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Minnesota Department of Employment Services

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Cover

*design reflects
the Department's new
name, as changed by the
1973 State Legislature.*

*It also incorporates
the new U.S. Department
of Labor Job Service
logo and color scheme.*

*This logo will
identify the Department
throughout Minnesota.*

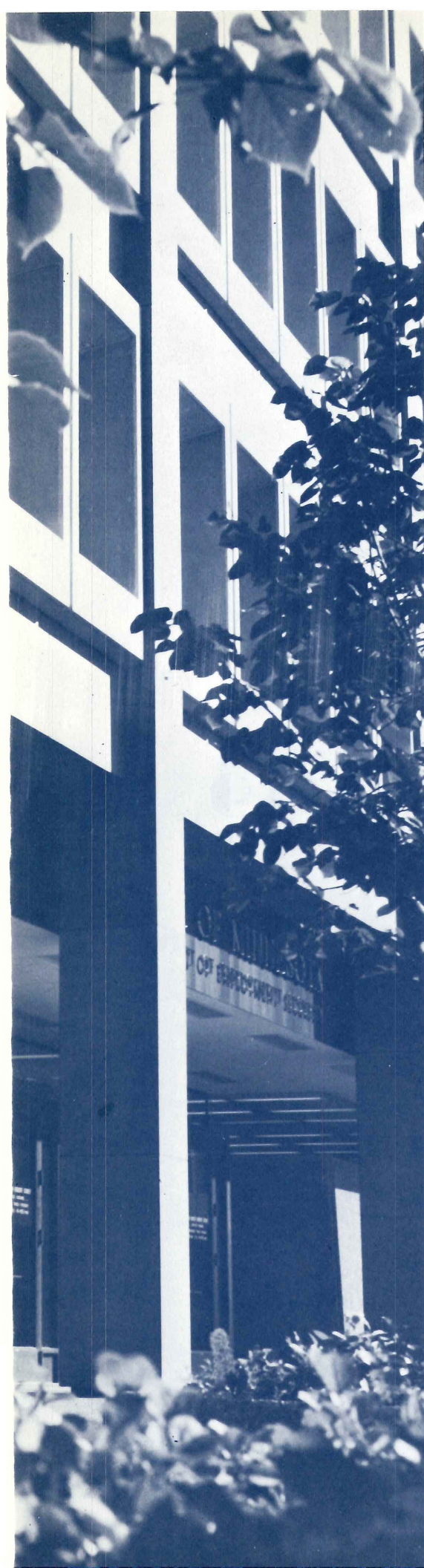


ANNUAL / 19 REPORT / 73

Minnesota Department of Employment Services

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STATE OF MINNESOTA



The Minnesota Department of Employment Services, in all employment and employee relations and practices within the Department, shall conform to and promote Equal Opportunity. The adoption of this document reaffirms its established policy of nondiscrimination in employment.

The Department fully supports the nondiscriminatory provisions of all State and Federal Laws, rules, and regulations. This includes, but is not limited to, the Civil Rights Act of 1964 as amended, the Minnesota State Human Rights Act, the Governor's Code of Fair Practices, and the Federal Age Discrimination in Employment Act of 1967. It also applies to its own personnel actions all nondiscriminatory policies of the U.S. Department of Labor.

their fellow employees and shall not, by word or action, deprecate another or interfere with the performance of job assignments because of race, religion, color, national origin, sex, age, welfare status, marital status, or disability.

The Department further recognizes that the effective application of a policy of equal opportunity in employment involves more than a policy statement. It will, therefore, undertake a progressive program of affirmative and positive action to assure that equal employment opportunities are provided on the basis of individual qualifications and to encourage all persons to seek employment with the Department and to strive for advancement on this basis.

Affirmative Action Policy

It is the policy of the Department to assure that applicants are employed and that employees are treated equally during their employment without regard to race, religion, color, national origin, sex, age, or disability. Pertinent areas shall include recruitment, selection, appointment, advancement, transfer, layoffs or downgrading, compensation, selection for training, or any other personnel action within the Department.

Any Department employee whose responsibility involves any personnel transactions shall, in exercising such responsibility, consider only the availability and qualifications of the individuals involved.

All employees shall conduct themselves in accordance with the policy in all day-to-day relationships with

All levels of management are responsible for the implementation of the policy in their respective areas. Regular reviews of the Affirmative Action Plan and the Department's advancement in this area will be conducted by the Equal Opportunity Council and Equal Opportunity Officer appointed by the Commissioner.

This policy is published as a permanent part of the appropriate personnel and administrative manuals maintained in all offices and sections of the Department for implementation. Copies are distributed to all employees and integrated into all orientation and appropriate specialized training afforded new employees. The subject of equal employment opportunity is discussed at appropriate management meetings and periodically published in official Department publications.

Highlights Of 1973

Employment Services

New Jobseekers Registered.....	205,892
Counseling Interviews	32,158
Jobseekers Tested	26,171
Nonfarm Job Openings Received.....	151,926
Total Job Openings Filled.....	101,574
Nonfarm	85,693
Disadvantaged	10,198
Veterans	23,321
Farm	15,881
Nonfarm Employers Served.....	22,399
Nonfarm Employers Visited.....	33,756

Unemployment Compensation

Persons Receiving Payments.....	121,414
Amount Paid	\$68,956,409
Unemployment Compensation Fund	
Balance December 31, 1973.....	\$90,857,451
Balance December 31, 1972.....	\$81,122,122



Declaration Of Public Policy

As a guide to the interpretation and application of sections 268.03 to 268.24, the public policy of this state is declared to be as follows: Economic insecurity due to unemployment is a serious menace to the health, morals, and welfare of the people of this state. Involuntary unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burdens. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment, thus maintaining purchasing power and limiting the serious social consequences of poor relief assistance. The legislature, therefore, declares that in its considered judgment the public good and the general welfare of the citizens of this state will be promoted by providing, under the police powers of the state for the compulsory setting aside of unemployment reserves to be used for the benefit of persons unemployed through no fault of their own. — *Minnesota Employment Services Law*

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Advisory Council

Representing Labor

Mr. David Roe, *St. Paul*
President, *Minnesota AFL-CIO*

Mr. Robert Moran, *Minneapolis*
Secretary-Treasurer
Milk Drivers and Dairy Employees Local 471

Mr. Lawrence Caven, *Duluth*
Business Manager
Electrical Workers Union Number 31

Mr. Leonard C. Bienias, *Minneapolis*
Business Representative
Minneapolis Building Trade

Mr. Neil Sherburne, *St. Paul*
Secretary-Treasurer, *Minnesota AFL-CIO*

Representing The Public

Dr. George Seltzer, *Minneapolis*
College of Business Administration
University of Minnesota
(Advisory Council Chairman)

Mrs. Sue Rockne, *Zumbrota*

Mr. Emil Marotzke, *Detroit Lakes*
Director, *Rural Minnesota CEP, Inc.*

Dr. Herbert G. Heneman, *Minneapolis*
Industrial Relations Department
University of Minnesota

Dr. John Turnbull, *Minneapolis*
Economics Department
University of Minnesota

Mrs. Nellie Stone Johnson, *Minneapolis*

Representing Employers

Mr. Lawrence Binger, *St. Paul*
St. Paul Chamber of Commerce

Mr. Harry D. Peterson, *St. Paul*
Director of Employment Relations
Minnesota Association of
Commerce and Industry

Mr. Wesley Ohman, *St. Paul*
Chapter Manager
National Electrical Contractors Association

Mr. Charles E. Brown, *Minneapolis*
Vice President, Employee Relations
Honeywell, Inc.

Mr. Roger G. Wheeler, *Minneapolis*
Vice President
Corporate Personnel Services
Control Data Corporation



DR. SELTZER



MRS. ROCKNE



MR. MAROTZKE



DR. HENEMAN



MR. ROE



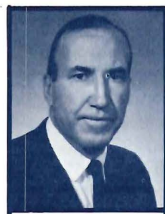
MR. MORAN



MR. BINGER



MR. PETERSON



MR. TURNBULL



MRS. JOHNSON



MR. CAVEN



MR. BIENIAS



MR. SHERBURNE



MR. BROWN



MR. WHEELER

Members of the Manpower Advisory Council are appointed by the Governor to represent employers, employees and the public. The Council meets with the Commissioner and his staff to study

proposals to amend the Minnesota Employment Services Law and to make recommendations to the Commissioner with respect to the administration of the Department.

Emmet J. Cushing
Commissioner

Donald M. Anderson
*Assistant Commissioner
Unemployment Compensation*

D. M. Buckner
*Assistant Commissioner
Employment Service*

M. K. Westerdahl
*Assistant Commissioner
Administrative Services*



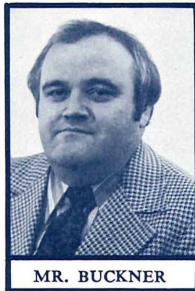
MR. CUSHING



Wendell R. Anderson, *Governor*



MR. WESTERDAHL



MR. BUCKNER



MR. ANDERSON



Minnesota Department of Employment Services

The Minnesota Department of Employment Services (MDES) administers the State laws relating to unemployment compensation and operates a statewide, free employment service. The Department is unique among the State departments in that its activities are financed entirely from federal funds.

The Department is directed by a Commissioner appointed by the Governor with the advice and consent of the Senate for a four-year term coinciding with the term of the Governor. Serving directly under the Commissioner are three Assistant Commissioners who head the State Employment Service, Unemployment Insurance and Administrative Services divisions.

Developing the State's human resources by increasing the employ-

ability of the unemployed and the underemployed has become an important goal, leading to a broader fulfillment of the Department's function of matching qualified applicants with available jobs.

As a participant in federal manpower programs, the Department now offers vocational training programs; special services for the mentally and physically handicapped, minority group members, veterans and persons on welfare; and a variety of programs to bring the chronically unemployed into the labor market.

The Department also provides employment counseling and testing to jobseekers and technical assistance to employers, collects statistics relating to the labor market and publishes data on employment trends.

Unemployment insurance is concerned with the payment of unemployment compensation benefits to eligible persons who become unemployed. Funds to make these payments are accumulated through a tax on the employers.

The Department serves both the worker and the employer. A network of 35 full-time "local" offices, and 29 satellite or suboffices located in areas of special need, provides the largest single resource for matching jobs and workers in the State.

In addition, the Department provides itinerant service to more than 65 smaller communities, manpower services to 10 Indian reservations and limited service to more than 70 other communities through the Employment Service Representative Program.

Administrative Services

The Personnel and Training Section provides the means by which the human resources of the Department may be utilized most effectively. Responsibilities include working with the Department's Affirmative Action Program and Plan in order to facilitate opportunities for minority group individuals and females.

The year has been a period of re-trenchment. In an effort to economize, positions were abolished and many vacancies were left unfilled. In spite of this, the Department implemented parts of the Affirmative Action Plan. Thirty percent of the supervisory and management positions filled during 1973 were filled by females. Although there was a slight reduction in the number of minority employees, the decrease was less than the decline in total staff.

Training programs were developed to make supervisors aware of the special problems confronting minority group individuals and females in seeking employment and in achieving advancement.

Data Processing

The EDP Branch achieved a significant equipment upgrade during 1973 when it acquired a 12 station Key-Disk data entry system. This system replaced 16 keypunching stations which formerly produced tab-card input for computer operations. The new entry system transfers input data directly from keyboard stations to magnetic media which is computer-processable at much higher speeds than the former tab cards.

The increased efficiency of this system has allowed the expansion of input data volume without additional cost to the Department. This new equipment is nearly silent in its operation compared with the high noise level created by the keypunching stations, and performs elementary editing and reformatting tasks

under the control of its built-in minicomputer.

Significant refinements to the computerized Initial Claims System include the computer generation and centralized mailing of the wage determination documents and the generation of unemployment insurance claims information on microfiche for use in the predetermination stage. Other refinements deal with the generation of additional information on the monetary determination documents that will facilitate local office procedures, thereby speeding up the initial payment to the claimant.

During the year, EDP staff implemented the Job Information Delivery System (JIDS) and a one-line Job Bank Daily Index for the Employment Service Division. Also designed and programmed were the required modifications to the Work Incentive (WIN) Payment System. The Current Employment Statistics (CES) System of the U.S. Bureau of Labor Statistics was redesigned and programmed to automate time-consuming tasks that were formerly manual operations. This resulted not only in dollar savings but also in improvements in the management and control of that reporting system.

Business Management

The Business Management Branch is concerned primarily with Department financial administration, purchasing, preparation of budgets, building management and office services to increase efficiency in management and provide economy in the use of resources.

A major element of this financial administration has been the implementation of a new accounting system over the last few years. This cost accounting system has been uniformly designed for use within the federal-state employment security system, U.S. Department of Labor.

The primary objectives of the cost accounting system are to satisfy the federal reporting requirements and be responsive to the administrative needs of state and local office managers. The cost accounting system provides for accrual accounting, custodial accounting and management accounting.

Accrual accounting reflects expenses as the related benefit is received, not when cash is disbursed. Custodial accounting is the financial accounting for assets and resources entrusted to the Department. Management accounting provides cost information by the person responsible for incurring costs and by the activity undertaken.

Planning is another major concept employed in the system. Planning is done annually for a 12-month period from July 1 to June 30 for forecasting monthly expenditures and activities by cost center.

Planning is the most common mechanism by which management indicates in quantifiable terms how they will achieve their objectives. Planning compared with actual results is the criterion by which progress toward the objectives is monitored. The results of variance analysis are the basis for appropriate action, thereby insuring control.

Information

Through a variety of publications, news releases and films, the Communications and Publications Section provides the public—jobseekers, the unemployed, employers and others—with information on the specific services available from the Department, who is eligible for them and how they operate.

Internal publications provide personnel with information about significant developments and changes in Department organizations, operation and/or policies.

The Section also develops methods to improve understanding and acceptance of Department programs.



The Bloomington Office was among the new offices opened by the Department during 1973. Opening the end of May, the Office accepted 4,291 new job applications and made 981 nonagricultural placements. Initial unemployment insurance claims totaled 3,096 and continued claims numbered 10,605.

1973 Administrative Expense

Personal Services	\$13,101,337
Personal Benefits	1,770,991
Occupancy	837,931
Travel	271,830
Supplies	270,317
Communications	258,759
Equipment Rentals	292,977
Equipment Maintenance	137,839
Outservice Training	21,341
Advertising	20,480
Services	223,660
Other Administrative Expenses	75,934
Applicant Support	4,849
Registration and Training — WIN Enrollees	1,396,983
On-Job-Training — JOBS Optional Program	791,830
National Council on Aging Contract*	726,161
Noncurrent Expenditures	
Capital Purchases	141,688
Amortization of State Building Bonds	175,056
Amortization of Reed Bill Building Funds	151,103
Total	\$20,671,066

*Special studies contract administered for National Council on Aging.

Veterans Services

The Minnesota Department of Employment Services cooperates with the U.S. Veterans Employment Service to carry out its responsibility to make certain all qualified veterans receive priority in referral to job and training openings.

Disabled veterans rate first priority, and special attention is given Vietnam-era veterans.

The State Veterans Employment Representative provides functional supervision of veterans employment programs in Minnesota. The Department, veterans, employers and communities must work together to obtain permanent employment for veterans.

During 1973, new veteran applications for work decreased 6,364 from 44,273 in 1972 to 37,909, a decrease of 14.4 percent. The Department placed 23,321 veterans, compared with 23,839 in 1972, a decrease of 2.2 percent.

Placement of disabled veterans numbered 3,108. A total of 7,880 veterans received job counseling, and 700 were enrolled in manpower training programs.

Early in 1973 the Department implemented the Veterans Readjustment Act of 1972 (Public Law 92-540) which requires all federal and state contractors and subcontractors to list job openings with the State Employment Service. This contributed to a 1.3 percent increase in the number of nonagricultural job openings listed with the Department. These 151,926 openings resulted in 23,321 veteran nonagricultural placements.

Through job developments to place veterans, 2,429 contacts were made with employers and resulted in 1,875 veteran placements. Public Law 92-540 also assures that at least one Veterans Employment Representative whose time is fully devoted to veterans services will be assigned to each local State Employment Service office.

The local Veterans Employment Representatives, located in the De-

partment's 35 full-time offices, seek to contact all veterans being discharged from the service to offer counseling, referral to job or training opportunities and other manpower services.

Veterans Employment Representatives from a number of Department offices pooled their resources in 1973 to put on a television show entitled *What Every Veteran Should Know*. Cooperating offices included Alexandria, Bemidji, Brainerd, Fergus Falls, Little Falls, Montevideo, St. Cloud and Willmar.

Three disabled, Vietnam-era veterans were hired in March under the U.S. Labor Department's Severely Disabled Veterans Program, as trainees for Veterans Employment Representatives, to seek jobs in the Twin Cities area for severely disabled veterans.

The National Alliance of Businessmen in St. Paul and Minneapolis has pledged to obtain 173 jobs for disabled veterans. The Veterans Administration, the National Alliance of Businessmen, and the Department of Labor in their Job Placement Program for Disabled Vietnam-era veterans have been actively assisted throughout the State by the MDTA (Manpower Development and Training Act) JOBS Optional training program.

Minnesota's Governor declared May as *Hire the Vets* month. Nine information fairs for veterans were held simultaneously on May 1 to kick off this campaign. The fairs were held at Grand Rapids, Duluth, Mankato, Bemidji, St. Cloud, Moorhead, Willmar, Rochester and St. Paul.

Approximately 1,100 veterans attended the fair at St. Paul, where they made about 3,500 contacts with employers. About 2,300 veterans attended the out-state fairs and made some 7,350 employer contacts. Many of the contacts made at the fairs resulted in job offers for the veterans.

The toll-free statewide veterans' *hotline*, using a special telephone number that both employers and

veterans could call, was in operation from January 1972 until June 1973. This service was widely publicized through news stories and direct mailings to employers, as well as through radio and television public service announcements.

During this period 2,447 calls were received. Of these, 1,279 were from veterans; 1,168 were from employers and resulted in 1,883 job openings being listed with the Department.

The Department of Defense Project Transition program is designed to assist servicemen returning to civilian life. The Department furnishes job training and occupational information to Project Transition servicemen and invites them to come to the nearest MDES office. The Veterans Employment Representatives refer ex-servicemen to job openings.

OPERATION MEDIHC (Military Experience Directed into Health Careers), although funded nationally through the Department of Health, Education and Welfare, is operated in Minnesota through the Department. MEDIHC assists medically trained veterans to obtain employment and/or training in civilian health careers. Counseling, job development and referral services are available to the veteran through the local office, while educational information is provided by the MEDIHC Coordinator. The MEDIHC availability roster, which is mailed to approximately 650 health manpower employers, has generated 202 job openings for the medically trained veterans since its inception in June 1972. The placement ratio for Operation MEDIHC applicants is about 43 percent.

By the end of 1973, 194 veterans had participated in the MEDIHC program, of whom 83 were placed in health-related jobs and educational programs.

The American Legion, Department of Minnesota, selected the Mankato Office for *Outstanding Service to Veterans* award.



Over 300 veterans registered at the information fair (top) held at Mankato. Faribault Office staffer (above, left) and the Mankato Office (above, right) received veterans organizations awards. Veterans Employment Representative trainees (below) met with the Governor and the Commissioner to discuss jobs for severely disabled veterans.



The St. Paul Office received the 1973 Veterans of Foreign Wars award for *Outstanding Services to All Veterans*.

A Vietnam-era veteran working in the Faribault Office received Disabled American Veterans award as Minnesota's *Outstanding Disabled*

Veteran of 1973.

The Minnesota Chapter of the International Association of Personnel in Employment Security presented its award to veterans to the Winona Office and recognition was made of entries from Hopkins, Owatonna and Rochester.

Employment Service

Nonagricultural job placements made by the Minnesota Department of Employment Services (MDES) have increased to 85,693 in 1973 from 70,752 in 1972.

Of the 85,693 job placements made during 1973, 10,198 were of disadvantaged persons and 23,321 were of veterans.

Agricultural placements, made during 1973, totaled 15,881, compared with 14,815 for 1972.

The number of new applicants seeking employment through the Department increased 7,088 from 1972.

With emphasis on placing more applicants on suitable jobs, the State Employment Service has developed several additional ways to serve job-seekers.

Services to job applicants have been expanded by establishment of more placement offices, especially in outlying areas. Some offices are located in shopping centers where more people can be better served and which offer parking facilities. Placement staff have also been working at vocational schools and colleges.

The Job Development Bank has continued to assist Interviewers in meeting jobseeker needs in the Twin Cities area. This system provides local offices with up-to-date information on potential area employers.

This electronically processed data is provided from previously listed job orders. The information is displayed on microfiche for easy accessibility by the Interviewers. If suitable, current job openings are unavailable for applicants, Interviewers may develop job leads through the Job Development Bank.

In November 1973 the Minneapolis Local Office expanded its operation to provide applicants with a new way to find job opportunities. A self-service unit, called the Job Information Service, was established.

This allows applicants to review job orders placed with the State Employment Service and to select those

that meet their qualifications and interests. Applicant waiting time is reduced, and applicants gain an indication of labor market situations and job requirements. This self-service unit provides placement staff with more time to develop job leads for applicants and to fill employer placement needs.

Data System

The MANPOWER OPERATIONS DATA SYSTEM (MODS), an expansion of the previously established Statewide JOB BANK system, was inaugurated in 1973 to provide better services, at a lower cost, to jobseekers and employers.

The MODS system encompasses the computer assisted operation including an Applicant Data system (ADS), the Job Bank system (JB), and the Employment Service Automatic Reporting system (ESARS).

With the three subsystems in one, a more efficient Employment Service operation can be obtained.

For employers, a single telephone call can make their employment needs known to State Employment Service offices throughout Minnesota.

For jobseekers, the MODS system provides a means for them to be considered for local jobs as well as for those jobs requiring their skills in other parts of the State, if they desire.

A microfiche card listing of 207 pages of job orders is updated and is mailed daily to State Employment Service facilities and participating agencies. The microfiche card is placed in a reader/viewer where the images are enlarged for easy reading by the interviewer or the jobseeker.

Two types of microfiche are used. The first type is used by the interviewer and provides complete information about a job. The second does not identify the employer and is used by jobseekers, students and participating agencies.

The number of persons referred to the employer as well as the status

(open, closed, hold, referred) of the job order is controlled at a central point. This is advantageous both to the employer and the jobseeker.

Employers will not be flooded with an excess of applicants. Jobseekers will not be sent to interviews for jobs already filled.

The Employment Service Automatic Reporting System obtains statistical information through MODS for economic analysis as well as for management, budgetary, operational and statistical reports. Many of these reports are sent to the national and regional offices of the U.S. Department of Labor for further analysis of economic trends.

Minnesota's MODS system is one of the pilot systems in the nation and eventually will be linked with similar operations in other states to form a national network. This would offer employers and jobseekers the same opportunities at the national level that the system supplies at the state level.

Counseling

During 1973, the Minnesota Department of Employment Services (MDES) conducted 32,158 counseling interviews.

Many applicants coming to MDES offices are unsure about the kind of work for which they are best suited. Often they are undecided about the type of job they are looking for.

MDES Counselors assist jobseekers with vocational planning by helping them determine what jobs are most compatible with their interests and abilities. This is particularly true for young people who are seeking their first job. Other persons may have to change jobs due to plant relocation, age, handicap, loss of job or other factors.

In seeking a new job, persons often rely on past work experience and training. Counselors help applicants make an assessment of their past skills and abilities. Counselors also utilize the services of other program specialists.

Those who need skills to make them ready to take a job, especially young people, are referred to training programs. Training opportunities are usually offered through the Manpower Development and Training Act, JOB CORPS and other manpower programs.

Test Operations

Aptitude, proficiency and achievement tests — developed by the U.S. Employment Service (USES) — are used extensively in MDES offices. These tests provide information used in counseling, classifying and selecting qualified jobseekers for referral to employers and to many joint apprenticeship boards.

Approximately 8,002 General Aptitude Test Batteries (GATB), 12,227 Specific Aptitude Test Batteries (SATB) and 8,155 proficiency tests were administered to jobseekers by MDES offices during 1973. These tests were administered in conjunction with counseling and placement services.

With the cooperation of the State Department of Personnel, a new Clerk Typist and Clerk Stenographer Placement Program was developed. This Program, using USES proficiency tests to determine the qualifications of candidates, enabled MDES offices to place over 950 qualified clerk typists and clerk stenographers in State agencies in Minnesota.

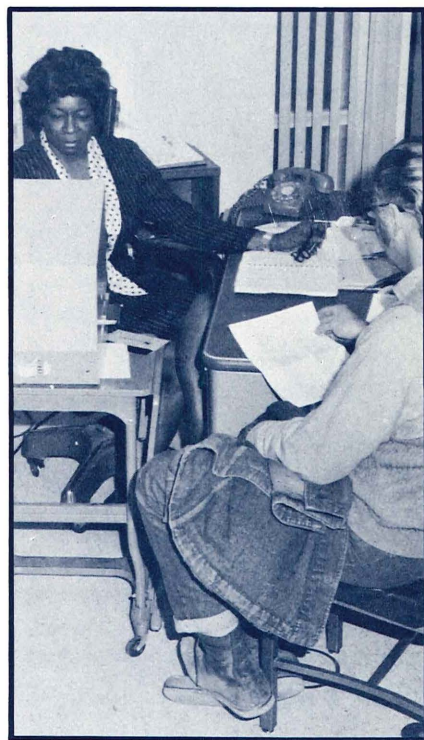
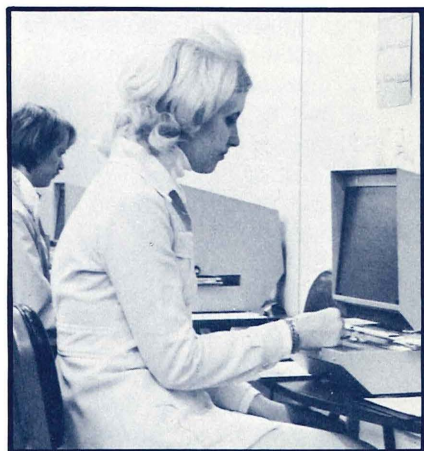
To increase the availability of GATB test information to high school students, the GATB was released to over 60 schools. Training in the interpretation of the GATB has now been provided to more than 650 Minnesota school counselors.

The GATB is used in the development of Specific Aptitude Test Batteries, now available on over 450 different occupations. SATB's determine whether an individual has the potential to perform the major requirements of a job successfully.

A recently revised Occupational Aptitude Pattern (OAP) structure,



The Minneapolis Office manned a Job Bank display (above). Visitors could view the microfiche listing of job orders. Two types of microfiche are used. The list viewed by jobseekers (below) does not identify the employer. The list used by interviewers (bottom) provides complete job information.



based on the 450 Specific Aptitude Test Batteries, enables a counselor to relate an individual's GATB test results to over 1,200 jobs. The OAP structure thus facilitates the use of the GATB for counseling.

Test Development

The MDES Test Development Unit (TDU) is one of 38 state units that conduct research on tests to provide new and refined tests and test methodologies to be used for counseling and selecting job applicants. During 1973, the TDU participated in 53 different studies.

Minnesota studied 30 occupations in 1973 in the clerical, banking, medical and electronics assembly fields as part of a nationwide effort to revalidate or "update" most of the 465 existing Specific Aptitude Test Batteries. Changes in job technology, in educational or minority background of jobseekers, or in typical age and work experience of jobseekers may cause a battery to become outdated.

New test batteries were developed for 14 occupations, and the existing batteries for 9 occupations were checked by testing new samples. These batteries, covering a wide range of occupations, will be used for counseling and selecting applicants for jobs (Meter Reader) and for training programs (LPN Trainee).

In addition to the development of specific test batteries, the unit has worked on a variety of special projects to develop new occupational assessment tools or alternative research techniques and to increase the information concerning the GATB and its use.

These special projects included:

Alternate Forms Study to develop two new alternate forms of the GATB which would prevent over-exposure of the instrument and thus maintain its validity;

analysis of the effect of high

GATB scores on success of vocational school students;

evaluation of a GATB preference scale and attitude survey to determine the relationship between aptitude performance and preference for performing tasks contained in the GATB;

assessment of various selection techniques used by the State Department of Personnel for entry-level professional classes; and

development of a work sample (the most job-relevant measurement tool available which requires examinees to perform critical job tasks carried out in the normal performance of a job) to be used in the assessment of drafting trainees.

To expand Department and public awareness of the Test Development Unit, its purpose and services, an informational brochure was prepared and distributed to all local offices. The U.S. Department of Labor sent copies of this brochure to other State Employment Service agencies and recommended development of a similar brochure.

Career Information

The Career Information Unit (CIU) provides occupational, educational and other career-related information to MDES offices, other agencies, schools and the public.

During 1973, the CIU averaged over 65 requests for information monthly. Half the requests came from MDES Counselors and other placement staff for use in assisting jobseekers. A fourth of the requests came from outside Minnesota and included inquiries from more than 25 other states.

Requests for information on occupational opportunities have included such varied jobs as glassblower, auctioneer and taxidermist.

To improve the availability of occupational information, Manpower In-

formation Specialists and career information files are located in MDES offices. Manpower Information Specialists assist others in obtaining occupational information and in using CIU resources. Copies of over 50 publications were distributed during 1973 to MDES offices for the career information file.

In addition to occupational information, the career information file contains documents covering such related topics as labor market information; legislation affecting employment; jobseekers with special needs (for example, youth, older workers, the handicapped and others); vocational education directories and school catalogs; apprenticeship programs; civil service opportunities; career information bibliographies and directories; and many others.

A Career Information Series, consisting primarily of occupational guides developed to reflect the employment picture in Minnesota, was initiated in 1972. The guides describe the nature of the job, working conditions, location of the job, entry requirements and training, advancement opportunities, employment outlook, pay and hours, and sources for additional information. The Series is also used to provide career information on other topics such as job search, preparation for interviews and so forth. The Series included 27 publications at the end of 1973.

In addition to MDES offices, over 1,000 Minnesota junior and senior high schools, area vocational technical institutes, community colleges and libraries receive Career Information Series publications.

The CIU also organizes and publishes the *Counseling Services Newsletter*. This monthly publication helps keep MDES placement personnel aware of significant events regarding vocational counseling and the world of work.

Special Jobseeker Services Available

Employment statistics accumulated over the years have shown that certain jobseekers experience more than their proportional share of unemployment. Included in these groups are the handicapped, older workers, minorities, youth and veterans.

Although the Department has directed special efforts through special staff to help overcome obstacles to employment experienced by these groups, continuing efforts are essential to effective service.

The Department's major responsibility is employment. Often, however, securing employment is related to other factors such as housing, education, transportation, child care, legal aid, availability of funds to cover needed expenditures, health care and so on. To assist jobseekers with problems in these areas, the Department cooperates with other agencies that provide such services. Special services to jobseekers are rewarded when satisfactory job placement results and workers become an asset to employers, themselves and the community.

Handicapped

More people become disabled each year. In 1954, federal legislation provided that specialists in services to the handicapped be appointed in State Employment Service offices.

While the program in Minnesota has become more effective each year, continued effort is being made to improve services to the more severely handicapped who desire employment.

Disabled veterans receive top priority for special services. In order to accomplish this, specialists work closely with Veterans Employment Representatives in the local Minnesota Department of Employment Services (MDES) offices and with veterans groups in the communities. As a result, the number of disabled

veteran placements increased substantially in 1973.

To enable local office staff to perform more effectively, training and discussion groups were held in several offices. Emphasis was placed on understanding and dealing with problems of the disabled veterans and the severely disabled.

To make facilities more accessible to handicapped persons, several MDES offices were surveyed for accessibility. Several employers also were visited to determine needed improvements to allow those with orthopedic disabilities to be employed.

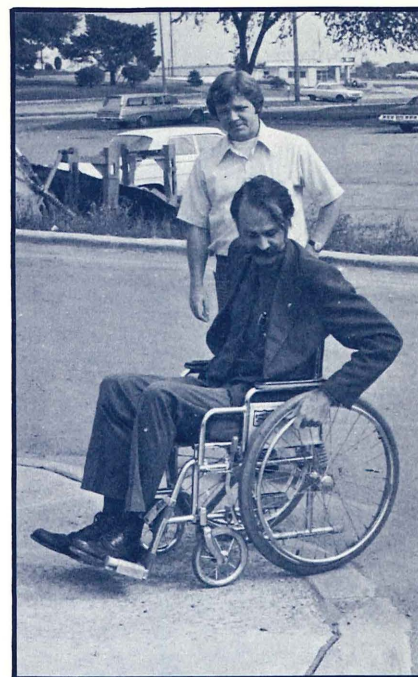
Improvement of living and working conditions for handicapped persons is a continuing activity for many community organizations. MDES staff participated in these efforts at State and local levels.

During the interim between the abolition of the Governor's Commission on Employment of Handicapped Persons and the establishment of the Minnesota Commission for the Handicapped, MDES maintained liaison with the President's Committee on Employment of the Handicapped as well as with State organizations. After the new Commission was formed, MDES assisted the Commission when requested to do so.

The annual promotion of employment opportunities for the handicapped is held the first full week in October. Extensive publicity made National Employ the Handicapped Week a success in 1973. Because many offices secured favorable publicity throughout the year, promotion of services to the handicapped was truly a year-round effort.

Older Workers

People 45 years of age and older make up almost half of Minnesota's labor force. Most are regarded as valuable employees by employers.



Ramp outside St. Cloud Office aids mobility of handicapped.

ST. CLOUD DAILY TIMES

Once older people become unemployed, however, they experience greater difficulty finding subsequent employment than does any other age group.

While the Age Discrimination in Employment Act is designed to protect people 40-65 from arbitrary discrimination on the basis of age, middle-aged and older workers experience longer periods of joblessness than do other workers.

In order to assist them, one staff member in each local office has been given special training to enable him to work more effectively with older jobseekers. In St. Paul, Minneapolis and Duluth this is a full-time assignment, while in the smaller offices this is one of several responsibilities that an Interviewer or Counselor may have.

In St. Paul, the Older Worker Services Unit has been augmented by two positions funded by the Office of Economic Opportunity. This is part of the Ramsey County Comprehensive Plan for Older People.



Department personnel are located throughout the State to provide manpower services to members of minority groups. The Job Mobile brings such services to the White Earth Indian Reservation. State and Regional Office personnel reviewed this operation during 1973.

"Employ the Older Worker Week" was observed throughout the State the week of September 2-8. During this week, MDES offices reviewed services to older workers and issued news releases to inform the public of the value of older workers.

In March, local offices assisted the Minnesota Department of the American Legion, in its *Employ the Older Worker Award*. This award goes to an employer who has an outstanding record of hiring and retaining older workers.

Local offices continued to assist sponsors of GREEN THUMB, SENIOR AIDE and FOSTER GRANDPARENT programs to identify eligible older workers. These programs provide employment-training opportunities to disadvantaged older jobseekers.

Emphasis is now being placed on assisting the project sponsors to help participants find private employment after they have been in the programs long enough to become more employable.

Training was given to all staff to ensure that they understand the provisions of the Age Discrimination in Employment Act of 1967. This federal law makes illegal discrimination on the basis of age in hiring or conditions of employment.

The Department was again the contract state for a special U.S. Department of Labor, Manpower Administration, technical assistance contract.

Under this contract, the National Council on the Aging provides technical assistance to all State Employment Service agencies throughout the country. The contract is administered by the Department, but at no cost to it.

In order to ensure that the Department is informed of all programs which can benefit older people, a close working relationship is maintained with the Governor's Citizens Council on the Aging.

Minority Groups

The Minnesota Department of Employment Services (MDES) is making special efforts to bring meaningful employment and training opportunities to members of minority groups.

Minority group members comprise about two percent of the State's total population. Blacks make up about one-half of this number, followed by American Indians, Chicanos, Orientals and others.

The Department Minority Groups Representative serves as liaison between MDES and community agencies that work closely with minority groups in areas of employment and training.

To assure equal opportunity in hiring members of minority groups, the Department developed an Affirmative Action Policy and Plan in 1972. The Minority Groups Repre-

sentative was named as Equal Employment Officer to give overall direction and coordination to the Plan. A committee has been appointed, chaired by the Commissioner, to implement a positive Affirmative Action Plan.

The Department coordinates the weekly WCCO *Jobs Now* television show. This 15-minute show offers information on training and employment opportunities and other programs available through MDES. Equal Opportunity employers can discuss on the *Jobs Now* show their affirmative action programs designed to give employment to minorities.

Special emphasis is being placed on recruiting minorities for positions within and outside of the Department.

Inner-city satellite offices have been placed in neighborhoods within walking distance of the disadvantaged people the offices are designed to serve. Satellite offices are staffed by minorities who live in the areas where the offices are located. These satellite offices place special emphasis on helping those who have experienced problems in gaining and holding employment. Included in these services are job counseling, skills training, job development, placement assistance and follow-up supportive services.

Department personnel located throughout the State bring man-

power services to minority groups. Reservation Representatives and other MDES personnel provide these services to the minorities living on or near Red Lake, White Earth, Leech Lake, Nett Lake, Grand Portage, Fond du Lac, Mille Lacs, Upper and Lower Sioux and Prairie Island Indian reservations.

Increased emphasis was placed on assisting minorities in rural areas, especially the Chicanos in the southern part of the State. Manpower services also were provided in areas where migrant workers seek employment each year.

The Department's role recently grew to encompass greater responsibilities since the State Legislature passed additional laws regarding discrimination in employment in the areas of sex, marital, handicap and welfare status.

The Department developed a training program for local office personnel on Protective Legislation. The training package includes a manual and three slide-sound presentations outlining State and federal Civil Rights laws, wage and hour laws, and laws for the protection of migrant workers.

The U.S. Department of Labor sent copies of the Minnesota Protective Legislation package to other State Employment Service agencies for use in developing similar training programs.

Youth

The 1973 Department-coordinated Governor's Youth Employment Program was the largest and most successful on record.

From April through September over 64,000 youth registered for employment. Of this number, 22,000 were placed in nonfarm jobs.

In 1973 State, local and federal government agencies and private industry again combined resources to maximize summer job opportunities for youth.

The State Legislature appropriated \$3,000,000 for a Statewide Summer Youth Employment program during the summers of 1973 and 1974. This legislation, the first in the State's history, provided over 4,000 summer jobs in State, county and municipal government agencies in 1973.

In administering the Youth Employment bill, the Department wrote 202 contracts with counties, municipalities and Indian reservations — making available \$1,800,000 of State funds for summer jobs. In addition, the Department recruited and referred eligible youth for the program and set up a special invoice system so those who contracted could be reimbursed on a biweekly basis instead of at the end of the program. This procedure allowed counties and municipalities to employ large numbers of youth during the summer without seriously depleting regular budgets.

In follow-up questionnaires sent to both employers and youth employed in the program, most replied that they felt the youth bill was a most useful and timely piece of legislation. Local governments liked it because, with the youth they were able to employ, they engaged in and completed projects that would not have been undertaken or would

have had to wait until funds became available at some future date. The youth liked it because it gave them insight into the workings of local units of government and some idea of the scope and diversity of its responsibilities.

For the third straight year the Department's mini-office concept was expanded. Mini-offices are one- or two-person offices, open during the summer and staffed by youth under MDES supervision. These youth help other young people find summer jobs.

In southwestern Minnesota the 11 mini-offices made a total of 1,700 job placements. In northeastern Minnesota, local offices on the Iron Range set up an area-wide system of coordinated mini-offices to find jobs for youth under 18. This age group usually has the most difficulty in locating summer employment.

In addition to providing services to youth seeking summer jobs, the Department provided counseling, testing, career information and placement services to students in over 330 Minnesota schools.

These services, in the past provided mainly to high school seniors, were expanded in 1973 to include graduates of area technical-vocational schools.

Squad Places Youth

The Job Squad approach by the Northern Minnesota Iron Range offices — Ely, Grand Rapids, Hibbing, International Falls and Virginia—brought increased placement of youth in summer jobs.

These five offices made a total of 1,523 youth placements during the summer of 1973.

Each office established separate Youth Employment Service offices, completely autonomous from the local office. The Job Squad, com-

posed of youth who were trained by Department personnel, registered, selected and referred youth to jobs. The Job Squad also solicited job orders by contacting employers in person and by calling them on the telephone.

Cooperation from schools, various levels of government, the news media, service clubs, unions, Chambers of Commerce, business and industry helped these youth make the Job Squad a success.

Services under the Cooperative School Program were also provided to high school and technical school dropouts and included counseling, testing, placement and referral to manpower training programs such as MDTA, NAB-JOBS and JOB CORPS. These services enable a student who leaves school prior to graduation to find meaningful employment or training opportunities.

Job Corps

The JOB CORPS is a federally-funded voluntary residential training program offering basic education and vocational training for youth 16 through 21 years of age.

Since 1965, the Minnesota Department of Employment Services has been responsible for recruitment of new enrollees and for job placement of returnees. Approximately 1,800 young Minnesotans have participated in the Job Corps since its inception in 1965. During 1973, MDES enrolled 143 youth.

Job Corps' general education program has gained recognition as an effective and practical method of allowing enrollees to complete their education. Those enrollees who do not have a high school diploma are encouraged to work toward a general equivalency certificate.

The World of Work curriculum is designed to teach responsibility on the job and the development of good work habits and attitudes.

Through the vocational training curriculum, Job Corps offers a wide variety of training opportunities — carpentry, nursing, painting, welding, cosmetology, secretarial, diesel mechanics, and food service. Many Conservation Centers have contracted with the various building trade unions to conduct training in the apprenticeable trades.

Periodic evaluations of vocational, educational, behavioral and social adjustments are conducted with rec-

ommendations to assist each corpsmember maximize progress while enrolled at the Center. These recommendations may include schedule changes; vocational counseling in developing a vocational goal based on corpsmember's abilities, experience and interests; personal counseling in areas of low motivation and non-constructive attitudes and habits; or termination upon reaching maximum benefits.

In a 24-hour-day program such as Job Corps, other essential services need to be provided. Medical, dental and personal hygiene services are offered to members as needed. Minor problems in these areas can affect the member's progress.

Recreational and vocational programs supplement and help encourage individual development. These programs provide opportunities for creative expression of ideas and feelings, encourage physical fitness, and provide constructive outlets for pleasure and relaxation during leisure hours.

All program components are designed to prepare each enrollee with the necessary skills to perform an entry-level job. In placing Job Corps returnees, MDES attempts to obtain a job at the enrollee's highest skill level.

Apprenticeship

The Apprenticeship Information Center (AIC) provides information, guidance and counseling on apprenticeship opportunities, requirements and enrollment in the Twin Cities metropolitan area.

Working with representatives from industry, labor, the State Division of Voluntary Apprenticeship and the Federal Bureau of Apprenticeship and Training, efforts are made to provide information to schools, the minority community, labor unions and employers.

Among the means for disseminating information are preparation of fact

sheets on individual trades, maintenance and updating of the *AIC Guide to Apprenticeship*, and participation in Career Days sponsored by educational institutions.

AIC representatives also appeared before trade and industry classes in junior and senior high schools and vocational educational institutions, and operated a display booth at the Career Expo '73 in the Minneapolis Auditorium. More than 6,000 ninth graders from the metropolitan area attended the exhibition, which included 40 exhibits. This annual event is sponsored by the Minneapolis Public School System and the Greater Minneapolis Chamber of Commerce.

The Pilot Workshop for school counselors in November co-sponsored by the Minnesota Department of Employment Services and the Minnesota Department of Education, with active support from the Minnesota Federation of Labor, was also an AIC project. Because of the success of the Workshop, it will be held annually.

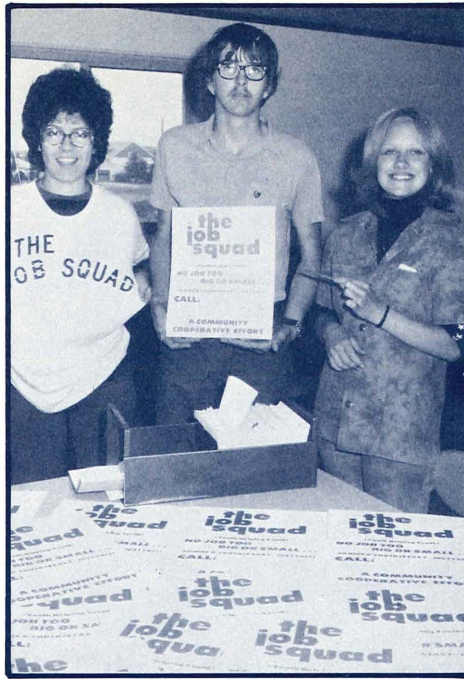
These activities assist school counselors, teachers and others in learning more about the potential that exists in the skilled crafts and trades and the underlying principles on which such programs are based.

Economic uncertainties, work stoppages and the continued downturn in single family dwelling building have adversely affected establishment of apprenticeship opportunities. AIC staff, however, advise students on how to prepare for vocational school and on what courses to take in order to qualify for apprenticeship opportunities.

In 1973 the Apprenticeship Information Center was realigned in its relationship to the total program of the Minnesota Department of Employment Services. The Minneapolis and St. Paul AIC Specialists were moved from neighborhood locations to the downtown offices.

Youth assist other youth obtain summer jobs at Babbitt (right) and at Grand Rapids (far right). New Ulm opens mini-office at Sleepy Eye (below, left) and Virginia youth employment office (below, right) opens with ribbon-cutting ceremony. Youth fill out job applications and await interviews at the Duluth Office (bottom, left). Youth (bottom, right) enjoys his summer job at International Falls.

PHOTOS COURTESY OF:
 BABBITT WEEKLY NEWS
 SLEEPY EYE HERALD-DISPATCH
 VIRGINIA MESABI DAILY NEWS
 DULUTH HERALD
 INTERNATIONAL FALLS DAILY JOURNAL



Training Offers Job Opportunity

The Manpower Development and Training Act (MDTA) was passed into law in 1962 for the express purpose of training the unemployed and the underemployed. Over 21,500 persons have completed their training objectives and three-fourths of those surveyed after completion have obtained employment.

In 1973, the revenue sharing concept was introduced into the manpower planning process. As a result, the Minnesota Department of Employment Services has been actively involved with state, regional and local manpower planning councils to plan MDTA and other manpower programs. It appears that this trend towards increased involvement of state and local elected officials in the manpower planning process will continue.

During the year, MDTA institutional training was offered again at three MDTA Skill Centers and at public and private vocational schools throughout Minnesota on an individual referral basis.

The Skill Centers are located in Minneapolis, St. Paul and Duluth and provide, in addition to training, testing, counseling and job placement services under one roof. Basic education is provided for persons who need to improve reading, language or math skills. Trainees who do not have a high school diploma may work toward obtaining a general equivalency certificate. Vocational training is offered in such occupational areas as clerical, auto mechanics, cooking, welding, and metal machining. Classes are designed to accept new enrollees as often as every week and the individual can progress at his own pace until desired skill levels are reached.

The individual referral program permits the enrollment of persons on a slot-in basis in courses offered at an area vocational technical school or at an approved private school. This program provides a wide range of vocational choices for the student and is a particularly useful method in serving the more sparsely populated areas of the State. In such areas, the establishment of a training course solely for MDTA trainees often is not practical.

Enrollment priorities in 1973 remained the same as in 1972. Vietnam-era veterans received top priority, followed by other veterans and the disadvantaged.

Training for MDTA enrollees is free. Those who are eligible receive a weekly allowance while in school to help with living expenses. Additional allowances are paid for dependents and for subsistence and daily transportation costs when applicable.

During the year, a special training project for inmates of the St. Cloud, Stillwater and Sandstone correctional institutions was initiated.

Training is being offered in air-conditioning and refrigeration and in truck body repair. These courses are conducted at a Department of Corrections residential training facility, located outside of prison walls at Willow River, Minnesota.

In addition to this program, an individual referral project in which inmates from Stillwater are bussed daily to a metropolitan area vocational school for training is under way. Women from Shakopee Correctional Institution are also eligible for this training. Early reports on these efforts to prepare inmates for suitable employment upon release from prison appear encouraging.

Businessmen's Alliance

Since 1968, the Minnesota Department of Employment Services (MDES) has participated with the National Alliance of Businessmen (NAB) in the JOB OPPORTUNITIES IN THE BUSINESS SECTOR (JOBS) program. JOBS is a joint effort between government and business to provide on-the-job training for disadvantaged individuals. In 1973, MDES agreed to combine the promotion and marketing of the JOBS and JOBS OPTIONAL programs.

Minnesota has three NAB offices, which are located in Minneapolis, St. Paul and Duluth. MDES provides one staff person for each of these offices. The remainder of the NAB staff consists of executives on loan from industry.

When MDES negotiates a JOBS contract with an employer, the contract must provide for on-the-job training including special counseling. It may also include such supportive services as job-related education, English as a second language, orientation, supervisory human relations training, transportation, child care and medical and dental care. The employer may also be reimbursed for the cost in administering the program.

1973 MDTA

Classroom Training

Enrollment	2403
Male	63%
Female	37%
Under age 22	43%
Age 22 through 44	51%
45 and older	6%
Handicapped	25%
Minority	18%
High School Drop Out	43%
Veteran ¹	46%
Vietnam Era	
Veteran	74%
Disadvantaged	66%
Completions	1362
Employed	75%
In Training	916

¹Percent of male enrollees.

In 1973, 63 Minnesota employers had NAB contracts with the U.S. Department of Labor. These 63 contracts provided 259 training slots at a total cost of \$564,395. The types of occupations ranged from clerical to machine trades and starting salaries ranged from \$2 to \$4 an hour.

Some firms preferred to participate in the NAB program to train and hire disadvantaged workers without financial reimbursement. They are termed noncontract hires.

In addition to the original NAB concept of finding jobs for the disadvantaged, NAB priorities have been expanded to include locating jobs for Vietnam-era veterans (with special emphasis on handicapped veterans), for ex-offenders and for needy youth (summer and part-time year-round).

During fiscal year 1974, \$1,189,000 in JOBS funds were available for training in Minnesota.

JOBS Optional

On July 25, 1973, an employer in western Minnesota hired a young man to train as a dental laboratory technician. This, in itself, is not an unusual situation. However, the fact that this young man is a 100 percent disabled Vietnam veteran is certainly noteworthy.

The employer states that this man is learning faster than the average trainee and that he has never been absent or tardy. The only problem is that he cannot stand too long.

The situation, however, is flexible enough so that he can sit on a stool or switch to another job temporarily. With the aid of the JOBS OPTIONAL PROGRAM, this employer was encouraged to train a person that he probably would not otherwise have considered.

In 1973, 414 subcontracts were written in Minnesota. These 414

contracts provided 845 training slots. Three hundred ninety-one of these 845 slots were for disadvantaged trainees. Forty-four percent of the trainees were veterans and 19 percent were handicapped. The 414 contracts totaled \$984,210.

In June 1973, the Department of Employment Services received \$129,469 in additional fiscal year 1973 funds for subcontracting and in August received supplemental budget approval of \$630,339 for fiscal year 1974 JOBS Optional operation. These funds have been allocated statewide according to area manpower planning regions.

Concentrated Employment

During 1973, three CONCENTRATED EMPLOYMENT PROGRAM (CEP) contracts were active through which the Department provided manpower services for eligible applicants in specified rural and urban areas of the State. These areas reflect problems of low income, substantial unemployment or outmigration to other areas.

These three contracts were a concentrated effort to provide employment for 1,700 individuals, all of whom had to meet strict criteria of disadvantaged to qualify. The program followed through with the individual until every aspect of his employment problem was solved.

The total cost of the three programs was \$3,957,813.

CEP provided living allowances for those in employment training and whatever supportive services were necessary until self-support was reached. Child care, transportation, orientation, counseling, medical and dental services and clothing, tool and license allowances were examples of the type and depth of this support.

Of the three individual CEP projects which were active in Minne-

sota, two served urban areas in Minneapolis and Duluth and the third served an 11-county rural area in north central Minnesota. In August eight counties were added to the rural CEP.

At Duluth and Minneapolis, the city is the prime contractor. In the 19-county rural area, the local Community Action Agencies have formed Rural Minne-CEP, Incorporated as prime contractor. The prime contractor then subcontracts with various agencies to provide special services needed in an overall program. In all cases, the Minnesota Department of Employment Services is a subcontractor for manpower services.

Work Incentive

THE WORK INCENTIVE (WIN) program is a comprehensive manpower program that provides financial in-

Letter Tells Success

The following letter was written by an ex-offender and illustrates how a training program can assist an individual in getting a new start with a happier future:

"Prior to learning the Truck Body trade, I was an ex-convict, married, with four children, unable to secure a sufficient job to support my family. Living on welfare, and just getting by.

"I went to school through the manpower program and MDTA. Learned the Truck Body trade and secured a job. I now hold a Union Card and am salaried in the \$6.38 an hour bracket, also with company benefits.

"I now have a trade, job security and look forward to a real bright future. Without the training I now have, there would be no future for me."

centives and a variety of manpower services to employable members of families receiving AFDC (Aid to Families with Dependent Children). These services include orientation to the world of work, counseling, testing, jobseeking skills, vocational skill training, on-the-job (OJT) training, job development and job placement.

During 1973, 6,407 AFDC recipients participated in the WIN program. One thousand eight hundred nine received vocational and classroom training; 783 participated in on-the-job training and 135 participated in the Public Service Employment component of the WIN program. Also, 2,037 participants obtained employment in unsubsidized jobs during 1973.

At the end of 1973, 2,816 were participating in the WIN program. Of these, 26 percent were men and 74 percent were women. Minority

group members comprised 15 percent of this total. About nine percent of these WIN participants were veterans.

The WIN program is operational in 27 counties (see map). Over 83 percent of Minnesota AFDC recipients live in these counties. The program is being expanded to include 53 of Minnesota's 87 counties. This will represent approximately 92 percent of the State's AFDC case load.

Program priority is given to placing promptly AFDC recipients in appropriate work or short-range training programs to enable them to leave welfare and become wage-earning members of society. At least one-third of the program funds must be used to promote placement through WIN on-the-job training and Public Service Employment.

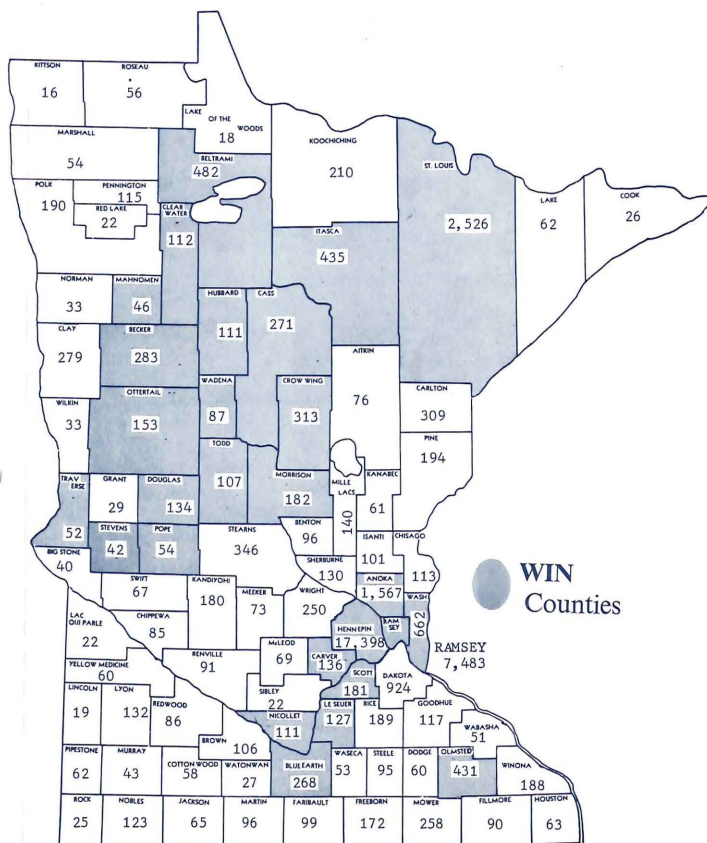
Under the 1971 amendments to the Social Security Act, AFDC recip-

ients covered by the work requirement can lose their AFDC benefits if they refuse, without good cause, any step from registering for WIN to accepting an appropriate job. Exempt from this requirement are children under 16; persons 16 to 21 and in school full-time; mothers of preschool children; and the sick, disabled or elderly.

Mothers of young children and other exempt people may volunteer for jobs and training even though they could have remained out of WIN and could have continued to receive regular AFDC benefits. Over 27 percent of WIN registrants have volunteered to participate.

AFDC recipients have many positive incentives for participating in WIN. A major one is an income disregard that makes working more profitable than welfare alone. It works like this: Instead of losing a dollar in AFDC benefits for every

At a vocational-technical center, a 24-year-old veteran trains to develop a marketable skill in powdered metal technology, a fast growing field. MINNEAPOLIS TRIBUNE



dollar she earns, a welfare mother does not have the first \$30 of her salary plus one-third of the remainder deducted from her welfare grant. In addition, her work-related expenses are not subtracted.

If, for example, a mother whose benefits are \$250 a month goes to work for \$300, the following will not be subtracted from her benefits: \$30, plus one-third of the remaining \$270 (or \$90), plus her work costs (say, \$2 a day for 20 working days, or \$40)—a total of \$160. Instead, only the balance (\$140) is deducted, leaving her \$110 in benefits plus her \$300 wage. And her family will have \$160 more each month than with welfare alone.

Besides the incentive to go to work, AFDC recipients have an inducement to prepare for work. Besides their regular assistance checks, people in training or certain other WIN activities receive an incentive payment of up to \$30 a month. To cover expenses such as transportation and lunches, WIN pays them an additional amount of at least \$2 for each day they take training.

The key to WIN's success is opening up jobs for participants. The incentives WIN can offer employers to hire WIN participants is a most significant aspect of the program. These incentives include a sizable tax credit on the wages paid during the first 12 months of employment to workers hired through WIN. During 1973, 557 were certified for the tax credit.

Expanded OJT opportunities are an incentive to participate because this type of training puts participants in paid work at the beginning (rather than the end) of training and usually guarantees their employment after satisfactory completion. As an incentive to employers, WIN reimburses them for extra costs while WIN workers learn their jobs. Employers are reimbursed through a

WIN/JOBS OPTIONAL PROGRAM contract.

Food Stamp Program

The FOOD STAMP PROGRAM operates in 74 of Minnesota's 87 counties. The role of the Department in this program is to provide employment services to food stamp recipients who are required to register for work.

The work registration requirement came about as a 1971 amendment to the Food Stamp Act of 1964. All able-bodied members of participating households age 18 to 65 (with specific exceptions) must register for and accept suitable employment.

Training Brings Job

During the summer of 1972, a minority group AFDC recipient was referred to the St. Cloud Office by the Wright County Social Service Department.

After counseling and administration of the General Aptitude Test Batteries, the most appropriate place for Tanya to begin training seemed to be at the Minneapolis Skills Center, after her children had returned to school in the fall.

She began basic clerical training in early September. By late October, her skills had improved to the point where she was placed in the stenographic course. Training and resulting skill improvement continued throughout the winter.

This progress was in spite of, as Tanya later wrote, "Trouble with my car! Sick kids! Never enough money, not even for gas to get here."

By early February 1973, the Skills Center staff was able to place her in a responsible stenographic position with a railroad.

Based on standards established by the U.S. Department of Agriculture, county welfare offices determine who must register for employment. Those required to register for work are directed to Department offices, where they are referred to job and training opportunities.

The Department of Agriculture reported that monthly food stamp benefits have been reduced or terminated for 496 Minnesota households during the period January through March as a result of the mandatory work registration requirement of the Food Stamp Program. This resulted in savings of more than \$32,500.

WIN Site Generates Job

A 23-year-old Spanish-American, with a wife and eight children at home, came to WIN in April 1973.

Manuel was somewhat undecided about what he wanted to do with his life vocationally, as he had no marketable skills. His previous work experience was as a farm laborer in Texas.

Having expressed an interest in becoming a police officer, the WIN staff placed him on a work-experience site at the sheriff's department to see if Manuel would like police work.

He was given a responsible position and liked the work that he was doing. The sheriff's department was impressed.

In mid-October, Manuel was hired by the sheriff's department, was sworn in and was made a deputy sheriff.

His wife reports that he is a different person—one who enjoys working at a skilled job and earning his own living.



Migrant Labor Counselor for the Thief River Falls Office visits a crew leader-family head in a sugar beet field in the Stephen, Minnesota, area. The family is finishing the second hoeing of the field. Migrants finishing their work early often ask for work with other farmers. Many farmers, on the other hand, often request more labor.

Rural Manpower

In response to the directives of the U.S. Secretary of Labor, 1973 became a year of redirection of manpower services for rural areas.

For the past several decades, rural areas have experienced an eroding of their population and economic base. This has been caused, in part, by technological changes and mechanization which has displaced thousands of workers from farm jobs and has resulted in socioeconomic problems for the cities to which workers have moved.

Because Congress considers as essential the restoration of the balance between urban and rural areas, it gave high priority to the revitalization and development of rural areas in passing the Rural Development Act of 1972.

The Secretary of Labor's directives recognize the urgency of this mandate and establish a policy of providing equity of access to manpower services for rural residents.

Reflecting the need for a change in emphasis, the Manpower Administration's Farm Labor and Rural Manpower Service was reorganized and renamed Rural Manpower Service (RMS). RMS is concerned with activities affecting the whole rural sector. The RMS concept is a simple one: *rural residents should receive the same quality and quantity of manpower services as their urban counterparts.*

The Department, in responding to the Secretary's order, took positive steps in the redirection of manpower services for rural areas.

One of the first steps in the redirec-

tion was the midyear phasing out of the Smaller Communities Program (SCP). SCP had been primarily concerned with conducting area manpower availability studies. This is now a responsibility of the Research and Planning Branch.

The position resources released by the phaseout of SCP were assigned to several local offices for use in direct job placement. In a related move, the mobile office (motor coach) which had been operating on a regular itinerary to Hutchinson, Litchfield and Glencoe was re-assigned to the Operations Branch for use in special projects throughout the State. A full-time satellite office was opened in Hutchinson to provide service in the area formerly served by the mobile office.

Seasonal agricultural employment remained relatively unchanged from the previous year. Sugar beet workers, both local youth and migrants, tended to work longer hours and to have increased gross earnings as compared with the previous year while hourly earnings tended to decline.

Agriculture, particularly in southwestern Minnesota, continued to provide many employment opportunities for youth. During 1973, several thousand youngsters were placed on jobs in corn detasseling, haying, bean weeding, and so on.

In keeping with a long-standing pattern, the Department was associated, through the clearance process, with the recruitment of only 17 percent of the 9,000 plus migrant workers who came to Minnesota. The 17 percent was heavily concentrated in the food processing industry.

Most agricultural field workers were recruited under private auspices.

Since Department responsibility for migrant worker housing inspection is tied to its role in the clearance

process, 1973 characteristically found it inspecting a high proportion of the housing provided for food processing workers and little of the housing associated with agricultural migrant workers.

Food processing workers were in short supply, at a going rate of about \$2 an hour, throughout the 1973 season. Weather conditions aggravated the shortage by compressing the corn pack into a shorter season, requiring more workers at a given time than is normal. No satisfactory solution was found, which suggests that wages must be increased to attract more workers.

Department migrant services remained relatively unchanged from the previous year. In general, migrants are contacted at their temporary residences by seasonal Migrant Labor Counselors working out of one of the local offices located in the areas employing migrant workers.

The Migrant Labor Counselors can provide some placement service on the spot and can also assist the worker in obtaining supportive services. The worker may be directed or perhaps accompanied to the local office for more detailed manpower services such as counseling, referral to training or placement in connection with outsettlement.

Local offices in areas with large concentrations of migrant workers also maintain a Migrant Imprest Cash fund, allowing them to provide financial resources in emergency cases when no other sources for assistance exist. Such grants have been used for food, clothing, shelter, medical expenses, transportation, tools, uniforms and other job-related items, and debt payment to facilitate relocation.

The emergence during 1973 of several migrant organizations may result in a substantial reduction in the current role the Department plays in providing these supportive services.



An Account Executive and Interviewer from the St. Paul Office visit a local department store to obtain first-hand knowledge of employer operations and personnel needs. Recent reports stress that such knowledge is vital to employment service efforts to increase job orders and placements.

Employer, Union Services Accented

In keeping with the national emphasis on providing services to employers, Department field representatives made 33,756 nonagricultural employer visits. This represents an increase of 14.1 percent from 1972. The field representatives' primary task is to make employers aware of services available to them.

Typically, discussions with employers center around recruitment needs of the employer, training programs and funds available for employer participation, labor market information, and various government programs and regulations of concern to employers.

Materials are also distributed to assist employers in meeting manpower needs. Such publications in-

clude *Developing Your Manpower, Are You Creative With People?* and a *Handbook for Job Restructuring*.

Alien Employment

Job offers for alien employment certification, the basis for sixth preference immigrant visas, rose to record levels during 1973. More than 300 case files were processed, representing an increase of about 10 percent from 1972.

Increased demand in professional, technical and managerial occupations was primarily responsible for the certification rise. Because of the shortage of resident workers in these categories, more than 90 percent received U.S. Department of Labor approval.

Skilled trades also received favorable consideration with an approval rate of 84 percent. Service and unskilled jobs were less successful with 40 percent success ratio.

Employers are discouraged from filing applications which have little chance for approval. Most of these applications are not processed unless the employer requests an official determination.

Union Services

The Trade Union Relations Representative and/or staff from the Apprenticeship Information Center (AIC) provided apprenticeship information with exhibits and oral presentations at six schools during 1973.

AIC prepared and staffed a booth on apprenticeship for the Veterans Information Fair held at the Prom Ballroom, St. Paul.

Apprenticeship Information specialists were physically moved from satellite locations to the main offices in St. Paul and Minneapolis in order to provide more positive apprenticeship assistance to returning veterans.

The Trade Union Relations Representative served on a combined agency committee, the Committee of 156, whose basic purpose was to increase minority recruitment into the vocational institutes to prepare them for the apprenticeable trades. This Committee originated from a resolution adopted by the Minnesota AFL-CIO in Convention in 1972. Recruiters, whose major responsibility is to attract and work with minority students, are presently attached to two of the vocational institutes.

The Trade Union Relations Representative has served as a resource for the St. Paul school system as part of their Career Education training workshops and also serves on the Vocational Advisory Council

for the city of St. Paul. Presentations and resources have also been provided to the AFL-CIO counselor classes and to the Executive Council of the Minnesota AFL-CIO.

During 1973 a pilot workshop for school counselors was presented with Industry, Labor and Joint Apprenticeship Committees participating. One hundred fifty school counselors from the Twin Cities metropolitan area attended. Based upon the response to the pilot workshop, additional workshops are expected in outstate areas.

The Trade Union Relations Representative is now in the process of developing films which may be used by schools, agencies and Joint Apprenticeship Committees to bring information on apprenticeship to a greater number of people.

Management Analysis

During 1973, the Employment Service continued to make refinements or adjustments in its management efforts to increase organizational effectiveness and efficiency.

Some MDES outstate administrative areas were realigned in order to conform with Minnesota's Planning Regions. This action should insure more uniform manpower planning between MDES and Ancillary Manpower Planning Councils representing specific geographical areas of the State, as well as the State Manpower Planning Council.

Refinements occurred in a relatively new Manpower Administration management tool called an Operational Planning and Control System (OPCS) which includes both planning and control phases. OPCS was designed to replace a prior hodgepodge of methods and systems related to separate categorical programs, and to coordinate management of resources to assure the most effective administration of man-

power programs. OPCS became operational during 1973.

Significant amounts of time were also devoted to the refinement and implementation of an Employment Service Operations Appraisal System, which depends on a comparison of planned and accomplished results for analysis and decision. Scheduled appraisals may be conducted by local office managers (self-appraisals) or small teams of Employment Service staff (on-site reviews).

Approximately 32 projects or special assignments relative to management functions such as planning, organization, staffing and control were completed by Employment Service Management Analysts during the year.

Present at the signing (upper right) by President Franklin D. Roosevelt of the Wagner-Peyser Act, which created the U.S. Employment Service on June 6, 1933, were the three sponsors of the Act, left to right: Representative Theodore A. Peyser, Secretary of Labor Frances E. Perkins and Senator Robert J. Wagner. This act provided for federal aid to state-controlled employment services. It charged the U.S. Employment Service with responsibility for developing a national system of coordinated public employment offices to operate under uniform professional standards. The original Act provided for a dollar for dollar matching by the national government with the funds appropriated by the state and/or its political subdivisions. In Minnesota in 1933, the State Employment Service offices in Minneapolis (center) and in Duluth (bottom) were already providing free employment services.



1933





HOPKINS OFFICE



ALEXANDRIA OFFICE



MINNEAPOLIS OFFICE



THIEF RIVER FALLS OFFICE



Fortieth Anniversary

The Minnesota State Employment Service celebrated its 40th anniversary as an affiliate of the state-federal employment service system on June 6, 1973.

To commemorate the occasion, Department local offices held open house, complete with a birthday cake, in June.

Minnesota's birthday cake could have had six million candles, symbolically speaking — one for each time it has placed a person in a job.

In fact, Minnesota can celebrate its pioneering in free public employment service from an earlier date — 1905 — when the State Legislature authorized the opening of the first free employment service office under state control. This office, which was located in Minneapolis, was followed two years later by offices under state control in St. Paul and Duluth.

On June 6, 1933, the Wagner-Peyser Act, which provided for the formation of the U.S. Employment Service, was signed. Almost immediately, the depression-born National Reemployment Service was formed to cover areas not already serviced by the Minnesota State Employment Service. Offices were set up in each county seat except for Ramsey, Hennepin and St. Louis counties; however, National Reemployment Service offices were added in Floodwood, Virginia, Hibbing and Ely in St. Louis County.

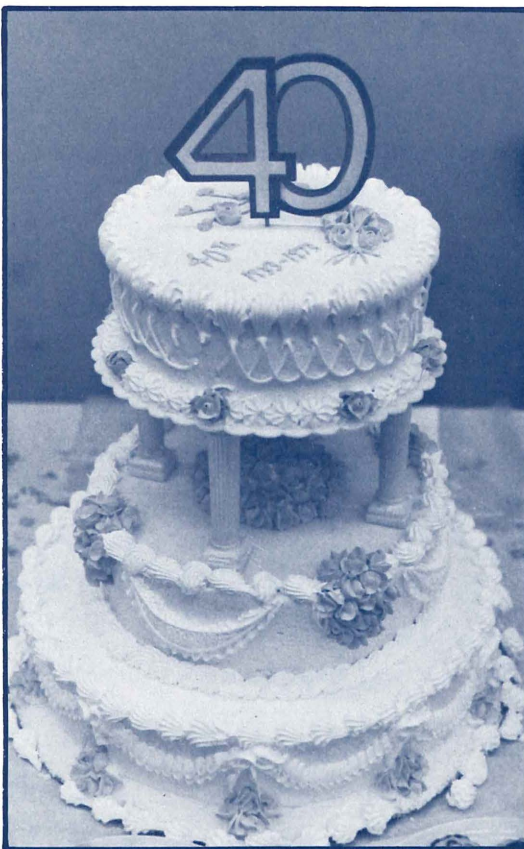
After a year's operation, the number of offices was cut back to 33. From July 1, 1933, to December 1, 1937, the Minnesota State Employment Service and the National Reemployment Service worked in unison without duplication of effort to provide an adequate statewide free employment service. Jurisdiction was returned to the State and the U.S. Employment Service December 1, 1937.

The Employment Service of today is a far cry from what it was in 1933 when it started as a simple vehicle to put unemployed persons to work and get them off the relief rolls.

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ALEXANDRIA LAKE REGION PRESS
KANABEC COUNTY TIMES
LYON COUNTY INDEPENDENT
NEW ULM DAILY JOURNAL
THIEF RIVER FALLS TIMES



MORA OFFICE



ST. PAUL OFFICE



MARSHALL OFFICE



WINONA OFFICE



BLOOMINGTON OFFICE



NEW ULM OFFICE

Unemployment Insurance

The Declaration of Public Policy (see page 3) is the preamble to the 1936 Minnesota Unemployment Compensation Law and states the legislative intent in passing the original law. This preamble, and presumably the legislative intent, has remained unchanged for 37 years, down to the passage of the 1973 Minnesota Employment Services Law. This does not mean that the law has remained unchanged, since even the name of the law has been changed several times, but rather that subsequent changes in this law have had the effect of clarifying and extending the implementation of this intent.

An unemployed person may receive public support from either unemployment insurance (UI) or welfare (poor relief assistance). One of the chief differences between UI and welfare is the eligibility requirements applicable for receipt. To receive welfare payments, an individual must demonstrate that he needs the money, while the question of need has never entered into determining an individual's unemployment insurance eligibility. Rather, the individual's work history and current activities in the job market are the sole determining factors for receiving UI benefits.

To avoid forcing large numbers of unemployed individuals who are eligible for UI benefits to apply for welfare payments, unemployment insurance benefits must be sufficient to meet most nondeferrable expenses and must be paid for a sufficient length of time for the individual to have a reasonable chance of finding suitable employment. There is general, if not universal, agreement that these are the goals of UI benefits. Of course, there is a great deal of debate about exactly what amount of money is sufficient and how long an individual should be able to receive benefits.

The 1936 law specified a maximum weekly benefit amount of \$15 for a

maximum of 16 weeks. The 1973 law provides a maximum weekly benefit amount of \$85 for a maximum of 26 weeks with a provision for a possible 13 additional weeks in times of high unemployment. The increase in the maximum weekly benefit amount from \$15 to \$85 has just about kept pace with increasing wage levels: \$15 in 1938 was 60 percent of the average wage in insured employment while \$85 in 1973 is about 55 percent.

This ratio has fluctuated a great deal throughout the 37-year history of the program. The low was experienced in 1964, when the maximum weekly benefit amount of \$38 was 36 percent of the average wage. The highest ratio level was the initial \$15 maximum in 1938.

The maximum possible duration of payments was increased from 16 weeks to 20 weeks in 1945, to 25 weeks in 1949 and to 26 weeks in 1953. These increases reflect changes in attitudes about how long benefits should be paid, but do not represent a fundamental change in intent. The potential availability of an additional 13 weeks of extended benefits when unemployment is high recognizes that it may take longer to find suitable reemployment during these periods.

In addition to these changes, the percentage of workers covered by the UI law has been increased substantially. The provisions of the 1936 law resulted in coverage of about 65 percent of wage and salary jobs. The provisions of the 1973 law result in coverage of about 95 percent of wage and salary jobs in 1974.

The wage and salary jobs not covered are in groups such as elected and appointed government officials, employees in private schools, employees of churches, domestics, and workers on small farms. The largest number of workers not covered are in the nonwage and salary groups

such as the self-employed. Under provisions of federal disaster assistance legislation, even they may collect benefits in times of natural disaster, such as floods or wind. Although this increased coverage does represent significant changes in the law, it falls within the originally stated legislative intent.

The unemployment insurance tax structure encourages employers to stabilize employment. An employer who has never laid workers off will have a lower tax rate than an employer who has had a great number of layoffs. The part of the law that determines an individual employer's tax rate is rather complicated and has been changed several times since 1936. The basic feature of having an employer's tax rate depend upon his layoff experience, however, has remained.

Under the 1973 law, employers with large layoffs have a tax rate five to ten times higher than the tax rate for employers who have had no layoffs. In addition to providing money to pay unemployment insurance benefits, this tax may serve as incentive for employers to avoid layoffs.

Unemployment insurance benefits also act to counter economic downturns. When unemployment rises, the money automatically put into the economy by unemployment insurance benefits is expected to brake the downward spiral of a recession. Such a brake on recessions would clearly benefit everyone, not only those who become unemployed, and would decrease the chance of further unemployment.

Legislative Changes

The 1973 State Legislature raised the maximum weekly unemployment benefit amount from \$64 to \$85. This affected new claims filed on or after July 1, 1973. The weekly unemployment insurance benefits check is limited to 50 percent of the claimant's average weekly earnings during the 52-week period immediately before the week in which the claim

is filed. A person must have had average weekly earnings of at least \$170 to qualify for the full \$85 weekly benefit.

An individual's weekly earnings which may be disregarded in computing the weekly benefit was increased from \$15 to \$25.

An individual may now be paid for the waiting week, but only after he has been paid benefits for at least four consecutive weeks of unemployment and has returned to full-time employment. This amendment applied to claimants returning to work on or after August 1, 1973.

Under the law, the application of severance pay is limited to a period which does not exceed the four weeks following the last day of work. This amendment was effective for any severance payments made on or after August 1, 1973.

The indefinite disqualification provision, assessed against claimants for job separations because of pregnancy or voluntarily quitting to visit or live with spouse or to assume the duties of a housewife, has been removed.

The only exception is for an individual who voluntarily leaves because of pregnancy without availing herself of the maternity leave rights currently provided by law. Persons failing to exercise these rights would receive the indefinite disqualification. Other separations would be disqualified under the voluntary separation clause. This amendment became effective for separations occurring on and after August 1, 1973.

The current labor dispute disqualification in the law was amended and became effective March 16. The change provides that the labor dispute disqualification is limited to one week following commencement of a strike or other labor dispute for individuals who are not participating in or who are not directly interested in the labor dispute which caused their unemployment.

The Social Security Act of 1935 established the framework for a system of state unemployment insurance laws. The federal Act requires certain minimum standards but has left each state certain freedoms to determine the types of employment insured, the benefit amounts and the eligibility requirements.

Federal standards and Minnesota law require coverage by employers employing one or more workers for 20 weeks in a year or having a payroll of \$1,500 or more during a calendar quarter. This results in extending coverage to seasonal employees who would not otherwise be covered because they were employed for less than 20 weeks.

Employers are the only contributors to the Unemployment Compensation Fund from which benefit payments are made. Each liable employer pays a minimum contribution rate depending on the size of the fund and, in addition, pays an "experience rate" that is determined by the amount of unemployment insurance benefits paid which are chargeable to his account.

The fund balance established a rate structure effective for calendar year 1974 at a minimum of 0.9 percent.

The maximum rate also was increased from 4.5 percent to 5 percent.

The Employment Services Law now provides additional coverage to the following groups, effective January 1, 1974:

(1) Services performed for all political subdivisions of the State of Minnesota, including cities, counties, townships and independent school districts not previously covered under the law.

Public school employees, however, cannot be paid unemployment compensation benefits based on such employment during the period between two successive school years

when the activity for which the wage credits were earned is not normally performed. This does not apply if, prior to the end of the school year, the individual voluntarily left or has been indefinitely separated from employment.

(2) Services performed for non-profit organizations employing one or more employees for some portion of a day in 20 different weeks.

(3) Agricultural services for an employer who has four or more employees performing services for some portion of a day in 20 weeks during a calendar year.

UI Administration

Several significant events in administration of unemployment insurance in 1973 relate to the present and future quality of UI services provided throughout the State.

UI administration costs in all states are paid from a federal excise tax against payrolls. Those funds, appropriated by Congress, are redistributed to states via the U.S. Department of Labor, Manpower Administration.

The Department of Labor distributes funds to regional offices of the Manpower Administration throughout the nation. Minnesota, Wisconsin, Illinois, Michigan, Indiana and Ohio receive UI funds from the Chicago Regional Office.

Annual UI administration budgets for the states are based on UI work load forecasts, for the next fiscal year, as approved by the federal Manpower Administration.

Minnesota's work load during the last six months of 1973 exceeded the federally approved forecast by about 35 percent. Funds were not immediately available to support that work load. Therefore, the time of Employment Service personnel had to be diverted to UI functions to accomplish the work. UI staff assigned to tax functions, overpayment prevention and detection, op-

erations review, analyses and program development also were redeployed to claims determination and payment activities. Some seasonal staff, mostly clerical, could not be rehired on schedule. In some cases, professional personnel were pressed into service to act as claims clerks. Some negative effects were caused, including some unfulfilled plans and increased personnel costs. Efforts to refine, update and maintain planning and information systems were somewhat retarded.

The Department, however, concentrated all available resources to meet the mandate of promptly paying claims. Due to development of new methods during 1972 and their implementation in 1973, the Department was able to effect improvements in delivery of first payments of claims. Because of federal mandates, the Department concentrated on improving delivery of timely appeal decisions. Also, the Department maintained sufficient UI Cost

Model activity to monitor staffing needs in local offices throughout the State. This monitoring enabled appropriate distribution of UI staff and helped to identify understaffing and diversions of personnel to UI activities.

During 1973, a general design was established to mechanize and otherwise update local office methods for accepting continued claims and central office processing. That system, by converting manual methods to ADP processing, will enable more personalized UI services for claimants who are reporting at local offices and who need specialized claims and job seeking services.

Methods for auditing employer accounts and for processing incoming employer contributions were improved. Plans were laid to automate the processing of employers' quarterly contribution reports. Reconciliation of benefit checks was converted from manual to computer

Unemployment Compensation

	1973	1972	Change
Initial Claims	182,388	197,070	- 14,682
New	122,696	126,236	- 3,540
Additional	51,190	61,686	- 10,496
Interstate	8,502	9,148	- 646
Continued Claims	847,357	960,918	- 113,561
Interstate	33,868	39,470	- 5,602
Weeks Paid	1,246,724	1,331,153	- 84,429
Net Benefits Paid	\$68,956,409	\$70,585,104	-\$1,628,695
Average Weekly Amount....	\$55.31	\$53.03	\$ 2.28
First Payments	94,404	92,632	1,772
Benefit Exhaustees	29,876	34,171	- 4,295

1973 UCFE And UCX Activity

	UCFE Only	Joint UCFE-UC ¹	UCX Only
Initial Claims Filed.....	1,572		6,904
Weeks Paid	15,095	4,206	82,065
Amount Paid	\$841,480	\$51,156 ²	\$5,159,016
Average Weekly Amount.....	\$55.75	\$12.16 ²	\$62.86
First Payments	992		5,583
Benefit Exhaustees	332	73	1,689

¹Federal portion only.
²Federal funds only.

processes. A LEAP (Loaned Executives Action Program) "lock box proposal," to direct incoming employer contributions to a special post office box to expedite deposits, was coordinated with a bank and implemented.

Plans to reorganize the UI Division were advanced. That will strengthen administration of UI processes in the central office and will provide a Statewide UI advisory service for those State Employment Service local offices that supply claims services.

The Department is optimistically planning for Fiscal Year 1975 when personnel will be able to increase timeliness and accuracy of UI services and, at the same time, advance plans to provide more personalized services to persons with special problems and needs.

Compensation Payments

New unemployment compensation claims were filed by 122,696 unemployed workers in private industry (UC) and in State Civil Service during 1973. In addition, 1,210 initial claims were filed by federal civilian employees (UCFE) and 5,991 by military ex-servicemen (UCX).

Compared with 1972, the number of initial unemployment compensation claims filed by unemployed workers in private industry and in State Civil Service decreased by 3,540 and the number of claims filed by federal civilian employees decreased by 374. Initial claims filed by military ex-servicemen decreased by 4,794 from the number filed in 1972.

Minnesota Department of Employment Services (MDES) local offices accepted 847,357 continued claims during 1973. This is a decrease of 113,561 from the number of continued claims filed during 1972.

Payments of \$68,956,409 were issued to claimants during 1973 for 1,246,724 weeks of unemployment.

This compares with payments of \$70,585,104 issued for 1,331,513 weeks of unemployment during 1972. Investigations of 69,171 job separations and work refusal issues were made by the Department during 1973. As a result of these investigations, 41,686 claims disqualifications were issued. Also during the year, local offices investigated 57,260 issues of eligibility resulting in 32,077 cases of denial of benefit payment or waiting week credit.

Minnesota workers filed 10,053 initial interstate claims from other states against Minnesota. A total of 33,868 continued claims for weekly benefits were filed by interstate claimants.

During the year, 29,876 claimants exhausted their unemployment compensation claims.

Training Payments

A total of 2,403 persons were enrolled under the Manpower Development and Training Act (MDTA) during 1973. These enrollees were paid allowances for training, incentive, subsistence and travel in the amount of \$3,259,711. In addition, WORK INCENTIVE (WIN) program enrollees were paid training allowances totaling \$676,475.

Compared with 1972, the number of persons enrolled in MDTA training decreased by 1,221 during 1973, and payments of allowances to trainees decreased by \$698,757 during the year. Allowances paid to WIN trainees increased by \$31,665 during the year.

Claims Processing

Beginning in November, Bemidji Office personnel began accepting new claims for unemployment insurance benefits at the State Employment Service Jobmobile located in Nay-Tah-Waush, White Earth Indian Reservation.

Previously, area residents had to wait for biweekly itinerant claims services in the Mahnomen County

Win Successes

The following success stories show how the Work Incentive program helps individuals become employed.

Curt, a 28-year-old black, entered WIN in 1971 as a nonreader. He participated in an MDTA program for basic education.

He spent a summer on work experience at a camp for disadvantaged children. In December 1972, he was hired as a guard. Today, he is a sergeant in charge of scheduling and supervising a number of men.

Sandra, a 28-year-old mother of three, with previous work experience as a waitress and as a keypunch operator, was looking for something more creative that would give her more freedom and responsibility.

With the intention of setting up a worksite, a Counselor and Work and Training Specialist visited a nearby hospital. Instead, Sandra was offered a job as a record clerk in the storeroom.

She has established a system for ordering and stocking supplies and is responsible for ordering most hospital supplies, handles special orders and works with the business office on all purchase orders.

Sandra has been employed over a year now and is earning over \$3 an hour. Her job holds unlimited possibilities.

David entered the WIN program in 1970 as a 17-year-old. He began vocational training at St. Mary's Junior College in January 1971.

The day after David received an Associate in Arts Degree in inhalation therapy in June 1973, he began working as a therapist at a hospital and began earning \$3.50 an hour.

area or go to Detroit Lakes, Crookston or Bemidji. Subsequent weekly claims for benefits may be processed by mail. Claimants receive benefit checks within two or three days by return mail.

Similar circumstances at the Willmar Office demonstrate how the Department strives to provide better service to Minnesota residents. The Willmar suboffice at Hutchinson offers manpower services, including the taking of UI claims, to residents of McLeod County.

The continuing eligibility of these claimants to receive unemployment benefits is periodically reviewed by the Department office in Willmar.

Claims service was extended to UI claimants in south Minneapolis suburban areas with the opening of an unemployment insurance office in Bloomington. This was the second additional UI office to be opened in the Twin Cities metropolitan suburban area. (The Fridley Office was opened in 1971.)

The Bloomington Office provides more convenient claims service to area residents and relieves congestion at the Minneapolis, Hopkins and Faribault local offices. The Bloomington UI Office also provides mail claims service.

Conversion from filing unemployment insurance claims in person and at itinerant points to mail claims reporting is continuing in the State. A study conducted for a two-week period in November 1973 disclosed that 41 percent of continued claims filed in the State were filed by mail. This compares with 31 percent for a similar period in 1972. The study showed that 67 percent of the claims filed in outstate offices were filed by mail. This compares with 57 percent in 1972. Twenty-nine of the 35 Department local offices offer mail claims service, compared with 21 offices in 1972.

The advent of mail claims service has reduced travel time for local office personnel, and travel and

waiting time for claimants. Reduction of service to itinerant points reduces travel time and allows the staff to spend the time saved in more productive assignments.

An incidental advantage of mail claims reporting in 1973 helps claimants observe energy conservation measures by conserving fuel. For example, conservatively estimated, fuel savings of 12,000 gallons were effected during the month of November 1973 due to mail claims reporting compared to in-person reporting.

Increased rates of unemployment owing to seasonal work load increases or economic factors proportionately effect greater conservation of fuel.

Tax Operations

To support unemployment compensation payments, the Department determines employer liability under the Minnesota Employment Services (MES) Law and collects a tax from employers. Amendments, although not as extensive as in 1971, were again made to broaden coverage under the MES Law in 1973.

As a result of amendments effective January 1, 1974, that extend liability to farmers and political subdivisions, the Department, late in 1973, contacted approximately 3,400 political subdivisions and about 1,500 farmers and nonprofit organizations to determine the status of these potentially liable employers. As a result, on January 1, 1974, about 3,000 employers were added to the 68,000 employers who were already covered by the MES Law. The number of workers under protection of the Law increased by about 168,000.

Political subdivisions are required to reimburse the Minnesota Department of Employment Services for the amount of benefits paid to former employees. Nonprofit organizations continue to have the option of paying regular quarterly contribu-

tions or of electing to reimburse the Department for the amount of benefits paid to former employees. The agricultural employers who become liable will pay regular quarterly contributions.

Total wages paid in 1973 to workers in private industry who were covered by the MES Law were \$9,296,900,956, an increase of 12 percent from 1972. These figures do not include workers in state or federal government.

Total net contributions received from covered employers in 1973 increased 24 percent from 1972. Voluntary contributions in 1973 amounted to \$1,118,668.

Employers assigned contribution rates numbered 64,208 during 1973, compared with 61,068 for 1972. Of these, 967 were assigned the standard 2.7 percent rate for new firms liable prior to 1972 or for firms whose predecessors had unpaid taxes; 17,118 employers newly liable in 1973 were assigned a special rate of 1.5 percent for 1973 as provided for by the 1971 amendments. Of the remaining 46,123 employers assigned experience rates during 1973, 29,063 were assigned the lowest contribution rate, 0.7 percent; 13,006 were assigned rates from 0.8 to 4.4 percent; and 4,054 were assigned the highest experience rate of 4.5 percent.

A total of \$78,654,223 was received from contributions and interest earned during the year. As of December 31, 1973, the net total in the Unemployment Compensation Fund was \$90,857,451. This represents an increase of \$9,735,329 from the \$81,122,122 balance on December 31, 1972. A net total of \$68,956,409 was paid out in UI benefits during 1973.

Advice and auditing is available to employers from field auditors located throughout the State. During 1973, 2,949 audits were conducted. Those audits disclosed employer underpayments of \$394,640 and overpayments of \$51,262 for a net

increase to the Unemployment Compensation Fund of \$342,878. In the course of field visiting services, Department auditors collected \$785,075 from employers for deposit in the Minnesota Unemployment Compensation Fund and an additional \$13,187 for other states.

Appeals

All Department administrative decisions on unemployment insurance claims are subject to claimant or employer appeal.

Approximately 1,650 cases were pending at the beginning of 1973. Throughout most of the year, new appeals averaged about 600 monthly.

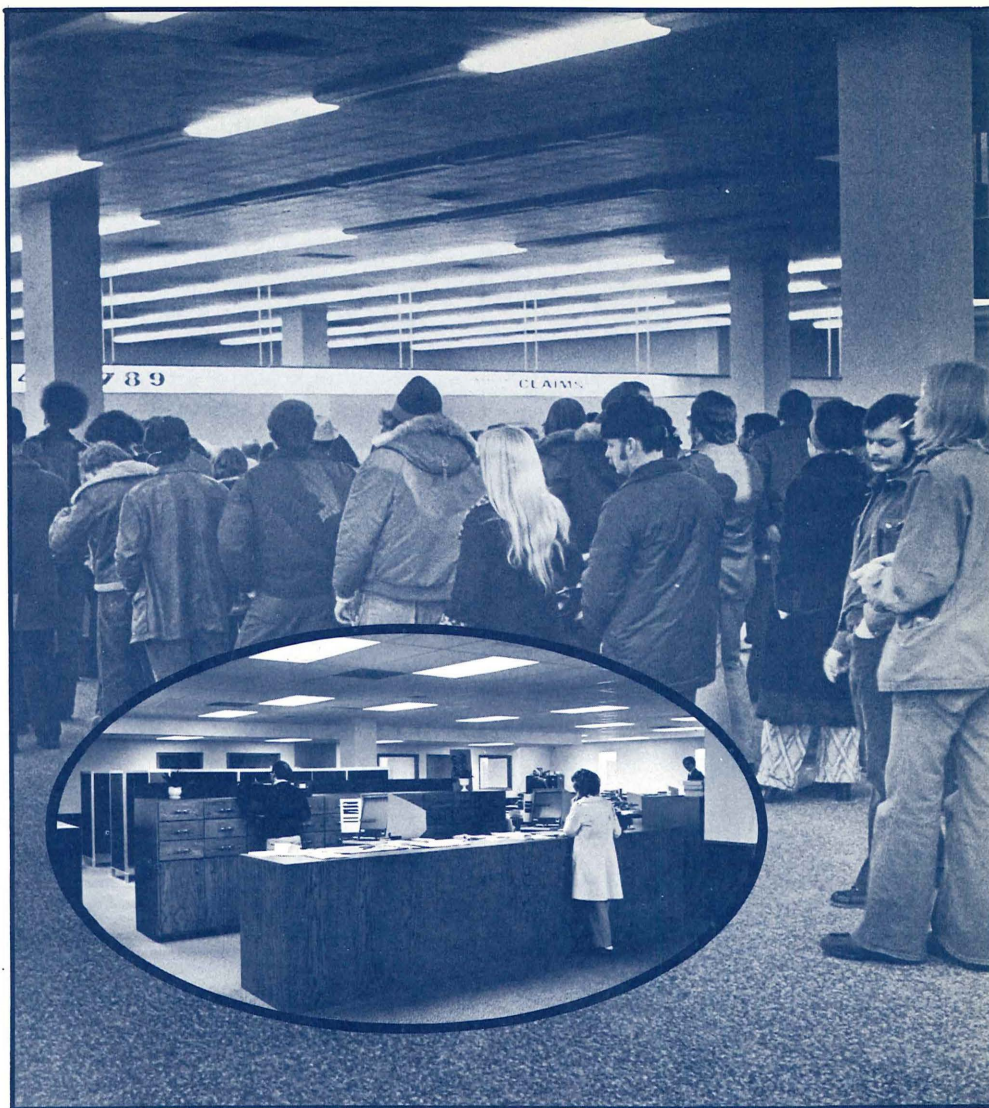
Additional attorneys and clerical staff were hired. More cases were assigned to each attorney and clerical staff productivity increased. These efforts have reduced the case load to approximately 500 to 600 cases. This means appeals now are processed expeditiously. Part-time professional staff should enable the Department to keep up with any increase in incoming appeals.

About 7,000 appeals were filed and approximately 6,000 decisions were written during 1973.

Overpayment And Fraud

The Department continues an on-going program to control the payment of benefits to only those individuals eligible to receive payments under the laws relating to the various income maintenance programs administered. Overpayment prevention and detection devices provide maximum protection to the Unemployment Compensation Fund.

Effective overpayment detection methods used by the Department include auditing of benefit payment records, crossmatching of benefit payments with wage records, verifying return-to-work dates and wages reported, investigating employer protests or tips received, and so forth.



Unemployment insurance claimants receive more personalized attention under the mail claims reporting process (inset) than under the in-person claims reporting system. Mail claims reporting reduces congestion and frequency of report, thus enabling more careful review of claimants' job readiness.

MINNEAPOLIS STAR

The more flagrant cases of fraud are reviewed by the State Assistant Attorney General assigned to the Department. Criminal action is initiated in the courts on cases that warrant prosecution. Publicity of the prosecution of cases of fraud acts as a deterrent to abuses of the MES Law. Fraud cases not handled in a criminal action are dealt with administratively, with disqualification penalties imposed on the claimants involved.

In 1973 the Department uncovered 7,462 unemployment compensation overpayment cases of which 1,117 were determined fraudulent. The majority of overpayment cases were found to be the result of honest error or misunderstanding. Non-fraud overpayment cases amounted to \$605,182 and the fraud cases totaled \$166,050. The Department recovered \$495,962 in overpayments in 1973, either by cash refunds or by withholding benefits due to overpaid claimants.

Legal Assistance

The Minnesota Employment Services Law provides for the compulsory, systematic accumulation of a reserve fund to which employers contribute through a payroll tax. The law requires that the fund be used for the benefit of eligible persons who become unemployed.

To bring about effective and equitable administration of this law, provision is made within the structure of the Department for investigations, appeals, collection of delinquent accounts and control of benefits payments.

Other activities of the Legal Section include advising the Commissioner and section heads of the Department; preparation of leases to premises occupied by the Department throughout the State; drafting of legislation; amendment of Department's regulations and certifications to the Secretary of Labor of various documents such as Supreme Court decisions, Attorney General's opinions and laws enacted by the State Legislature; and the defense of all civil actions against the Department.

The significant collection activities of the Legal Section of the Department are summarized as follows: \$203,095.85 was collected on 960 items of delinquent accounts; 633 suits were commenced in District Court; 440 judgments were docketed; 145 proofs of claim were filed in bankruptcy, probate, receivership and corporate dissolution proceedings; 22 contested District Court cases were disposed of.

During 1973, 43 overpayment prosecutions were prepared and forwarded to the MDES offices for presentation to city and county attorneys. In 1973, 19 claimants were convicted of fraudulently obtaining benefits. In most cases, repayment and fines, jail sentences or probationary periods were ordered. Other fraud cases were handled by administrative actions with disqualification penalties imposed on claimants.

During 1973, 136 employer liability matters were referred for hearing;

123 orders for hearing were made and 124 hearings held; 119 matters were disposed of either through decision or dismissal.

Judgment for the defendants was entered in the case of *Leo Noltimier -vs- State of Minnesota, Emmet Cushing, et al* in the United States District Court, Fourth Division, District of Minnesota. This case alleged a claim for damages against various defendants in the amount of \$100,000 for wrongfully refusing to hire plaintiff to work as an employee of the Department of Manpower Services.

The following cases were decided by the Supreme Court during the year which affected the Department:

Tilseth -vs- Midwest Lumber Company, reversing the Department and holding that a truck-driving employee who was determined not to have been intoxicated at work and never considered by his employer to be intoxicated and never prohibited from driving his truck for that reason but who had repeatedly consumed alcoholic intoxicants while at work was guilty of "misconduct" sufficient to justify a partial forfeiture of unemployment compensation benefits;

Ferguson -vs- Bowl-Rite, Inc., affirmed the Department holding that the findings of the Commissioner were supported by evidence that the employee discontinued his employment voluntarily and without good cause attributable to the employer;

Jackson -vs- Minnesota Department of Manpower Services, affirmed the decision of the Department that the employee's appeal was untimely, holding that the period for the filing of an appeal commences with the date of mailing and not time of receipt by the employee;

Morrison -vs- Swift & Co., affirmed the Department holding that a claimant may not count a lump sum severance payment in determining her wage credits for a base period;

Ideker -vs- LaCrescent Nursing Center, Inc., reversed the Department and held that the use by a nurse's aide in a private nursing home of harsh and unkind language in dealing with patients constituted "misconduct" so as to disqualify her from unemployment compensation benefits;

Tripp, et al -vs- Alley Construction Company, Inc., et al, reversed the Department and held (a) that an employee who is on layoff status for lack of work and is drawing unemployment compensation benefits does not become disqualified by a subsequent strike until he is notified by his employer to return to work at a specific time and place and refuses to do so, (b) where a strike occurs when employees are briefly and temporarily laid off while repairs to equipment are being made, such employees are disqualified from receiving unemployment benefits if they refuse to return to work because of the strike, and (c) a stipulation by some heavy equipment contractors to be bound by the results of hearings conducted on behalf of 10 percent of their number to determine whether or not employees are entitled to unemployment compensation benefits governs all of the contractors only in matters of law without foreclosing their right to present facts affecting each individual contractor's liability to be charged with unemployment compensation benefits;

Lumpkin -vs- North Central Airlines, Inc., affirmed the Department and held that the evidence sustained the conclusion of the Department that the claimant was discharged for reasons other than "misconduct" and where the Appeal Tribunal of the Department has applied the wrong burden of proof, the Commissioner may, on appeal, weigh the evidence under the correct burden of proof and need not remand to the Appeal Tribunal.

On motion of the Department, the Supreme Court discharged writs of



The Commissioner and an Interviewer thank the Mayor of Hutchinson for rent-free location provided by the City for a new Department office.
HUTCHINSON LEADER

certiorari in the following cases: *Keeler -vs- Minnesota Department of Manpower Services*; *McFadden -vs- Apollo Travel, Inc.*; *Columbia Transit Corporation -vs- Young*.

At the end of the year, the following cases were pending in the Su-

preme Court: *Sajevic, et al -vs- Greenbrier Home, Inc.*; *Blom -vs- Madsen's Enterprises Corp.*; *Bartell, et al -vs- National Valve and Mfg. Co.*; *Hansen -vs- Commissioner and Continental Can Company*; *Peck, Incorporated -vs- Derdoski*.

Historical Review

Long-Term Developments:

State Employment Service

From the 1930's through the 1950's, the main business of the State Employment Service was to help jobseekers find suitable employment and to assist employers find qualified workers. However, by the 1960's, certain structural and economic problems affecting labor market operations and labor utilization were becoming of more concern to society. Technological change introduced new occupations and obsoleted others (mainly the unskilled) on a magnitude not experienced since the advent of industrialization and modern methods of mass production. Older workers were having difficulty finding jobs while millions of youth born in the early years after World War II were entering the job market for the first time with little or no skills. Additionally, the existence of poverty and racial discrimination became matters of national concern and new government programs were set up at the national level to mitigate against, and provide corrective action to, the problems brought on by the changing economy and social structure.

To meet these problems, the U.S. Department of Labor established programs which emphasized assistance to the older worker, the youth, the unskilled, the non-white, the disadvantaged and other groups requiring special attention. Each program was set up independently of the other and administration of these programs was delegated to the State Employment Security agencies throughout the nation. Manpower revenue sharing was introduced in 1973 to decategorize programs, provide more coordination of effort and introduce local control over the provision of manpower services, to assist individuals in becoming more productive and gainfully employed. Whether the objectives of decentralization can be realized will depend on the ability of local governments and various servicing agents not only to harmonize operations to bring about the effective coordination of decategorized programs, but to recruit and retain competent staff to perform the diversity of functions required to ensure success.

Unemployment Compensation

While the concept of unemployment compensation received wider public acceptance in the United States in the early 1930's as millions of wage earners found themselves out of a job, it was still sufficiently controversial to almost block passage of the Social Security Act of 1935 which included a provision for the payment of benefits to the jobless. To create a fund from which to pay unemployment compensation benefits, Title IX of the Social Security Act levied a tax on firms that employed eight or more workers. However, the Act also provided that if the states passed unemployment compensation legislation which met federal standards, 90 percent of the federal tax would be forgiven. Funds were

also to be provided to the states to administer the program.

By 1937, every state had adopted unemployment compensation legislation which met federal standards, creating a nationwide system of paying benefits to those involuntarily unemployed who had worked in covered employment. Initially, Minnesota went beyond the federal standard and provided coverage to firms with one or more workers. In 1940, coverage was reduced by exempting firms that employed between one and eight workers in all but the 14 largest cities in the State.

In 1940, the federal law was changed in two respects, resulting in lower employer taxes. First, a taxable wage limit of \$3,000 per covered worker was established. Second, the states were allowed to devise experience rating systems to replace the existing flat tax as a method of financing benefits. Most of the states soon changed the laws to permit employer taxes to be conditioned by unemployment benefits charged to individual or group accounts.

During the 1940's, low unemployment benefits and rising tax contributions as a result of expanding employment led to a rapid growth in the unemployment compensation fund level in Minnesota, as elsewhere. Also, the fact that benefit levels did not keep pace with the growth in wage levels resulted in low withdrawals from the fund. For example, between 1940 and 1953, the average weekly benefit as a percent of the average weekly wage in Minnesota slipped from 39 percent to 26 percent. As a result of this fortuitous combination of circumstances, the Minnesota fund climbed to \$122,000,000 by 1949. At that time, tax schedules were revised to reduce revenues, but the fund continued to climb, albeit modestly, for the next four years.

The 1958 and 1961 recessions put a severe drain on the fund. By 1965, it became imperative to raise the taxable wage ceiling to \$4,800 and to increase all tax rates in order to replenish reserves. Subsequent revisions in the minimum tax rate have been necessary to assure fund adequacy, but the taxable wage ceiling has remained at \$4,800. Suggestions have been made to set the taxable wage ceiling as a percentage of average wages, but legislative action has not been conducive to such a change.

Revisions in coverage have come piecemeal over the years, often instigated by federal legislation which, seemingly, has been induced by revisions in coverage in the Old-Age, Survivors, Disability and Health Insurance (OASDHI) program at the federal level. In 1954, Congress revised the coverage of unemployment insurance by extending the federal tax to firms employing four or more workers and the states, in turn, amended their laws accordingly. However, certain classes of workers (agricultural, nonprofit, and State and political subdivisions) continued to be exempted from coverage in most states. In 1957, Minnesota became one of the first states to expand coverage to State government employees and to

permit political subdivisions to cover workers. In later years, other states have also amended their laws to provide coverage to these groups.

The most significant changes in program coverage since its inception were brought about by the Employment Security Amendments of 1970. This federal legislation required the states to initiate unemployment compensation coverage to: (1) all firms with a payroll of \$1,500 or more in a calendar quarter, (2) nonprofit organizations employing at least four workers (except churches, schools and sheltered workshops), and (3) state hospitals and institutions of higher education. These requirements became effective in 1972. The Law also established a permanent program of extended benefits which would automatically "trigger-in" when the unemployment rate reached specified levels.

Coverage of agricultural workers on a selected basis was introduced in and adopted by the Minnesota Legislature in 1973, based on a feasibility study of coverage by the Department's research staff in 1970 and 1971. Firms employing eight or more workers for at least 20 weeks in a calendar year were covered beginning January 1, 1974. Other revisions in the Law have dealt with raising maximum benefit levels, liberalizing requirements for benefits and adjusting the minimum tax rate to accommodate fund level requirements.

Ten-Year Review:

Labor Market Conditions

Economic conditions in both the nation and Minnesota were, on the whole, favorable over most of the 10-year period. Income and employment showed significant gains and made it possible to absorb a rapid expansion of the labor force into productive employment. Gross National Product (GNP), in constant 1958 dollars, grew by 52 percent between 1963 and 1973, with all major components of the national income accounts, except federal expenditures in the latter years, reflecting increased activity. Except for the years 1970 and 1971, consumer spending generally provided the stimulus for growth, although federal military spending produced an added elixir in the years 1964 through 1969.

Long-term trends in man-hour productivity were mixed. Generally speaking, industries with new technology and growing product markets showed above average growth in man-hour productivity while older, more stable industries experienced reductions in productivity growth. Overall, wages rose faster than productivity over the decade so that unit labor costs in the private sector were higher at the conclusion of the decade.

Real labor income and per capita personal income reflected the favorable economic conditions that prevailed over the decade in spite of rising consumer prices. For the United States, average hourly wages of production

workers in manufacturing rose by 65.4 percent over the period 1963 to 1973, while the Consumer Price Index rose by 45 percent leaving production workers with a net gain of 14.1 percent in earnings. Minnesota production workers experienced a somewhat similar gain in real earnings, roughly 13.2 percent. In per capita personal income, Minnesota showed a slightly faster rate of growth than that for the nation. However, the State per capita income still remained nominally lower than the average for the United States at the close of the decade.

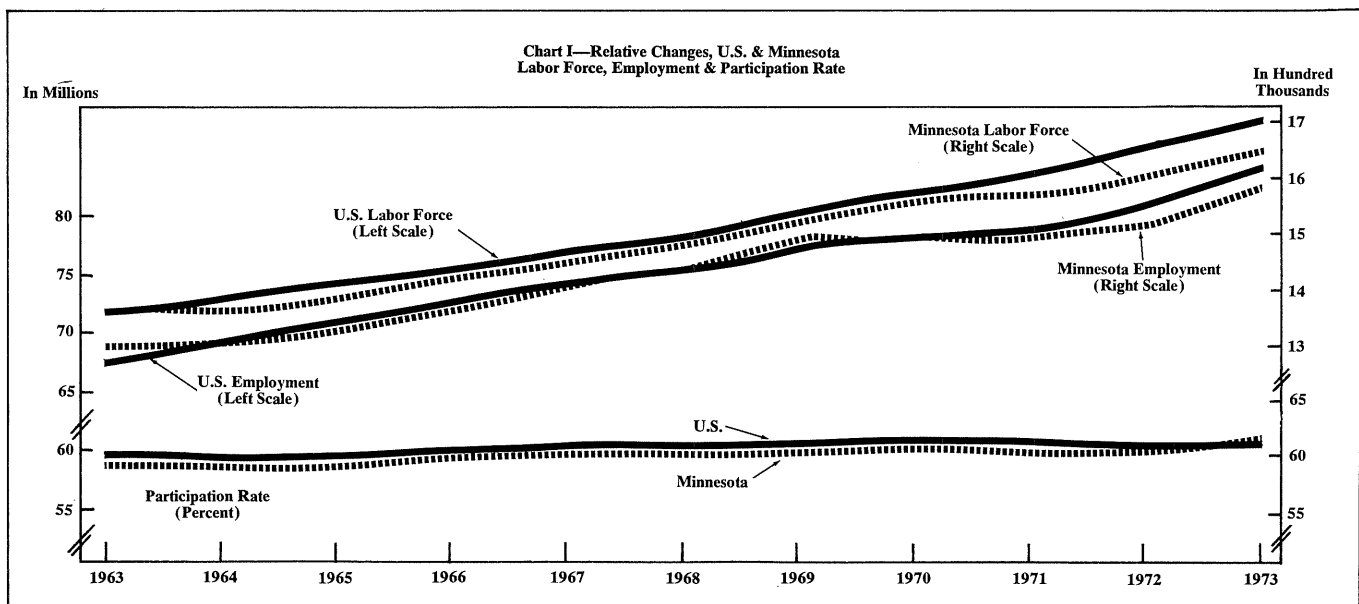
Both the labor force and employment grew moderately faster in the nation than in the State during the period under review, largely because of a shift in labor market conditions in the three-year period 1970 through 1972. Virtually all of the national gain over that of Minnesota occurred after 1970, when the earlier buoyancy of the State's economy suffered severely during the 1970-1971 recession. Recovery came slower in the State, but by 1973 Minnesota employment growth again outstripped that for the nation.

Chart I and Table I show how United States and Minnesota labor force, employment and unemployment behaved over the period 1963 to 1973. Chart I shows how slightly higher participation rates for the United States have contributed to the faster growth in the nation's labor force. Population growth in the age category 16 to 65 years was roughly the same between the nation and the states.

Over the past 10 years, roughly 6 out of 10 persons in the working age group were either working or seeking work. Also, the composition of the labor force materially changed, as the infusion of women and youth became more pronounced. The proportion of all women in the nation 16 to 65 years of age who are in the labor force

Table I
Unemployment Rates

	Annual Average Rate	
	U.S.	Minn.
1963	5.7	5.0
1964	5.2	4.8
1965	4.5	3.9
1966	3.8	3.1
1967	3.8	3.0
1968	3.6	3.1
1969	3.5	2.9
1970	4.9	4.4
1971	5.9	5.9
1972	5.6	5.6
1973	4.9	4.7



has grown to 51 percent from 39 percent in 1963. At the same time the proportion of women in the total labor force rose from 34 percent to over 38 percent. This same pattern of change was experienced in Minnesota as reflected in census data for 1960 and 1970.

Industry, Occupational Trends

Although total employment grew faster in the United States during the 10-year period 1963 to 1973, Minnesota's nonagricultural wage and salary employment rose by 41 percent, compared with 33.3 percent growth for the nation. This more favorable gain in wage and salary employment was, in a large measure, attributable to the more rapid increase in jobs in the manufacturing sector in the State which grew by more than twice the rate (34.5 percent to 16.6 percent) of the United States. In the durable goods sector, Statewide manufacturing employment rose even faster than that of the nation (53 percent as compared with 21 percent).

The fastest growth in employment for the decade, in both the State and the nation was in the services sector, which showed a gain of 69 percent and 54.5 percent, respectively. On the other hand, mining and quarrying activity experienced the greatest relative declines of any industry both nationally and statewide. Agricultural employment also showed substantial declines, but the effect in Minnesota was more pronounced because of its greater weight in total economic activity.

Since the end of World War II, there has been a greater diffusion of industry throughout the country. Many states, including Minnesota, have become more representative of the national economy in their industry mix and sources of income and employment. In Minnesota, manufacturing activity as a portion of total employment rose from 16.6 percent in 1960 to 20.0 percent in 1970, whereas in the nation it fell from 25.5 percent to 24.7 percent. In addition, the distribution of employment in industry is showing a larger portion of persons in wage and salaried jobs than 10 years ago. Table II gives a comparative distribution of nonagricultural wage and salary employment for the United States and Minnesota by broad industry categories for 1963 and 1973. Further long-term shifts in industry employment will, no doubt, take place as consumer demand shifts more toward services, and productivity differences between sectors reflect the increased substitution of capital for labor.

Rates of employment growth for selected occupations also reflect changes in labor demand conditions triggered by changes in economic activity. During the decade 1963 to 1973, for both the United States and Minnesota, employment of professional and technical workers increased at a faster rate than for any other major category of workers. Clerical and service worker employment ranked second in terms of rate of growth. In all three categories, Minnesota experienced a slightly more rapid rate of increase in employment. In the other major occupational

Table II

Distribution Of Nonagricultural Wage And Salary Employment By Broad Industry Groups

Industry	Minnesota % of Total		United States % of Total	
	1963	1973	1963	1973
Total Nonfarm	100.0	100.0	100.0	100.0
Manufacturing	24.2	23.0	30.0	26.2
Durable	12.2	13.3	17.0	15.4
Nondurable*	12.0	9.8	13.0	10.8
Mining and Quarrying..	1.4	1.0	1.1	0.8
Construction	5.3	4.7	5.2	4.8
Transportation, Public Utilities.....	7.8	6.3	6.9	6.1
Trade	24.2	24.5	15.3	16.2
Finance, Insurance and Real Estate.....	5.2	4.9	5.1	5.4
Service	14.9	17.7	14.7	17.0
Government	17.1	17.7	16.3	18.1

*U.S. excludes tobacco products.

Table III

**Distribution Of Occupational Employment
Selected Occupations 1960, 1970, 1980
As A Percentage Of Total Employment¹**

Occupation	Minnesota			United States		
	1960	1970	1980 ²	1960	1970	1980 ²
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0
Professional and Technical.....	11.9	16.4	18.5	11.8	14.8	16.3
Managers and Proprietors.....	8.6	8.0	7.7	8.8	8.3	10.0
Clerical and Kindred.....	14.3	17.3	18.4	15.1	18.0	18.2
Sales	7.7	7.2	7.6	7.6	7.1	6.3
Crafts	12.6	12.5	12.4	14.2	13.9	12.8
Operatives	14.3	14.8	14.3	19.3	17.6	16.2
Service Workers	11.4	12.9	14.1	11.7	12.8	13.8
Laborers	4.0	3.5	2.8	5.0	4.4	3.7
Farmers and Farm Workers....	14.6	7.3	4.1	6.4	3.1	2.7

¹Figures are based on the 1960 and 1970 censuses; they may not add due to rounding.
²1980 Minnesota data are projections developed by the Research and Planning Branch, whereas 1980 U.S. data are estimates of the Bureau of Labor Statistics, U.S. Department of Labor.

categories, State and national growth patterns were not as comparable, although similarity in the direction of change was fairly general. For example, while the employment of farmers and farm workers declined by 39 percent in Minnesota, it fell by only 31 percent in the United States. Again, Minnesota experienced fairly strong growth in the number of operatives and crafts, while the nation showed only modest growth in these categories. The growth rates reflect shifts that are occurring in the composition of occupational employment. In some instances, the distribution of occupational employment in Minnesota represents a convergence of industry in the State to that of the nation but in other cases, it appears that diverging trends are at work. For example, the employment of operatives shows a convergence between national and State staffing patterns, whereas in the case of managers, the converse is evident. Table III gives the distribution of employment for selected occupations for the United States and Minnesota for the years 1960 and 1970. This table is suggestive not only of the patterns of convergence and divergence that are taking place, but the relative gains in employment growth that took place between 1960 and 1970.

In addition to Table III, Tables IV, V, VI and VII are provided to show how the changes in economic activity and technology have affected occupational employment growth in the period 1960 to 1970 and the foreseeable changes expected to occur between 1970 and 1980. For example, rapid decline in the rate of employment growth for elementary school teachers is primarily demand induced whereas the shift in growth for compositors and typesetters stems from changes in technology.

Labor Surplus Areas

Since 1962, federal legislation focusing attention on unemployment problems in economically distressed areas has been far-reaching. Almost every major federal agency is involved in one way or another with administering some program which has as its purpose the promotion of economic development and job opportunities in economically distressed areas. Assistance usually takes the forms of grants or low interest loans, either to local public or private agencies, technical assistance in formulating development plans, and contract preference to firms or establishments conducting business in the distressed area.

Qualification for federal assistance has usually been contingent upon the severity of unemployment as measured by the unemployment rate of a defined labor market, generally the county or Standard Metropolitan Statistical Area (SMSA). The two most predominant classification schemes used for determining the type and amount of aids for which an area is eligible are: "substantial unemployment" and "persistent unemployment." To be so designated, an area must have experienced or must be expected to experience an unemployment rate of six percent or more for one or more years.

In 1963, 26 Minnesota counties, all located in the northern half of the State, were designated as labor surplus areas based on an unemployment rate of six percent or more. Between 1964 and 1971, the number of counties so designated fluctuated between 17 and 29, but in 1972 and 1973, the number rose to 41 and 39, respectively, as unemployment spread to other areas

Table IV

1960-1970
Rapid Growth Occupations
For Minnesota

Occupation	% Change in Employment 1960-1970
Economists	252.3
Teachers, College	187.5
Personnel and Labor Relations	179.4
Engineers, Metallurgical	143.4
Airplane Pilots, Navigators	138.0
Biological Scientists	114.6
Designers, except Drafting	104.8
Teachers, Other	100.5
Psychologists	97.3
Technicians, Medical, Dental	91.9
Engineers, Industrial	91.5
Asbestos, Insulation Workers	90.4
Social and Welfare Workers	89.9
Attendants, Hospital, Other	85.3
Cashiers	85.3
Air Traffic Controllers and Radio Operators	80.7
Teachers, Secondary	79.7

Table VI

Projected
Rapid Growth Occupations
For Minnesota

Occupation	% Change in Employment 1970-1980
Airplane Pilots, Navigators	92.6
Engineers, Industrial	74.9
Nurses, Practical	70.1
Attendants, Hospital, Other	69.7
Technicians, Medical, Dental	69.3
Personnel and Labor Relations	68.2
Bank Tellers	65.2
Accountants and Auditors	61.2
Photoengravers, Lithographers	59.2
Office Machine Mechanics	57.0
Psychologists	56.9
Office Machine Operators	56.8
Credit Officers	55.2
Physicists	53.8
Patternmakers, Metal and Wood	49.4
Economists	48.4
Engineers, Electrical	47.0

Table V

1960-1970
Slow Growth Occupations
For Minnesota

Occupation	% Change in Employment 1960-1970
Plasterers	-51.8
Farmers and Farm Workers	-40.3
Private Household Service Workers	-31.1
Locomotive Engineers	-29.2
Conductors, Railroad	-27.3
Brakers, Switchers, Railroad	-26.3
Blacksmith, Forge, Hammer Workers	-19.6
Upholsterers	-18.5
Power Station Operators	-11.7
Painters and Paperhangers	-10.5
Office Machine Mechanics	- 6.4
Veterinarians	- 6.2
Postmasters and Assistants	- 3.7
Bakers	- 3.1
Compositors and Typesetters	- 2.6

Table VII

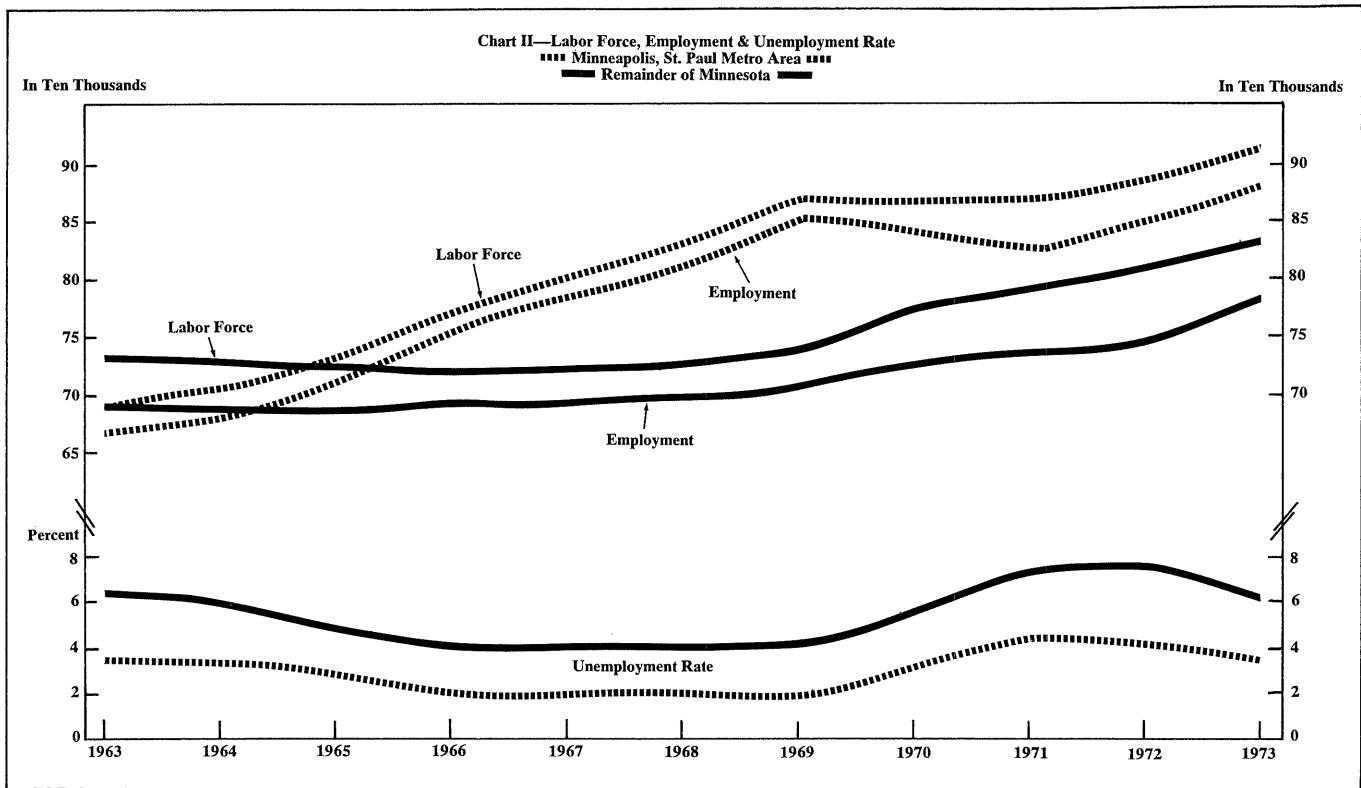
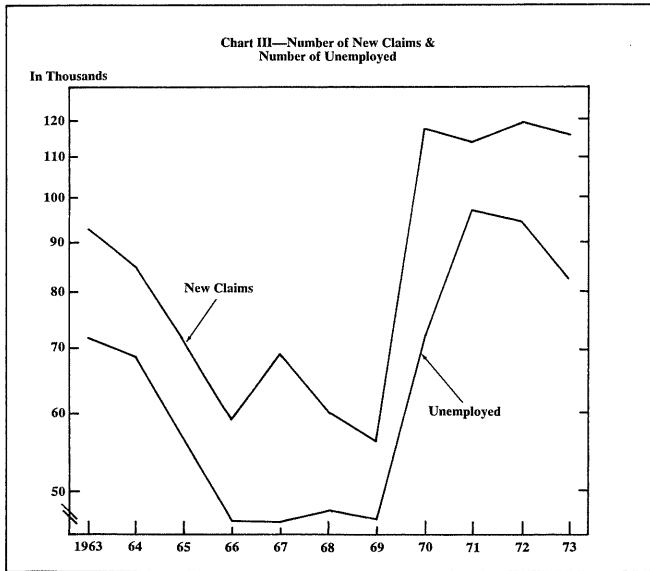
Projected
Slow Growth Occupations
For Minnesota

Occupation	% Change in Employment 1970-1980
Farmers and Farm Workers	-32.9
Inspectors, other than Log, Lumber	-27.1
Teachers, Elementary	-16.1
Postmasters and Assistants	-15.9
Agricultural Scientists	- 6.0
Railroad and Car Shop Mechanics	- 5.0
Boilermakers	- 4.5
Laborers, except Farm and Mine	- 4.2
Brakers, Switchers, Railroad	- 2.5
Locomotive Engineers	- 1.7
Plasterers	- 1.4
Officers, Pilots, Engineers, Ship	- 1.1
Conductors, Railroad	- 0.6
Clergy	0.1
Teachers, Secondary	0.2

of the State. However, even then, these counties were located predominantly in the northern half of the State, indicating that the favorable economic conditions which had prevailed for most of the 10-year period 1963 to 1973, along with eligibility for special federal assistance, produced only nominal improvement in labor market conditions in Minnesota's economically distressed areas. Similar conditions prevailed in the neighboring states of Wisconsin and Michigan. Obviously, such conditions would do little to deter the movement of labor from these areas to those where job prospects were better. Thus, the past decade witnessed further growth in the Minneapolis-St. Paul SMSA labor market largely at the expense of the Outstate Area.

Twin Cities, Remainder Of State

Due primarily to declining opportunities in agricultural work, along with stagnating employment in the other extractive industries, employment growth outside the Minneapolis-St. Paul SMSA increased at less than half the rate of the Twin Cities over the past decade. Between 1963 and 1973, the Minneapolis-St. Paul SMSA's share of total state employment rose from 49.3 percent to 53 percent, and would probably have risen by more had not the 1970-1971 recession temporarily dampened employment growth. The Twin Cities Metropolitan Area also experienced substantially lower rates of unemployment, 3 percent on average, compared with 5.5 percent for the remainder of the State, over the 10-year period.



Moreover, the visitations of seasonal unemployment were much less pronounced in the Minneapolis-St. Paul SMSA. Chart II shows how employment growth and unemployment behavior has differed between the Metropolitan and Outstate areas.

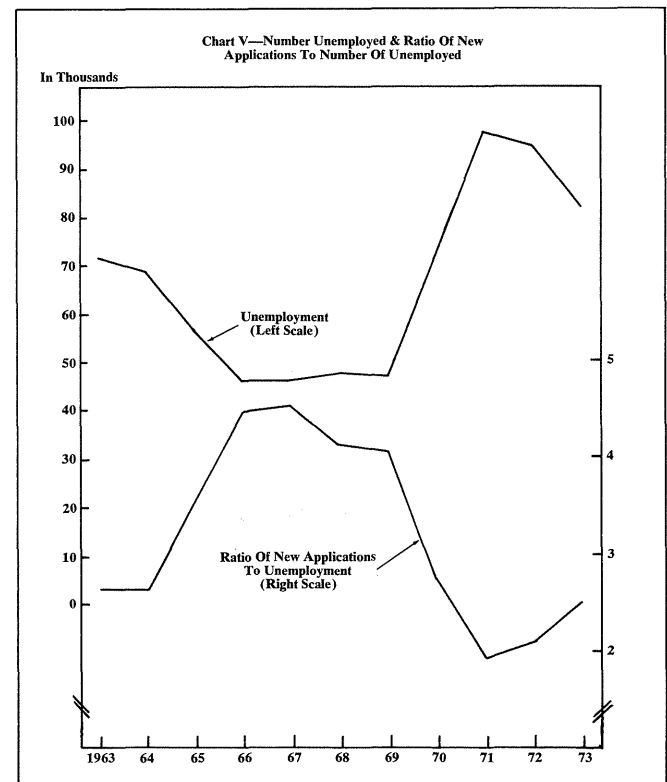
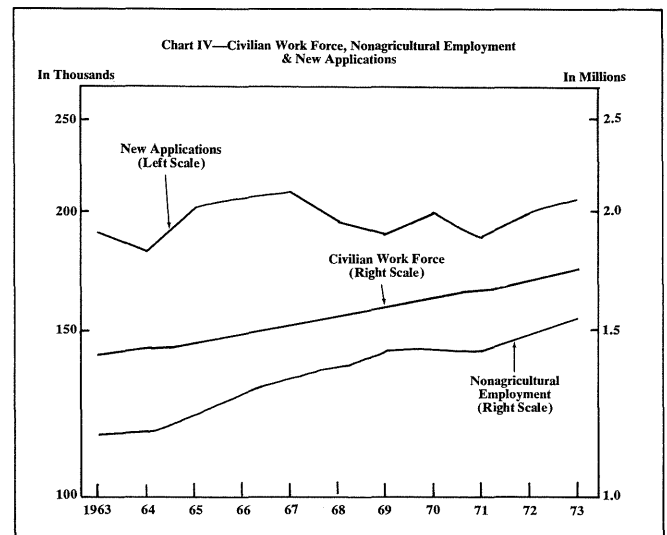
The Outstate Area has not, however, been devoid of any gains. In recent years, manufacturing activity and employment outside the Minneapolis-St. Paul SMSA have grown at a rate faster than that of the Metropolitan Area. This growth has been particularly significant in the durable goods industry in which Outstate employment grew by 63 percent over the decade, compared to only a 32 percent gain for the Metropolitan Area. Of course, a larger percentage increase is easier to attain on a smaller base, and, therefore, may overstate the case. Still, if, these trends persist, they can provide an improved base for the growth of trade, finance, and utilities and the attendant gains in income and employment.

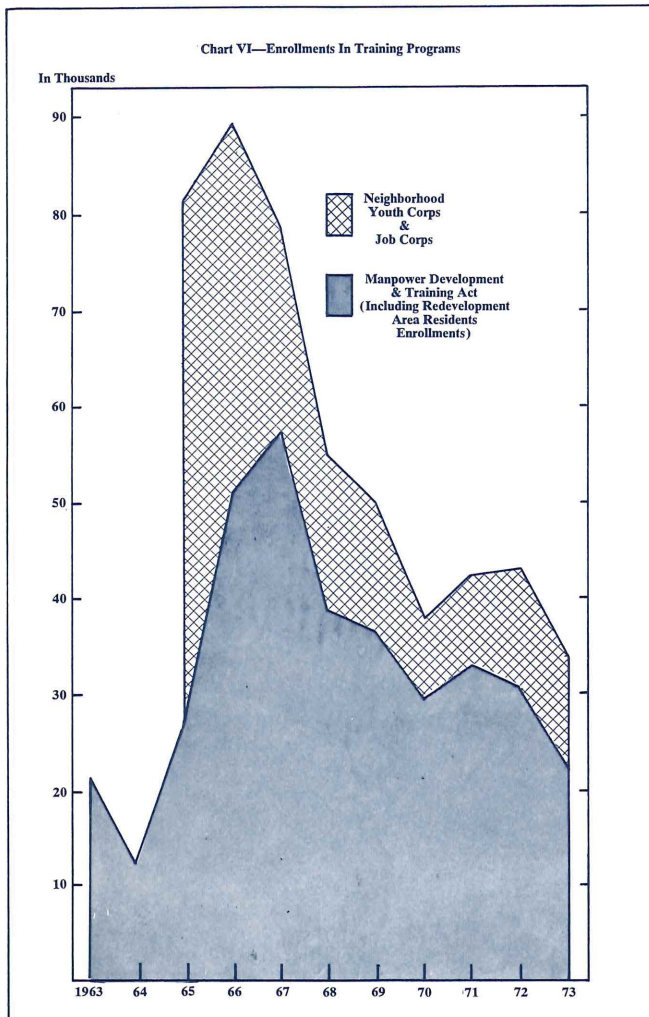
Employment Service Activities

The activities of the Employment Service during the past decade have been affected by a number of trends, both economic and programmatic. In order to visualize some of the effects of these trends, a number of *activities* and key *ratios* are presented in a graphical format. As will be noted, many of the *activities* have been charted in groups of two or three using a logarithmic scale. This technique allows one to compare quickly rates of change between two or more activities and to infer possible relationships (i.e., activities which display parallel patterns have experienced equal *rates* of change).

As would be expected, certain activities followed basic economic conditions very closely. A good example is new claims which, as Chart III shows, neatly paralleled the level of employment for the past 10 years. Also, as shown by Chart IV, nonagricultural employment growth paralleled the growth in the civilian work force to a very substantial extent (a shift from agricultural to nonagricultural employment explains the small relative increase in the nonagricultural employment curve during the 1960's). However, what is of interest, and not necessarily expected, is the degree to which the growth in new job applications matched that of nonagricultural employment. In addition, the occupational mix of the applicants has not varied substantially over the years. These facts seem to indicate that the Department has managed to maintain its "share" of the labor supply. Surprisingly, the number of new applications was essentially *unaffected* by unemployment, as witnessed by the almost perfect inverse relationship between unemployment and the ratio of new applications to unemployment. (Chart V shows how the rise in unemployment caused a similar decrease in the ratio of new applications to unemployment.)

In the early and middle 1960's, the Department became heavily involved in programs of employability develop-





ment for youth and the disadvantaged. Primary legislation behind the attempts made to alleviate these pockets of structural unemployment were the Manpower Development and Training Act of 1962 and the Economic Opportunity Act of 1964 (Job Corps, Neighborhood Youth Corps and Concentrated Employment Program). Chart VI shows the total number of training enrollments which resulted from these Acts. As can readily be observed, the years 1965-1967 represent the high point for this type of activity. (In July 1969, the Department commenced enrolling individuals in the Work Incentive program, a philosophically more sophisticated program which contains, but is not limited to, training techniques.) These programs, which recruited in large part through special Youth Opportunity Centers (YOC's), combined with a tremendous growth in the youth population to effect a rapid rise in the proportion of youth applications and nonagricultural placements during these same years. Furthermore, the program's referral and selection processes made heavy demands on Department counseling and testing resources.

Unemployment Compensation:

Coverage

The growth in unemployment compensation (UC) coverage generally paralleled the growth in nonagricultural employment up to 1972 (see Table VIII). In 1972, coverage was sharply expanded by the inclusion of: (1) all firms, unless exempt by activity, that had a payroll of \$1,500 in a calendar quarter, (2) certain nonprofit organizations (mainly services) that employed four or more workers, and (3) all State government employees, except those elected and appointed.

Benefit Amounts

The average weekly benefit payment is the sum of all payments in the year divided by the number of weeks that were compensated. Payments for about five percent of the weeks compensated are reduced because of earnings, retirement pay, and separation pay, but most claimants receive the full amount. Since 1966, the amount of an individual's weekly benefit is calculated at one-half of his previous weekly wage, subject to a maximum. (The maximum was \$38 for new claims filed in Fiscal Years 1958 through 1966, \$47 in Fiscal Year 1967, \$50 in 1968 and 1969, \$57 in 1970 and 1971, \$64 in 1972 and 1973, and will be \$85 in Fiscal Years 1974 and 1975.)

As shown in Chart VII, the average weekly benefit amount has grown from \$24 in 1964 to more than \$55 in 1973, or more than 100 percent. Average weekly earnings, on the other hand, grew only 52.4 percent (from \$103 to \$157) in the same period. Still, the average claimant in 1973 received only 35 percent of his

wage instead of the specified 50 percent which federal legislation has established as the desired goal.

Eligibility For Benefits

Eligibility conditions in the law were changed in July 1966. Before this change, a claimant needed to have earned only \$520 in the first four of the preceding five quarters to be eligible for benefits. After the change, the claimant needed to earn at least \$26 in each of 17 weeks during the year preceding filing in order to be eligible for benefits. These minimums were changed to 18 weeks in 1967 and to \$30 in 1970. The effect of these changes is reflected to some extent in Chart VIII which indicates that a smaller proportion of unemployment was compensated in 1972 than in 1964 (30.5 percent as compared with 37.8 percent). Most of the uncompensated unemployment comprises persons without any work experience.

Total Benefits Paid

Total Benefits paid declined very slightly in 1973 from the peaks reached in 1971 and 1972. Higher benefit levels largely offset the reduction in the number of beneficiaries, leaving the fund level not much better than the year before. The cost rate, which is derived by dividing total benefits paid by total wages paid in covered employment, facilitates comparison of program operations over a period of time by removing the effect of changes in the value of the dollar. Table IX indicates that the cost rate between 1965 and 1969 was extremely low, reflecting the buoyancy that prevailed in the labor market in Minnesota during this period. The recent cost rates, which are substantially higher, are not much out of line with the long-range trend.

Duration

The period for which claimants are eligible to draw benefits varies from 13 to 26 weeks, depending on how many weeks they have worked. The average potential is about 23 weeks. The average duration is computed by dividing the total weeks paid in a year by the number of persons who received benefits. Table X indicates that duration declined slightly in 1973 while the number of beneficiaries increased. This table also indicates that the greater volume of unemployment in the 1970-1971 recession was caused more by the greater number of persons unemployed than by longer spells of unemployment, even in the face of extended benefits paid during the recent downturn.

Contributions

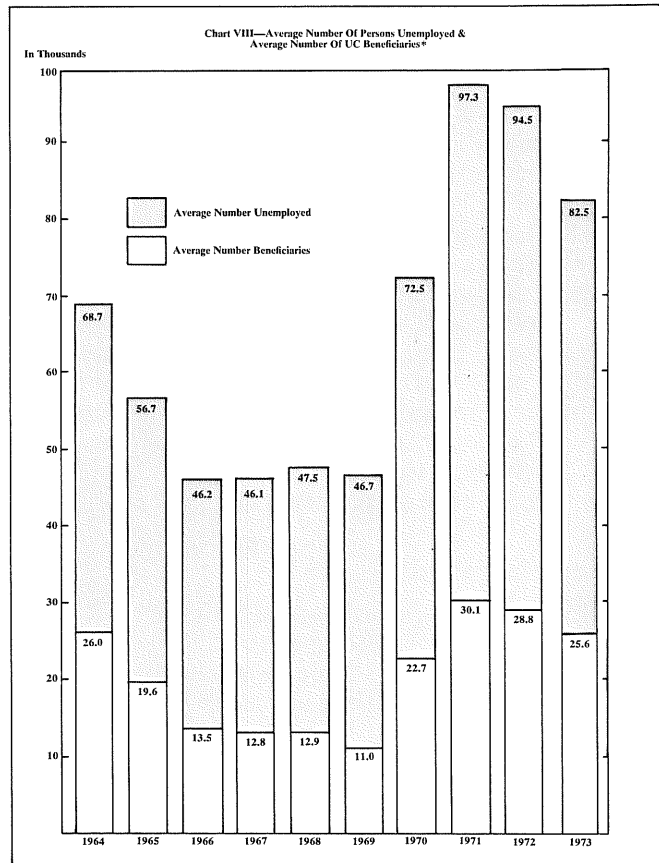
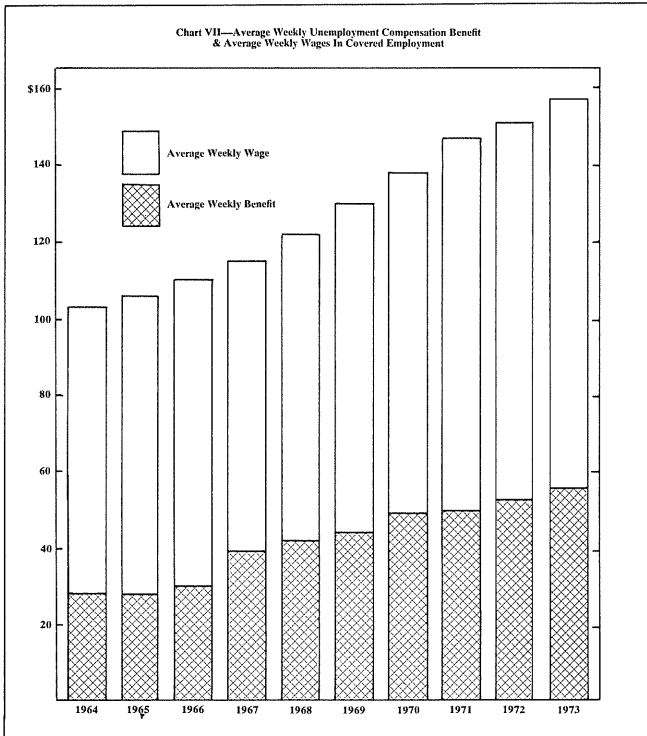
Contributions exceeded benefits in 1973 for the first time since 1969. The average tax rate (contributions divided by taxable wages) rose in 1972 and 1973 because of larger benefit charges in 1971 and 1972. Yet, even after the recession, contributions remained below

Table VIII

**Covered As A Percentage Of
Total Employment, By Industry**

Industry	1964	1972*
Total Nonfarm Employment.....	76.7%	85.1%
Mining	100.0	100.0
Construction	94.8	100.0
Manufacturing	99.1	100.0
Transportation, Communications and Public Utilities	96.2	100.0
Trade	94.1	100.0
Finance, Insurance and Real Estate..	95.2	100.0
Services, Agriculture, Forestry and Fisheries.....	53.7	89.1
Federal, State and Local Government	33.4	33.2

*Current Employment Statistics are subject to revision.



one percent of total payroll, a continuation of a condition that has been existent since 1948.

Nonprofit organizations, which came under coverage in 1972, have the option of paying a tax rate based on experience or of reimbursing the fund for benefits paid to their workers. In 1973, they reimbursed the fund in the amount of \$328,033 or less than .5 percent of total contributions. This is indicative not only of the small number of persons involved in this area of coverage, but also of a favorable experience in the incidence of compensable unemployment.

Each employer's tax rate schedule comprises a minimum rate plus a rate which will recover benefits charged to his account, subject to a maximum of 4.5 percent. This rate is applied to taxable wages. Since the taxable wage base is currently set at \$4,800 per worker, and most workers earn over that, taxable wages are not growing as fast as total wages. In fact, taxable wages in the future will only increase in proportion to the gain in the number of workers employed. Before 1966, taxable wages were limited to \$3,000 a worker and, therefore, the tax contributions are not comparable with the years thereafter. Table XI shows how total tax receipts were steady between 1966 and 1971 even though the tax rate dropped because taxable wages were growing. This reflects growth in employment and aggregate taxable payroll.

Fund Balance

The purpose of the fund is to smooth out the fluctuations in the contribution rate that would be required under a "pay as you go" system. In 1964, the fund level was close to zero, but gradually recovered with the low benefit payout of the late 1960's and the restructuring of the tax formula in 1966. During the brief 1970-1971 recession, the fund was able to weather a decline in income while benefits payments surged. Legislative changes made in 1973 are expected to permit the fund to grow sufficiently in more prosperous years so that larger benefit payments can be sustained in less prosperous years without drastic changes in contribution rates.

A statistical supplement to the
1973 ANNUAL REPORT
can be obtained by writing the
Research and Planning Branch

**Minnesota Department of
Employment Services**

390 North Robert Street
St. Paul, Minnesota 55101

Table IX

Unemployment Compensation

Year	Benefits	Cost Rate*
1964	\$36,763,503	0.90%
1965	28,045,197	0.63
1966	20,234,080	0.41
1967	24,758,870	0.46
1968	26,760,332	0.45
1969	23,743,125	0.36
1970	53,059,456	0.75
1971	70,333,686	0.95
1972	70,585,104	0.80
1973	68,956,409	0.70

*Cost rate is a percent of total wages.

Table XI

UC Contributions

Year	UC Net Contributions	Contributions as Percent of Taxable Payroll
1964	\$28,932,847	1.38%
1965	32,355,252	1.44
1966	42,829,326	1.31
1967	44,079,630	1.27
1968	43,455,716	1.18
1969	46,483,817	1.17
1970	46,562,871	1.16
1971	42,429,741	1.06
1972	60,395,359	1.38
1973	74,643,475	1.59

Table X

UC Beneficiaries, Duration

Year	Number Receiving One or More Payments	Average Duration (Weeks)
1964	84,565	14.9
1965	67,463	14.2
1966	52,023	12.9
1967	49,074	13.0
1968	53,650	12.0
1969	47,003	11.7
1970	90,624	12.0
1971	100,383	14.0
1972	92,632	14.4
1973	94,404	13.2

Table XII

UC Fund Balance

Year	Balance December 31	Balance as Percent of Total Wages
1964	\$ 22,825,052	0.56%
1965	27,536,881	0.62
1966	51,285,977	1.04
1967	72,314,534	1.35
1968	92,169,603	1.55
1969	118,983,477	1.79
1970	117,680,265	1.66
1971	90,815,418	1.23
1972	81,122,122	0.92
1973	90,857,451	0.93

Directory Of Programs

Employability Development

- Concentrated Employment Program
- Counseling
- Federal Bonding Program
- Job Corps
- JOBS Optional Program
- Manpower Development and Training
- Military Experience Directed into Health Careers
- Neighborhood Youth Corps
- Pilot Center Project
- Reservation Representatives
- Work Incentive Program

Employer Services, Placement

- Apprenticeship Information Centers
- Community Employment Development
- Employer Services Program
- Foster Grandparents
- Green Thumb, Green Light
- Interarea Recruitment Service
- Immigration Services
- Job Bank System
- Job Opportunities in the Business Sector
- Job Placement
- Mandatory Job Listing
- Manpower Matching
- Manpower Operations Data System
- National Alliance of Businessmen
- Older Worker Specialist Training
- Operation Mainstream
- President's Program for Veterans
- Professional Office Network
- Rural Manpower Services
- Senior AIDES Program
- Services to Handicapped
- Services to Minority Groups
- Services to Older Workers
- Services to Veterans
- Services to Youth
- Testing
- Work Study

Administrative, Technical Support

- Area Manpower Planning Boards
- Career Information Program
- Community Action Programs
- Current Employment Statistics Program
- Defense Manpower Policy No. 4
- Emergency Manpower Mobilization
- Employment Security Automated Reporting System
- Job Openings Labor Turnover Statistics Program
- Occupational Employment Statistics Program
- Public Works and Economics Development Act
- Test Research Program
- Trade Union Relations

Income Maintenance

- Unemployment Compensation
- Unemployment Compensation for Federal Employees
- Unemployment Compensation for Ex-Servicemen
- Unemployment Compensation for State Employees
- Unemployment Compensation Interstate Agreements
 - Interstate Claims
 - Basic and Extended Combined-Wage Claims
- Automotive Products Tariff Act
- Disaster Unemployment Assistance
- Food Stamp Program
- Manpower Development and Training Allowances
- Trade Expansion Act
- Work Incentive Program Allowances

Unemployment Compensation Benefit Claims And Payment Activity

	Received	NEW CLAIMS Determined		Number of Weeks Paid	Gross Amount of Benefit Payments	Number of First Payments Made	Number of Beneficiaries Who Exhausted Benefits
		Valid	Invalid				
1973	122,985	106,482	19,838	1,246,724	\$69,136,514	94,404	29,876
1972	131,133	113,529	16,854	1,331,513	70,700,501	92,632	34,171
1971	126,705	112,095	16,032	1,406,023	70,334,338	100,383	37,809
1970	128,076	110,902	11,305	1,085,000	53,085,116	90,624	23,035
1969	66,042	57,653	5,808	549,203	23,771,130	47,003	11,564
1968	69,736	63,971	7,983	641,426	26,825,181	53,650	13,613
1967	82,035	65,689	10,901	637,280	24,852,340	49,074	11,297
1966	72,701	63,202	8,312	673,325	20,341,080	52,023	8,422
1965	88,750	80,303	8,733	961,265	28,253,611	67,463	15,215
1964	105,495	94,732	11,392	1,258,845	37,046,131	84,565	22,010
1963	113,677	102,867	12,086	1,330,099	39,042,576	90,769	23,373
1962	115,128	100,892	13,461	1,277,326	36,852,706	88,042	23,848
1961	126,933	110,724	15,600	1,576,385	45,986,454	99,859	31,828
1960	117,333	104,300	12,697	1,277,092	36,264,304	89,954	21,626
1959	109,279	95,001	15,446	1,167,196	32,342,689	80,756	22,533
1958	130,613	114,709	16,192	1,662,689	47,462,166	103,947	33,919
1957	101,204	88,172	11,103	995,613	24,862,524	76,859	15,399
1956	91,129	79,795	11,574	876,189	20,686,559	68,584	13,925
1955	88,333	74,630	14,190	985,286	21,844,561	67,279	18,559

Employment Activities In The Offices Of The Department

	New Applications		Counseling		Openings Received		Nonagricultural Placements		Agricultural Placements		MDTA Enrollments	
	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972	1973	1972
	STATE TOTAL	205,892	198,804	32,158	36,863	151,926	149,990	85,693	70,752	15,881	14,815	2,252
TWIN CITIES AREA	88,323	86,394	21,079	22,434	90,043	98,105	41,328	35,065	1,250	386	1,122	1,488
Minneapolis	27,001	29,578	9,779	10,424			17,676	16,887	207	93	540	691
Southside Ctr.	3,124	2,882	114	330			1,030	584	7	8	0	0
Mpls. Pilot Ctr.	1,259	1,420	135	511			379	297	0	0	0	0
St. Paul	32,715	32,407	7,256	7,696			15,580	12,602	913	35	410	684
Laurel-Dale ¹	1,180	1,754	1,198	934			486	380	0	0	120	71
Hopkins	12,344	13,019	2,090	2,310			3,890	3,414	111	246	47	41
Fridley	6,409	5,334	324	229			1,306	901	11	4	2	1
Bloomington ²	4,291		183				981		1		3	
NORTHEASTERN	24,492	24,057	4,077	4,880	14,245	11,602	12,282	9,639	69	159	414	551
Duluth	13,430	14,481	2,699	3,250	7,856	7,471	7,149	6,530	65	143	174	231
Ely	1,052	1,092	171	284	1,037	654	928	587	0	0	78	70
Grand Rapids	2,802	2,311	370	392	1,211	1,005	944	701	4	9	22	52
Hibbing	2,590	2,587	368	436	1,598	968	1,343	719	0	6	109	108
Virginia	3,305	2,626	338	316	1,832	956	1,303	641	0	1	23	70
Int'l Falls	1,313	960	131	202	711	548	615	461	0	0	8	20
NORTHWESTERN	26,833	25,013	1,739	2,707	13,193	11,431	10,040	8,004	1,201	894	161	215
Alexandria	3,123	3,496	161	347	1,953	2,193	1,488	1,584	184	162	11	18
Bemidji	5,479	5,157	299	382	2,272	1,522	1,967	1,210	54	31	19	39
Brainerd	3,503	2,973	220	351	1,460	1,190	1,128	874	13	6	20	38
Crookston	1,972	1,747	227	346	1,050	837	747	419	559	438	25	44
Fergus Falls	2,249	1,757	207	231	1,040	856	820	621	78	78	7	11
Little Falls	2,346	2,334	191	301	907	707	774	614	7	5	2	21
Moorhead	5,574	4,544	173	270	2,711	2,137	1,868	1,314	244	105	30	14
Thief River Falls	2,587	3,005	261	479	1,800	1,989	1,248	1,368	62	69	47	30
SOUTHEASTERN	28,835	24,326	2,218	2,594	13,538	10,818	8,290	6,508	9,461	7,628	142	224
Fairmont	3,672	4,250	330	561	1,531	1,448	930	708	2,374	1,914	10	17
Mankato	8,254	8,318	805	590	4,475	4,192	3,030	2,777	1,145	989	30	39
Marshall	2,004	1,521	170	286	720	532	570	462	577	886	24	23
Montevideo	2,125	1,716	163	161	796	531	599	331	326	469	12	27
New Ulm	2,580	1,777	172	241	1,797	1,150	675	545	984	647	13	45
Willmar	7,720	4,129	315	387	2,941	1,819	1,506	889	2,565	2,015	17	32
Worthington	2,480	2,615	263	368	1,278	1,146	980	796	1,490	708	36	41
SOUTHWESTERN	36,638	37,326	3,030	4,201	20,562	17,461	13,608	11,258	3,848	5,611	413	615
Albert Lea	2,714	3,365	294	514	1,164	1,194	708	736	2,638	4,225	16	33
Austin	2,865	2,875	243	312	1,184	651	1,073	570	53	45	97	218
Faribault	2,247	1,689	370	515	940	1,128	784	603	198	156	148	43
Mora	3,160	3,292	210	288	1,027	724	545	405	23	27	34	134
Owatonna	1,736	2,345	266	371	1,373	1,239	819	760	24	21	10	23
Red Wing	2,333	2,540	231	244	1,164	1,321	924	955	120	37	1	3
Rochester	5,846	5,281	431	725	2,864	2,696	2,174	1,704	5	6	26	57
St. Cloud	9,641	8,509	245	197	5,095	3,469	2,692	1,852	0	0	61	82
Winona	6,096	7,430	740	1,035	5,751	5,039	3,889	3,673	787	1,094	20	22
MOBILE SERVICE ³	771	1,688	15	47	345	573	145	278	52	137	0	0

¹Renamed early 1973.

²Opened early 1973.

³Mobile Service included in Willmar Local Office, beginning October 1973.

Status Of Unemployment Compensation Fund

Year	Contributions Received Net	Interest on Trust Fund	Benefits Paid Net	Balance Available For Benefits
1937-1960	\$352,118,198	\$44,111,823	\$333,382,672	\$ 63,227,801
1961	22,386,419	1,687,024	45,730,347	41,700,287
1962	30,923,483	1,166,291	36,650,252	37,166,812
1963	29,938,713	997,432	38,864,769	29,255,100
1964	28,932,847	817,033	36,763,503	22,825,052
1965	32,355,252	716,987	28,045,197	27,536,881
1966	42,829,327	1,098,647	20,234,080	51,285,977
1967	44,079,630	2,081,690	24,758,870	72,314,534
1968	43,455,716	3,013,308	26,760,332	92,169,603
1969	46,483,817	4,227,619	23,743,125	118,983,477
1970	46,562,871	5,643,617	53,059,456	117,680,265
1971	42,429,741	5,329,876	70,333,686	90,815,418
1972	60,395,359	3,934,240	70,585,104	81,122,122
1973	74,643,474	4,010,749	68,956,409	90,857,451

1973 Compromise Settlements Of Employer Accounts

Employer No.	Ownership	Contributions	Interest, Penalties	Court Costs, Sheriff Fees	Payment Received	Compromise Basis Regulation 16
5080-88-98040	Corporation	\$ 755.33	\$ 206.73		\$ 400.00	(b)(2)(aa)
3993-07-58796	Individual	797.64	366.08		797.64	(b)(2)(aa)
5080-88-48123	Corporation		464.95		118.66	(b)(3)(aa)
7390-88-27977	Corporation	3,043.06	577.52		1,792.12	(b)(2)(aa)
5210-60-61548	Individual	838.45	244.16		543.39	(b)(2)(aa)
7940-01-43721	Corporation	477.18	160.62	\$104.50	400.00	(c)
5810-17-41159	Partnership	1,094.24	730.61	25.00	1,109.94	(b)(2)(aa)
6550-88-05571	Corporation		222.92		50.00	(b)(3)(aa)
1760-84-14392	Individual	79.14	222.92	2.00	125.00	(b)(3)(cc)
5410-47-66366	Individual	641.63	190.09		720.00	(b)(2)(aa)
4210-60-07980	Individual	1,373.21	241.32		716.98	(b)(2)(aa)
4210-83-72034	Individual	1,068.19	372.52		750.00	(b)(2)(aa)
6310-88-33690	Corporation		322.89		137.89	(b)(2)(aa)
6140-89-56420	Corporation	323.96	73.99		210.00	(b)(2)(aa)
5460-20-51497	Individual	1,620.17	410.20		825.00	(b)(2)(aa)
5811-27-49188	Corporation	600.37	112.51	43.50	650.37	(c)
4210-06-50795	Partnership	440.33	139.44	24.00	189.29	(b)(2)(aa)
4210-78-54084	Individual	223.89	64.52	22.30	310.71	(b)(2)(aa)
7030-04-83889	Corporation	4,942.88	1,413.04		3,344.33	(b)(2)(aa)
7030-18-05465	Corporation	2,868.19	681.18		1,800.00	(b)(2)(aa)
7940-25-61261	Corporation	1,746.08	465.57		1,250.00	(b)(2)(aa)
8110-89-39185	Individual	309.91	172.79	85.60	350.00	(b)(3)(aa)
7330-55-07372	Individual	368.71	89.64		275.00	(b)(2)(aa)
7390-89-74478	Corporation	503.71	130.65		350.00	(b)(2)(aa)
5960-08-81045	Individual	605.85	464.93	90.00	700.00	(b)(3)(aa)
4211-50-19198	Individual	495.23	1,095.85	69.40	500.00	(b)(3)(bb)
3433-02-06165	Corporation	2,248.22	734.43	60.20	1,501.00	(b)(3)(aa)
1620-74-69622	Corporation	1,455.01	1,315.23	117.90	1,454.30	(b)(3)(bb)
7940-89-98872	Corporation	143.54	38.44		100.00	(b)(2)(aa)
5430-50-03846	Individual	183.23	130.90	17.30	200.00	(b)(3)(bb)
5250-73-84008	Individual	2,178.50	376.15		1,605.34	(b)(2)(aa)
5350-85-50155	Individual	1,287.50	314.82	12.10	500.00	(b)(2)(aa)
1742-71-42455	Individual	1,169.45	908.37	49.30	300.00	(b)(3)(bb)
8640-22-65399	Corporation	1,103.65	279.17		800.00	(b)(2)(aa)
7020-88-59788	Corporation	18,055.82	5,158.50		5,000.00	(b)(2)(aa)
5660-09-52291	Individual	492.36	99.47		400.00	(b)(2)(aa)
7940-88-75084	Corporation	317.20	80.53		300.00	(b)(2)(aa)
8910-27-10779	Corporation	531.23	160.01		250.00	(b)(2)(aa)
5070-88-80560	Corporation	1,944.00	1,472.64		842.33	(b)(2)(aa)
5070-91-80582	Corporation	2,073.60	1,384.82		821.37	(b)(2)(aa)
5070-91-80590	Corporation	1,479.60	922.72		791.84	(b)(2)(aa)
5070-91-80563	Corporation	2,019.60	1,420.88		794.32	(b)(2)(aa)
5070-91-80589	Corporation	561.60	284.82		415.55	(b)(2)(aa)
5070-91-80572	Corporation	1,749.60	1,163.70		821.37	(b)(2)(aa)
5070-91-80576	Corporation	2,235.60	1,509.96		846.28	(b)(2)(aa)
5070-91-80585	Corporation	1,587.60	1,067.71		821.37	(b)(2)(aa)
Totals		\$68,034.26	\$28,460.91	\$723.10	\$36,981.39	

Directory Of Offices

Office	Tel. No.	Counties Served
Albert Lea*	(507) 373-3951	Freeborn
Alexandria*	(612) 763-3188	Douglas, Pope, Stevens
N.W. Minn. WIN ¹	(612) 763-3188	Traverse, Grant, Douglas, Pope, Stevens
Austin*	(507) 433-3457	Mower
Bemidji*	(218) 755-2936	Beltrami, Clearwater, Hubbard, Lake of the Woods, Mahnomen, N. Cass
Rural Minn. CEP ²	(218) 751-8012	Lake of the Woods, Beltrami, Mahnomen, Hubbard, Clearwater
N.W. Minn. WIN	(218) 755-2936	Beltrami, N. Cass, Hubbard, Mahnomen, Clearwater
Brainerd*	(218) 829-2881	Crow Wing, S. Cass
Rural Minn. CEP	(218) 829-2856	Cass, Wadena, Crow Wing, Todd, Morrison
N.W. Minn. WIN	(218) 829-1735	Crow Wing, S. Cass, Morrison, Todd, Wadena
Crookston*	(218) 281-3593	Norman, Polk
Detroit Lakes		
Rural Minn. CEP	(218) 847-9205	Becker, Otter Tail
Duluth		
Employment Service	(218) 722-7491	Carlton, Lake, Cook, S. St. Louis
Concentrated Employment	(218) 727-8973	
N.E. Minn. WIN	(218) 722-6659	S. St. Louis, Carlton
Unemployment Insurance	(218) 722-7491	Carlton, Lake, Cook, St. Louis
Ely*	(218) 365-3177	N.E. St. Louis, N.W. Lake
Fairmont*	(507) 235-5518	Martin, Faribault
Faribault*	(507) 334-5531	Rice, Part of Goodhue
Fergus Falls*	(218) 739-2295	Otter Tail, Wilkin, Grant, Traverse
Grand Rapids*	(218) 326-6669	Itasca, Aitkin
N.E. Minn. WIN	(218) 326-6669	Itasca, Aitkin
Hibbing*	(218) 263-3644	W. Central, N. St. Louis, Itasca
International Falls*	(218) 283-2641	Koochiching
Little Falls*	(612) 632-5427	Morrison, Todd, Wadena
Mankato*	(507) 389-6723	Blue Earth, Waseca, Le Sueur, Nicollet
S. Minn. WIN	(507) 389-6723	Nicollet, Blue Earth, Le Sueur
Marshall*	(507) 537-6236	Lyon, Lincoln, Redwood, Pipestone
Montevideo*	(612) 269-8819	Chippewa, Yellow Medicine, Swift, Lac qui Parle, Big Stone
Moorhead*	(218) 236-2191	Clay, Becker
Rural Minn. CEP	(218) 233-1541	Clay, Wilken
N.W. Minn. WIN	(218) 236-2191	Clay, Wilken, Becker, Otter Tail
Mora*	(612) 679-3611	Kanabec, Isanti, Pine, Mille Lacs, Chisago
Morris**		
Rural Minn. CEP	(612) 589-3900	Douglas, Pope, Stevens, Traverse, Grant
New Ulm*	(507) 354-3138	Brown, Sibley, Watonwan
Owatonna*	(507) 451-5774	Steele
Red Wing*	(612) 388-3526	Goodhue, Part of Wabasha
Rochester*	(507) 288-1756	Olmsted, Dodge, Part of Fillmore
S. Minn. WIN	(507) 288-1756	Olmsted, Dodge, Mower, Fillmore, Houston, Winona
St. Cloud*	(612) 255-3266	Stearns, Benton, Sherburne, Wright
Thief River Falls*	(218) 681-1100	Pennington, Kittson, Red Lake, Roseau, Marshall
Virginia*	(218) 741-6996	N.W. and E. Central, N. St. Louis
N.E. Minn. WIN	(218) 741-6996	N. St. Louis
Willmar*	(612) 235-3222	Kandiyohi, Meeker, Renville, McLeod
Winona*	(507) 457-2950	Winona, Houston, Wabasha, N.E. Fillmore
Worthington*	(507) 376-3116	Nobles, Rock, Murray, Cottonwood, Jackson

*Employment and Unemployment Insurance services.

**Rural Minnesota CEP Services Only.

¹Work Incentive program.

²Concentrated Employment Program.

Above listing includes only full-time offices.

(continued on next page)

Twin Cities Metropolitan Area Offices

Office	Tel. No.	Counties Served
Bloomington		
Employment Service	(612) 884-7405	W. Dakota, S.E. Hennepin, E. Scott
Burnsville	(612) 890-8758	
Unemployment Insurance	(612) 884-8263	W. Dakota, S.E. Hennepin, E. Scott
Fridley		
Employment Service	(612) 786-9851	Hennepin, Anoka
Unemployment Insurance	(612) 786-6040	Hennepin, Anoka
Hopkins		
Employment Service	(612) 935-5521	Part of Hennepin, Carver, Anoka, Scott
Anoka	(612) 427-5440	Anoka
Unemployment Insurance	(612) 935-5521	Part of Hennepin, Carver, Anoka, Scott
Minneapolis		
Employment Service		
Downtown Office	(612) 333-0192	Hennepin
Concentrated Employment	(612) 827-6151	(Minneapolis, Model City Area)
Southside	(612) 827-2586	(Southside Minneapolis)
Northside	(612) 348-4777	(Northside Minneapolis)
Manpower Training Skills Center	(612) 348-4046	
Minneapolis Area WIN	(612) 348-6502	Hennepin, Anoka
Anoka WIN	(612) 427-5440	Anoka
Bloomington WIN	(612) 884-7405	Scott, Carver
Apprenticeship Information	(612) 333-0192	(Minneapolis)
Unemployment Insurance	(612) 333-0192	Hennepin
St. Paul		
Employment Service		
Downtown Office	(612) 227-7301	Ramsey, Dakota, Washington
West Side	(612) 225-6569	(West Side of St. Paul)
Rosemount	(612) 423-3500	
Roseville	(612) 631-2566	(Village of Roseville and vicinity)
Hastings	(612) 437-2032	Part of Dakota
Hillcrest	(612) 770-3896	
Midway	(612) 646-0894	
Stillwater	(612) 439-6886	
Manpower Training Skills Center	(612) 227-9121	
St. Paul Area WIN	(612) 298-5365	Ramsey
Stillwater WIN	(612) 439-6886	Washington
Apprenticeship Information	(612) 227-7301	(St. Paul)
Unemployment Insurance	(612) 227-7301	Ramsey, Dakota, Washington