

Major worker changes coming

Demographer sees 'slow train wreck' ahead

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MANKATO — Recruiting and welcoming immigrants — particularly from Africa — retraining older workers, and concentrating on quality and efficiency are the keys to dealing with a sea of change in the labor force.

State Demographer Tom Gillaspay told a Mankato audience that dramatic labor force changes during the next decade and beyond will require a turnaround in thinking by business and those looking for work.

One of the biggest shifts — retirement of baby boomers — has long been discussed but has not been prepared for. "It's the slow

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Tom Gillaspay, state demographer, says few are ready for the departure of baby boomers from the work force.

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Skills are key

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train wreck," Gillaspay said.

Even as many in their early 60s will delay retirement, the huge loss of older people from the workforce will leave a worker and skills shortage.

"If it were just that we're going to have more geezers, it wouldn't be an issue," Gillaspay said. But at the same time, there are many fewer young people to move into the workforce."

The dual effect will mean that in five years, the Region Nine area will have virtually no labor force growth and the available workforce will decline after that.

Gillaspay said combating the historic change will require focus on retention, recruitment and retraining.

“ We need to retrain workers, even if they’re in their 60s.”

An increasingly important source for recruitment will be young immigrants.

In Minnesota, the largest immigrant population is coming from Africa, the only state with that distinction. Those African immigrants, Gillaspay said, are predominantly well educated.

The state’s labor force is about 8 percent foreign born and will grow, bringing more young people to an aging state.

Gillaspay said businesses and communities not only need to help in training and educating immigrants, but in making them welcome.

He said a highly skilled engineer from another country may help keep a company located in Mankato. “But if their spouse is at the grocery store and hears a derogatory remark because they look different, that’s a deal breaker.”

While the recession and smaller workforce will mean fewer new jobs created for younger workers, it doesn’t mean there won’t be plenty of jobs. For the first time in history, jobs replacing people who retire or leave will far outpace newly created jobs.

“I hear young people say there won’t be any jobs for them. There will be lots of jobs for qualified young people. But if they’re not qualified, those jobs will go somewhere else.”

He said there is a growing skills mismatch with companies unable to find candidates who have the right skills, be it reading a blueprint, driving a semi or having math skills.

“ There are people sending out resumes all day, thinking sooner or later they’ll get something. I tell them, stop sending out resumes and get retrained.”

Finally, Gillaspay said, Minnesota can remain competitive, not by trying to do things cheaper, but better.

“Minnesota outperforms everyone in quality. That’s where we can compete in the world market.”