

South Dakota Works

Winter 2006

Insight for South Dakota employers from your workforce experts.

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Dakota Roots, a new workforce initiative, launched

Gov. Mike Rounds, along with business and academic leaders from throughout the state unveiled Dakota Roots on October 20, a workforce development initiative aimed at South Dakotans who are interested in moving back to the state and citizens looking for new career opportunities.

Completely confidential, this is not a typical job search website – an individual's name will never be provided to potential employers. Instead, Dakota Roots will match participants with career openings available

from the state's leading businesses. Participants will be notified when openings are appropriate to their skills. If interested, the participants can pursue the openings directly with the businesses.

Dakota Roots is a joint venture between the Department of Labor, the Department of Tourism and State Development, and the Governor's Office. "This really is an extension of our SDWorks program," said Pam Roberts, secretary, Department of Labor. "We are already working with more than

40,000 South Dakota businesses to find quality employees. This initiative takes those efforts to the next level by expanding our marketing base," she said.

Dakota Roots aims to help in recruiting new and expanding businesses by alleviating their concerns about workforce availability in South Dakota.

Anyone interested in more information about Dakota Roots is encouraged to visit the website at www.DakotaRoots.com or call 1-800-592-1882.♦

Job Corps provides qualified employees

Job Corps is the most successful job training program of its kind in the nation. It is funded by the U.S. Department of Labor, and offers economically disadvantaged young adults ages 16 – 24 a chance to acquire marketable skills, making them valued employees. South Dakota's Boxelder Job Corps Center is located in Nemo, just northwest of Rapid City.

Why hire a Job Corps graduate?

- **They are well-trained.** In addition to possessing a full range of technical skills, Job Corps graduates have learned good work habits and can work cooperatively in a wide variety of settings.

- **They are motivated.** Job Corps graduates have taken on the responsibility for achieving the skills and behaviors necessary to complete their

training.

- **They are equipped for a lifetime of success.** Job Corps graduates have the confidence that comes from completing a difficult task and knowing they are skilled.

The Boxelder Center teaches the following 10 career options: Bricklaying, Business Occupations, Carpentry, Computer Networking, Culinary Arts, Electrical, Facilities Maintenance, Health Occupations, Painting, and Welding. All students also earn their GED or High School diploma while learning a trade.

To find out how easy it is to hire a Job Corps graduate, contact a Job Corps representative at any South Dakota Career Center. Staff can provide information to you or your employees on the program. To view an office directory and for additional information, visit www.sdjobs.org.♦

Beware of bogus poster companies



Some companies have been soliciting unsuspecting businesses by selling compliance posters, which are available free from governmental agencies. They often use scare tactics about potential fines and penalties. The company's solicitations use an official-looking seal to create the impression the advertisement is actually an official communication from a government entity.

DOL provides a complete Labor Law Compliance poster with federal postings as required by such organizations as the U.S. Department of Labor, OSHA, EEOC and USERRA. They are available from any local South Dakota Career Center. Visit www.sdjobs.org for an office directory.

There are also two state posting requirements. The South Dakota Division of Unemployment Insurance (UI) requires employers to post a UI notice, which is provided at no charge. Contact the UI Division at 605-626-2312 to receive this notice.

Workers' compensation law also requires employers to post information encouraging safety. There is no required format for this poster. It could simply state, "think safety first on the job."

Victims of poster scams should contact the Consumer Protection Unit at 1-800-300-1986 with information or to file a complaint.♦

E-Labor Bulletin provides latest labor market updates

The *South Dakota e-Labor Bulletin* is a monthly electronic publication available at no charge. Get the latest labor market information for South Dakota right from your own e-mail inbox, at the click of a button.

The *e-Labor Bulletin* allows businesses and individuals to evaluate state-specific economic analysis and statistics. Tables show the most recent monthly data on labor supply, labor force (including unemployment rates), nonfarm worker levels by industry,

annualized pay of workers, national economic indicators including the Consumer Price Index, and measures of activities of the Department of Labor's Unemployment Insurance Division and South Dakota Career Centers. The tables include comparisons to month-ago and year-ago data as well. Articles provide analysis of current industry trends and other timely labor market issues.

Subscribers receive an e-mail notice when a new issue is available (normally the last Friday of the

month), with a link to the Labor Market Information Center's (LMIC) website for viewing the new release. For those who prefer a printed copy, a link to the publication in .pdf format is also provided.

To subscribe to the *South Dakota e-Labor Bulletin*, e-mail teresa.knoll@state.sd.us or call the LMIC at 1-800-592-1881 or visit www.sdjobs.org/lmic and click on the "Order LMIC Resources" button. There is no charge for subscribing.♦

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The Labor Bulletin has been published monthly since 1949.

Employers must file timely UI reports

All employers covered for unemployment insurance are required to file a Quarterly Contribution, Investment Fee and Wage Report with the Department of Labor. The report is due 30 days after the end of each quarter. Late fees and interest are assessed on late reports. Each quarter about 1,500 employers fail to make the required payment and/or do not file the report on time.

The Department of Labor provides a free Internet

program employers may use to file their quarterly reports. It can be found through the Department home page at www.sdjobs.org by following the links to Businesses >> Unemployment Insurance >> Internet Quarterly Wage Report. The Internet system is secure, convenient and paperless – but provides the option for employers to print a copy for their records if desired. Payment can be made by check or by electronic funds transfer.

The system tracks employee wages from prior quarterly reports. Based on those amounts, it automatically calculates gross wages, excess wages, taxable wages and payments due. This ensures the employer pays only the amount required up to the taxable wage base limit. Nearly one-third of employers have discontinued filing paper reports and now use the Internet system.

Employers are urged to file their unemployment

reports on a timely basis as required by law. They provide critical information to the Department that is used for UI claims, economic development purposes and to verify client eligibility for public benefits. Questions can be directed to the Department of Labor at 605-626-2312.♦

House Bill 1027 restores solvency to UI Trust Fund

House Bill 1027, passed by the 2006 legislature, made significant changes to the South Dakota unemployment insurance (UI) program. The balance in the state UI trust fund had been dropping since 2000 because benefit levels are tied to wage inflation and increase each year. However, income to the trust fund does not have an automatic inflation factor and has remained stagnant. The changes in the Bill will restore solvency to the State UI trust fund by requiring additional payments from employers that use the UI system. They also correct the structural imbalance in

the system caused by benefits increasing when revenue is constant. Implementation of the changes was delayed until 2007 so employers could plan for them.

Specific changes are:

- The taxable wage base is the amount on which the UI contribution is paid each year. It has been frozen at \$7,000 since 1983. It will increase to \$8,500 in 2007, \$9,000 in 2008, \$9,500 in 2009 and \$10,000 in 2010 and beyond.
- Some employers have negative UI accounts because their workers have received more in benefits than the employer has paid in contributions. Contribution rates for all negative account employers will increase. The increase will range from 0.3 percent to 1.5 percent, depending on the employer's past claim rates.
- The maximum contribution rate will increase from the current 7.0 percent to 8.5 percent.
- Rates for positive balance employers will not change.
- Beginning in 2009, employers will be charged interest each year if their UI accounts have been negative

for two consecutive years. Negative account balances prior to December 31, 2006, will be grandfathered and interest charged only on the amount the negative balance increased after December 31, 2006.

In March 2007, the Unemployment Insurance Division will notify each employer of their contribution rate for the year based on these changes. Questions about the changes can be directed to the Division at 605-626-2312.♦

2005 employment and wage trends available

The Quarterly Census of Employment and Wages program in South Dakota is conducted by the Labor Market Information Center (LMIC) of the South Dakota Department of Labor, in cooperation with the U.S. Bureau of Labor Statistics. Highlights include an overview of state industry trends.

- The number of South Dakota employees covered by unemployment insurance in 2005 was 375,700 workers, up 1.6 percent from 2004.
- Nearly all industries showed worker growth, while one industry (Professional & Business Services) declined and one industry (Information) remained unchanged.
- The Construction industry noted the largest percentage growth in worker levels from 2004 to 2005, at 5.3 percent.
- The 2005 statewide annual pay for workers covered by unemployment insurance was \$29,149, a 3.1 percent increase over 2004.

- The Accommodation and Food Services industry had the lowest annual pay in 2005, at \$10,465; these types of businesses typically hire many part-time workers. Workers in the Management of Companies and Enterprises industry had the highest annual pay at \$75,434.

- Small businesses are predominate in South Dakota, with 77.4 percent of all covered establishments during 2005 falling in the 0-9 worker size class. However, those small establishments accounted for just 20.6 percent of all covered workers.

- Lincoln County had the largest percentage growth in covered worker levels from 2004-2005, at 16.4 percent (1,251 workers). Meanwhile, Minnehaha County added the most actual workers at 1,568 (1.4 percent).

The complete summary is available at no charge from the LMIC and is released each summer. It is also available at www.sdjobs.org/lmic >> Workers by Industry. If you have any questions, please contact the LMIC at 1-800-592-1881.♦

The South Dakota Department of Labor has been named the top performer nationally for the *Timely and Proper Unemployment Insurance (UI) Benefit Payments* award.

SDDOL received this honor by attaining the best performance nationally in issuing timely payments to UI beneficiaries while employing effective safeguards to stop improper payments.

Employers...

Post your job openings online, at no charge. It's quick, easy and produces great results. Contact your local South Dakota Career Center or visit www.sdjobs.org.





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Our mission is to enhance the South Dakota workforce by providing businesses with employment-related solutions and helping people with job placement and career transition services.



How can I contact the Department of Labor?

Labor Market Information Center
605.626.2314

Workforce Training Programs
605.773.5017

New Hire Reporting Center
888.827.6078

Unemployment Insurance
605.626.2312

Workers' Compensation
605.773.6804

Wage and Hour
605.773.3682

Human Rights
605.773.4493



For labor market information and related information via the Internet:

- Labor Market Information Center
www.state.sd.us/dol/lmic
- South Dakota's Job Bank
www.ajb.org/sd
- Bureau of Labor Statistics
stats.bls.gov
- U.S. Census Bureau
www.census.gov
- U.S. Department of Labor
www.dol.gov/

