The Vermont Labor Market Quarterly

A newsletter of the Economic & Labor Market Information Division of the Vermont Department of Labor

June 2018

A Review of the Vermont Economy in 2017

The economic expansion that started in 2009 continued in 2017. Personal income increased by 2.1% over the year compared to 3.1% nationwide. Washington state experienced the fastest growth at 4.8% while North Dakota was the only state to experience a decline (-0.3%). In 2017, per capita personal income in Vermont stood at $51,114, the 19th highest in the nation and 1.4 percent above the national average. Among states, the highest per capita personal income was in Connecticut ($70,121). The lowest per capita personal income was in Mississippi where the figure was $36,346. Among New England states Vermont ranks fifth with a per capita personal income about $6,000 higher than Maine and about $400 lower than Rhode Island.

Per Capita Personal Income, 2017		Change, 2016-2017
United States	**$50,392**	3.1%
New England	**$62,632**	2.7%
Connecticut	$70,121	1.5%
Maine	$45,072	2.7%
Massachusetts	$65,890	3.3%
New Hampshire	$57,574	3.5%
Rhode Island	$51,503	2.4%
Vermont	$51,114	2.1%
Data: Bureau of Economic Analysis		

The Economic & Labor Market Information Division (ELMI) of the Vermont Department of Labor is a primary source of labor market information in Vermont. We provide detailed information about current employment patterns, labor market trends and workforce utilization for the state of Vermont and various sub-state geographies. ELMI administers labor market data programs in collaboration with our federal partners at the Bureau of Labor Statistics and the Employment & Training Administration. This newsletter was produced with support from the U.S Department of Labor's Employment & Training Administration.

Statewide Overview

The labor market continued to improve in 2017. Annual total nonfarm payroll employment increased by 900 (0.3%) to 314,100 in 2017. Private sector employment increased 1,100 (0.4%), while government employment decreased 200 (-0.4%). This represents the eighth straight year of employment gains in the Current Employment Statistics series. Employment gains were concentrated in Health Care & Social Assistance (+1,100), Accommodation & Food Services (+900), and Administrative & Waste Services (+500). The largest losses were found in Durable Goods Manufacturing (-600), Retail Trade (-300), Other Services (-300), and Local Government Education (-300).

The statewide seasonally adjusted unemployment rate fell from 3.1% in December of 2016 to 2.9% in December of 2017, the lowest unemployment rate since November of 2000. The comparable national unemployment rates were 4.7% in December 2016 and 4.1% in December 2017. The labor force, which peaked in 2009, declined slightly over the year (-154). The number of employed persons increased by 653, while the number of unemployed persons fell by 807. The number of unemployed persons fell to an annual average of 10,405, the lowest annual average since 2000.

After peaking at 6.9% between April and June of 2009, the unemployment rate has gradually declined for almost 9 years. The number of unemployed persons peaked at 25,059 in May of 2009 and has declined in every year since. After peaking at 344,135 in April of 2006, the number of employed persons declined to 331,320 in October 2015. By December 2017, it had rebounded slightly to 334,820.

Labor Market Areas

Most areas of the State experienced little or no growth in employed persons. The largest increase was in the Barre-Montpelier Labor Market Area (LMA) where the number increased by 450 or 1.8%. Other LMAs with large percentage increases in the number of employed persons include Newbury (+1.9%) and Middlebury (+1.1%). The number of unemployed persons either remained flat or fell in every LMA. The largest

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declines were seen in Burlington-South Burlington (-350) and Rutland (-150). Labor force data for labor market areas is not seasonally-adjusted. See Table 1 for a comparison of LMA data for December 2016 and 2017.

Table 1: Changes in LMA Labor Force (December 2016 – December 2017 comparison, rounded to nearest 50)

Labor Market Area	Year	Labor Force	Employed	Unemployed	Unemployment Rate (%)
Barre-Montpelier	2017	25,600	24,950	650	2.5
	2016	25,200	24,500	700	2.8
Bennington	2017	11,150	10,750	400	3.4
	2016	11,100	10,700	400	3.5
Brattleboro	2017	22,450	21,850	550	2.5
	2016	22,600	21,950	600	2.7
Burlington-South Burlington	2017	123,500	121,100	2,400	1.9
	2016	123,900	121,100	2,750	2.2
Colebrook, NH-VT (Vt part)	2017	500	500	50	3.9
	2016	550	500	50	5.2
Derby	2017	12,850	12,250	600	4.7
	2016	12,800	12,150	650	5.0
Highgate	2017	9,950	9,650	300	2.8
	2016	9,950	9,650	350	3.3
Littleton, NH-VT (Vt part)	2017	800	800	50	2.6
	2016	800	800	50	3.5
Manchester	2017	11,650	11,350	350	2.8
	2016	11,700	11,350	350	3.0
Middlebury	2017	18,400	17,950	450	2.5
	2016	18,300	17,750	550	2.9
Morristown-Waterbury	2017	17,750	17,150	650	3.5
	2016	17,800	17,100	700	3.9
Newbury	2017	2,800	2,750	100	2.9
	2016	2,800	2,700	100	3.0
Northfield-Waitsfield	2017	7,050	6,900	150	2.2
	2016	7,050	6,850	200	2.7
Randolph	2017	7,300	7,100	200	2.8
	2016	7,250	7,050	250	3.1
Rutland	2017	21,300	20,750	550	2.7
	2016	21,700	21,050	700	3.1
Springfield	2017	11,100	10,800	250	2.4
	2016	11,200	10,900	300	2.7
St. Johnsbury	2017	13,100	12,700	400	3.0
	2016	13,450	12,950	500	3.8
White River Junction	2017	19,750	19,350	400	1.9
	2016	19,650	19,250	400	2.1
Woodstock	2017	4,150	4,050	100	2.4
	2016	4,200	4,050	100	2.7

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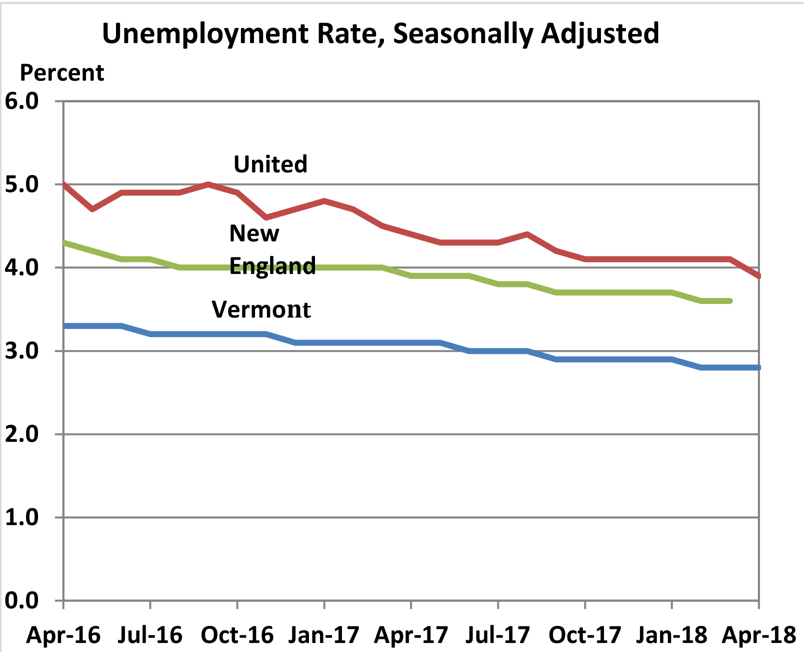
Local Area Unemployment Statistics

The Local Area Unemployment Statistics (LAUS) program produces monthly and annual employment, unemployment, and labor force data for Census regions, states, counties, metropolitan areas, and towns by place of residence. Estimates are derived primarily from the Current Population Survey, a monthly nationwide survey, which includes approximately 1,200 Vermont households.

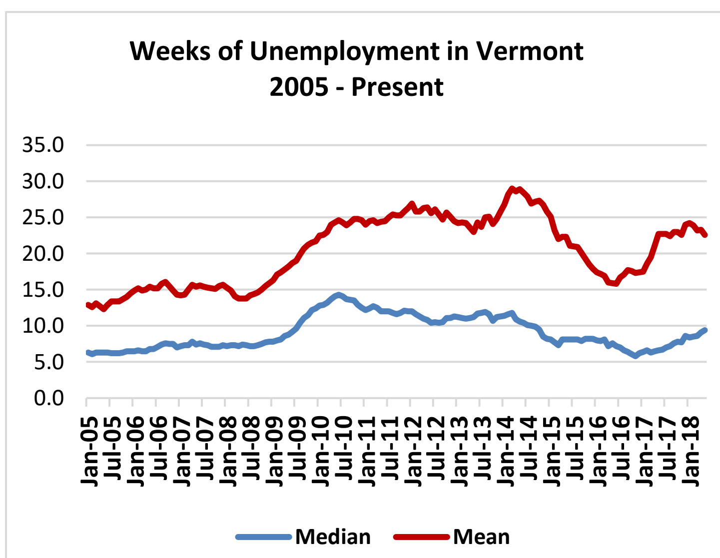


The April 2018 seasonally adjusted statewide unemployment rate stood at 2.8%, holding constant from the previous month and down one-tenth of a point from the beginning of the year. The seasonally adjusted labor force increased by 1,076 over the month, composed of a 14-person increase in unemployment and a 1,062-person increase in employment (figures may not sum due to rounding). Since January 2018, the labor force has expanded by 2,923 or 0.8%.

The non-seasonally adjusted unemployment rate for April 2018 was 3.0% statewide, a three-tenths of a point decline relative to January. The Burlington-South Burlington labor market area (LMA) continues to have the lowest unemployment rate at 2.2%, a decline of one-tenth of a point over the month and the year. The Derby LMA has the highest unemployment rate at 5.9%, a decline of one-half of a point since January. In addition to Burlington-South Burlington, three other LMAs have unemployment rates below 3%: Littleton, NH-VT (Vermont part, 2.3%), Northfield-Waitsfield (2.9%), and White River Junction (2.3%).

Current Population Survey Supplemental Information

The Current Population Survey also provides information on a wide range of related labor market information. One important metric from the survey is the median duration of unemployment among those that are currently unemployed. Prior to the December 2007 recession that figure hovered around 7 to 8 weeks. It peaked above 14 weeks in 2010 and slowly declined after that time. By 2015, it was at or below pre-recession levels. Median duration of unemployment has increased slightly over the past year, reaching a level of 9.1 weeks in April 2018.

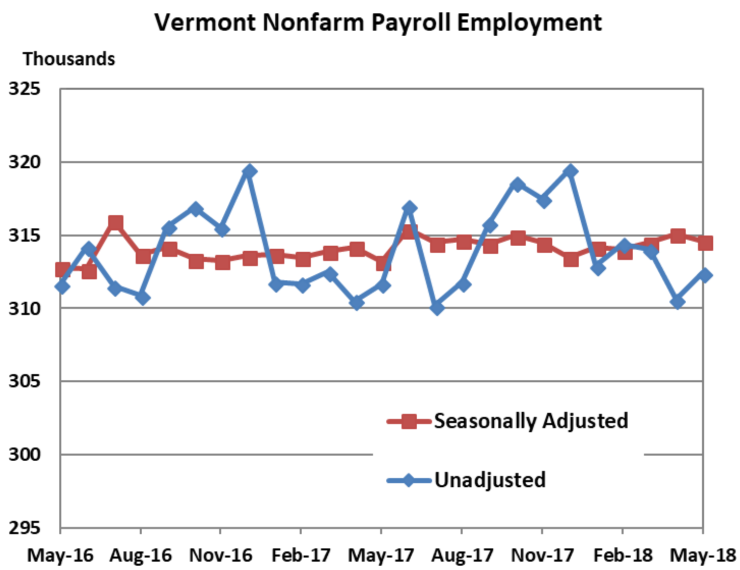


Mean weeks of unemployment follows a similar trend with higher absolute values. Prior to the recession, mean weeks of unemployment stood at around 15 weeks. It reached over 28 weeks in early 2014, declining to below 16 in the summer of 2016. Since that time, however, it has increased to 23.3 weeks.

The increases are primarily associated with a decline in the number of people unemployed less than five weeks rather than an increase in long-term unemployed. The number unemployed less than five weeks has fallen from 5,000 in April of 2017 to 3,800 in April of 2018. During that same period, those unemployed greater than 26 weeks has fallen but by a far smaller number (from 2,400 to 1,900).

Current Employment Statistics

The Current Employment Statistics (CES) program provides detailed industry data on employment, hours and earnings. The program is based on a monthly survey of approximately 149,000 business and government agencies, representing 651,000 establishments nationwide. The Vermont sample includes approximately 1,240 firms, representing 2,370 establishments.



Vermont seasonally adjusted total nonfarm payroll employment stood at 314,900 in April of 2018, an increase of 400 since the March release and 700 since January of this year. The private sector has added 900 jobs since January while the government sector has lost 200. The largest growth has been in Accommodation & Food Service (+800 since January), Arts, Entertainment & Recreation (+400), and Construction (+400). The largest losses during the same period were found in Other Services (-500), Non-Durable Goods Manufacturing (-400), Retail Trade (-300) and Administrative & Waste Services (-300).

Employment changes since the start of the most recent recession

While employment has increased in most industries since the onset of the Great Recession, several have experienced a decline in jobs. Since December 2007, Durable Goods Manufacturing has lost 29.6% of its employment (-7,700). Wholesale Trade is 11.5% below its December 2007 employment level (-1,200 jobs). Real Estate, Rental & Leasing is still 9.1% below its December 2007 employment level (-300 jobs). Despite its significant gains in recent years, Construction remains 4.9% below its December 2007 employment level (-800 jobs).

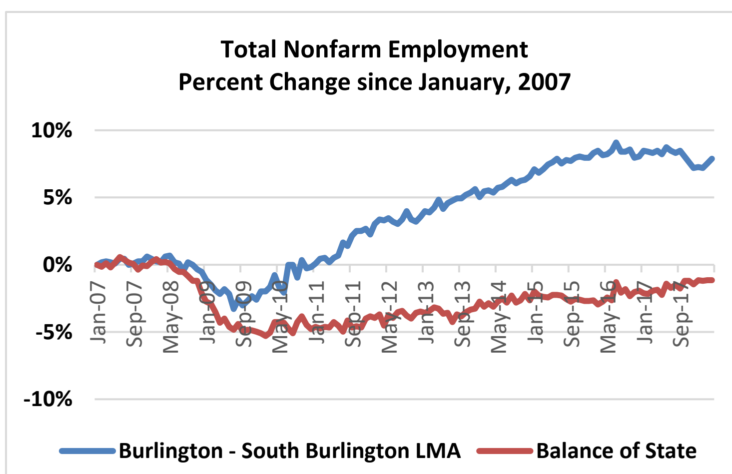
Employment changes since the start of the recovery

As of April 2018, the Vermont economy has added 18,300 jobs since June 2009, the end of the most recent recession. The private sector has added 17,400, while the government has added 900. During that period, the industry with the fastest growth was Administrative & Waste Services, which grew 43.4% (3,600 jobs). Other rapidly-growing industries include Arts, Entertainment & Recreation, which grew 29.7% (+1,100 jobs); Accommodation & Food Services (+20.0% or 5,600 jobs); Non-Durable Goods Manufacturing (+18.9% or 1,700 jobs), and Construction (14.0% or 1,900 jobs). The only industries with less employment in April 2018 than June 2009 were Mining and Logging (-12.5% or 100 jobs); Durable Goods Manufacturing (-15.3% or -3,300 jobs); Trade, Transportation & Utilities (-2.3% or 1,300 jobs); and Local Government (-3.3% or 100 jobs).

The Burlington-South Burlington Labor Market Area

Seasonally adjusted total nonfarm payroll employment in the Burlington-South Burlington Labor Market Area stood at 124,600 in April 2018. This represents an increase of 400 over the month and 700 over the first four months of 2018. Over the year, however, total nonfarm employment has declined by 700 jobs.

Since the end of the most recent recession the Burlington-South Burlington LMA has added 11,600 jobs, accounting for 63% of all employment gains in the State. Over the past year, however, this situation has changed. While the Burlington – South Burlington LMA lost 700 jobs the remainder of the State has added 1,400 jobs.



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Career Planning and Employment Data Resources

The VT Department of Labor has a wide range of resources available to Vermonters seeking to find work, change careers, or just explore opportunities. Our staff work to connect Vermont businesses with qualified employees and offer innovative programs to help train motivated individuals. The Economic & Labor Market Information Division houses data related to occupations, industries, wages, income, and labor force utilization in Vermont and various sub-state geographies.

Career Exploration Resources

American Job Centers: The Vermont Department of Labor has 12 Career Resource Centers throughout the state. These centers can assist with job searches and provide access to online resources.
www.labor.vermont.gov/workforce-development

Start Where You Are explores the variety of occupations available to Vermonters and offers guidance on where to receive the requisite education and training.
www.startwhereyouarevt.org

My Skills My Future is a place to manage your career and create a pathway to success. Tools are available to help students, businesses, and career professionals.
www.careeronestop.org

Vermont Job Link is a free, self-service job matching system for jobseekers and employers. Job seekers can post a resume and apply for positions directly from the site. Job Link is hosted by the VT Department of Labor.
www.vermontjoblink.com

For questions about this newsletter or for more information, please reach us at:

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Resources for Employers

Vermont Small Business Development Center is a source for no-cost business advising and low-cost training for Vermont entrepreneurs.
www.vtsbdc.org

The Agency of Commerce and Community Development is a source for information about starting, expanding and relocating a business in VT.
http://accd.vermont.gov/

Economic & Labor Market Data

From our homepage at www.vtlmi.info, Vermonters can access a wide range of labor market data. This includes all of the background data for sections of this newsletter, as well as occupational and industrial projections, wage ranges and quintiles by occupation, fringe benefits comparisons, per capita incomes, an employer database, quarterly workforce indicators, and assorted related data. Other sources for labor market data include:

The United States Bureau of Labor Statistics
www.bls.gov

The Employment and Training Administration
www.doleta.gov

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