



GREATER
MANKATO
GROWTH

CHAMBER OF COMMERCE
ECONOMIC DEVELOPMENT

May 17, 2021

The Honorable Tim Walz, Governor of Minnesota
Office of Governor Tim Walz & Lt. Governor Peggy Flanagan
130 State Capitol
75 Rev Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Governor Walz,

On behalf of Greater Mankato Growth, the Chamber of Commerce and Economic Development Organization serving the Greater Mankato Area, I write regarding the single greatest challenge impacting our businesses and our region's recovery from COVID-19 which is the lack of access to workforce. While talent difficulties were faced by businesses prior to the pandemic, these difficulties have been exacerbated by the competition businesses face from high unemployment income. All industries are feeling workforce constraints. However, this is felt most strongly by our hospitality industry. This industry, already operating at slim margins prior to COVID and most impacted by the pandemic, is least capable of competing with the level of benefits being offered to those outside the workforce at this time. While federal unemployment benefits have been extended until September, this issue can be rectified by further enforcement of requirements and accountability while allowing flexibility with continued COVID-19 implications.

In the Mankato/North Mankato MSA there have been over 3,300 job postings in the last 30 days. March unemployment data shows that there were 2,297 unemployed individuals. This equates to about 328 more than March of the previous year. At the same time, there were 4,143 individuals receiving unemployment benefits. These numbers indicate that over 1,800 individuals were receiving benefits while underemployed. Employers have shared that for those looking for work (and therefore counted as unemployed), it has become more common than it was pre-pandemic for applicants to skip an interview once scheduled.

The Department of Employment and Economic Development (DEED) has taken great strides to make sure that those who are receiving unemployment insurance are aware of the jobs that have been created. DEED has done this by creating the #GoodJobsNow campaign, by promoting high quality, high paying, and necessary jobs in manufacturing, healthcare, and other industries, and by implementing an outbound call-center to share the employment and training opportunities that exist in our state. These are great steps and show that DEED is implementing creative measures to help individuals return to work. The next step is to enforce the provision that those who are receiving benefits must look for and accept suitable employment.

info@greatermankato.com

3 Civic Center Plaza, Suite 100
Mankato, MN 56001

507.385.6640

greatermankato.com



GREATER
MANKATO
GROWTH

CHAMBER OF COMMERCE
ECONOMIC DEVELOPMENT

At the onset of COVID-19, removing the requirement that unemployment insurance recipients seek and accept suitable employment was necessary. Cases were rising and it was important to allow workers the ability to remain safe. This was accomplished with Executive Order 20-05, which has not been rescinded. As cases have dropped and vaccines have been made widely available to all Minnesotans in the workforce, it is time to enforce requirements that have become constraints to our employers.

Greater Mankato Growth and the businesses in our community understand that unemployment insurance is still a necessary program to support those who have lost their jobs through no fault of their own. We also recognize that a portion of the individuals receiving unemployment benefits have risk factors that make it unsafe to return to work at this time. We ask that the State consider these individuals by working with the Minnesota department of health to institute a waiver system for those who are still at risk of COVID-19.

We ask that the State take further action in creating accountability measures for unemployment beneficiaries. This would be a crucial next step to ensure compliance with state statute and help continue efforts to address talent shortages. Additionally, we request that the State consider implementation of a reporting system for those individuals receiving unemployment benefits who refuse a suitable offer of employment or who skip interviews once scheduled.

We appreciate your attention regarding this important workforce issue for our region and additional communities throughout the State.

Best Regards,

A handwritten signature in blue ink that reads "Jessica Beyer".

Jessica Beyer
President & CEO

CC: Commissioner Steve Grove – Department of Employment and Economic Development
Greater Mankato Legislative Delegation

info@greatermankato.com

3 Civic Center Plaza, Suite 100
Mankato, MN 56001

507.385.6640

greatermankato.com