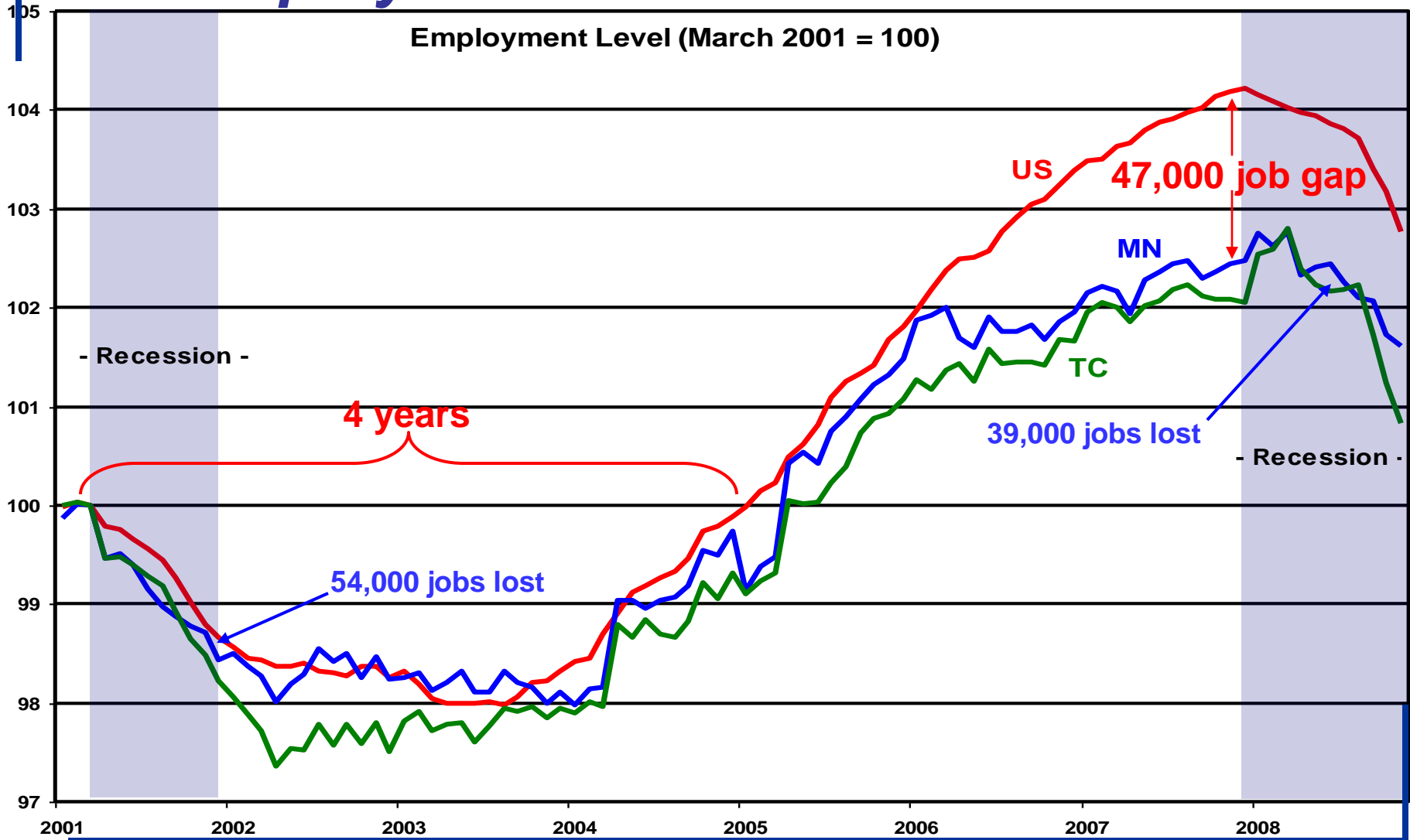


**Minnesota's Labor Markets:  
Presentation to the Bioscience and Workforce  
Development Policy and Oversight Division**

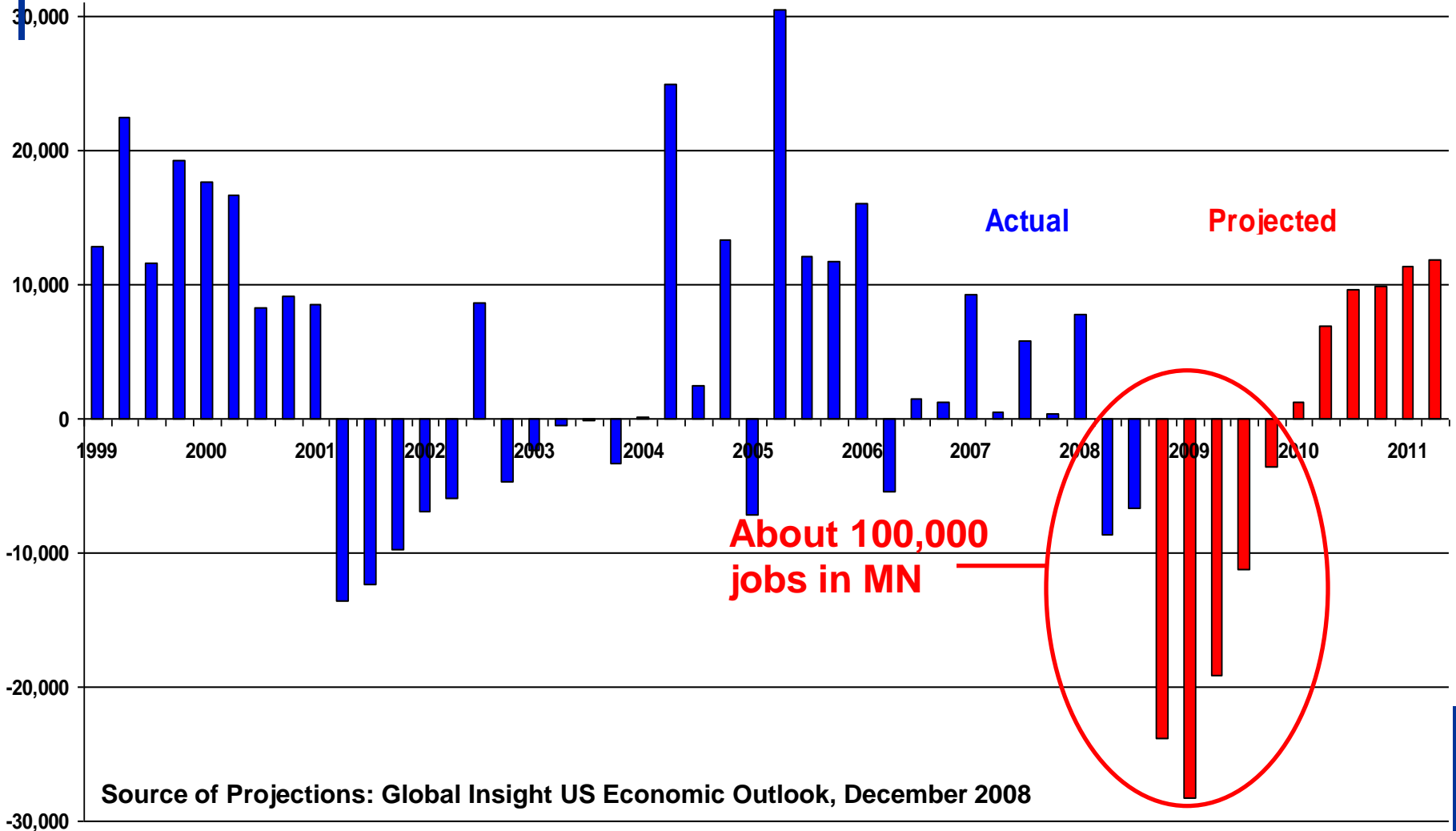
Steve Hine  
Research Director  
Labor Market Information Office  
MN DEED  
January 13, 2009

# Employment since the last recession

Employment Level (March 2001 = 100)



# Current forecasts are of continued losses



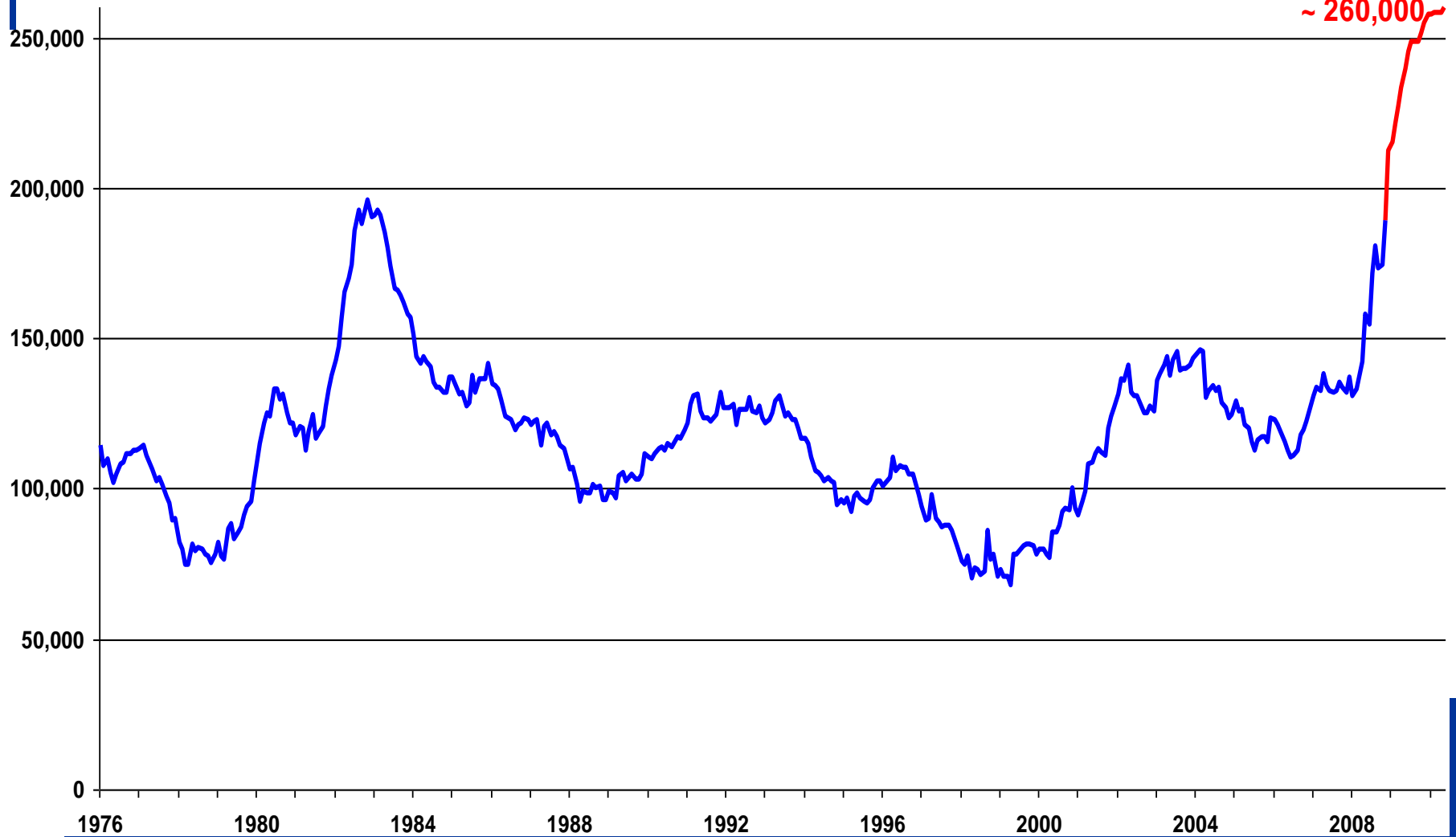
Source of Projections: Global Insight US Economic Outlook, December 2008

# Job Declines = Rising Unemployment Rates

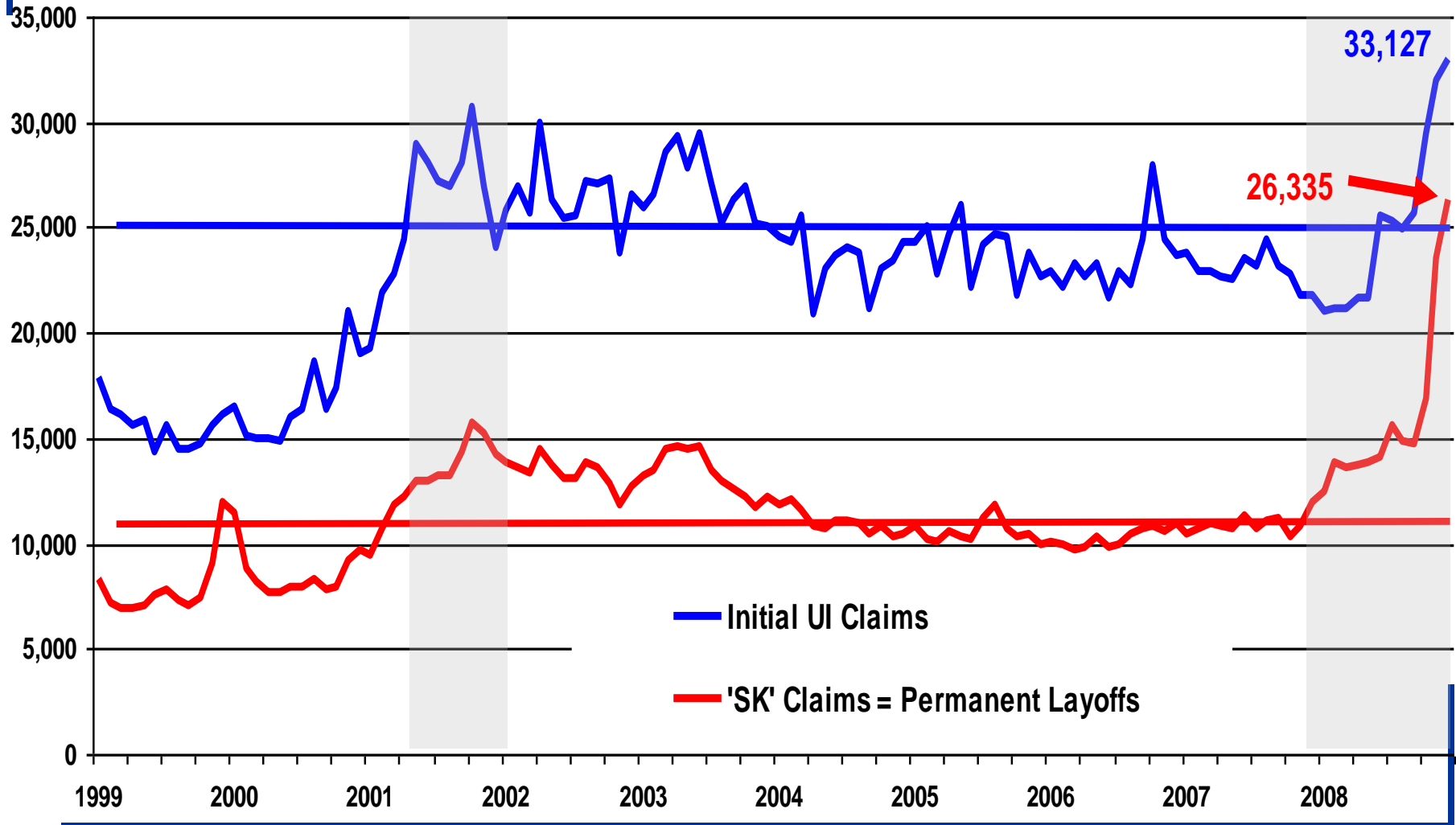


Source of Forecast: Global Insight US Economic Outlook, December 2008

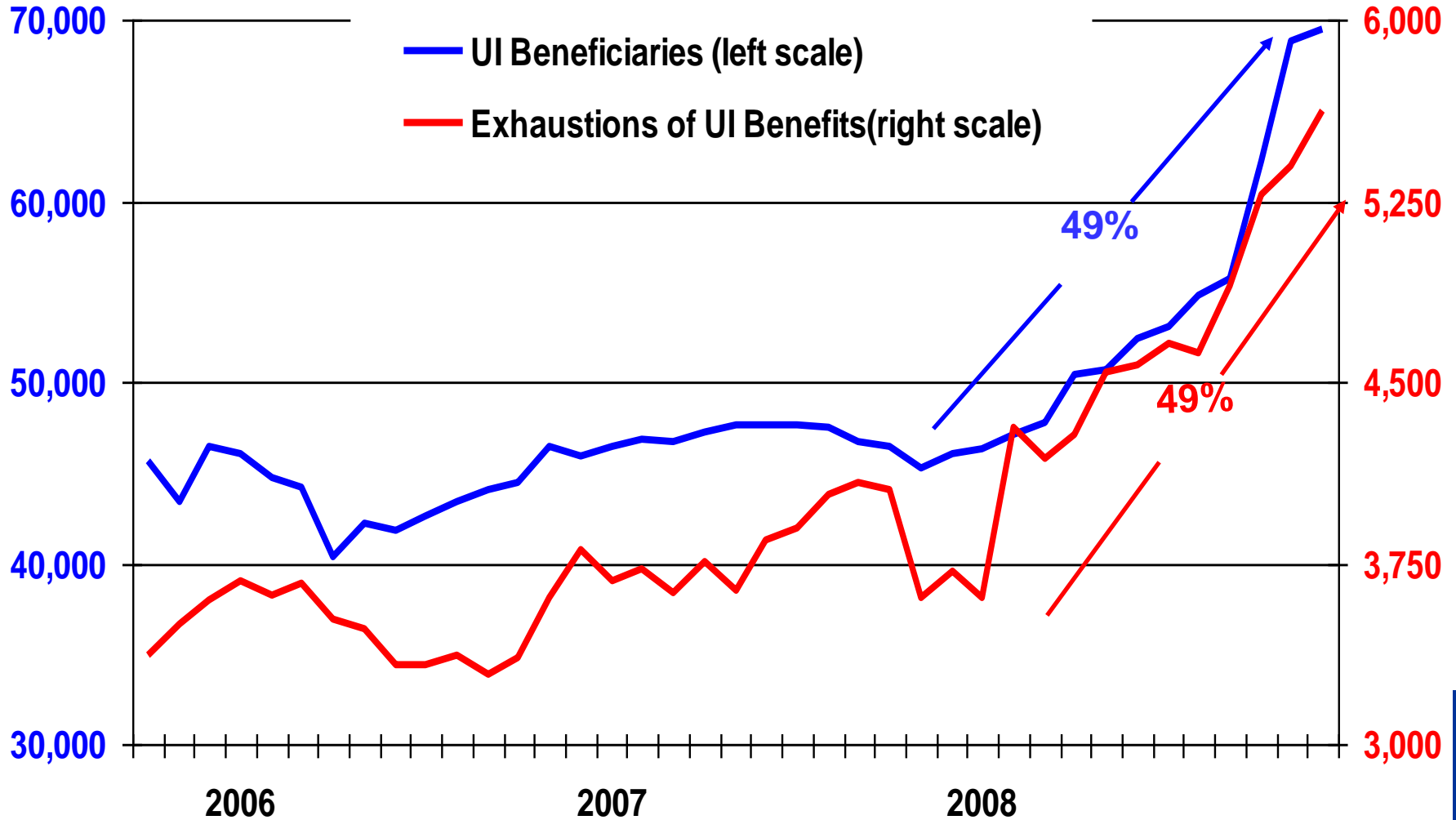
# ...And More Unemployed Seeking Work



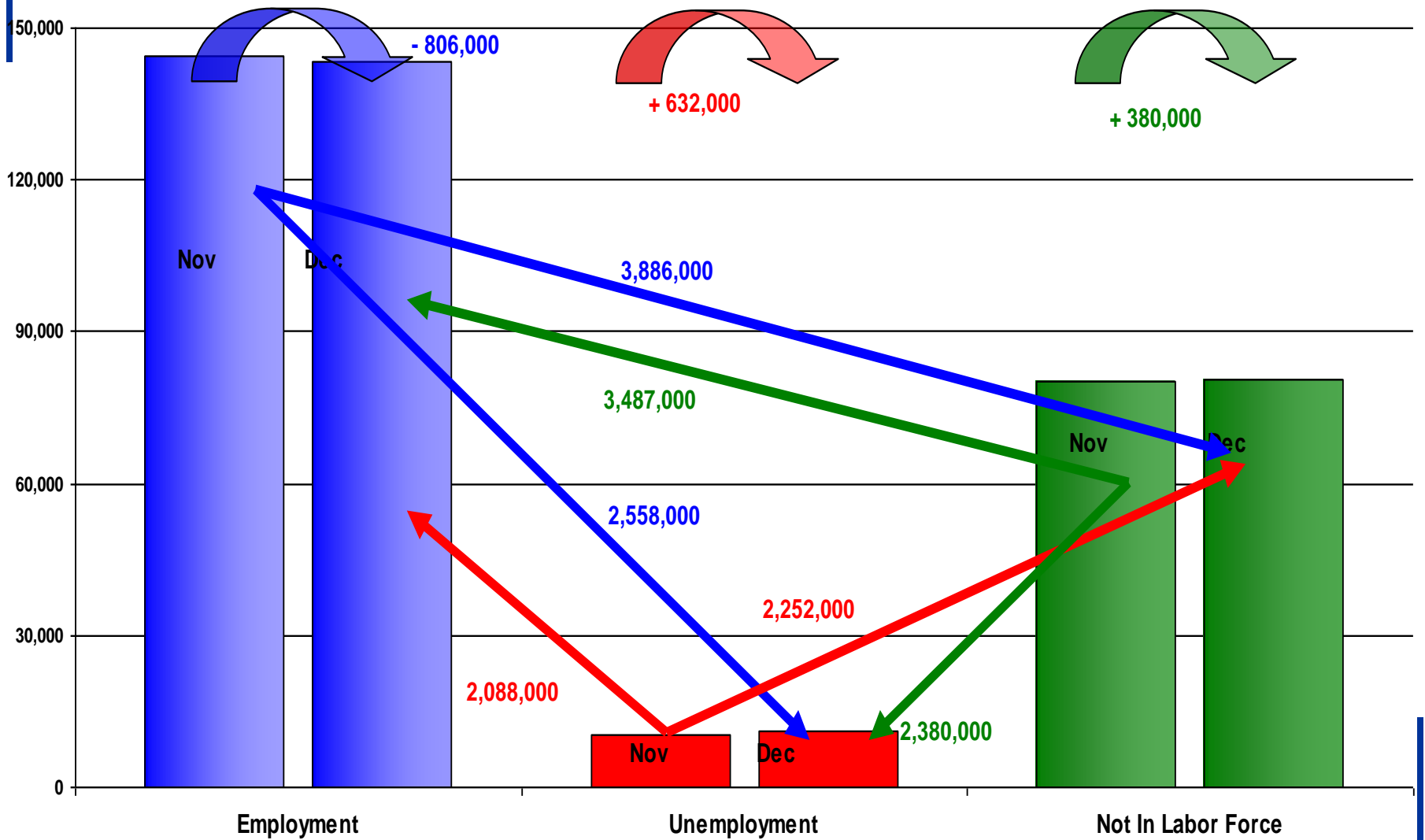
# More People Filing for Unemployment Benefits ...



# ... and receiving and exhausting benefits

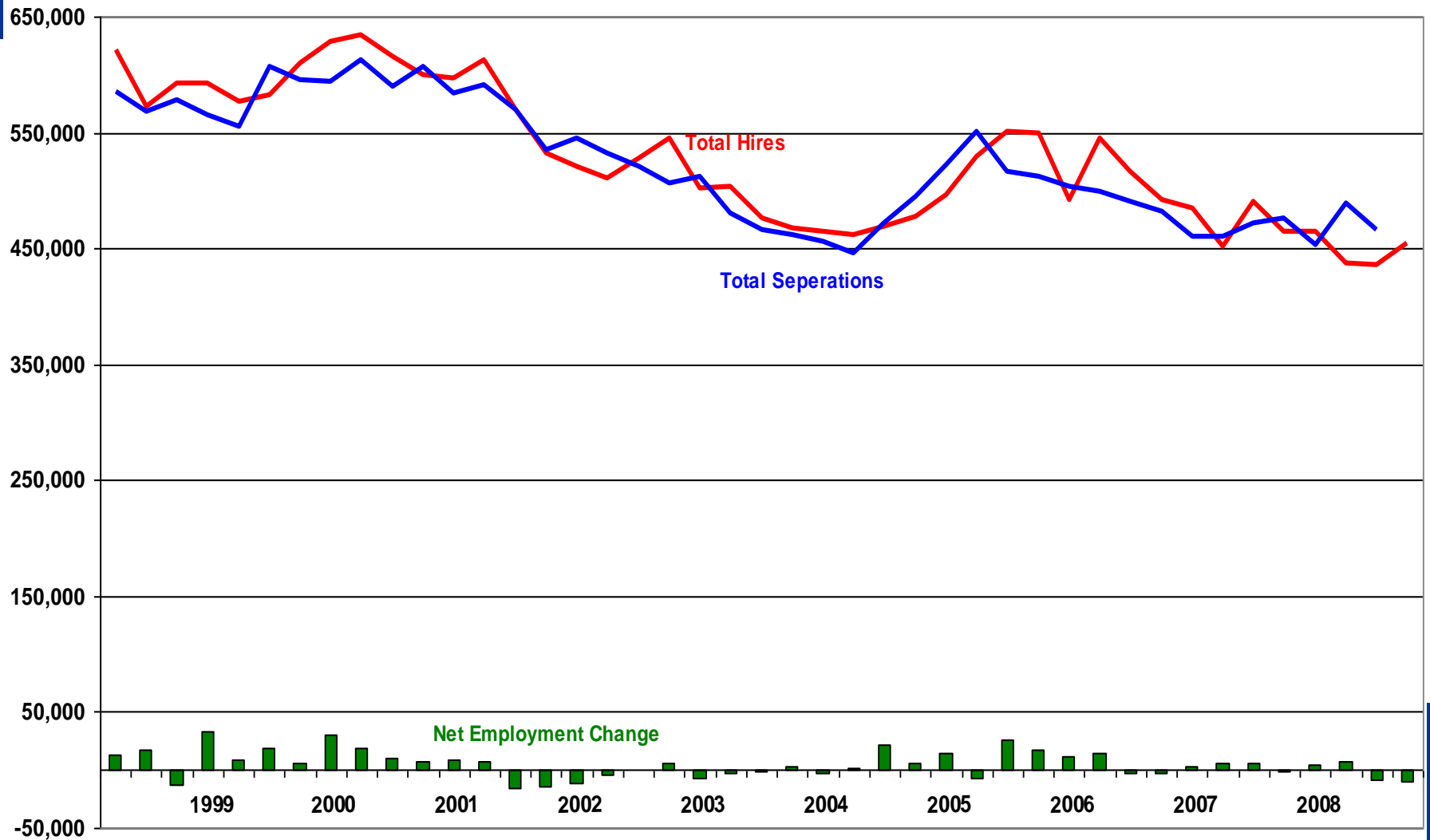


# Net changes are small compared to “churn”





# Minnesota also experiences significant churn



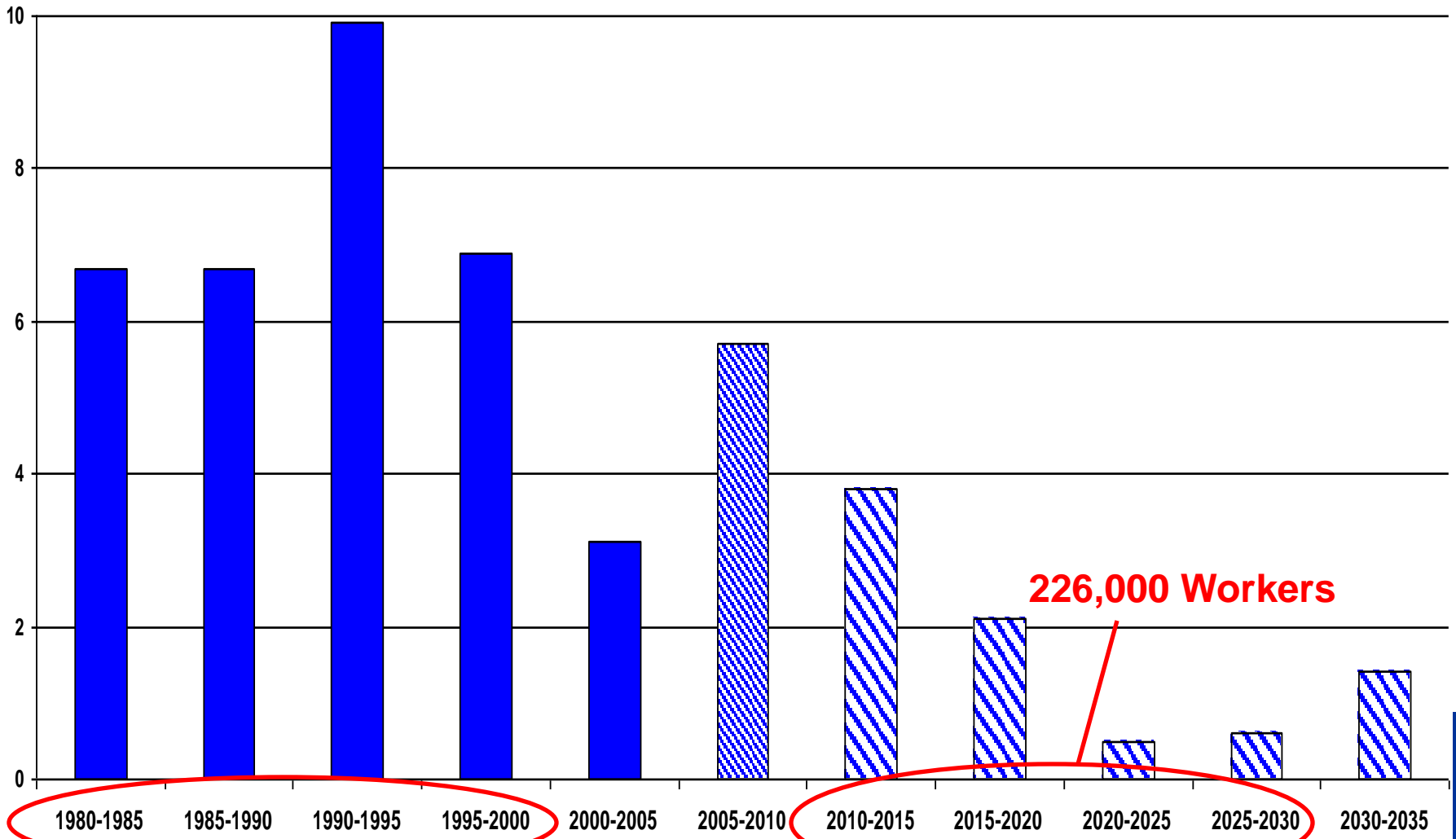
## The short run bottom line?

- **If current forecasts are accurate, Minnesota will:**
  - **Lose about 100,000 jobs between the end of 2007 and the end of 2009**
  - **Add an additional 70,000 unemployed persons to the current 190,000**
  - **Reach all-time highs in the number unemployed and UI claimants, recipients and exhaustees**
  - **Continue to see considerable “churn”**

# **We face different challenges in the long term**

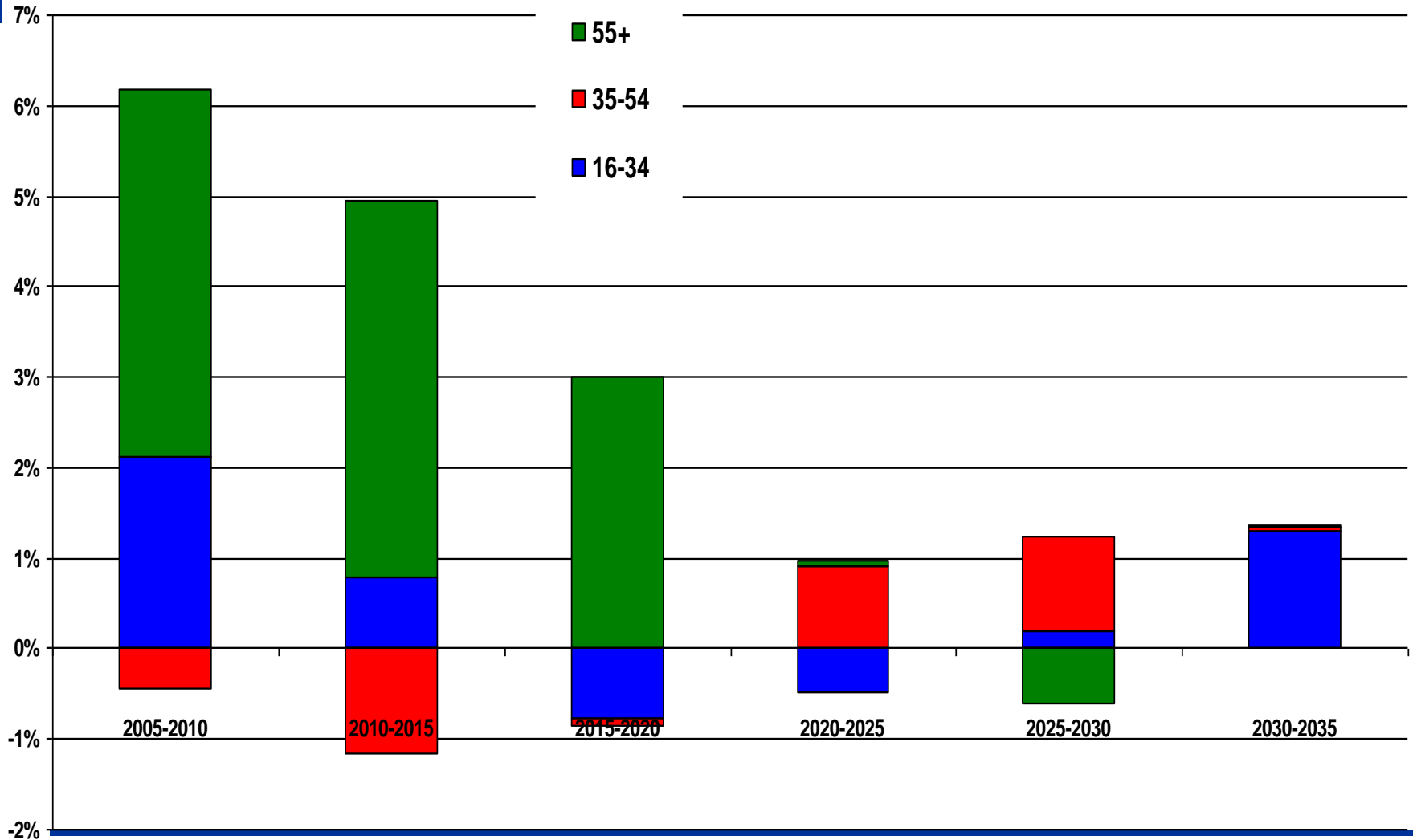
- **Significant slowing in our labor force growth**
- **A much older workforce**
- **A more ethnically diverse workforce**
- **Severe labor shortages rather than surpluses**
- **New challenges in matching worker skills and job requirements**

# Growth in labor force will slow ...



**707,000 Workers**

# Growing older workers, shrinking younger ones



# Responding to an older workforce

- **Ten years from now, labor force growth will be one-tenth the recent rate**
- **Almost all labor force growth over the next decade will be in the older cohort**
- **One in three of the workforce of 2035 are already of working age today**
- **The P-16 “pipeline” of skilled workers will shrink dramatically**
- **“Re-skilling” existing workers will become more crucial**