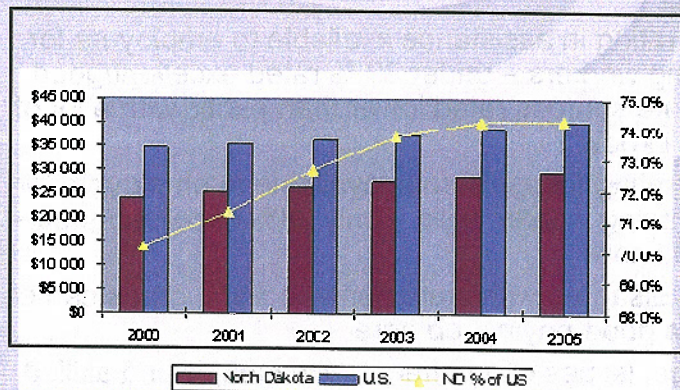
- Average earnings in North Dakota significantly below national average
- North Dakota shares lower wages with South Dakota & Montana
- Wages in Minnesota & Illinois more attractive to skilled workers
- Urban-rural split large within North Dakota
- Double-edged sword for attracting employers – moderate wages attractive; inability to recruit & retain skills is not

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Average Wage Per Job, North Dakota and U.S. 2000-05



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Survey Highlights – Good News

- People like where they live – 90% rated where they live as excellent/good
- Good place to raise family – 97% rated excellent/good – drops to 69% for “fun place”
- Good job satisfaction – 96% complete/a lot of satisfaction with job
- Quality of workforce rated high – 83% rate as excellent/good
- Good place to get an education – 87% rated excellent/good

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Survey Highlights - Concerns

- Lower rating as a place to find a job – 44% fair/poor rating
- Low rating in assistance available to employers for finding workers – under 30 % rated excellent/good (private sources rated lower than public with a lot of “don’t know”)
- Low rating for assistance available to employers for upgrading worker skills – only 28% excellent/good – 15% don’t know
- 72% disagree with statement – college grads can easily find a good-paying job here
- Critical issues cited often: low wages; losing skilled youths; replacement of aging Baby Boomers

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Survey Highlights – Funding Priorities

- Schools are “most responsible” for making sure workers are prepared for future jobs
- Three-fourths say someone other than “individual worker” is most responsible for the workers being prepared for future jobs
- Nearly half view incentives to employers to create jobs & incentives to individuals to get skills as **equally important**

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Survey (Additional Funding Priorities)

- Highest support for funding to strengthen K-12 (92% strong/moderate) & incentives for existing employers to expand (90% strong/moderate)
- Lowest support for funding incentives for persons with needed skills to move to North Dakota (65% strong/moderate)
- Specific priorities cited often: increase wages, market ND to country; retain our young talent; target training incentives to targeted skill needs; expand public awareness of opportunities & skill needs

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Breakout Session #1: Whose Behavior Are We Trying To Change?

- Employers (existing & prospects)?
- Workers (new & emerging)?
- Education (K-12 & higher ed)?
- Government (incentives & programs)?
- How do we want them to act differently?

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Breakout Session #2: What Actions Are Needed By Whom for Change?

- Identify our highest-rated behavior changes that we desire
- Determine actions that should be taken (and by whom) that will lead to these changes
- Identify state policies or legislation that will be needed

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Wrap Up

- What next?
- Workforce Congress – April 10, 2008
- Reactions & suggestions about process
- Web sites for more information:

www.ndcommerce.com

