

The Vermont Labor Market

Departments of Employment & Training / Labor & Industry

Vermont Department of

Employment & Training

January 2005

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<http://www.det.state.vt.us>

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Commissioners' Message

DET Announces New Service Delivery Model

On January 15, 2005, the Department of Employment and Training announced a proposal to implement a new service delivery system that would allow DET to be more responsive to the changing business climate and labor market while continuing to operate within the constraints of declining federal funds.

While DET administers a number of state and federal programs, the changes in question relate primarily to its employment and training programs run out of DET's One-Stop Career Resource Centers. The Unemployment Insurance Program went through its own consolidation process over 5 years ago. UI claims are now processed through a state of the art telephone call center in Montpelier. The changes proposed by the consolidation of Career Resource Centers are not expected to have any direct impact on the unemployment insurance program.

Federal support for employment and training programs has been steadily

declining in recent years, while the costs associated with doing business continue to escalate. The cost of maintaining office space, in particular, has undergone dramatic increases over the past several years. In one location the cost increased by 60% in one year. Other locations have experienced less significant cost increases but the stark reality is that an unacceptable share of scant resources are being spent on things such as facilities rather than on direct services for our customers. The Department is now in a position of having to meet a total budget reduction of approximately \$3M from FY04 levels.

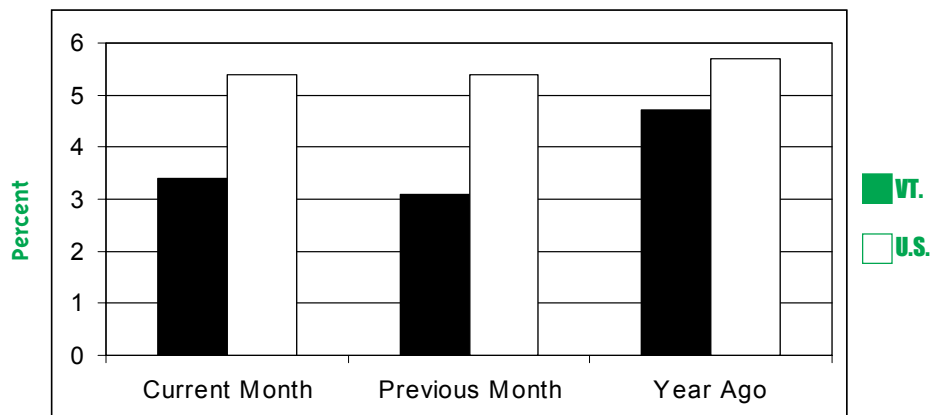
To meet this budget reality, DET has developed a strategic plan that takes into consideration today's budget constraints as well as those it anticipates. It is no mystery that federal spending on discretionary programs will be under considerable pressure for years to come.

DET's plan includes the consolidation of twelve offices into six regional Hubs located in Bennington, Rutland, Springfield, Barre, St. Johnsbury, and Burlington. By consolidating staff from the remaining six communities

(Continued on page 2)

Unemployment Rates Vermont and U.S.

November (SA) 2004 Rates
VT 3.4% • U.S. 5.4%



Commissioner's Message –

(continued from front page)

- Brattleboro, Middlebury, Newport, St. Albans, Morrisville and White River - the HUB offices will be able to offer the full complement of quality services on a full time basis.

It is important to note that the six communities where full-service offices will be closed will still receive employment and training services but in a different location with a modified schedule. DET staff will be present in these communities a minimum of two days a week, depending on workload.

Reach Up services to welfare recipients will continue to be offered in the twelve districts currently served. Reach Up staffing levels will be unchanged, but staff will be relocated to partner agencies.

This new model will also permit skilled DET personnel to offer outpost services in six presently under-served communities - Enosburg, Vergennes, Manchester, Randolph, Bradford and Island Pond. The Department is working with community partners to identify meeting locations that are affordable and convenient for the public. The Department intends to be at these new outposts a minimum of four hours a week, again depending on the workload.

No single criterion was used to determine which offices will remain as full time sites and which locations will be served on a modified and outpost basis. Strategic geographic location was one of the key factors used in the selection process. As an example, Springfield is located on the I-91 corridor and is a reasonable

distance from both Brattleboro and White River. Every effort was made to not place HUB offices at the extreme end of a designated region. The new outposts will be situated in regions that are distant from HUB offices. These regions will benefit from the new services being brought into their respective communities. Other factors such as commuting patterns, highway connections, proximity to other offices, population data, current usage information and performance data were all part of the decision making process.

This new delivery system will also utilize new self-help technology. For example, DET has launched Vermont Job Link, an Internet-based job matching and information system. Vermont Job Link allows Vermonters to post resumes, browse job openings and learn about other career options and training programs from home, the local library or anywhere there is Internet access. Job Link also allows employers to list job openings and review resumes on-line. When an employer lists a job the system will automatically search the resume file and email the qualified applicants or send a copy of the resume directly to the employer.

By consolidating staff in regionally-focused "hub" offices and dispatching personnel to outposts on a scheduled basis, the Department will be able to provide more direct services to both job seekers and employers rather than expend an unacceptable share of limited resources on facilities and other overhead costs. The new service delivery plan is expected to be fully implemented by July 1, 2005.

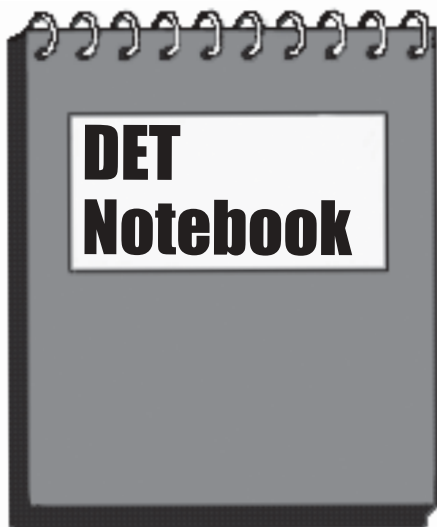
In addition, the Department is taking other steps to address its budgetary shortfall through the one-time use of contingency funds in FY05 and implementation of various internal spending control measures. The Department also has 36 vacant positions, some of which have helped to meet this year's budget shortfall and will help again in FY06. Depending on these and other cost-cutting measures and on normal attrition activities the Department may also need to implement a reduction in staff of up to 15 positions.

One of the Department's goals is to have a viable organization that is supportive of job seekers and employers as well as Department employees. Another is for the Department to have addressed its budgetary and service goals in preparation for the exciting opportunities being presented by the merger of Labor and Industry and the Department of Employment and Training effective July 1, 2005.

The Department will continue to work closely with staff, various constituents, service providers, and legislative and community members to ensure a smooth transition. In developing and implementing its plan, DET will be better prepared to address the challenges of Vermont's economy and to help Vermonters gain economic independence.

If you have comments, please contact Patricia A. McDonald at 802-828-4301 or at pmcdonald@det.state.vt.us.

Thank you. *Patricia A. McDonald*



Unemployment Statistics

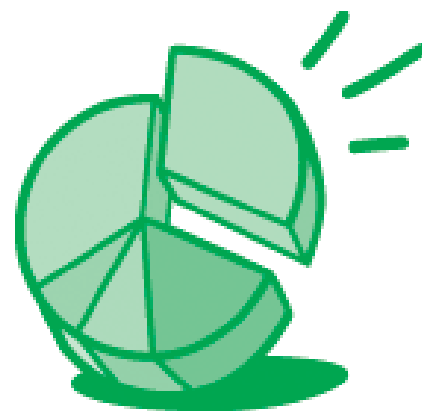
The Labor Market Information section of DET works closely with the U.S. Bureau of Labor Statistics (BLS) to ensure that the monthly unemployment estimates and related labor force statistics are reliable and accurate. The same methodology is used to produce estimates of the unemployment rate in all 50 states and the District of Columbia based on a statistical model. This approach combines the administrative data from each state's Unemployment Insurance (UI) program, which is very reliable, with the more volatile data from a household survey known as the Current Population Survey (CPS). This survey provides the foundation for unemployment statistics in the United States, allowing us to reflect the experience of unemployed people not currently collecting UI benefits.

The statistical model used in 2004 performed well in Vermont but there were some fundamental limitations in the methodology that needed to be improved. BLS has conducted research to fine-tune the statistical procedures, and every state in the country will adopt these changes beginning with the unemployment data published for January 2005. As a result of the new methodology, states will be able to publish a measure of the reliability of their monthly unemployment rate. Most survey-based estimates are published with a measure of confidence, e.g. plus or minus some tolerance. However, the unemployment rate estimate is derived from a statistical model using survey data as an input, making it more difficult to estimate the statistical variability associated with the estimate. The new methodology handles this complexity better. In addition, the labor force data for all the states will sum to the national labor force totals (before seasonal adjustment) for the first time. This will be done by controlling state estimates to a regional total from the CPS, which will also minimize the end-of-year revisions for states.

The Statistical Methods Division of BLS has worked diligently to apply the latest research techniques to state unemployment estimation over the last 15 years. Their work has helped to ensure

that state estimates are based on scientific principles. During the last year, LMI staff in all states have worked closely with BLS to ensure that the new models are appropriate. When the January estimates are published in early March, historical data will be revised and time series data will be available back to 1976. BLS has an explanation of the new methodology on its web site. You can link to the BLS information from the Vermont web page at <http://www.vtmi.info/unemp.cfm>

National research efforts have focused on improving the state methodology but we will also implement modest enhancements for the estimation of local area unemployment beginning in January. This will be done at the same time we adopt the new labor market area definitions based on the 2000 decennial census. Details on the new area definitions will be available in next month's newsletter.



Economic Spotcheck

Local Unemployment Rates (Not Seasonally Adjusted)

Town/City*	Dec. '04	Nov. '04	Dec. '03
Barre City	6.2	6.2	7.4
Barre Town	1.9	1.7	2.6
Bennington Town	4.0	3.8	5.3
Brattleboro Town	2.6	2.5	4.0
Burlington City	2.7	2.9	3.4
Colchester Town	2.1	2.1	3.3
Essex Town	1.9	1.9	3.4
Hartford Town	1.5	1.4	2.1
Middlebury Town	1.9	1.9	2.9
Milton Town	3.7	3.1	5.2
Montpelier City	1.6	1.5	2.3
Rutland City	2.4	2.7	2.9
Shelburne Town	1.6	1.8	1.5
So. Burlington City	1.7	1.6	2.7
Springfield Town	4.2	4.7	5.7
Williston Town	0.9	0.9	1.0

*16 Largest Towns in Vermont

U.S. CONSUMER PRICE INDEX Base Period (1982 - 1984 = 100)

	Dec. 2004	Nov. 2004	Dec. 2003
All Items Index	190.3	191.0	184.3
Annual Percent Change	3.3	3.5	1.9

BRIEF EXPLANATION OF THE CPI - The Consumer Price Index (CPI) is a measure of the average change in prices over time of a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, fuels, transportation fares, and other items that people buy for day to day living. The CPI shown above represents the U.S. city average for all urban consumers and is not seasonally adjusted.

There is no separate Consumer Price Index for Vermont or any area within the state.

Employment Trends

Total seasonally adjusted December employment edged up slightly, increasing by 300 from the previous month with 342,200 working Vermonters. This estimate includes all Vermont residents who worked, whether at wage and salary jobs, or as self-employed.

On a seasonally adjusted basis, the estimated number of non-farm jobs pushed upward, adding 800 jobs in December, this came on the heels of a relatively flat period from the previous month. Leisure & Hospitality contributed the largest increase in jobs, adding 500, which reflects hiring by resorts of seasonal workers. Private Education also added employment in December. Due to varying holiday schedules at many institutions, employment can appear somewhat volatile during the end of the year. Retail appeared to garner some strength in December after a slow start for the holiday season in November. Over the month it was up 300 jobs. Manufacturing fell slightly and was down for the third month in a row to end out the year.

The more detailed unadjusted estimates jumped by just over 4,100 from the November estimate. A majority of the increase was seasonal in nature. The major contributor to the increase was Leisure & Hospitality, as many resorts and hotels hired a fairly typical number of workers. Retail also added workers to handle the influx of holiday

shoppers. Construction contracted, offsetting a portion of the gain as winter weather made most outside work impossible. Administrative support services also experienced a mostly seasonal decline, as it typically does from November to December.

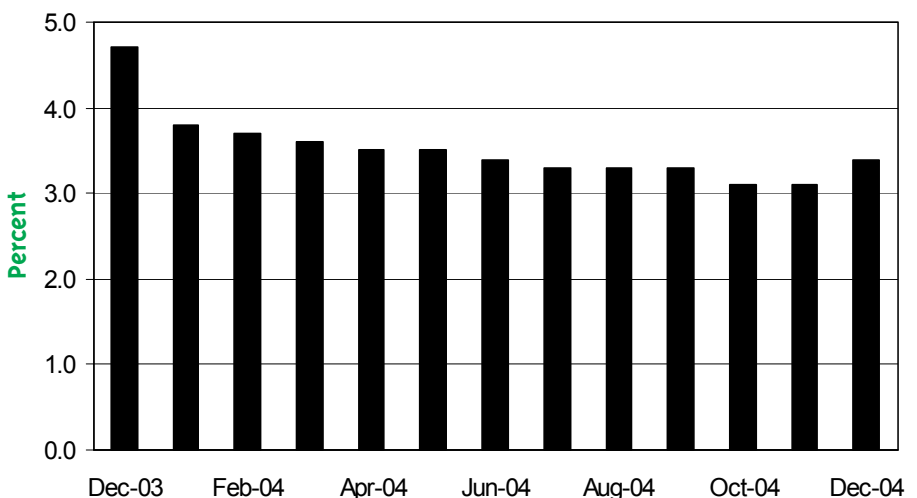
The preliminary December estimates reflect an annual increase of 1.0%. The annual change in Private Industry was not considered statistically significant. Health Care & Social Assistance, once again, experienced the largest year to year growth. Leisure & Hospitality was up almost 800 from December of last year. Computer & Electrical Equipment Manufacturing added 400 jobs over the year. Finance & Insurance was the largest contributor in terms of job loss over the year.

Unemployment Trends

Vermont's seasonally adjusted December unemployment rate was 3.4%, up three tenths from the November estimate. The national rate remained at 5.4% in December. An estimated 11,900 Vermonters were unemployed in December.

The number of initial claims for Unemployment Insurance filed in December was up over 1,300 from the previous month. The majority of the increases were found in Construction and Nonmetallic Mineral Manufacturing, both of which are considered seasonal in nature.

Vermont Seasonally Adjusted Unemployment Rate



Labor Force Estimates (Seasonally Adjusted)

Vermont	Changes from:				
	Dec. '04	Nov. '04	Dec. '03	Nov. '04	Dec. '03
TOTAL LABOR FORCE¹	354,200	353,000	350,800	1,200	3,400
TOTAL EMPLOYMENT	342,200	341,900	334,400	300	7,800
TOTAL UNEMPLOYMENT	11,900	11,100	16,500	800	-4,600
RATE	3.4	3.1	4.7	0.3	-1.3

¹Includes proprietors, professionals, and unpaid family workers.
VCM Regression Methodology

Labor Market Areas (Not Seasonally Adjusted)

	Dec. 2004	Nov. 2004	Dec. 2003		Dec. 2004	Nov. 2004	Dec. 2003
BARRE-MONTPELIER				MORRISTOWN-STOWE			
Labor Force	41,100	41,300	40,800	Labor Force	19,750	18,700	19,900
Unemployment	1,400	1,300	1,750	Unemployment	850	800	1,150
Rate	3.3	3.1	4.3	Rate	4.3	4.3	5.7
Employment	39,700	40,000	39,050	Employment	18,900	17,900	18,750
BENNINGTON-MANCHESTER				NEWPORT			
Labor Force	21,400	21,350	21,500	Labor Force	13,750	13,450	13,850
Unemployment	750	800	1,000	Unemployment	850	700	1,050
Rate	3.5	3.7	4.7	Rate	6.2	5.3	7.6
Employment	20,650	20,550	20,500	Employment	12,900	12,700	12,800
BURLINGTON				RANDOLPH			
Labor Force	110,300	110,600	108,050	Labor Force	6,550	6,500	6,600
Unemployment	2,750	2,700	3,800	Unemployment	200	200	350
Rate	2.5	2.4	3.5	Rate	3.4	3.1	5.1
Employment	107,550	107,900	104,250	Employment	6,350	6,300	6,250
ENOSBURG				RUTLAND			
Labor Force	10,500	10,550	10,600	Labor Force	31,550	31,350	30,600
Unemployment	600	550	850	Unemployment	1,100	1,200	1,500
Rate	5.9	5.4	7.9	Rate	3.6	3.8	5.0
Employment	9,900	10,000	9,750	Employment	30,450	30,200	29,100
HARTFORD-LEBANON,VT-NH LMA (VT PORTION ONLY)				ST. JOHNSBURY			
Labor Force	29,050	28,950	29,500	Labor Force	15,150	15,100	15,300
Unemployment	550	500	700	Unemployment	700	550	900
Rate	1.9	1.8	2.4	Rate	4.5	3.7	5.9
Employment	28,500	28,450	28,800	Employment	14,450	14,500	14,400
KEENE-BRATTLEBORO,NH-VT LMA (ENTIRE AREA)				SPRINGFIELD			
Labor Force	61,500	60,550	58,600	Labor Force	10,350	9,750	10,350
Unemployment	1,400	1,450	1,850	Unemployment	400	450	500
Rate	2.2	2.4	3.2	Rate	3.8	4.4	4.9
Employment	60,150	59,100	56,750	Employment	9,950	9,350	9,850
MIDDLEBURY				STATEWIDE			
Labor Force	20,700	20,700	20,700	Labor Force	355,350	353,250	351,900
Unemployment	650	600	900	Unemployment	11,400	11,050	15,350
Rate	3.1	2.8	4.3	Rate	3.2	3.1	4.4
Employment	20,050	20,100	19,850	Employment	343,950	342,200	336,550

Monthly estimates are preliminary and subject to revision.

Detail may not add to totals due to rounding.

Vermont Seasonally Adjusted Nonfarm Employment in Thousands

BY NAICS	Prelim.	Revised	Revised	Changes From:	
	Dec. '04	Nov. '04	Dec. '03	Nov. '04	Dec. '03
Total - All Industries	302.4	301.6	299.3	0.8	3.1
Private Industries	250.0	249.2	247.1	0.8	2.9
Construction	15.6	15.6	15.6	0.0	0.0
Manufacturing	37.0	37.1	36.9	-0.1	0.1
Retail Trade *	39.2	38.9	38.5	0.3	0.7
Professional & Business Services	20.6	20.8	20.1	-0.2	0.5
Private Ed. Services*	12.9	12.5	12.7	0.4	0.2
Health Care & Social Assistance*	41.6	41.6	40.6	0.0	1.0
Leisure & Hospitality*	33.5	33.0	32.6	0.5	0.9
Total Government	52.4	52.4	52.2	0.0	0.2

*These estimates are not endorsed by the U.S Bureau of Labor Statistics.

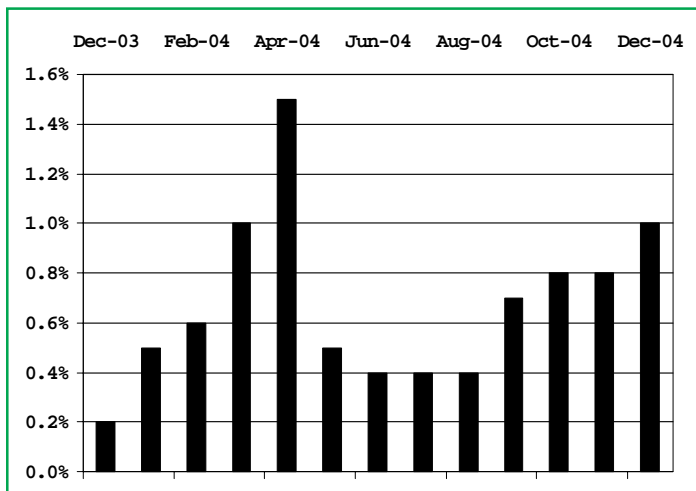
Note: Total - All Industries estimate is seasonally adjusted independently.

All seasonal adjustment performed with X12-ARIMA. Seasonal factors available from DET/LMI on request.

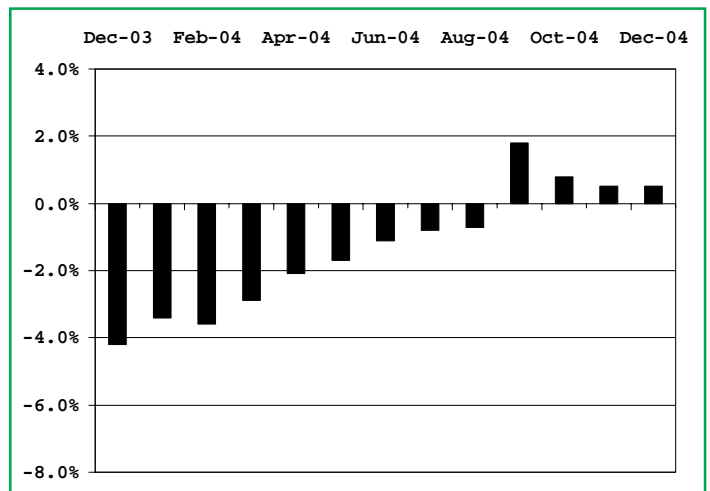
Produced by the Vermont Department of Employment & Training in cooperation with the U.S Bureau of Labor Statistics, unless otherwise noted.

Vermont Annual Job Growth Not Seasonally Adjusted Data

All Industries



Manufacturing



Nonfarm Employment In Vermont *(Not Seasonally Adjusted)*

Compiled by the Department of Employment and Training in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

INDUSTRY BY NAICS	Prelim.	Revised	Revised	Changes From:	
	Dec. '04	Nov. '04	Dec. '03	Nov. '04	Dec. '03
TOTAL NONFARM	307,900	303,750	305,000	4,150	2,900
TOTAL PRIVATE	252,900	248,800	250,000	4,100	2,900
GOODS PRODUCING	54,000	54,700	53,850	-700	150
MANUFACTURING	37,450	37,400	37,250	50	200
Durable Goods	26,650	26,600	26,500	50	150
Computer & Electrical Equipment Mfg.	9,500	9,450	9,100	50	400
Fabricated Metal Products Mfg.	2,950	2,950	2,850	0	100
Machinery Mfg.	3,150	3,150	3,050	0	100
Transportation Equipment Mfg.	2,400	2,400	2,300	0	100
Furniture & Related Product Mfg.	2,450	2,450	2,450	0	0
Non-Durable Goods	10,800	10,800	10,750	0	50
Food Mfg.	4,000	3,950	3,950	50	50
CONSTRUCTION	15,600	16,250	15,650	-650	-50
NATURAL RESOURCES & MINING	950	1,050	950	-100	0
SERVICE-PROVIDING	253,900	249,050	251,150	4,850	2,750
TRADE TRANSPORTATION AND UTILITIES	60,200	59,050	59,650	1,150	550
Wholesale Trade	10,350	10,250	10,500	100	-150
Retail Trade	40,850	39,850	40,200	1,000	650
Food & Beverage Stores	9,400	9,450	9,150	-50	250
General Merchandise Store	3,150	3,050	3,250	100	-100
Transportation, Warehousing and Utilities	9,000	8,950	8,950	50	50
Utilities	1,750	1,750	1,750	0	0
Transportation & Warehousing	7,250	7,200	7,200	50	50
INFORMATION	6,550	6,500	6,550	50	0
FINANCIAL ACTIVITIES	13,000	13,000	13,250	0	-250
Finance & Insurance	9,850	9,850	10,350	0	-500
Real Estate, Rental & Leasing	3,150	3,150	2,900	0	250
PROFESSIONAL AND BUSINESS SERVICES	20,700	20,850	20,200	-150	500
Professional, Scientific and Technical	11,950	11,900	12,200	50	-250
Administrative, Support and Waste	8,350	8,600	8,250	-250	100
EDUCATIONAL AND HEALTH SERVICES	55,050	54,900	53,850	150	1,200
Educational Services	13,350	13,300	13,200	50	150
College, Universities and Professional	7,050	7,100	6,800	-50	250
Health Care and Social Assistance	41,700	41,600	40,650	100	1,050
Ambulatory Health Care Services	16,050	16,050	15,700	0	350
Hospitals	10,400	10,350	10,350	50	50
Nursing and Residential Care Facilities	6,950	6,900	6,750	50	200
LEISURE AND HOSPITALITY	33,350	29,850	32,600	3,500	750
Arts, Entertainment and Recreation	3,200	3,150	3,100	50	100
Accommodation and Food Services	30,150	26,700	29,500	3,450	650
Accommodations	12,750	9,450	12,300	3,300	450
Hotels & Motels	12,350	8,750	12,300	3,600	50
Food Services and Drinking Places	17,400	17,250	17,200	150	200
OTHER SERVICES	10,050	9,950	10,050	100	0
GOVERNMENT	55,000	54,950	55,000	50	0
Federal Government	6,100	6,050	6,250	50	-150
State Government Education	9,350	9,450	9,400	-100	-50
Local Government Education	23,650	23,600	23,700	50	-50
Other State Government	9,050	9,050	8,950	0	100
Other Local Government	6,850	6,800	6,700	50	150

Nonfarm Employment By Area (Not Seasonally Adjusted)

Note: Monthly estimates are preliminary and subject to revision. See Annual Employment & Earnings for details. Benchmark 3/2002.

Burlington

INDUSTRY BY NAICS	Preliminary	Revised	Revised	Changes From:	
	Dec. '04	Nov. '04	Dec. '03	Nov. '04	Dec. '03
TOTAL NONFARM	112,350	112,100	109,900	250	2,450
TOTAL PRIVATE	92,750	92,600	90,250	150	2,500
GOODS PRODUCING	20,450	20,650	20,100	-200	350
MANUFACTURING	15,050	15,150	14,750	-100	300
Durable Goods	11,250	11,200	11,150	50	100
NATURAL RESOURCES, MINING & CONST.	5,400	5,500	5,350	-100	50
SERVICE PROVIDING	91,900	91,450	89,800	450	2,100
TRADE, TRANSPORTATION AND UTILITIES	22,100	21,800	21,500	300	600
Wholesale Trade	3,800	3,750	3,850	50	-50
Retail Trade	15,200	14,950	14,600	250	600
Transportation, Warehousing & Utilities	3,100	3,100	3,050	0	50
INFORMATION	3,400	3,350	3,200	50	200
FINANCIAL ACTIVITIES	5,300	5,350	5,250	-50	50
PROFESSIONAL & BUSINESS SERVICES	9,750	9,750	9,650	0	100
Professional Scientific and Technical	6,150	6,150	5,900	0	250
EDUCATIONAL & HEALTH SERVICES	19,000	18,900	18,000	100	1,000
Health Care and Social Assistance	15,350	15,250	14,600	100	750
LEISURE AND HOSPITALITY	9,050	9,100	8,950	-50	100
Accommodation and Food Services	7,400	7,400	7,300	0	100
Food Services and Drinking Places	6,250	6,300	6,150	-50	100
OTHER SERVICES	3,700	3,700	3,600	0	100
GOVERNMENT	19,600	19,500	19,650	100	-50
Federal Government	2,850	2,800	2,900	50	-50
State Government Education	6,600	6,600	6,650	0	-50
Local Government Education	6,000	5,950	6,100	50	-100
Other State Government	1,700	1,700	1,600	0	100
Other Local Government	2,450	2,450	2,400	0	50

Barre-Montpelier

TOTAL NONFARM	35,100	35,150	34,850	-50	250
TOTAL PRIVATE	26,000	26,050	25,950	-50	50
GOODS PRODUCING	4,500	4,750	4,750	-250	-250
MANUFACTURING	2,900	3,000	3,150	-100	-250
NATURAL RESOURCES, MINING & CONST.	1,600	1,750	1,600	-150	0
SERVICE-PROVIDING	30,600	30,400	30,100	200	500
TRADE, TRANSPORTATION AND UTILITIES	6,200	6,100	6,000	100	200
Wholesale Trade	900	900	950	0	-50
Retail Trade	4,450	4,350	4,300	100	150
Transportation, Warehousing & Utilities	850	850	750	0	100
INFORMATION	700	700	700	0	0
FINANCIAL ACTIVITIES	2,550	2,550	2,700	0	-150
PROFESSIONAL AND BUSINESS SERVICES	2,050	2,050	1,950	0	100
EDUCATIONAL & HEALTH SERVICES	5,550	5,500	5,400	50	150
Health Care and Social Assistance	3,900	3,850	3,800	50	100
LEISURE AND HOSPITALITY	3,150	3,050	3,050	100	100
Accommodation and Food Services	2,700	2,550	2,600	150	100
OTHER SERVICES	1,300	1,350	1,400	-50	-100
GOVERNMENT	9,100	9,100	8,900	0	200
Federal Government	350	350	350	0	0
State Government Education	400	400	350	0	50
Local Government Education	2,800	2,800	2,750	0	50
Other State Government	4,800	4,800	4,750	0	50
Other Local Government	750	750	700	0	50

Unemployment Insurance Program Summary

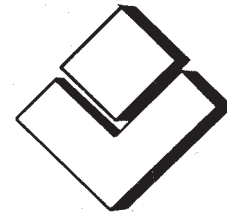
	December 2004	November 2004	December 2003	Percent Change From Last Month Last Year	
UI Trust Fund	\$222,973,329	\$229,512,630	\$241,925,274	-2.8%	-7.8%
UI Reg. Benefit Payments *	\$6,801,154	\$5,749,300	\$9,511,716	18.3%	-28.5%
UI Initial Claims	6,296	4,971	8,013	26.7%	-21.4%
UI Weeks Claimed	29,213	24,720	38,697	18.2%	-24.5%

*Includes benefit payments for reimbursable employers.

Average Hours and Earnings of Production and Nonsupervisory Workers

INDUSTRY BY NAICS	Average Weekly Earnings(\$)			Average Weekly Hours			Average Hourly Earnings(\$)		
	Dec. '04 Prelim.	Nov. '04 Revised	Dec. '03 Revised	Dec. '04 Prelim.	Nov. '04 Revised	Dec. '03 Revised	Dec. '04 Prelim.	Nov. '04 Revised	Dec. '03 Revised
GOODS PRODUCING	602.64	601.15	596.17	40.5	40.4	40.2	14.88	14.88	14.83
Natural Resources & Mining	468.50	465.40	464.05	33.9	33.7	33.7	13.82	13.81	13.77
Construction	646.99	644.60	635.50	41.5	41.4	41.0	15.59	15.57	15.50
Manufacturing	587.72	586.92	582.80	40.2	40.2	40.0	14.62	14.60	14.57
Durable Goods	610.91	610.50	606.69	40.7	40.7	40.5	15.01	15.00	14.98
Non-Durable Goods	521.65	521.26	516.26	38.9	38.9	38.7	13.41	13.40	13.34
SERVICE PROVIDING									
Wholesale Trade	649.80	647.64	641.89	36.1	36.0	35.7	18.00	17.99	17.98
Retail Trade	370.18	369.87	367.14	30.9	30.9	30.8	11.98	11.97	11.92
Health Care & Social Assist.	554.19	552.06	549.04	30.5	30.4	30.3	18.17	18.16	18.12
BURLINGTON AREA									
Manufacturing	579.87	577.96	569.16	37.9	37.8	37.2	15.30	15.29	15.30

Vermont Department of Labor & Industry



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Planning Ahead for Fire Safety

Each year the cold winter winds and diving temperatures bring an increased fire risk to people in Vermont. January and February are the peak months for fires in homes and businesses. Heating equipment, the improper disposal of smoking materials, inadequate electrical systems, intentionally set fires and cooking equipment all contribute to the fire problem. Whether at home or at work everyone can take steps to protect themselves and their property from fire.

The most important thing anyone can do to stay fire safe is to make sure there is a working smoke detector installed on each level of their home and in the vicinity of each sleeping area. For increased protection place additional smoke detectors in each bedroom and consider replacing battery operated smoke detectors with smoke detectors that are powered by the house electrical service to simplify maintenance and increase reliability. Make sure to test smoke detectors each month.

If a smoke detector does sound an alarm make sure everyone knows what to do. Everyone should have a fire escape plan based on the abilities of the people involved. The same type of planning is needed at work.

Develop an emergency plan for the duties that each staff person will have in case of fire, panic or other emergency to be sure people will be able to escape the building. Include input from staff on what can go wrong. Consider variables such as the number of occupants who may be present, the number of staff working, special events, the time of day or anything else that will impact the safety of the people in the building. Make sure the plan includes the maintenance and testing of fire protection equipment and that all exits are checked by staff when the building first opens and periodically while the building is occupied.

Planning ahead for improved fire safety on a bigger scale is occurring in state government. The fire service community in Vermont has long advocated that the departments in state government with fire safety programs be combined into one department. Beginning in April 2005 the Fire Prevention Division of the Department of Labor and Industry will combine with the programs under the fire service training council to form a new fire safety division of the Department of Public Safety. Everyone involved will be working to make this a seamless transition.

The Fire Prevention Division staff will remain at their current regional offices. The contacts and phone numbers for permits, inspections and educational programs do not change. The Fire Academy offices and training programs for the fire service will still be based in Pittsford.

While some things will remain the same, the transition offers many opportunities to consolidate and update day-to-day activities, such as information technology, and to expand on the solid relationships the Fire Prevention Division has with the many groups and organizations that are involved in fire safety. To advise in planning for the transition, a 16-member task force, representing a cross section of the regulative community, has been established and the task force has been reviewing many important issues.

Education, training, engineering solutions and code enforcement will remain

at the core of the efforts to prevent the loss of life, or injury, and property damage from fire. There will be improved communications between state government and the fire service community, and the fire safety division will emphasize a willingness to work together with all interested parties. Codes and standards will continue to be developed through a consensus process allowing for incremental improvements, alternatives and equivalent solutions. Time periods for achieving code compliance will take into consideration the economic concerns of those affected.

The new Fire Safety Division will continue to work with the transition task force with planning on an efficient and effective transition and will expand the education and training portions of the fire safety programs to help everyone stay fire safe.

For additional information on fire safety, the transition or the task force meetings, contact firesafety@labind.state.vt.us or call 1-800-640-2106.

How to Reduce Your Workers' Compensation Costs & Create a Safer Workplace

Virtually every business in Vermont has been impacted by increases in workers' compensation rates. The only two ways you can control your workers' compensation costs are: 1st - prevent the injuries at your business, and 2nd - get injured workers back to

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work, in some capacity, as soon as humanly possible. All injuries, especially expensive ergonomic injuries, are preventable, IF you have an effective safety program in place at your company. All business sectors experience injuries. Surprisingly, over 57% of the non-fatal workplace injuries occur in the combined service, retail and wholesale sectors, costing these businesses their competitive edge. For example, the direct costs (medical and wages) of a back strain can average \$6,000+, and the indirect costs (lost productivity, worker replacement or retraining, etc.) can average another \$7,000+. At a 3.5% profit margin, your company would have to sell over \$374,000 in products or services to cover this expense (from OSHA's Safety Pays Calculator)! This calculation does not include the emotional suffering to the worker, his or her family, and co-workers, not to mention damage to employee morale. Why wait till you have a significant injury to develop or improve the effectiveness of your injury prevention (safety) program?

What makes an effective injury prevention/safety program?

1) Visible Management Commitment;

2) **Employee Involvement** in creating work safety rules, safety program development, and in an empowered safety committee, which meets regularly and conducts workplace safety assessments (even if you only have a few employees, periodic workplace safety inspections and regular discussions about safety can help keep it visible);

3) **Employee and Management Accountability** – enforcement of safety rules for everyone

4) **Hazard Identification and Control** – identifying hazardous job tasks and

providing the appropriate personal protective equipment (safety glasses, gloves, earplugs, etc);

5) **Accident/Incident Investigation** – find out the injury cause, to prevent similar injuries from happening again;

6) **Education and Training** – 1st figure out what you need, and then document the appropriate training (trade orgs., insurance companies, and others can help provide this);

7) **Program Evaluation and Review** – at least once a year, go over injury logs to look for trends and identify further training requirements.

Tips for making your injury prevention program work:

Make safety a core value at your business. Talk about safety regularly. Management needs to communicate to all employees that working safely takes precedence over everything else, especially production deadlines. Employees need to know the company cares about them, and wants them to work safely. If there are mixed messages sent on this issue, you will not have a safe workplace. Encourage employees to report any unsafe conditions, no matter how seemingly insignificant, and then make sure these problems are corrected, or addressed (if you can't fix it, let people know why).

Employees need to know that they must report any injury to a supervisor as soon as possible. It's a lot harder to get people to report near misses, but these are important to know about to prevent injuries. Make sure they understand there will not be negative repercussions or blame for reporting these. Recognize that VOSHA regulations are a minimum standard for safety, and that going beyond these standards, and addressing employee work behavior is necessary to create a safer workplace. Encourage managers to praise employees for safe work practices and consider including safety

in management job descriptions and performance reviews....supervisors and managers are the key to ensuring a safe workplace. Also recognize that poor management leadership is one of the primary causes of workplace accidents. How can you expect employees to follow work safety rules, if management does not?

Ergonomic injuries represent over 30% of all injuries, and over 65% of the top 10 injuries in Vermont, so it would be worth investing some time and effort to address preventing these in your injury prevention program. After the injury has occurred, make sure you are managing the injury, and not just leaving it to your insurance company.

Call your injured worker, and find out if there is anything you can do to help out (a ride to the doctor, grocery store, etc.), whatever it takes to let them know you care and want them back when they are able. Have a designated doctor, qualified in occupational medicine (if possible), who will let the worker know what they can do, rather than what they can't.

You can find safety training opportunities on the Dept. of Labor and Industry website at, www.state.vt.us/labind/training.htm, including the Partnership in Safety (SBDC, Project WorkSAFE, and Green Mtn. Coffee) free, quarterly safety topic seminars. Need help in making your workplace safer? For a free on-site safety assessment call Project WorkSAFE at: 1-800-287-2765, or to request their new "Developing Your Safety & Health Program, Suggestions for Business Owners and Managers" brochure (also on the L&I training page). Additionally, everything you ever wanted to know about safety is at: www.osha.gov

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February 17, 2005

3rd Annual Vermont Workplace Safety Conference

9:00 a.m. – 3:30 p.m., Clarion Hotel, 1117 Williston Road, Burlington

Managing your safety and workers' compensation programs is important for every business. Topics will include *How to Make Safety a Core Value, Fall Protection for Maintenance Activities; Job Hazards Assessment, Beyond PPE; Energizing Your Safety Committee; Creating a Healthier Workforce, and an Ergonomics Panel discussion.*

An Excellent professional development opportunity for HR and Safety Managers.

Conference Agenda and registration information is available @ www.vtsbdc.org (training tab).

Sponsored by: VT Chamber of Commerce and the Partnership in Safety (Project WorkSafe, Green Mtn. Coffee Roasters and VT Small Business Development Center).