

Introduction

This edition of Kevin's Corner looks at the prevalence and nature of telework or remote working using data from the Labor Market Information Division's 2013 and 2019 Fringe Benefits Studies as well as recent results from a supplementary question on Census Bureau's Current Population Survey. Full results of the fringe benefits studies are on our website at <http://www.vtlmi.info/lmipub.htm#benefit>.

Sources

The Vermont Department of Labor's 2013 and 2019 Fringe Benefit studies were based on surveys of private-sector Vermont firms across all industries and size classes. In both cases the sampling frame was all private firms covered by Vermont's Unemployment Insurance program. In both cases the study surveyed Vermont employers regarding the non-monetary benefits provided to employees. A question regarding the prevalence of telecommuting as an option was asked in both years. The 2013 survey received 1,026 responses regarding telework. The 2019 survey received 615 such responses. The results of these two surveys are not directly comparable because the composition of firms in each sample are different. Note that these surveys did not ask if employees telecommuted; instead, it asked if telecommuting was made available as an option to at least some employees.

The Current Population Survey (CPS) is a monthly survey of approximately 60,000 households nationwide that provides up-to-date information on the status of the United States labor force. Approximately 1,200 Vermont households are in the CPS survey sample each month with somewhat fewer than a thousand responding. In response to the 2020 COVID-19 global pandemic the Census Bureau added a survey question regarding remote work status of employed persons in the sample.



The 2013 Fringe Benefit Study Results

The 2013 fringe benefit study's question about telecommuting was disaggregated by size class. The study found that larger firms are generally more likely to offer telecommuting than smaller ones, perhaps in part due to more specialized division of labor.

Six percent of firms with between 3 and 9 employees reported offering telecommuting. The highest rate was among those firms with between 50 and 249 employees, with 21% offering the benefit. Eighteen percent of firms with 250 or more employees did so. See table 1 for more information.

Table 1: Telecommuting benefit, 2013

Size Class	3-9	10-19	20-49	50-249	250+
Share offering telecommute	6%	10%	11%	21%	18%

n = 1,026

The 2019 Fringe Benefit Study Results

The 2019 study's telecommuting questions were disaggregated by industry and size class. Confidentiality restrictions prevent publication of the figures for certain industries. Overall, 22.0% of responding firms reported offering telecommuting as an option for employees. The highest rates of offering a telecommuting option came in Professional & Business Services where 44.6% of respondents offered the benefit. This was followed by Financial Activities at 31.4% and Education & Health Services (26.1%). The lowest rates were among firms engaged in Trade, Transportation & Utilities (15.2%).

The size class disaggregation of the 2019 survey found that 19.7% of firms with less than 10 employees provided a telecommuting option.

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That figure increased to 29.0% among firms with 50 or more employees. See Table 2 for more information.

Table 2: Telecommuting benefit by industry and size class, 2019

Industry	Share offering telecommute	n
Total – all industries	22.0%	615
Natural Resources & Mining	c	11
Construction	22.5%	80
Manufacturing	c	60
Trade, Transportation & Utilities	15.2%	125
Information	c	14
Financial Activities	31.4%	35
Professional & Business Services	44.6%	65
Education & Health Services	26.1%	92
Leisure & Hospitality	c	86
Other Services	23.4%	47
Size Class		
Less than 10	19.7%	279
10-19	25.2%	163
20-49	18.9%	111
50 or more	29.0%	62
<i>c: does not meet confidentiality standards</i>		

Telecommuting during the COVID-19 Pandemic

In this section we review telecommuting patterns since the beginning of the COVID-19 pandemic. It's important to note that this section is discussing counts of people who telecommute. In earlier sections we were discussing firms that provided a telecommute option for at least some employees. These are, of course, very different measures.

In May of 2020 37.4% of employed persons nationwide teleworked due to the COVID-19 pandemic at some point during the month.

Among those with less than a high school diploma only 5.2% telecommuted while among those with a bachelor's degree or higher the percentage stood at 59.6%. By January of 2021 the percentage of telecommuters among those with less than a high school diploma had declined to 2.5% and those with a bachelor's degree or higher fell to 42.5%. The option to telecommute is clearly more prevalent among people with higher levels of educational attainment.

Telecommuting is also more prevalent among women than men. Among women, 40.9% telecommuted in May of 2020. That figure fell to 26.0% by January 2021. Among men the figures were 30.8% in May, 2020 and 20.8% in January, 2021.

Within Vermont 37.2% of employed persons telecommuted in May 2020, mirroring national figures. That figure declined slightly to 34.4% in June and then to 26.9% in July. Since that time the figure has hovered between 25% and 26%. By October of 2020 the US rate had fallen well below Vermont's rate. See Table 3 below.

Table 3: Percent of employed persons telecommuting

Area	May	June	July	Aug	Sept	Oct
Vermont	37.2%	34.4%	26.9%	25.5%	26.0%	25.7%
US	37.4%	31.3%	26.4%	24.3%	22.7%	21.2%

Significant variation exists among New England States. Over 30% of employees in every New England state teleworked in May with Maine the lowest at 31.5% and Massachusetts the highest at 50.5%. By October Maine's rate had fallen to 18.9% followed by Rhode Island (21.0%) and Connecticut (22.7%). At 34.0% Massachusetts was the only state to maintain a rate above 30% for the entire period.