

Regional Spotlight:
CENTRAL Planning Region

The Young and the Restless

A young workforce has contributed to a rapid increase in unemployment insurance claims in central Minnesota.

As the recession has taken hold in central Minnesota, the number of people filing unemployment insurance (UI) claims has climbed rapidly over the last two years. In calendar year 2006, there were 40,961 claims filed in the 13-county Central Planning Region. That number grew to 50,350 claims filed in 2008 – a 23 percent increase. That was nearly twice as fast as the increase in UI claims filed statewide, which rose 12.3 percent from 2006 to 2008.

At least part of that difference can be attributed to the rela-

tively young demographic of the region's workforce. In fact, the Central Planning Region has the highest reliance on younger workers of any area in the state.

Soaring UI Claims

Since 2000, the number of UI claims filed in the region rose 75 percent or by 21,000 through the end of 2008. While central Minnesota saw an expansion in UI claims during the 2001 national recession, the region was still experiencing rapid job growth and did not see the same rate of increase in unemployment as the state. The number of UI claims filed in the state as a whole since 2000 increased by nearly 115,000 through the end of 2008, an increase of 55 percent (see Figure 1).

In the first quarter of 2009, the number of UI claims filed in the state had jumped 70.1 percent compared

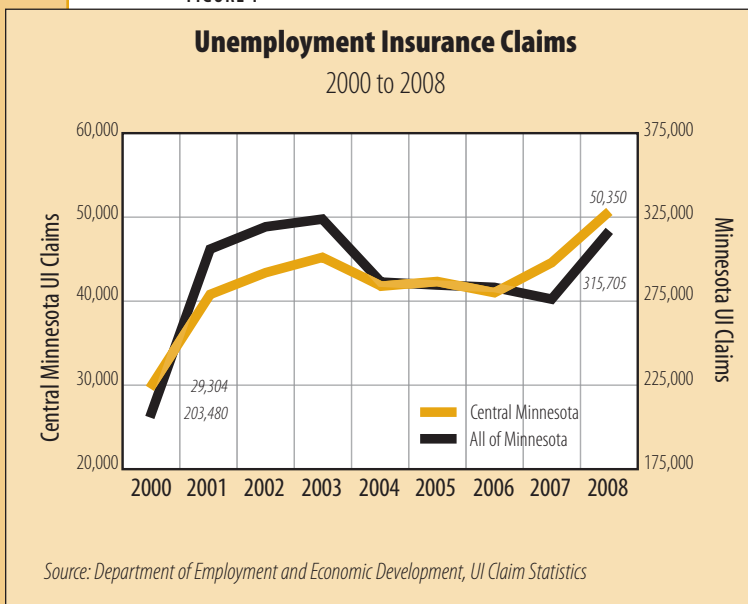
with the same quarter one year earlier, due to extensive job losses in every major industry sector. Manufacturing, construction, administrative and waste services, retail trade, and health care and social assistance accounted for two-thirds (64.4 percent) of the claims filed in March 2009. The fastest year-over-year increases were in mining, management of companies and enterprises, and manufacturing.

Likewise, UI activity in the central Minnesota region soared by 63.3 percent in the first quarter of 2009, jumping from 11,488 claims a year ago to 18,765 claims. The fastest increases in claims filed were in manufacturing, information, and management of companies and enterprises. The largest numbers were in manufacturing and construction.

Workforce Demographics

Thanks to years of rapid population growth from the steady in-migration of younger families, the region's workforce is particularly youthful. According to data

FIGURE 1



from the Quarterly Workforce Indicators (QWI) program, nearly 20 percent of central Minnesota's labor force is between 14 and 24 years old, compared with 16.3 percent in the state as a whole.

Predictably, turnover rates are much higher for younger workers, ranging from 23 percent for 14 to 18 year olds, to 16 percent for 22 to 24 year olds (see Table 1). It is important to note, however, that younger workers are more likely to work in lower-skilled jobs and lower-paying industries that typically have higher turnover rates. They include front-desk clerks and food preparation workers at accommodation and food services establishments, or cashiers and salespeople at stores. Many other young workers are simply moving up the career ladder as they gain skills and experience, changing jobs and employers when better opportunities come along.

The percentage of UI claims filed by younger workers in central Minnesota was also higher than statewide. Nearly three in 10 UI claims (28.4 percent) were filed by workers under the age of 30, compared with one in four statewide (26.1 percent). In Region 7W (Benton, Sherburne, Stearns and Wright counties), 54 percent of the claims filed were by workers under 40 years old, which was more than 5 percent higher

than statewide. In Region 6E (Kandiyohi, McLeod, Meeker and Renville counties), nearly 6 percent of UI claims were filed by workers under age 22, compared with 4.5 percent statewide (see Figure 2).

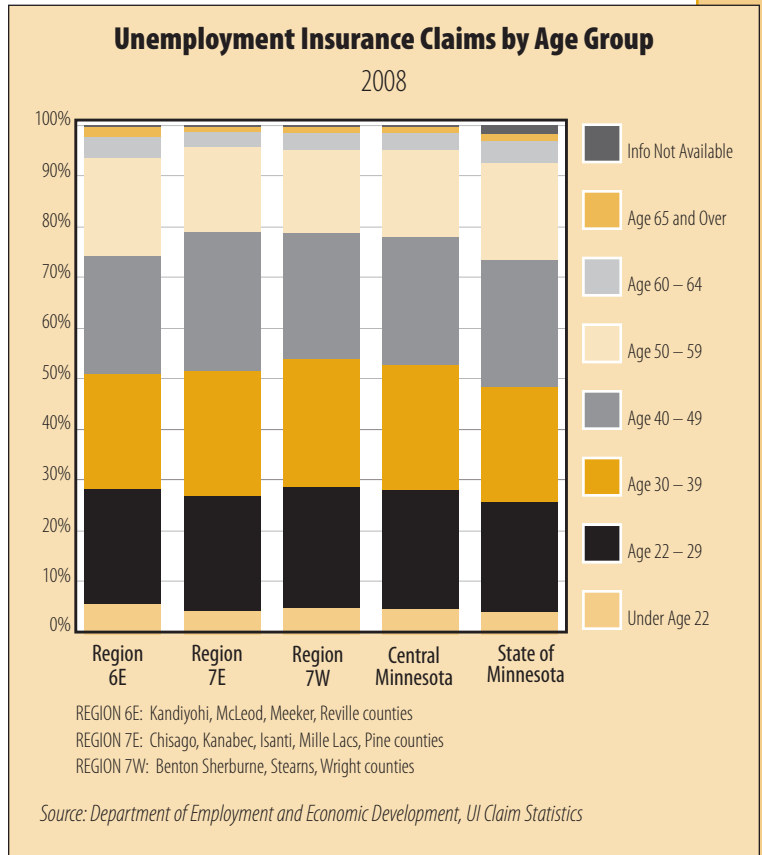
Job-Seeking Skills

Unemployment insurance is available to help workers who lose jobs through no fault of their own. Applicants must actively seek suitable employment each week that they request benefits, including conducting job searches, setting up interviews, attending job-seeking workshops, networking in their industry and participating in other job-search activities.

People can file for UI benefits at www.uimn.org. In addition, the Minnesota Dislocated Worker Program offers free services to help people find jobs. All services are tailored to address people's specific needs, including career planning and counseling, job-search and placement services, counselor-approved training and other support services. To find a Dislocated Worker intake office,

go to www.PositivelyMinnesota.com/dw/ . **T**

FIGURE 2



Source: Department of Employment and Economic Development, UI Claim Statistics

TABLE 1

Age Group	Central Turnover	State of Minnesota		
		Number	Percent	Turnover
Total Workforce	9.80%	2,659,297	100.00%	9.60%
14-18 years	23.00%	107,546	4.00%	23.80%
19-21 years	21.70%	147,691	5.60%	22.10%
22-24 years	16.40%	179,132	6.70%	17.20%
25-34 years	10.50%	576,069	21.70%	10.90%
35-44 years	7.50%	583,977	22.00%	7.70%
45-54 years	6.10%	625,396	23.50%	6.10%
55-64 years	6.10%	349,500	13.10%	6.10%
65-99 years	9.50%	89,984	3.40%	9.20%

Source: LEHD State of Minnesota WIA Reports – Quarterly Workforce Indicators