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# ECONOMIC BLUEPRIN

Minnesota Department of Trade and Economic Development



November 1992

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ARNE H. CARLSON GOVERNOR

## STATE OF MINNESOTA

OFFICE OF THE GOVERNOR 130 STATE CAPITOL SAINT PAUL 55155

My fellow Minnesotans,

The Department of Trade and Economic Development for the past year has been facilitating the preparation of an *Economic Blueprint* which identifies the key goals that will result in a healthy, growing and competitive Minnesota economy. These goals encompass the prerequisite economic characteristics needed to ensure a good standard of living for all the citizens of the state and, perhaps more importantly, to ensure that our children will have the opportunity for an even better life.

The Blueprint goals are the first critical step in developing bipartisan economic development strategies. With broad-based agreement on the economic goals, the dialogue can begin to develop the most effective strategies for reaching those goals. The goals can be viewed as our desired destination; strategy and policy are the road maps to reach that destination.

To hold ourselves accountable in reaching the Blueprint goals, we must have quantitative indicators to measure progress toward the goals. The quantitative indicators are based on data that is reliable and regularly available. The achievement levels for the indicators are intended to be ambitious but attainable. Average will no longer be acceptable in our increasingly competitive world.

The following pages present seven goals for the Minnesota economy, with measurable indicators for each goal. The goals are interrelated and interdependent. Economic growth is key to a healthy economy and is highlighted as the Blueprint's first Goal.

Together the goals create a Blueprint for a vibrant Minnesota economy — a growing economy that must be adaptive, innovative, internationally competitive if it is to provide meaningful economic opportunity for all of its citizens.

Warmest regards,

ARNE H. CARLSON Governor



AN EQUAL OPPORTUNITY EMPLOYER PRINTED ON RECYCLED PAPER S 15

## Economic Blueprint for Minnesota

Minnesota Department of Trade and Economic Development October 23, 1992

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## GOAL 1: Sustained, Above-Average Economic Growth, That Is Consistent With Environmental Protection

			Actua	l Data			Goals		
Indicator	1984	1985	1986	1987	1988	1989	1994	1997	2000
1. Average annual growth in									
Minnesota's real per capita GSP									
will be 5 percent higher than									
U.S. per capita GDP growth.									
Minnesota	9.52%	3.29	3.03	2.36	3.18	2.49	1.89	1.95	1.55
United States	6.28%	3.09	2.40	2.43	4.03	1.40	1.80	1.86	1.48

			Actua	l Data	-			Goals	
Indicator	1980	1982	1984	1986	1988	1990	1994	1997	2000
2a. Percentage of available full-time									-
jobs to Minnesotans desiring		,							
full-time work will be equal to									
U.S. average or at least 95 percent.									
Minnesota	89.9%	85.0	87.2	88.1	90.7	93.1	94	95	95
United States	92.9%	90.0	92.5	93.1	94.7	94.7	-	-	-

		Actua	l Data		Goals			
Indicator	1982-1984	1984-1986	1986-1988	1992-1994	1994-1996	1998-2000		
2b. Minnesota manufacturing jobs								
will continue to grow at a rate								
significantly faster than the U.S.								
Minnesota	7.8%	-1.2	6.6	1.7	4.4	3.0	1.6	
United States	3.0%	-2.3	2.3	-1.2	1.6	0.4	-1.0	

Note: Data reflects total growth for each two-year period.

3b. Minnesota will account for 3 percent of U.S.

value-added food product exports.

		Actual Data	1		Goals	
Indicator	1987	1988	1989	1994	1997	2000
<ol> <li>Minnesota will account for 1.9 percent of U.S manufactured exports.</li> </ol>	1.80%	1.70	1.70	1.75	1.80	1.90
						~
		Actual Data		,	Goals	
Indicator	1987	1988	1989	1994	1997	2000

1.45

1.53

2.00

2.50

3.00

1.86%

## DISCUSSION

Sustained economic growth above the national average, which is consistent with environmental protection, is the cornerstone of an improved standard of living for all Minnesotans. While an individual's standard of living is affected by many factors, improved income that is generated through economic growth and full-time job growth is essential. In addition, Minnesota's economic growth is increasingly influenced by our ability to compete in international markets. The level of international exports of Minnesota products is a good indicator of the state's international competitiveness. Goal 1 indicators show increasing levels of per capita Gross State Product (GSP) growth, full-time employment, manufacturing job growth and Minnesota share of U.S. exports including value-added food products. For environmental protection goals please refer to *Minnesota Milestones*.

## GOAL 2: Internationally Competitive Levels Of Productivity Growth

	х.		Actual Data		Goals			
	Indicator	1979-1989	1979-1982	1982-1989	1990-1994	1994-1997	1997-2000	
4a.	Minnesota's annual average real growth rate in overall productivity will reach 2.2 percent.		/					
	Minnesota	1.34%	1.04	1.47	1.70	1.90	2.20	
	United States	0.73%	-0.58	1.30	<b>-</b> .	-	-	
	OECD countries	.1.94%	1.29	2.23	-	-	-	

			Actual Data		Goals				
	Indicator	1979-1989	1979-1982	1982-1989	1990-1994	1994-1997	1997-2000		
4b.	Minnesota's annual average real growth rate in manufacturing productivity will exceed historical OECD rates.				v				
	Minnesota	3.24%	3.86	2.88	3.20	3.80	4.00		
	Midwest	2.11%	1.18	2.65	-	-	-		
	United States	3.58%	2.48	4.21	/ -	-	-		
	OECD countries	3.36%	2.37	3.79	_	-	-		

Note: The countries included in the Organization for Economic Cooperation and Development (OECD) group are Canada, Japan, Belgium, Denmark, France, Germany, Italy, Netherlands, Norway, Sweden, the United Kingdom and the United States. OECD data excludes U.S. data.

The Midwest states include: Minnesota, North Dakota, South Dakota, Iowa, Kansas, Nebraska, Missouri, Wisconsin, Illinois, Michigan, Indiana and Ohio.

Note: The data for the United States, Midwest and Minnesota excludes SIC 35 to adjust for the rapid decrease in producer prices in non-electrical machinery and computer equipment.

			Actual Data			Goals	
	Indicator	1990	1991	1992	1994	1997	2000
5.	Minnesota will have a high share of site visits to firms for the Malcolm Baldrige National Quality Award.						-
	Minnesota	2	2	3	4	5	6
	United States	12	19	17	-	-	-

#### DISCUSSION

In order to achieve the relatively high rates of per capita GSP (Goal 1) and real income growth (Goal 3), Minnesota productivity must be internationally competitive. Productivity is simply the output that can be produced with a given level of input. With better tools, improved technology and increased skills, workers can produce more and better goods for the same cost.

## GOAL 3: Family Incomes Adequate To Provide A Reasonable Standard Of Living

				Actua	Goals					
	Indicator	1980	1982	1984	1986	1988	1990	1994	1997	2000
6.	Minnesota's per capita disposable income will exceed U.S. level by 2 percent (102% of U.S.)				-					-
	Minnesota	\$8,410	9,597	11,308	12,730	13,797	15,593	18,130	21,862	25,510
	Plains States	\$8,076	9,334	10,814	12,078	13,100	15,067	-	-	-
	United States	\$8,424	9,721	11,257	12,492	14,109	15,878	18,130	21,646	25,010
	U.S. Rank	17th	24th	16th	14th	17th	19th	18th	16th	14th

Note: The Plains states include: Minnesota, North Dakota, South Dakota, Iowa, Kansas, Nebraska and Missouri.

		Actua	Actual Data Goals				
Indicator	1988	1989	1990	1989	1994	1997	2000
7. Cost of living index will be no				N			
more than 2 percent above	102.4	100.7	101.1	101.9	102	102	102
U.S. urban average (100).							

				Actua	Goals					
	Indicator	1980	1982	1984	1986	1988	1990	1994	1997	2000
8a,	Average annual real growth in									
	average wages per worker will	-2.4%	3.0	1.2	3.0	0.0	0.3	1.5	1.5	2.0
	be 2 percent.									

	·	Actual Data		· · ·	Goals	
Indicator	1988	1989	1990	1994	1997	2000
8b. Average annual real growth in the median wage will be 2 percent.	-2.4%	-0.6	3.9	1.5	1.5	2.0

Note: Changes in the statewide median wage may be in part due to an increase in the number of occupations surveyed. The Department of Jobs and Training plans to continue increasing occupational coverage during the 1990s. Also, median wage is calculated from wage information from firms with at least 25 employees.

#### DISCUSSION

The ultimate goal for economic development is a good standard of living for all Minnesotans now and in the future. Income adequate to meet basic needs and provide a comfortable lifestyle is essential to an improved standard of living. As a result, Goal 3 calls for incomes that can provide for a reasonable standard of living for all Minnesotans. Goal 3 is achieved through the employment growth, GSP growth and productivity growth described in Goals 1 and 2.

## GOAL 4: Capital Investment In The State Adequate To Ensure Economic Renewal And Competitiveness

· .					Goals						
Indicator	1972	1977	1982	1984	1986	1987	1988	1989	1994	1997	2000
<ol> <li>Minnesota's level of capital investment per manufacturing worker will be 9 percent higher than the national average.</li> </ol>	-12.5%	-21.2	-1.1	+19.8	+0.5	+28.1	+16.2	+14.4	+9.0	+9.0	+9.0

		A	ctual Dat	Goals				
Indicator	1981	1983	1985	1987	1989	1994	1997	2000
<ol> <li>Minnesota investment in commercial and industrial construction will reach 1 percent of annual GSP.</li> </ol>	1.06%	0.97	1.17	0.97	0.89	1.00	1.00	1.00

	Actual Data					Goals			
Indicator	1985	1986	1987	1988	1989	1994	1997	2000	
<ol> <li>Minnesota investment in public infrastructure will reach 1.55 percent of annual GSP.</li> </ol>	1.46%	1.57	1.61	1.57	1.54	1.55	1.55	1.55	

					Goals							
	Indicator	1978	1980	1982	.1984	1986	1987	1988	1989	1994	1997	2000
12.	Minnesota will account						×					
	for 2 percent of foreign	1.1%	1.4	1.4	1.4	1.4	1.4	1.6	1.9	1.9	2.0	2.0
	direct investment in U.S.											

#### DISCUSSION

Our future incomes and standard of living will depend on our productivity and competitiveness. In a world of rapidly changing technology and increasing global competition, Minnesota needs to renew its economy constantly in order to maintain economic strength, produce new products and services, provide new tools and equipment, increase productivity and create the jobs of the future.

The three measures used to assess Minnesota's capital investment in the state are: investment per manufacturing worker, investment in commercial and industrial construction, and international investment.

Investment in human capital through business training and education is also critical. For educational goals, please refer to *Minnesota Milestones*.

## **GOAL 5:** A Business Environment That Stimulates Business Creation, Innovation and Retention

			Actua	l Data		Goals				
Indicator	1979	1981	1983	1985	1987	1989	1990-1994	1995-1997	1998-2000	
<ol> <li>Minnesota's private sector spending on research and development (R&amp;D) will reach 2.5 percent of annual GSP.</li> </ol>								×	i.	
Minnesota	1.56%	1,739	1.88	1.97	2.15	1.97	2.30	2.40	2.50	
United States	1.76%	2.19	2.94	NA	2.77	2.21	-	-	-	

NA = Not available

	Actua	l Data	Goals				
Indicator	1980-1984	1984-1988	1990-1994	1994-1998	1998-2002		
14a. Minnesota's birth rate of new business establishments will reach U.S. average rate.		,					
Minnesota	33.9%	33.9	35.0	36.0	39.1		
U.S. Rank	NA	45th	40th	35th	30th		
Midwest Rank	NA	7th		-			
United States	38.3%	39.1	-		-		

Note: The Midwest states include: Minnesota, North Dakota, South Dakota, Iowa, Kansas, Nebraska, Missouri, Wisconsin, Illinois, Michigan, Indiana and Ohio. Data reflects total growth rate for each four-year period.

		Actua	l Data	Goals			
Indicator	1982-1984	1984-1986	1986-1988	1988-1990	1992-1994	1994-1996	1998-2000
14b. The number of Minnesota business establishments will grow at a rate equal to the U.S. rate.	-		-		·		
Minnesota	6.5%	4.4	3.2	4.7	4.3	4.1	2.0
United States	5.4%	5.7	7.1	4.6	4.3	4.1	2.0

Note: Data reflects total growth rate for each two-year period.

#### DISCUSSION

Innovation is important for the state to remain competitive, produce the new products and services of the future and grow. An increase in private sector industrial research and development (R & D) expenditures are needed to fuel this innovation.

New businesses are the corner-stone of Minnesota's economic future. They will produce many of the products and jobs that are key to Minnesota's future economic success. Minnesota must offer an environment where businesses can start-up and succeed.

Three indicators are used to measure Minnesota's business environment: private sector R & D expenditures as a percent of GSP, Minnesota's business birth rate and growth in the number of Minnesota business establishments.

## GOAL 6: Improved Employment and Economic Opportunity For All Citizens In All Regions

	Actua	l Data	Goals				
Indicator	1980	1990	1994	1997	2000		
<ol> <li>Percentage of population living below the poverty line will decline to 1980 level.</li> </ol>	8.7%	12.0	12.0	10.5	9.0		

Note: Indicator 15 was developed by Minnesota Planning for Minnesota Milestones. The GOALS were developed by DTED.

		Ī	Actua	l Data	Goals			
	Indicator	1982-1984	1984-1986	1986-1988	1988-1990	1992-1994	1994-1996	1998-2000
16.	Manufacturing jobs will grow 20 percent faster in Grèater Minnesota than in Twin Cities.							
	Greater Minnesota	8.3%	1.3	10.5	5.9	4.9	3.4	. 1.8
	Twin Cities MSA	7.6%	-2.4	4.6	-0.6	4.2	2.8	1.5
	United States	3.0%	-2.3	2.3	-1.2	1.6	0.4	-1.0

Note: MSA is a metropolitan statistical area. Data reflects total growth rate for each two-year period.

			Actua	Goals					
Indicator	1985	1986	1987	1988	1989	1990	1994	1997	2000
<ol> <li>Minority unemployment rate will be no more than 12 percent.</li> </ol>	17.1%	14.3	15.9	14.8	17.8	14.3	14	13	12

			A		Goals					
Indicator	1985	1986	1987	1988	1989	1990	1991	1994	1997	2000
<ol> <li>The proportion of minor in managerial, profession and technical positions v be at least equal to the minority share of popula</li> </ol>	ities nal, vill tion.									
Minority share of total management, profession and technical jobs	al, 2.76%	2.43	2.14	1.88	1.99	3.43	3.01	4.00	4.40	4.70
Minority share of popula over 16 years	ution 3.28%	3.73	4.01	4.01	4.01	3.95	4.16	-		

Note: "Minorities" is defined here as the difference between total and white populations. People classified as white may also include people of hispanic origin in census definitions; minority data therefore slightly understates the hispanic population. *Geographic Profile of Employment and Unemployment* (GPEU), based on a survey, understates the population shares reported in the 1990 census. In contrast to the decennial Census of Population, this source reports only non-institutionalized population over 16 years old.

#### DISCUSSION

Goals 1 through 5 are primarily about economic growth, reflecting the importance of growth to an improved quality of life for Minnesotans. In contrast, Goal 6 is about economic opportunity. It is important to ensure the greatest possible access to employment and other economic opportunities among all groups and regions of the state.

## GOAL 7: A Diversified Industry Mix To Insulate The State Economy From Shocks and National Business Cycles

			Goals							
Indicator	1983	1984	1985	1986	1987	1988	1989	1994	1997	2000
<ol> <li>Minnesota's economy will maintain a high level of diversity.</li> </ol>								۰.		
GSP Diversity Index	.078	.088	.078	.072	·.057	.050	.054	.053	.053	.053
U.S. Rank	-	-	-	-	-	-	7th	1-10	1-10	1-10

0=GSP distribution same as U.S. GDP

			Actual Data							Goals			
	Indicator	1980	1983	1984	1985	1986	1987	1988	1989	1990	1994	1997	2000
20.	Minnesota will have 2.30 percent of U.S. high-tech employment and 2.45 percent of U.S. resource intensive employment.			•	e.								
	High Technology	1.98%	2.04	2.12	2.08	2.03	2.06	2.09	2.04	2.02	2.26	2.28	2.30
	Resource Intensive	2.14%	1.97	1.97	1.99	2.04	2.10	2.13	2.20	2.25	2.38	2.42	2.45

Note: Definitions for "high technology" and "resource intensive" manufacturing industries can be found under the data sources for Goal 7 on page 33.

		Actual Data							Goals		
	Indicator	1980	1982	1984	1986	1988	1990	1994	1997	2000	
21.	Minnesota's total cash farm receipts will rank among the top 5 states.										
	U.S. Rank	5th	5th	6th	6th	6th	6th	5th	5th	5th	
	Midwest Rank	3rd	3rd	4th	4th	4th	4th	-	-	-	

		Actual Data		Goals			
Indicator	1987	1988	1989	1994	1997	2000	
22. Minnesota domestic travel-generated business receipts will rank among the top 17 states.							
U.S. Rank	19th	19th	19th	18th	18th	17th	
Midwest Rank	5th	5th	5th	-		-	

Note: The Midwest states include: Minnesota, North Dakota, South Dakota, Iowa, Kansas, Nebraska, Missouri, Wisconsin, Illinois, Michigan, Indiana and Ohio.

#### DISCUSSION

Economic diversity is essential to a stable Minnesota economy. Heavy reliance on any single industry can lead to a boom and bust economy. This goal reflects the importance of all industries, including manufacturing, agriculture and service industries such as tourism, to a healthy, stable statewide economy.

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## **Explanation Of Quantitative Indicators**

#### **GOAL 1 Indicators**

**1. Per Capita Real Gross State Product (GSP) Growth:** Minnesota's economic output must grow at a rate faster than population and inflation so that Minnesotans can receive higher incomes. Because Gross State Product (GSP) and Gross Domestic Product (GDP) are the broadest measures of economic growth, this indicator is the best measure of state and national output, respectively.

Gross State Product measures the value of all goods and services produced by the local economy. It is a broader measure of economic activity in the state than personal income or employment, because it includes earnings and other labor compensation, plus industry retained earnings, changes in inventory and other nonlabor components.

Real GSP in constant dollars is used to exclude inflation. Per capita GSP is used in order to assure an increasing standard of living for Minnesotans in the future. With increasing population, targeting GSP growth alone will not insure that the average Minnesotan will receive higher incomes in the future.

After the sharp economic recovery in 1984, per capita GSP in Minnesota has stabilized and proceeded on a longer term path of economic growth. During the 1984-1989 period, the average annual growth rate of per capita GSP in Minnesota was 2.86 percent, 5 percent above the national average growth rate of 2.67 percent nationwide. Minnesota should strive to maintain this higher growth through the 1990s.

**2a. Employment Growth:** Minnesota employment growth is important so that full-time jobs are available to everyone who seeks one. This indicator uses the percentage of full-time jobs to the number of people desiring full-time work.

This indicator is the proportion of persons desiring full-time work who actually work full-time (35+ hours per week). The number of persons wishing to work full-time, the full-time labor force, is composed of those individuals already working full-time, individuals who are involuntarily on part-time basis due to slack work, production cutbacks, and other reasons, and unemployed individuals who are looking for full-time work. This percentage indicates the ability of the local economy to provide full-time work for those desiring these jobs.

During the 1980s, the percentage of full-time workers to the full-time labor force has been three to five percentage points lower in Minnesota than the national average. Minnesota employers staged a quick recovery in late 1980s, almost reaching parity with the national average in 1989. There was a slight decline in this ratio for 1990, both in Minnesota and the U.S., perhaps due to the onset of sluggish economic growth. However, it is not possible for 100 percent of workers seeking full-time employment to hold full-time jobs at any one time. A small proportion, 4 percent to 5 percent of the labor force, will always be changing jobs, just entering the labor market, etc. This is called "frictional unemployment." "Full employment" occurs when roughly 95 percent of the labor force is employed in full-time employment.

The proposed goal is 95 percent full-time job availability for primary wage earners in Minnesota during the 1990s, or at least equal to the national rate of full-time jobs available.

**2b.** Manufacturing Employment: It is not adequate for the economy to create just any kind of job. Rather, Minnesota must create quality jobs. The "quality" of a job may mean different things to different people — stability, working conditions, benefits, career development. However, many people believe that the wage of a job is a basic measure of job quality. Manufacturing businesses pay employees among the highest wages of all industries. This measure of the Minnesota manufacturing employment growth rate is an indicator of the quality of jobs being created in the economy.

During the 1980s, employment in the U.S. manufacturing industry declined by nearly 6 percent. In contrast, Minnesota manufacturing employment grew by 8 percent. Although projections indicate that U.S. manufacturing employment will be stagnant or declining, it is reasonable to expect that Minnesota should be able to maintain at a minimum, its manufacturing employment levels.

**3a.** Minnesota Share of U.S. Manufactured Exports: When Minnesota products and services are sold outside the state, additional outside income enters the state, increasing the income of Minnesotans. This indicator uses Minnesota's share of U.S. exports as a relative measure of state exports.

In 1991, Minnesota manufactured exports totaled \$5.9 billion. In addition, agricultural commodity exports contributed approximately \$1 billion to Minnesota's economy.

Despite accounting for 1.9 percent of total U.S. manufactured production, Minnesota's \$5.9 billion in manufactured exports represents 1.7 percent of total U.S. exports. This shows that we are "under-exporting" or, not exporting our share of manufactured goods. If Minnesota exported the same share of U.S. manufactured products as the state produced, Minnesota's manufactured exports would total \$7.2 billion, bringing in an additional \$1.3 billion of income to the state.

If Minnesota's manufacturing sector did not produce exportable goods, this goal could not be achieved. However this is not the case as Minnesota has a well diversified manufacturing sector. In fact, Minnesota under-exports from some industries for which it has clear comparative advantage such as meat products and wood products. Although, Minnesota's manufactured exports have shown steady increases through the 1980s, growth in industrial machinery exports, including computers, has been flat or declining since 1988. Because this industry comprises 39 percent of Minnesota's manufactured exports, overall export growth has been slower than the U.S. average. As other industries, especially other high-technology industries, continue to increase their exports, Minnesota should be able to regain more of its share of U.S. manufactured exports.

**3b.** Minnesota Share of Value-Added Food Product Exports: Minnesota is a leading agricultural state, ranking 5th in 1990 cash farm receipts. Minnesota is also a leader in value-added agricultural products with an above average concentration in the food and kindred products industry.

While agricultural commodity exports are important, more income and jobs are generated if these commodities are processed (adding value) before they leave the state. For example, if grain is milled into flour, value has been added to the product and the flour will sell for a higher price than the grain. This activity not only increases income to the state but also adds milling jobs to the economy.

Despite accounting for 3 percent of the nation's output of processed foods, Minnesota's share of exports for the food and kindred products industry is only 1.67 percent. If Minnesota exported the same share of value-added food products as it produced, food and kindred product exports would have contributed an additional \$247 million to the Minnesota economy in 1991. This would have boosted total manufactured exports by 4 percent.

#### DATA SOURCES:

#1: GSP and GDP: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.
 (In early 1992, the U.S. Bureau of Economic Analysis published a series of Gross State Product for all states between 1977 and 1989. This series was a revision of earlier reports, but both series were based on labor earnings and other economic data collected at the state level.)

Population: State Population and Households Estimates: July 1, 1989, March 1990 and Projections of the Populations of States by Age, Sex and Race: 1989 to 2010, January 1990, U.S. Department of Commerce, Bureau of the Census. (Future U.S. and state population estimates will be published in the Census Bureau's Current Population Reports.)

U.S. Projections: Review of the U.S. Economy: Ten-Year Projections, May 1992 DRI/McGraw-Hill. (Long term trend forecasts are used.)

#2a: Employment: Geographic Profile of Employment and Unemployment, June issues, U.S. Department of Labor, Bureau of Labor Statistics.

#2b: Manufacturing Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

1992-1994 Projections: Minnesota Department of Finance, Unpublished employment forecasts.

1995-2000 U.S. Projections: *Review of the U.S. Economy: Ten Year Projections*, DRI/McGraw-Hill, May, 1992. (Long term forecasts are used).

#3: Exports: U.S. Department of Commerce, Foreign Trade Division and the University of Massachusetts at Amherst, MISER. Production: Survey of Manufacturers and Census of Manufacturers, U.S. Department of Commerce, Bureau of the Census.

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#### GOAL 2 Indicators

**4a. Overall Productivity Growth:** Productivity growth results in higher profits for businesses and higher wages for workers. This indicator measures overall economic productivity by dividing total Gross State Product (GSP), or total economic output, by the number of employees in the economy. In other words, productivity is determined by the GSP per employee.

Future economic growth in Minnesota can not be expected to come from increasing employment levels but instead from more efficient production, because new entrants into the labor force will remain at low levels for another decade. Between 1979 and 1989, Minnesota's real productivity grew an at average annual rate of 1.3 percent, faster than the 0.7 percent average annual growth nationwide. However, Minnesota's real productivity growth was lower than the Organization for Economic Cooperation and Development's (OECD) average growth of 1.9 percent per year.

While Minnesota's productivity growth rate was lower than the OECD's rate during the period, Minnesota workers remained more productive. In 1979, GSP per employee in Minnesota was \$32,918 (in 1982 dollars), 4.5 percent higher than the national rate and 49.6 percent higher than the OECD countries. By 1989, GSP per employee in Minnesota had risen to \$37,612 (in 1982 dollars) compared with \$33,878 per employee in the U.S. and \$26,683 per employee in the OECD countries.

During two periods, 1980 - 1982 and 1985 - 1986, the growth in Minnesota's productivity grew more than 2.0 percent per year. The highest growth occurred between 1983 and 1984 as productivity grew 3.6 percent. However, growth has been erratic, dropping 0.5 percent between 1986 and 1987. In contrast, productivity growth in the OECD countries has been more stable. Despite low rates of growth between 1979 and 1982 of 1.3 percent per year, the OECD annual growth rate did not drop below 1.8 percent after 1982 and reached 2.8 percent between 1987 and 1988.

In order to maintain Minnesota's competitive advantage in productivity, the economy should match the annual growth in productivity of 2.2 percent achieved by the OECD countries between 1982 and 1989 and exceed the annual average growth rate of 1.3 percent forecast for the U.S. during the 1990s.

**4b. Manufacturing Productivity Growth:** Growth in manufacturing output comes from increases in work hours, capital and productivity. This indicator measures productivity as the value of manufactured goods produced per production hour.

Productivity growth ensures higher incomes for workers. In addition, productivity levels also need to grow at nationally and internationally competitive rates so that the cost and quality of Minnesota goods will remain competitive with international producers. Minnesota's manufacturing sector experienced real annual average productivity growth of 3.3 percent between 1979 and 1989. This rate was exceeded by both the U.S. and OECD countries. Furthermore, manufacturing productivity growth in Minnesota slowed from an average annual rate of 3.9 percent between 1979 and 1982 to only 2.9 percent between 1982 and 1989. The decline in the state's manufacturing productivity is in sharp contrast with the increases in manufacturing productivity growth in manufacturing increased from 2.5 percent between 1979 and 1982 to 4.2 percent between 1982 and 1989. Productivity growth in manufacturing across OECD nations also increased from 2.4 percent between 1979 and 1982 to 3.8 percent between 1982 and 1989. While Midwest productivity growth continues to be below Minnesota's, the Midwest growth rate is improving in contrast to the declining Minnesota growth rate.

Due to the high capital and technological intensity in the manufacturing sector relative to other sectors, manufacturing productivity growth rates will exceed overall U.S. productivity growth projections of 1.3 percent. Acceleration of new technologies and resulting efficiencies increased productivity growth despite declines in capital investment toward the end of the 1980s. With increases in both technological efficiencies and capital investment, increases in manufacturing productivity should be maintained during the 1990s.

Based on history and national projections, Minnesota should match the U.S. and OECD productivity growth by 1994 and sustain it throughout the nineties. This goal reverses the declining growth rate and achieves a 4.0 percent annual growth rate in manufacturing productivity by the late-1990s.

**5. Malcolm Baldrige Award Site Visits:** The Malcolm Baldrige National Quality Award was established by Congress in 1987 to promote awareness of quality management and to recognize and publicize quality management achievements and strategies of U.S. companies. The Quality award is given to up to two companies in each of three categories; manufacturing, service and small business, for a total of six awards. The Minnesota Quality Award, which debuted in 1990, is modeled on the Malcolm Baldrige National Quality Award and administered by the Minnesota Council for Quality.

Minnesota's commitment to quality is reflected in the high proportion of both Baldrige Awards presented and site visits conducted in the state by the National Institute of Standards and Technology (NIST). In 1990 and 1991, a total of only 7 awards were given nationwide: Minnesota businesses won two of them. Between 1990 and 1992, 48 site visits were conducted, 7 of them in Minnesota. During these site visits, teams of 5 or more members of the award's board of examiners and representatives of NIST verify information provided during an application process and clarify issues or questions raised by the application. Corporate officers and employees are interviewed and firms records and data are reviewed. Finalists for the award are chosen by the U.S. Secretary of Commerce each October. Minnesota should continue to emphasize the importance of quality management throughout the economy and strive to maintain its high share of Baldrige site visits.

#### DATA SOURCES:

#4a: GSP and GDP: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.
 OECD Data: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology.
 Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

#4b: OECD Data: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics, Office Productivity and Technology.
 GSP and GDP: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.
 Production Hours: Annual Survey of Manufacturers, Geographic Area Series, U.S. Department of Commerce, Bureau of the Census.

U.S. Projections: *Review of the U.S. Economy: Ten-Year Projections*, May 1992 DRI/McGraw-Hill. (Long term trend forecasts are used.)

#5: Baldrige Data: National Institute of Standards and Technology, Office of Quality Programs.

Minnesota Council for Quality.

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#### **GOAL 3 Indicators**

6. Per Capita Disposable Income: In order for our standard of living to be comfortable, Minnesotans must have adequate incomes. This indicator uses per capita disposable income or income after taxes, as a measure of the adequacy of income.

Disposable per capita income is all personal income, including wages, rent, dividends, transfer payments and farm income, less taxes paid. In 1990, per capita (PC) disposable income in Minnesota was \$15,593 as compared to \$15,878 nationwide.

Over the past 20 years, Minnesota per capita disposable income has ranged from 104 percent to 97 percent of the national average. Over the twenty year period, it reached at least 102 percent of the national average (the goal level) in 1973, 1986 and 1987; Minnesota PC disposable income reached at least 100 percent of the national average in eight of the last 20 years.

Based on this history, a goal of 102 percent of the national average disposable income is ambitious but not unprecedented. It is also consistent with our goals for productivity growth (Goal 2) and real income growth (Goal 3).

This goal is dependent on many factors beyond state control such as population make-up and growth. An increase in number of births would increase population but not necessarily incomes and could result in a decrease in per capita income. Similarly, farm income is a highly volatile component of personal income. Farm incomes were exceptionally high in each of the years that Minnesota per capita disposable income exceeded the national average.

7. Cost of Living: The cost of living determines how much our incomes can buy. Although state policy has little influence over inflation rates, it is necessary to consider the price of goods when evaluating the adequacy of incomes. Even high incomes may not result in a good standard of living, if the cost of goods and services is even higher. The cost of living index is used as the comparative measure for the cost of living in Minnesota.

The cost of living index is a composite of costs for a market basket of consumer goods including housing, food, utilities, etc. compared to other urban areas. The index used here combines indexes for three Minnesota metropolitan areas, comprising 62 percent of the state's population in 1990: the Twin Cities metropolitan area; the St. Cloud metropolitan area; and, the Rochester metropolitan area. (No other Minnesota cities reported cost of living data to the American Chamber of Commerce Research Association.)

Because the Twin Cities is a major metropolitan area (16th largest in the nation), it tends to have a cost of living somewhat above the national average for all metropolitan areas. As a result, it is unlikely that the cost of living index will decline significantly below the national average (100). Because the index is self-selecting, not all U.S. metropolitan areas are included, especially high cost urban areas. The goal level indicates that living costs in these three Minnesota cities should not grow faster than the national average for listed cities and that the overall index should stay at its historic level of approximately 102.

**8a. Real Wage Growth:** Real wage growth, or the increase in wages above the rate of inflation, improves wage earners' standard of living by increasing their buying power. This indicator uses the growth in annual average wages per worker above the rate of inflation as the measure of real wage growth.

Average wages per worker is calculated by dividing total wages by total non-farm employment. The average wage per worker in Minnesota in 1990 was \$23,121 as compared to \$23,601 nationwide. Real wage growth was estimated by subtracting the annual average growth in the consumer price index (CPI) from the average annual growth in wages per worker. Real wage growth may be achieved by increasing either' number of hours worked or pay per hour.

Between 1976 and 1982 real wages per worker declined in Minnesota and the nation, first, as a result of rapid inflation and, then, due to the 1982 recession. Between 1983 and 1988 real wages grew by an average of 1.5 percent per year. Real wages stopped growing in Minnesota and the nation beginning in 1989 as a result of the economic slowdown and subsequent recession.

Based on this experience, average annual growth in real wages of 1.5 percent is reasonable during non-recessionary periods. Given slowing labor force growth and the goal for high productivity growth (Goal 2), real wage annual average growth of 2.0 percent for 1997 and 2000 is also reasonable.

Achievement of this goal is also dependent on many national and international factors. For example, an increase in inflation would likely eliminate real wage growth.

Achieving this goal requires improvements in productivity of all workers, especially service workers which represent more than one-half of all jobs. In addition, it requires continued growth in high wage jobs, such as those found in the manufacturing, distribution, and financial sectors.

**8b. Real Median Hourly Wage Growth:** The median wage is the midpoint in the wage range. One-half the employees earn wages that less than the median wage and one-half earn more. The median reflects the distribution of wages and avoids the distortion of extremely high or extremely low wages that could influence the simple wage average used in indicator 8a. Because extremely high and low wages can influence the simple average wage, the median wage and the average wage can move in opposite directions.

Real median hourly wage growth is estimated by subtracting the annual average growth in the consumer price index (CPI) from the annual median wage. Real growth in the median wage means that most Minnesota workers are increasing their buying or purchasing power.

Between 1987 and 1990, the median wage in Minnesota grew at an annual rate of 4.1 percent while the cost of living grew at an annual rate of 4.3 percent. As a result, the real median wage declined at an average annual rate of .2 percent. In contrast, the U.S. median wage declined at an average annual rate of 1.4 percent between 1987 and 1990.

By the late 1990s, Minnesota should strive for growth in the real median wage to equal at least the 2 percent growth in the real average wage. Achievement of this goal will depend on many of the same factors mentioned in indicator 8a.

#### DATA SOURCES:

#6: Disposable Income: Survey of Current Business, Bureau of Economic Analysis, U.S. Department of Commerce, April editions.

- #7: Cost of Living Index: "Cost of Living Index: Comparative Data for Urban Areas," American Chamber of Commerce Research Association, fourth quarter data. Note: Composite index, weighted by population for Mpls./St. Paul, Rochester, and St. Cloud metropolitan areas.
- #8a: CPI: "CPI Detailed Report," U.S. Department of Labor, Bureau of Labor Statistics.
   Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics
- #8b: Median Wage: *Minnesota Salary Survey*, various years, Minnesota Department of Jobs and Training, Research and Statistics Office.

CPI: "CPI Detailed Report," U.S. Department of Labor, Bureau of Labor Statistics.

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#### **GOAL 4 Indicators**

9. Capital Investment Per Manufacturing Worker: The economy must continually renew itself in order to produce new products and services, provide new tools and equipment, increase productivity and create the jobs of the future. Capital investment is a means of increasing productivity. One use of capital investment is to buy more productive machinery. This leads to increased production per worker and increased income. Income per person will increase only if workers become more productive or efficient.

Capital expenditures include permanent additions and major alterations to manufacturing establishments, machinery for replacement and expansions to plant capacity. In 1989, new capital expenditures in Minnesota manufacturing totaled more than \$2 billion or \$9,011 per manufacturing employee.

Capital expenditures per production worker have increased steadily in both the U.S. and Minnesota. In 1972, Minnesota investment per production worker was 12.5 percent below the national average. Since 1984, Minnesota's investment per worker has been higher than the national average. If Minnesota wants to maintain its economic strength and standard of living, Minnesota will have to continue its above average investment per manufacturing worker.

Minnesota's new capital investment per manufacturing worker has been on the average 9 percent higher than U.S. between 1977 and 1989. Considering the expectations for productivity and income growth, Minnesota will have to continue this pattern of above average new capital investment in manufacturing.

**10.** New Commercial and Industrial Construction: Another measure of overall capital investment in the economy is the value of new commercial and industrial construction. Therefore, this indicator examines the value of Minnesota commercial and industrial construction as a percent of GSP.

Part of renewing Minnesota's economy is building new factories, offices, stores and hospitals to meet the needs of the future. This measure captures a wider range of the business community's investment in real estate and buildings than the capital investment measure in Indicator 9. However, the value of construction does not include other physical investments normally counted as capital investment, such as equipment.

The value of Minnesota's new commercial and industrial construction steadily increased during the 1980s but dropped sharply in 1991 in response to the national recession. However, the value of new commercial and industrial construction has been increasing faster in Minnesota than the U.S., increasing Minnesota's share of U.S. commercial and industrial construction by 35 percent between 1981 and 1991. During the 1980s new commercial and industrial construction as a percent of GSP has fluctuated from a high of 1.17 percent in 1985 and 1990 to 0.89 percent in 1989. Between 1981 and 1991, new commercial and industrial construction has been 1 percent of Minnesota's GSP on the average. Minnesota's goal should be to continue this investment trend of 1 percent of GSP to ensure broad-based economic growth in the future.

11. State and Local Capital Outlays: State and local governments are important funding sources for capital investment in infrastructure. These investments include highways, utilities, community development, sewers, and water supply. Unlike indicator 10, which measures only the value of buildings, this indicator also includes investments in capital equipment and land. Capital outlays for schools, hospitals or parks were not included in this measure of public infrastructure investment.

State and local communities need to invest in infrastructure to maintain and enhance economic growth. Good roads, energy supplies, and adequate sewer and water are all factors in a strong economy.

Following national trends, Minnesota state and local capital outlays increased significantly from \$1.0 billion in 1985 to \$1.5 billion in 1990. The three largest areas of capital outlay were highways (70 percent), sewerage (10 percent) and community development (9 percent). Although state government is a major source of investment capital, local governments, including counties, municipalities, and special districts, account for nearly one-half of capital outlays in Minnesota.

Since 1985, capital outlays as a percent of GSP have averaged 1.55 percent. Minnesota state, county and city governments must maintain this level of investment to develop and maintain the state's public infrastructure, thus providing a foundation for broad economic growth.

12. Foreign Direct Investment: Similar to investments in Minnesota by U.S. firms located outside the state, Foreign Direct Investment (FDI) is a source of additional capital for Minnesota's manufacturing industry. Capital investments, regardless of the source, can increase Minnesota's manufacturing capacity and create employment.\* Foreign direct investment is measured here by employment in Minnesota manufacturing affiliates of foreign companies. Employment is used as a measure for foreign investment.

Foreign direct investment includes all business with direct or indirect ownership of 10 percent or more of the voting securities of an incorporated business by individuals or companies of a foreign country.

In 1989, 40,800 Minnesota workers were employed by foreign-owned manufacturing firms. This accounted for 1.9 percent of all U.S. manufacturing employment in foreign-owned companies. The share of workers employed in foreign-owned manufacturing firms has steadily increased in both Minnesota and the U.S. since 1977. Minnesota's share of total U.S. manufacturing employment in foreign-owned firms has been increasing since 1988. However, employment in foreign-owned manufacturing firms accounts for 2 percent of U.S. manufacturing employment, suggesting that Minnesota is not getting its share of foreign investment.

Minnesota has had a steady increase in the number of workers employed by manufacturing affiliates of foreign firms in both absolute numbers and as a share of U.S. employment in manufacturing affiliates of foreign firms. Given Minnesota's dynamic manufacturing base and continued growth in foreign investment, it is reasonable to expect that Minnesota should achieve its share (2.0 percent) of U.S. manufacturing employment.

#### DATA SOURCES:

- #9: Capital Investment and Production Workers: Census of Manufactures and Survey of Manufactures, U.S. Department of Commerce, Bureau of the Census.
- #10: Commercial and Industrial Contruction: "Permit Authorized Construction in Permit Issuing Places," unpublished data, U.S. Department of Commerce.
- #11: State and Local'Capital Outlays: "Government Finances: 1989-1990," and earlier, U.S. Department of Commerce, Bureau of the Census.
- #12: FDI: "Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies," U.S. Department of Commerce, Bureau of Economic Analysis

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#### **GOAL 5 Indicators**

13. Private Sector Research and Development Spending: For our businesses to remain competitive and create new jobs, the private sector must invest in research and development (R & D). This indicator measures Minnesota private sector industrial R & D spending as a percent of the state's GSP. To remain competitive, Minnesota industry's commitment to research and development must at least match the nation's.

Almost \$351 billion was spent on research and development by United States industry between 1979 and 1989. Over the same period, Minnesota industry invested over \$8 billion or 2.3 percent of total national private sector R & D investment.

Minnesota's industrial R & D spending grew from 1.8 percent of gross state product (GSP) in 1979 to 2.2 percent of GSP in 1989. Over the same period, Minnesota's share of private sector industrial R & D expenditures grew from 1.6 percent to 2.0 percent. Between 1979 and 1989, Minnesota industry spent a total 2.0 percent of gross state product on industrial research and development compared with the national average of 1.6 percent. Minnesota's private sector's annual investment in R & D activities should be at a level equal to 2.5 percent of the state's GSP by the late 1990s.

**14a.** New Businesses: Formation of new businesses and the jobs they create are indicators of entrepreneurial activity in the State. This indicator measures business formation by the establishment "birth rate" and respective employment.

Formation of new business establishments between during both periods (1980 to 1984 and 1984 to 1988) was more than 12 percent slower in Minnesota than in the nation as a whole. Minnesota's 1984 to 1988 business birth rate ranked 45th among all state and third among the Midwest states. If Minnesota had equaled the U.S. average business birth rate, an additional 5,012 businesses would have been created between 1984 and 1988. Although Minnesota's new business birth rate is relatively low, it should be noted that average size of a new business in Minnesota is higher than the average start-up in the nation.

A policy goal should encourage business formation of all sizes to occur in the state at the same rate as the nation. Minnesota's goal for firm birthrate is to approach the U.S. average of 39.1 percent and bring Minnesota's ranking closer to the top 25 states.

14b. Minnesota Establishments: Although new business formations (births) are important, Minnesota also needs an environment that helps existing business succeed and grow. A stable business environment, with a minimum of business failures, helps assure long-term job growth and economic vitality. This indicator looks at both the business birth and death rates to arrive at a "net" business establishment growth rate. During the 1980s, Minnesota's net business formation rate lagged behind the nation. The number of Minnesota business establishments increased 22 percent, compared to the U.S. increase of more than 28 percent. While some of the disparity is accounted for by rapid growth in areas with significant population growth, Minnesota should strive to narrow the gap between U.S. and Minnesota rates and consistently have a growth rate equal to or greater than the nation's.

#### DATA SOURCES:

#13: Private Sector R & D Spending: Unpublished data, National Science Foundation.

#14a: Establishment Birth Rate: Unpublished data, U.S. Small Business Administration.

#14b: Establishments: Unpublished data, Bureau of Labor Statistics, U.S. Department of Labor.

#### **GOAL 6 Indicators**

**15. Poverty:** Persons in poverty do not have adequate incomes to maintain even a modest lifestyle. This indicator uses the proportion of people living below the federal poverty line as a measure of the extent to which poverty exists in Minnesota.

The poverty line is a federal definition of the income necessary for meeting basic living costs. Families at or close to the poverty line are generally vulnerable to hardships and economic misfortune and may not be able to meet their basic needs for food, clothing, medical care or shelter.

The official 1990 poverty line ranged from \$6,800 for a one-person household, to \$25,268 for a household of nine or more persons. The poverty line for a two-parent family with two children was \$13,254.

16. Manufacturing Jobs in greater Minnesota: In order to assure all regions of the state the opportunity for economic prosperity, good jobs must be available. Manufacturing jobs offer the highest wages of any sector, and more frequently offer benefits such as retirement programs and health care insurance. In addition, manufacturing jobs create more spin-off, or indirect, jobs than jobs in other sectors. As a result, this indicator uses manufacturing employment growth as a measure of the quality of job opportunity being created in greater Minnesota.

After the 1982-83 recession, manufacturing employment grew more rapidly in greater Minnesota than either the Twin Cities or the rest of the nation. In fact, while manufacturing employment declined in the Twin Cities and nationwide during both the 1984-86 and 1988-90 periods, it continued to grow in greater Minnesota.

Over the entire 1982-1990 period, employment in greater Minnesota grew an average of 17 percent faster than the Twin Cities area. The goal for this indicator is for manufacturing employment to continue to grow approximately 20 percent faster than the Twin Cities for the remainder of the decade.

**17. Minority Unemployment Rate:** Minority groups have had less access to economic opportunity than the non-minority population. This indicator uses the minority unemployment rate as a measure of inadequate job opportunities for minorities.

The minority unemployment rate in Minnesota has been up to three times the statewide unemployment rate. This pattern extends nationwide as well as in Minnesota.

The goal level for this indicator is for the minority unemployment level to be no more than 12 percent, which would likely be among the lowest minority unemployment rates of upper midwest states. Minnesota's 1990 minority unemployment rate of 14.3 percent exceeded the U.S. rate of 10.1 percent and was the sixth highest minority unemployment rate of the 12 Midwest states. Only South and North Dakota, Wisconsin, Michigan and Illinois had worse unemployment rates for minorities than Minnesota.

If Minnesota's minority unemployment rate improves beyond goal levels as a result of gain in economic opportunities, the goals will be raised. The ultimate goal is for minority unemployment to reach a level equal to the general population unemployment rate.

**18.** Percentage of Minorities in Managerial, Professional and Technical Occupations: In a healthy economy, a good standard of living and opportunity for a better life is shared by all citizens. It is important to assure that minority populations have equal opportunity to share in the benefits of economic growth. This indicator uses minority access to skilled occupations as a measure of access to economic and other opportunities. Minority representation in management, professional and technical occupations should reflect their proportion in the population. Although minority unemployment in Minnesota exceeded 14 percent in 1990, 33 percent of employed minorities occupied managerial, professional or technical positions that same year. At the national level, employed minorities held a smaller share, 23 percent, of managerial, professional or technical positions.

*Geographic Profile of Employment and Unemployment* reported a minority population of 138,000 persons over 16 years old or 4.2 percent of the 3.3 million population over 16 living in Minnesota in 1991. This is a larger proportion of the population than the 3.3 percent reported in 1985. The U.S. Department of Commerce predicts that minorities will constitute 4.7 percent of the Minnesota population over 17 years old by the year 2000. Minnesota's minority population share is significantly smaller than the 14.9 percent minority share of the population living in the United States in 1991.

Minorities accounted for 3.0 percent of managerial, professional, and technical employees in 1991. This share is slightly greater than the 2.8 percent observed in 1985. However, compared to their presence in the population in 1991, minorities remain under-represented in these skilled occupations. The goal level for this indicator is to reach a minority participation rate in managerial, professional, and technical occupations equal to the minority share in total non-institutional population over 16 years old by the year 2000.

#### DATA SOURCES:

- #15: Poverty: *Minnesota Milestones*. *Census of Population*, U.S. Department of Commerce, Bureau of the Census.
- #16: Employment: Unpublished data, Bureau of Labor Statistics, U.S. Department of Labor.

1992-1994 Projections: Minnesota Department of Finance, Unpublished employment forecasts.

1995-2000 Projections: *Review of the U.S. Economy: Ten Year Projections*, DRI/McGraw-Hill, May, 1992. (Long-term forecasts are used.)

- #17: Unemployment Rates: Geographic Profile of Employment and Unemployment, U.S. Department of Labor, Bureau of Labor Statistics.
- #18: Occupational Data: Geographic Profile of Employment and Unemployment, Bureau of Labor Statistics, U.S. Department of Labor, 1985-1991.

Population Estimates: *Current Population Reports, Series P-25, No. 1017*, "Projections of the Population of States, by Age, Sex, and Race: 1988 to 2010." Bureau of the Census, U.S. Department of the Census (1988). Projections for minority population are based on the share of total and minority populations over 17 years for 1990, 1995 and 2000. The actual data is adjusted to fit the target years. The sample used in CPR includes institutional civilians and some non-civilians in contrast to the GPEU Data. The goals may be adjusted to reflect updated population estimates.

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#### GOAL 7 Indicators

**19. GSP Diversity Index:** A more diverse economy means better insulation from the inevitable booms and busts in certain economic sectors. This indicator examines the distribution of GSP across Minnesota's economy to measure the state's economic diversification.

As a state or region's industrial composition becomes balanced or diversified, the economy may become less responsive to fluctuations or changes in a single industry. This indicator measures the state's economic diversification or reliance on specific economic sectors. While economic diversity will likely reduce economic volatility, diversity may come at the expense of rapid growth.

Because this index uses aggregate sector data, specific industry dynamics within a sector cannot be analyzed. For example, although Minnesota's dependence on manufacturing is about average, the state's manufacturing sector is highly concentrated in computer manufacturing.

The GSP index measures the degree to which the individual state sector composition differs from the respective U.S. composition. It compares the distribution of the GSP in each state with the U.S. average (GDP).\*

The GSP diversity index compares 15 sectors: Farms; Agricultural services, Forestry and fisheries, Mining, Construction, Durable goods manufacturing, Nondurable goods manufacturing, Transportation, Communications and public utilities (TCPU), Finance, Insurance and real estate (FIRE), Wholesale trade, Retail trade, Services (including Tourism), Federal civilian government, Federal military and State and local government.

Minnesota's index in the GSP measures indicate that the state's economy is evolving into among the most diverse in the U.S. Based on historical trends, continued diversity is likely. As the economy nears uniformity with the national economy, or as the index approaches zero, continued increases in diversity will likely be more difficult. Consequently, the indicator goals maintain Minnesota's highly diversified economy.

The index follow the model developed by Carolyn Sherwood-Call in the article, "Assessing Regional Economic Stability: A Portfolio Approach," *Economic Review*, Winter 1990, Federal Reserve Bank of San Francisco. **20.** Minnesota's Share of U.S. High-Tech and Resource Intensive Industries: While it is important to have a balanced mix of industries, Minnesota also needs to maintain those industries where the state has a comparative advantage with other states. High-technology activities like computer manufacturing and computer programming and resource-based industries such as mining, food processing and wood products, are examples of industries where Minnesota traditionally has had a competitive advantage. This indicator measures Minnesota's share of U.S. employment in these two sectors.

The indicator reveals that Minnesota's share of U.S. high-technology employment peaked in 1985. Since 1985, Minnesota's share of U.S. high-technology employment has fallen — nearly reaching 1983 levels. In contrast, the resource intensive sector reflects Minnesota's traditional resource strengths. Since 1983, Minnesota's share of resource-intensive employment has shown a steady increase — increasing from 2.01 percent of national employment to more than 2.4 percent in 1990.

Given the expected increase in high-technology markets including exports, Minnesota's high-tech industry should be able to approach the employment concentration levels relative to the national industry that it experienced in the mid-1980s. The steady growth in resource-based markets make it likely that these industries will also continue to become more concentrated during the 1990s.

21. Minnesota Total Cash Farm Receipts: The economic fortunes of farming affects the viability of many Minnesota small towns. This indicator uses the state ranking of total cash farm receipts as a measure of the strength of Minnesota's farm economy.

While the number of farms and farmers has continued to decline during the 1980s, cash receipts in 1990 were at record levels. Minnesota 1989-90 cash receipts posted an 8 percent gain over 1988-89 levels. Throughout the 1980s, the state has remained among the top six states in total cash farm receipts as well as among the top seven states in its two subcomponents, crop receipts and livestock product receipts.

Cash farm receipts currently are largely supported by federal government programs and budgetary pressure will likely reduce future levels of government support, potentially reducing the current support of market prices. Even with price uncertainty and given the goals for value-added food product exports in Goal 1, the state should aim to rank among the top 5 states in total cash farm receipts by 2000.

22. Minnesota Travel/Tourism-Generated Business Receipts: Travel/tourism plays a significant role in the diversification of the state's economic base. This indicator uses travel-generated business receipts as a measure of travel/tourism in the state.

Travel/tourism will be a growth industry in the 1990s as "baby boomers" enter their peak earning years and then retire, giving them increased leisure time. Business travel and continued recreational activities using Minnesota's natural and urban resources are a vital element of continued state economic growth.

Although Minnesota's travel/tourism-generated business receipts are estimated to have increased 25 percent between 1987 and 1989, compared to the national increase of about 17 percent, the state continues to rank 19th. While travel/tourism expenditures are difficult to project, given the expected increase in travel and continued promotional emphasis on Minnesota, it is likely that the state travel/tourism dollars will continue to increase faster than the U.S. rate and increase its ranking to 17th among the states by the year 2000.

#### DATA SOURCES:

- #19: GSP: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis. (Index only measures one year's data; may be desirable to use 2 or 3 year running average's.)
- #20: Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

"High technology" industries are defined by Department of Trade and Economic Development as: SIC Codes 28, 291, 348, 351, 353, 357, 36, 372, 376, 38, 4899, 737, 8711, 8712, 8713, 8731, 8733 and 8734.

"Resource intensive" industries are defined using definitions from *The Great Lakes Economy* (The Federal Reserve Bank of Chicago and The Great Lakes Commission, 1985) and Department of Trade and Economic Development: SIC Codes 10, 11, 12, 13, 14, 20, 21, 24, 25, 26, 29 (except 291), 31, 32 and 33.

- #21: Cash Farm Receipts Ranking: *Minnesota Agricultural Statistics 1991*, Minnesota Department of Agriculture, Minnesota Agricultural Statistics Service.
- #22: Travel/Tourism Expenditures: Impact of Travel on State Economies, U.S. Department of Commerce, U.S. Travel Data Center.
   (Minnesota Department of Trade and Economic Development, Office of Tourism.)

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## Appendix A:

## **County and Regional Indicators**



	Employment . 1990	Average Annual Growth Of Total Employment 1983-90	Employment Diversity Index 1990	Unemployment Rate 1990	Manufacturing Employment 1990	Average Annual Growth of Maņufacturing Employment 1983-90	Average Wage 1990	Average Annual Growth Of Average Wage 1983-90	Per Capita Personal Income 1990
Beltrami	11,973	2.74%	- ,	6.0%	1,009	-1.49%	\$18,061	5.07%	\$12,751
Clearwater	1,865	1.98	-	14.6	147	-0.10	15,288	4.30	11,560
Hubbard	3,655	4.19	- 1	8.3	505	7.98	14,490	4.09	12,445
Kittson	1,489	1.84	-	8.5	D	D	15,594	4.22	18,979
Lake of the Woods	1,226	3.21		3.7	213	2.85	15,393	4.08	13,330
Mahnomen'	1,034	3.08	-	8.5	6,644	4.37	15,461	3.48	13,095
Marshall	2,184	1.12	- '	13.0	69	8.90	15,975	4.30	16,361
Norman	1,829	1.54	-	6.5	69	3.56	15,205	3.61	17,881
Pennington	5,761	3.30	-	8.3	1,015	14.47	16,916	3.88	15,753
Polk	10,463	1.38	-	7.3	1,154	1.32	16,224	3.88	16,390
Red Lake	1,057	-0.96	-	16.3	73	-5.32	14,083	2.60	15,041
Roseau	7,215	9.60	-	4.6	4,182	15.73	18,894	4.56	16,484
Regional	49,751	3.13%	.13	7.76%	15,080	6.33%	\$16,822	4.40%	\$14,860
Adjusted Statewide (less Hennepin and Ramsey	1,035,459	3.69%	-	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%	-	4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

## **Region 1 - Northwest**

D = Indicates statistics are withheld to avoid disclosing data for individual companies.

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

	Employment 1990	Average Annual Growth Of Total Employment 1983-90	Employment Diversity Index 1990	Unemployment Rate 1990	Manufacturing Employment 1990	Average Annual Growth of Manufacturing Employment 1983-90	Average Wage 1990	Average Annual Growth Of Average Wage 1983-90	Per Capita Personal Income 1990
Becker	8,903	5 17%	_	69%	1 374	946%	\$15 560	4.15%	\$14.117
Clay .	14.075	2.26	-	4.2	1,122	1.26	16.854	3.22	14.905
Douglas .	11,180	3.53	-	5.0	1.845	5.56	16,192	3.74	14,226
Grant	1,638	1.22	-	6.7	106	10.41	14,310	4.25	16,624
Ottertail	16,099	2.76	-	5.9	2,484	4.20	16.292	3.18	14,568
Pope	2,553	3.08	-	6.4	320	7.73	14,220	3.52	13,803
Stevens	3,534	5.34	- <u>-</u>	3.4	5,588	3.24	17,725	6.12	15,273
Traverse	1,118	-1.16	-	5.3	D	D	13,708	3.40	20,472
Wilkin	1,812	0.01		4.7	D	D	15,216	3.35	16,920
Regional	60,912	3.03%	.10	5.32%	12,839	4.25%	\$16,160	3.62%	\$14,825
Adjusted Statewide (less Hennepin						3			
and Ramsey)	1,035,459	3.69%	-	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%	-	4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

## **Region 2 - West Central**

D = Indicates statistics are withheld to avoid disclosing data for individual companies.

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics. Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

	Employment 1990	Average Annual Growth Of Total Employment 1983-90	Employment Diversity Index 1990	Unemployment Rate 1990	Manufacturing Employment 1990	Average Annual Growth of Manufacturing Employment 1983-90	Average Wage 1990	Average Annual Growth Of Average Wage 1983-90	Per Capita Personal Income 1990
Aitkin	2,801	2.41%	-	9.7%	321 '	-1.19%	\$14,876	4.89%	\$12,772
Carlton	9,692	2.30	-	7.1	2,266	-0.35	20,613	2.83	14,168
Cook	1,759	3.14	-	6.7	98	-1.11	14,903	4.20	16,804
Itasca	12,520	1.62	-	9.1	1,978	-0.49	20,775	3.66	13,399
Koochinching	6,943	4.98	-	5.5	1,405	-3.35	26,034	6.18	14,165
Lake	3,375	4.34	-	7.0	511	8.97	19,350	4.14	12,770
St. Louis	79,670	2.12	-	6.0	221	6.96	20,369	3.82	15,419
Regional	116,760	2.32%	.29	6.60%	6,800	-0.46%	\$20,526	3.91%	\$99,497
Adjusted Statewide (less Hennepin									
and Ramsey)	1,035,459	3.69%	-	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%	· _	4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

## **Region 3 - Northeast**

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

		Average Annual				Average Annual		Average Annual	
	Employment 1990	Growth Of Total Employment 1983-90	Employment Diversity Index 1990	Unemployment Rate `1990	Manufacturing Employment 1990	Growth of Manufacturing Employment 1983-90	Average Wage 1990	Average Wage 1983-90	Per Capita Personal Income 1990
Big Stone	1,712	-1.96%	-	4.8%	70	-11.68%	\$13,554	3.67%	\$14,685
Chippewa	4,659	1.87	-	4.8	959	10.86	16,579	5.25	16,123
Cottonwood	4,135	1.56	-	6.4	705	2.14	14,725	2.90	16,164
Jackson	3,179	-0.40	-	4.9	646	-2.22	14,749	3.18	16,747
Kandiyohi	16,579	3.67	-	4.1	2,650	7.49	17,678	3.99	16,404
Lac Qui Parle	2,262	0.52	-	4.0	320	2.84	15,076	3.79	15,672
Lincoln	1,479	0.23	-	5.6	D	D	12,772	4.41	16,042
Lyon	11,161	2.63	-	4.3	2,760	2.57	17,645	4.16	16,572
McLeod	14,937	3.49	-	4.7	2,511	1.21	20,911	4.39	16,876
Meeker	6,299	2.10	-	7.7	1,480	4.17	17,300	4.47	15,888
Murray	2,256	1.71	-	5.3	284	28.53	13,922	2.78	15,776
Nobles	8,939	3.14	-	3.3	2,250	9.45	15,852	2.91	17,104
Pipestone	3,128	1.64	· –	5.9	558	4.11	14,793	3.86	15,822
Redwood	5,069	0.10	· <del>-</del>	4.2	999	1.44	15,282	3.46	15,393
Renville	5,398	1.87	-/	6.0	880	-0.45	15,389	3.19	17,307
Rock	2,998	1.89	-	3.2	399	-1.52	14,649	2.90	15,973
Swift	2,907	-0.63	-	5.3	365	-2.02	14,398	4.16	15,688
Yellow Medicine	3,574	1.07	-	4.3	479	1.59	15,330	3.92	15,970
Regional	100,671	2.14%	.10	4.79%	18,315	3.50%	\$16,817	4.00%	\$16,328
Adjusted Statewide (less Hennepin and Ramsey)	1,035,459	3.69%	_	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%		4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

## **Region 4 - Southwest**

D = Indicates statistics are withheld to avoid disclosing data for individual companies.

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

		Average Annual Growth	Employment		Marchania	Average Annual Growth of		Average Annual Growth Of	Per Capità
	Employment 1990	Employment 1983-90	Index 1990	Unemployment Rate 1990	Manujacturing Emp <u>l</u> oyment 1990	Manufacturing Employment 1983-90	Average Wage 1990	Average Wage 1983-90	Personal Income 1990
Benton	9,561	3.13%	-	6.4%	2,849	3.00%	\$18,219	2.82%	\$14,094
Cass	5,666	3.70	-	9.7	186	-7.66	14,709	3.32	12,027
Chisago	8,379	4.54	-	7.2	1,954	3.25	17,706	4.82	16,041
Crow Wing	16,669	4.36	-	6.2	2,266	3.77	18,148	3.74	14,972
Isanti	6,857	3.23	-	6.2	1,078	0.95	17,860	3.74	14,975
Kanabec	3,408	2.43	- ,	10.8	650	3.15	17,710	4.22	12,951
Mille Lacs	7,185	4.71	-	6.1	2,243	10.00	15,831	4.25	15,067
Morrison	10,664	3.74	-	8.9	1,559	9.22	17,077	2.53	12,866
Pine	4,921	5.13	-	8.8	386	-1.53	15,170	4.20	11,572
Sherburne	9,926	8.32	` <b>-</b>	6.7	3,677	1.78	20,481	4.84	13,596
Stearns	56,640	5.24	-	5.3	504	1.35	18,613	3.71	14,757
Todd	5,611	2.48	-	7.7	1,626	4.80	17,051	4.34	12,660
Wadena	4,280	2.81	-	. 8.2	595	5.80	16,009	3.29	12,367
Wright	17,581	5.64	, <del>,</del>	6.1	2,339	6.57	17,354	4.97	16,839
Regional	167,348	4.69%	.05	4.20%	21,912	3.97%	\$17,858	3.89%	-\$14,453
Adjusted Statewic (less Hennepin	le						-		
and Ramsey)	1,035,459	3.69%	-	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%	-	4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

## **Region 5 - Central**

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics. Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis. Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

. <b>.</b>	Employment 1990	Average Annual Growth Of Total Employment 1983-90	Employment Diversity Index 1990	Unemployment Rate 1990	Manufacturing Employment 1990	Average Annual Growth of Manufacturing Employment 1983-90	Average Wage 1990	Average Annual Growth Of Average Wage 1983-90	Per Capita Personal Income 1990
Blue Earth	24,638	1.66%	-	3.2%	2,842	-0.69%	\$18,599	4.02%	\$14,957
Brown	12,191	2.61		4.3	3,894	2.40	17,306	3.81	16,543
Dodge	- 3,320	3.80	-	5.5	641	10.83	17,305	5.00	15,780
Faribault	5,395	0.27	-	5.4	1,551	1.86	15,005	3.45	16,141
Fillmore	5,745	2.44	-	5.4	1,151	. 6.76	14,900	3.57	15,209
Freeborn	11,861	0.07	-	10.7	2,868	-4.54	17,606	2.40	15,352
Goodhue	16,474	3.34	-	4.0	4,345	2.92	19,300	4.53	16,759
Houston	3,978	2.66	-	4.0	580	2.83	14,364	3.95	15,144
Le Sueur	6,946	2.46	-	6.5	2,291	3.38	16,596	3.66	16,238
Martin	9,038	1.03	-	5.0	154	11.92	16,909	3.41	17,388
Mower	33,319	4.35	-	4.2	3,051	-0.55	26,245	4.33	16,882
Nicollet	10,187	4.10	- ``	3.4	4,452	6.85	17,513	3.68	14,553
Olmsted	64,724	3.67	-	3.2	12,017	2.49	25,098	4.32	20,515
Rice	19,317	3.42	-	3.9	3,828	5.24	19,341	4.37	15,767
Sibley	3,423	1.19	-	5.4	1,442	9.75	14,020	4.61	15,718
Steele	15,487	3.83	-	3.7	10,343	5.09	19,813	4.02	17,592
Wabasha	5,266	2.01	-	5.5	1,186	0.06	16,341	4.25	14,791
Waseca	7,516	2.88	· _	3.6	3,289	0.61	18,578	3.65	16,575
Watonwan	4,297	2.69	-	3.6	1,688	5.69	14,990	3.95	15,785
Winona	20,424	3.06	-	4.5	7,118	5.16	17,975	4.03	15,422
Regional	283,546	2.96%	.03	4.41%	68,731	3.00%	\$20,484	4.21%	\$17,578
Adjusted Statewide (less Hennepin and Ramsey)	1,035,459	3.69%	-	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%	-	4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

## **Region 6 - Southeast**

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

## **Region 7 - Twin Cities Metro**

	Employment 1990	Average Annual Growth Of Total Employment 1983-90	Employment Diversity Index 1990	Unemployment Rate 1990	Manufacturing Employment 1990	Average Annual Growth of Manufacturing Employment 1983-90	Average Wage 1990	Average Annual Growth Of Average Wage 1983-90	Per Capita Personal Income 1990
Anoka	77,271	3.82%	-	4.8%	19,572	0.56%	\$22,177	3.26%	\$17,779
Carver	17,040	8.46	-	4.1	7,238	13.99	22,388	5.82	20,487
Dakota	102,444	7.12	-	4.0	18,881	8.01	21,699	4.48	21,123
Hennepin	733,330	3.17	-`	4.1	122,312	0.89	26,709	4.64	23,705
Ramsey	293,777	1.81	-	4.0	72,450	-0.25	26,308	4.35	20,303
Scott	18,523	5.07	-	5.0	6,853	3.55	20,958	4.14	19,060
Washington	41,193	4.80	-	4.1	8,284	3.51	23,281	4.87	20,682
Regional	1,283,578	3.28%	.02	4.17%	255,590	1.31%	\$25,694	4.42%	\$21,193
Adjusted Statewide (less Hennepin									
and Ramsey)	1,035,459	3.69%	-	5.03%	204,505	3.76%	\$19,695	4.13%	\$16,638
Statewide	2,062,566	3.20%	-	4.80%	399,267	2.04%	\$23,121	4.30%	\$18,731

Note: The employment diversity index measures the degree to which the regional employment mix mirrors the overall state employment mix. An index of zero would mean that the distribution of employment across the region's industries is the same as the overall state distribution.

Sources: Wages and Employment: Unpublished data, U.S. Department of Labor, Bureau of Labor Statistics.

Income: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis.

Unemployment: Local Area Unemployment Statistics, Minnesota Department of Jobs and Training, Research and Statistics Office.

## Appendix B:

## Economic Blueprint Calendar, 1991 - 1992

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## Economic Blueprint Calendar, 1991 - 1992

Between September 1991 and October 1992, the Department of Trade and Economic Development worked with citizens throughout the state to develop the *Economic Blueprint for Minnesota*. The final goals were approved by Governor Carlson on October 23, 1992.

The following is a chronology of the *Economic Blueprint* development process:

#### Internal Organization

9/91	DTED internal <i>Economic Blueprint</i> committee formed.
9/24/91	National experts present to staff on approaches to economic development strategies.

#### Expert Input

- 12/10/91 Letter to experts in economics, public policy, business and community development requesting participation in the *Economic Blueprint* project.
  1/14/92 Letter to experts enclosing guidelines for participants and asking them to join DTED in developing the *Economic Blueprint*.
  1/23-27/92 Letter to Legislators and State Agency Commissioners asking for their input to be used in developing an agenda for broad public input.
  3/18-19/92 Meetings at DTED with experts from business, academia and public policy communities.
- 4/13-15/92 Meetings with business leaders.

#### **Public Meetings**

- 5/18-21/92 Mailing of draft goals and schedules of public meetings to be held around the state to 2,000 citizens and legislators.
- 5/21/92 Mailing to Chamber of Commerce representatives announcing area meetings, enclosing draft goals and a schedule of meetings to be held around the state.

## Greater Minnesota Hearings

6/2/92	Red Wing and Caledonia
6/3/92	Austin and Mankato
6/4/92	Worthington and Slayton
6/5/92	Redwood Falls
6/10/92	St. Cloud and Willmar
6/11/92	Morris, Moorhead and Crookston
6/12/92	Bemidji
6/15/92	Eveleth and Duluth

## Metro Hearings

8/25/92	West Suburban area at Hennepin Technical College
8/26/92	St. Paul/Metro East area at College of St. Thomas
8/27/92	Minneapolis area at Minneapolis Community College
9/2/92	South Suburban area at Bloomington City Council Chamber
9/2/92	North Suburban at Shoreview Community Center
6/92-9/92	Media coverage/interviews throughout the state

#### Peer Review

9/1-14/92	Detailed technical review of <i>Economic Blueprint</i> goals and indicators
	with peer reviewers.

10/21/92 Review by Milestones Advisory Committee.

## Approval

10/23/92	Approval	by Governor	Carlson.
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