



Agenda

Recharge the Range

Large Business Expansion and Attraction

Wednesday, September 14, 2016

Detroit Reman - DMR Electronics, 3895 South Hughes Road, Hibbing, MN

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| 1. Welcome & Introductions | Brian Hanson |
| 2. IRRRB Involvement & Strategy | Mary Finnegan |
| 3. Focus Industries | All |
| 4. Regional Assets | All |
| 5. Coordination with Other Recharge Groups | Brian / Mary |
| 6. Next Meeting | |

Large Business Expansion and Attraction

Detroit Reman

September 14th, 2016

1:30 p.m. - 3:30 p.m.

In Attendance: Mary Finnegan, Scott Sundvall, Chuck Baxter, Curt Anttila, Brian Hanson, Steve Peterson, Dave Rhode, Julie Marinucci, Arik Forsman and Scott Huatala

Mary gave brief update on all focus groups and IRRRB's role in focus groups.

Discussion of Initiatives and Ideas:

What constitutes a large business: 25 Employees or more.

Concerns: Workforce Vacancy, Wage pressure, worker availability. Employment growth. When mining declines, the wages that employers are able to offer are not comparable to what miners are used to making (average wage per year for a miner is \$94,000).

"Kwik Trip Effect" Businesses are losing some of their lower waged employees to places like Kwik Trip because they are offering more in pay as well as additional benefits.

Also difficult to find workers that can pass a drug test or a background check.

In manufacturing, \$12-\$13 per hour is average wage for a new employee. How can we get people to come to this region for the lower wage and stay? Offering flexibility in schedules, longer/fewer days may attract more people. People may compare this region to surrounding regions as well.

Quality of Life. When going to job fairs and trade shows also show what we have to offer in this region, as far as activities and things that families can participate in. Not everyone wants to move to a place that mainly has outdoor activities.

Offering jobs for retired men and women. Maybe shorter days/weeks. Most don't want a full time job. Hard workers and reliable. What would this age group of people like to be doing?

Teaching children younger that the mines are not the only opportunity in this region. Creating additional opportunities for them. Showing kids in K-12 grades that the trades are another way they can go instead of colleges.

The group concluded that a good next step would be to be more informed on the current labor force availability, wages etc. and training opportunities available in our region. Suggested a presentation from Roy and Drew to better inform our group on our next step.

Statistics from Drew/Roy:

Worker availability

Preferable Wages

Skillsets

Job Growth to Unemployment Rate?

Available workforce to currently employed?

Labor Participation.

Percentage of people in the region that have actual skills (Ph.D. or MBA) that do not have jobs

Retired people, single parents, looking for a 2nd job? What is the demand based on the demographic?

Maybe bringing in a business owner that is looking for the same wage range and skillset, and has been successful in hiring to see what has worked for them.

General Discussion:

The problems that business owners are facing are not unique to this area. So what is the problem? This regions quality of life? Are business owners being realistic on what we actually want to do? What are the challenges of bringing people here?

Risk. New business owners/entrepreneurs don't want to take the risk. Taking out loans can be scary if the business fails.

Child care can be an issue with looking for employment. Lack of daycare choices and hours of operation. Also, the cost that is associated with daycare per month.

Creating a different mentality of the Iron Range. We need more broadband in this area, as well as cellphone coverage. This would give people the opportunity to work from home as well.

Has been said by companies that come to this region that we have amazing customer service skills. May be we focus on bringing customer service type jobs here. Call centers (Delta, DeCare). Have them write testimonials about this amazing set up skills that could be shown at trade shows and job fairs.

Using our cold weather to our advantage. Trying to bring in cold weather testing.

Alternative child care models – nursing home or assisted living/daycare in the same building.

Networking with companies to build here. Capitalizing on influential people that may have come from here. Touch base with them at events such as all class reunions.

Next Meeting:

October 3rd

Presentations at the next meeting:

Drew Digby (IRRRB – statistics), Roy Smith (IRRRB – Education), Eric White (DEED) and Shelley Valentini (United Way – Childcare study).

3 Companies that could benefit from onsite daycare. If it was subsidized, would that work?