

Blue Ribbon Commission

Reducing Racial Employment Disparities

May 16, 2011 Meeting Notes

Meeting Attendees

Commission members: Liz Anderson, Tim Caskey, Andrea Ferstan, Louis Henry, Clarence Hightower, Butch Howard (Co-Chair), Doug Hubbard, Ramon Leon, Cyndi Leshner, Janet Ludden, Kevin Martineau, Repa Mekha, Paul Nelson, Tran Nhon, Mary Russell, Carrie Jo Short, Dr. Sheila Wright (Co-Chair)
Guests: Samuel Myers, Cam Counters, Commissioner Toni Carter
Staff: Mary Jo Gardner, Patricia Brady, Jessica Tkach Paquin, Anne O'Connor, Ann Olson
Facilitators: Karen Gray, Nora Hall

Presentation by Dr. Samuel Myers on Racial Employment Disparities in the Twin Cities

Dr. Samuel Myers, Jr., Roy Wilkins Professor of Race and Public Policy at the University of Minnesota's Humphrey School of Public Affairs, gave the presentation "Understanding Racial Disparities in Unemployment Rates." According to his research, the historic gap between blacks and whites was relatively small until the 1960's, mainly because many occupations were segregated and therefore movement in unemployment rates mirrored the economy as a whole. More recently, the gap in rates has widened. However, during the current economic downturn, the disparity seemed to decrease for certain groups, and he highlighted data showing differences in the employment levels between men and women of color. He also showed that during the recent recession, while the unemployment rate for whites more than doubled, it increased only slightly for African-American men and it decreased slightly for African-American women. This may have been in part because of federal stimulus dollars and hiring requirements associated with various types of contracts and subcontracts. He also stressed the importance of keeping this gender and race difference in mind when looking at strategies for reduction of the racial employment gap.

In a question-and-answer session following his presentation, there was discussion about the lack of trained workers in very specific areas. For example, there seem to be shortages of certain types of repair technicians, such as shake machines or other equipment used in the food industry. It was discussed how the group can help identify which fields in need of workers, or identify who can help answer this question. A question was asked regarding how employers currently communicate their workforce needs. Although there are employees at the workforce centers and other organizations who make direct contact with employers to help determine emerging needs, there could be more focused efforts in these areas. Dr. Myers' data also showed a dramatic increase (25.3%) in the percentage of African-Americans in the labor force between 2000 and 2005 while the 2005-2010 growth rate for the same number was 5.8%. When asked whether this 25% number could be correct, Dr. Myers responded that due to heavy immigration and other factors such as other racial groups aging out of the workforce, it did appear to be an accurate number.

Presentation by Andrea Ferstan regarding a United Way effort to address the Skills Gap

Citing the growing skills gap, which is also highlighted in the All Hands on Deck report (available on the BRC website), the United Way is working to bring different efforts in the region together. While 70% of the jobs needed for the future are skill-based, only 40% of the population is prepared for these jobs. By closing the skills gap, it is estimated that the unemployment rate could be reduced by approximately 2.5%. In addition, by 2030, 70% of the workforce will be beyond the K-12 system, which means that solutions must be targeted to include both school-age and non-school age populations. Research has also shown that the public supports investment in skills. To this end, and in partnership with the National Skills Coalition, the United Way has been meeting with state leaders and national partners to examine the skills gap and what can be done to help create the workforce of the future. This includes bringing different efforts together to rally around a community goal of addressing the current and future skills gap. Work will include identifying best practices, establishing a goal and agreeing on how to measure progress toward that goal, determining a funding model that supports investment in skills and credentials, and driving public policy to support these elements. Part of this work also includes identifying best practices/models that have been shown to increase credential attainment for low-income, low-skill populations while also meeting private market need, such as the



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FastTRAC program. It was asked how this issue related directly to addressing the racial employment disparity. While the effort to address the skills gap doesn't overtly include this as a focus, it has a similar goal and improvement of the skills gap would help alleviate some of the racial employment gap. One member brought up the fact that other states have championed very specific industries, such as shipbuilding, automobile manufacturing or tugboat operation and have made a concerted effort to improve employment for people of color through these industries. While the FastTRAC program is a good example, how can similar highly-specific industry clusters be identified so that effective employer partnerships could be established? A question was asked about how to identify the fields where there is and will be projected needs, with the response that Minnesota's Department of Employment and Economic Development (DEED) helps identify emerging workforce needs.

Small Group Breakout Sessions

The larger group separated into four small groups to focus on what elements of the current system should be retained and what should be redesigned. In reporting the highlights of their conversations back to the larger group, participants included ideas about improving the level and type of communication with employers on this issue, the need for certificate and skill-oriented training programs that provide portable, transferable skills, and recent trends in business development, such as the fact that companies owned by African-American women represent the highest growth area among small businesses in recent years. It was also mentioned that any matching of skills to training should be intentional and should accurately reflect what is needed in private industry. A further issue was the need to better inform smaller employers regarding diversity in the workplace, both from the hiring perspective as well as from the perspective of how to support employees and protect them from discrimination in the workplace. A related issue was mentioned regarding the fact that sometimes people may have the necessary skills for a particular job, but that due to discrimination or other factors, they may not be recognized as having those skills. Financial literacy and financial education were also mentioned as a means to helping ensure the success of populations that may be struggling to break the cycle of poverty. It was suggested that although certain alternatives to higher education should be considered as part of the solution, higher education itself should be retained in the discussion as it is also important to helping close the racial employment gap. Finally, a member asked whether there would be any opportunity to partner with the Promise Neighborhood zone on any of these areas, and while this idea was generally embraced, it was also cautioned that this group should be mindful of not trying to be all things to all people and that the charge of the group would be better realized if focused on a narrow, attainable, goal.

Dr. Hall closed the meeting and reminded participants that the next meeting would be held on Monday, June 6, 2011.

