

# Urban/Regional Economics

UMD Bureau of Business and Economic Research

## Comparison 1998 vs. 1999 Household Survey Findings: WORKFORCE UPDATE

Differences: 1998 vs. 1999

The UMD Bureau of Business and Economic Research partnered with the Minnesota Department of Economic Security to provide a comprehensive workforce/skills assessment for Northeast Minnesota. Two surveys, one of households and one of regional industry, were conducted in 1998. Funding for this effort was provided by a consortium of agencies, including: Iron Range Resource and Rehabilitation, City of Duluth, City of Superior, St. Louis County, Blandin Foundation, and thirteen other agencies. The University of Minnesota, Duluth Chancellor's Office agreed to fund two update surveys over a two-year period, the first of households in 1999 and the second of firms in 2000. Results of the 1999 survey have already been summarized in previous issues of this insert. What follows is a summary of the statistically significant differences between the 1999 and 1998 surveys for the seven counties of Northeast Minnesota. More general results of the combined surveys will follow in the other issues of the Advisor.

The first difference shows that the number of self-reported skills in the region decreased in the "1" category, but increased in all others, perhaps a sign that individuals are increasing their number of skills.

The second table shows a significant difference in the number of hours currently being required of our employees. However, there is essentially no difference in the number of hours individuals would like to work. Notice, we are working harder, but don't really want to.

The previous survey might have indicated underemployment in the region; underemployment is where an individual is working part time when they would like to work full time, or working below their skill levels. Over half of the individuals in the first survey would be willing to change employment if the new job would more adequately utilize their skills. That number increased significantly in just the one year separating the two surveys.

One good news story: a significant reduction in the percentage of respondents reporting they would prefer a job in the Twin Cities area; most want to stay here. There is much more in the data. This gives a hint of the information contained therein. Future issues will provide additional detail

### NUMBER OF SKILLS LISTED BY THOSE NOT EMPLOYED BUT LOOKING FOR WORK OR THOSE SELF-EMPLOYED

	<i>Number of Skills Listed</i>				
	1	2	3	4	5
<b>1998 Responses</b>	57.3%	24.4%	13.4%	4.9%	0.0%
<b>1999 Responses</b>	28.6%	39.7%	19.0%	11.1%	1.6%

### WEEKLY WORK HOURS

	<i>Hours Currently Worked Per Week</i>	<i>Hours Per Week Would Like to Work</i>
<b>1998 Responses</b>	38.64 (Mean)	31.04 (Mean)
<b>1999 Responses</b>	39.67 (Mean)	31.21 (Mean)

### EMPLOYMENT PLANS FOR CURRENTLY EMPLOYED RESPONDENTS

	<i>Willing to Change Employment if Job Available That Uses More Skills</i>		<i>Hourly Wage at Which Would Change Employment</i>
	Yes	No	
<b>1998 Responses</b>	57.6%	42.4%	\$12.14 (Mean)
<b>1999 Responses</b>	67.9%	32.1%	\$10.17 (Mean)

### PREFERRED JOB LOCATIONS

	<i>Job Located in the Twin City Metro Area</i>	
	Yes	No
<b>1998 Responses</b>	20.1%	79.9%
<b>1999 Responses</b>	12.6%	87.4%

### EMPLOYEE BENEFITS RECEIVED

	<i>Paid Vacation</i>	<i>Medical Coverage</i>	<i>Contribution to a Retirement Plan</i>	<i>Life Insurance</i>
<b>1998 Responses</b>	66.9%	59.3%	59.2%	52.5%
<b>1999 Responses</b>	61.6%	55.7%	56.9%	51.6%

Source: UMD Bureau of Business and Economic Research

On the more negative side, fewer people are receiving benefits associated with their employment than in 1998. Since wages have remained fairly steady in the region, this actually amounts to a decrease in compensation. This could be a problem in attracting employees as the labor market tightens in the region.

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