Minnesota Chamber’s 2019 Business Benchmarks highlights economic rankings and workforce challenges

By Doug Loon

A talented workforce remains a foundation of growing Minnesota companies and the overall state economy, according to the 2019 Minnesota Business Benchmarks report. But the difficulty of finding skilled and qualified workers and our business climate are threatening growth.

The mounting challenge of filling job vacancies is a common thread in the 2019 Business Benchmarks report. It also underscores the importance of strengthening Minnesota’s overall business climate, a message that resounds from business leaders highlighted in the report.

[The 2019 Business Benchmarks report](http://www.mnchamber.com/benchmarks) was released at the Minnesota Chamber’s Annual Meeting on November 15. It is produced by the Minnesota Chamber and local Chamber Federation partners, and was distributed statewide as an insert in the December edition of Twin Cities Business magazine.

This annual report compiles key indicators that define our business climate – where Minnesota ranks compared with other states – to identify the state’s strengths and areas for improvement for Minnesota to compete in the global economy. Comprehensive, objective data were compiled from sources such as state and federal agencies.

Among the key findings:

* Innovation remains a strength of the state’s homegrown economy.
* Minnesota’s economy is growing but at a slower pace compared with many other states.
* Minnesota saw a slight improvement in tax rankings, but it still is in the five highest tax rates for both corporate and individual taxes.
* Minnesota continues to make progress in infrastructure improvements – an important factor in the ability to compete in a global marketplace.

The 2019 report tells the story of Minnesota’s economy differently, through real business leaders representative of the types and sizes of companies that make up the economic fabric of communities across the state.

Their voices also help lay the groundwork for the chamber’s 2019 legislative agenda.

Eric Gibson, president of UMC Inc. at Monticello, says an uncertain and uncompetitive business climate kills investment. “We need clarity in the tax code. Conformity to the changes enacted at the federal level would be a great start. Minnesota is one of the top five highest-taxed states. We don’t need to be the lowest, but a move toward the middle would level the playing field.”

Deepinder Singh, founder and CEO of 75F in Burnsville, says public policy could help in encouraging investment in technology. “People feel the state has decided to invest in innovation. That’s a key message.”

Shelly Peterson, executive vice president and general manager for Minnesota operations of The Boldt Company in Cloquet, says quality infrastructure looms even more important when combined with other competitive disadvantages facing Minnesota companies. “Minnesota is not known to be business friendly. We need to find a way to figure that out.”

This report is a great tool to frame constructive conversations on how Minnesota can remain competitive in today’s ever-changing global economy. It’s especially timely as Minnesota has elected a new governor. The new administration will lead a state that has tremendous strengths such as a talented and highly educated workforce, high innovation and a diverse economy. We must protect those strengths by addressing public policies essential to growing businesses and the overall state economy.

We look forward to the partnership of Governor-Elect Tim Walz and all lawmakers in enacting public policy to grow Minnesota together.

Doug Loon is president of the Minnesota Chamber of Commerce – [www.mnchamber.com](http://www.mnchamber.com).