Economic Development and the Income Gap

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DEED

- Minnesota Department of Employment and Economic Development
  - Workforce Development
  - Vocation Rehab
  - Unemployment Insurance
  - ECONOMIC DEVELOPMENT
Today

- 3.7% unemployment
- 90,000 job vacancies
- 2.8 million workers
- Weekly wages of $995
- Robust private sector investment
Unemployment

Minneapolis Unemployment by Selected Race or Ethnicity

Unemployment Rate (Percent)

Income Inequality

Income Inequality (Gini Coefficient)

- US
- MN

Income Disparities

Median household income by racial and ethnic group
Minnesota, 1989-2012

- American Indian
- Asian
- Black
- Hispanic
- Other race
- Two or more races
- White (non-Hispanic)
- Minnesota (all)
State Policy Examples

• Wage Limits for State Assistance
• Low-Income/Targeted Group Assistance
  – Financing, Housing
• Other Agencies
• Workforce Development – Education and Training
• Those on the Ground......
On the Ground –
Partners

• Competitive Business Development Grants - $3 million
  – Non-Profits

• Capital Sources - ~$5 million
  – Urban Initiative Loan Program – RLF
  – State Small Business Credit Initiative
On the Ground – (DEED)

• Information – Small Business Assistance
• Small Business Development Centers
• Minnesota Job Skills Partnership
  – Low-Income Grants
  – Pathways Grants
• Non-Profit Workforce Development Grants
Thank you!