

Thank you, Jerry, and all of you staff and board members here at the Anoka County Workforce Center. This facility is a great example of how this system should work.

I am standing up here today with some very dedicated people. People who are risk takers. People who are not afraid to change.

And people with the courage to challenge the status quo.

I needed their best thinking on workforce development because Minnesota is changing. Let me tell you how:

The Department of Economic Security just released the first ever Job Vacancy Rate survey for Minnesota. The conclusions were amazing:

There are 2 jobs for every unemployed worker in Minnesota.

There are 89,000 job vacancies in the metropolitan area – that’s 3 jobs for every unemployed worker.

60 percent of the job vacancies in Minnesota are under 10 dollars an hour.

23 percent of job vacancies require no training or higher education experience.

I’m proud to say that times have changed. The era of high unemployment and low job growth is gone.

And Minnesota’s unemployment rate remains one of the lowest in the country.

And it’s time for the state to take the next leap forward, in order to preserve our strong economy. So today I am announcing a major workforce re-organization in Minnesota in order to accomplish three things:

1. To keep Minnesota’s economy competitive, we must intentionally build the best workforce possible.
2. The state’s investments in both economic and workforce development must be strategically linked. Why? Because then our workforce will be the most competitive economic tool we have to attract business to this state. Economic development IS workforce development.

3. Our current programs are aging and were created in a different economy. Times are changing – the public is demanding more accountability.

And I agree, the government should provide leadership for these programs, BUT, should also aggressively pursue and develop partnerships with the private and non-profit sectors. The government should not compete with these two sectors to deliver a workforce product.

To accomplish these 3 goals, I am recommending that the 3 agencies who provide programs to workers and businesses: The Department of Trade and Economic Development; The Department of Economic Security; and the Department of Labor and Industry all be transformed.

From the transformation I intend to create two new departments:

The new Department of Economic and Workforce Development will be responsible for the state's economic development and workforce development policy and programs.

The new Department of Labor and Industry will be responsible for the state's workforce stabilization programs – Workers Compensation and Unemployment Insurance.

I am asking four citizen councils to play an advisory role in the re-organization plan about where the disability-related programs currently being run by the Department of Economic Security should be located.

I am consulting with the SAFE Coordinating Council I created two years ago to make a recommendation on where juvenile and other youth programming should be located.

I am consulting with Roger Hale and the Governor's Workforce Council to bring not only the 16 Workforce Boards closer to the decision-making, but the 12 other councils and boards involved in workforce development policy.

All of the programs, boards and councils must be coordinated to build the best workforce possible in Minnesota.



To begin that process, I am appointing Mr. Hale as Chair of the Jobs Skills Partnership Board. The dual role will provide Mr. Hale with the opportunity to make the changes needed from within.

In addition, the Governor's Council will work with the new Department of Economic and Workforce Development to transform current federal and state programs so that local workforce boards are given more control over programming.

If that means getting a waiver from the FEDS, then that's what we will do.

To accomplish this, a transition team must be created to coordinate and advise me directly on this major re-organization project. I need a leader to bring all of this together.

That's why I'm announcing today that Morrie Anderson will serve as my "workforce czar." Chancellor Anderson will lead a transition team to accomplish this very ambitious and exciting plan to reform and revitalize state government.

As a member of the workforce mini-cabinet, Morrie has the experience, the insight and the vision to get this done. He knows this issue from every angle. He not only understands where I want this ship to turn; he also has the experience to turn it.

Thank you, and I'll turn the podium over to Chancellor Anderson.