



Vermont Labor Market

February 2005

Departments of

Employment & Training <http://www.det.state.vt.us> • P.O. Box 488, Montpelier, VT 05601-0488

Labor & Industry <http://www.state.vt.us/labind> • National Life Dr., Drawer 20, Montpelier, VT 05620-3401

Commissioners' Message

Patricia A. McDonald, DET Commissioner

A couple of weeks ago in the House Commerce Committee an employer, after completing testimony on a bill, discussed his difficulty in finding workers to fill his jobs. He noted that each month DET reports that more than 10,000 Vermont residents are unemployed and looking for work. In addition, some workers who want to work full time can only find part time work. "What's going on here," he asked?

I am sure that there are many possible answers to that question. Every person brings different skills, experience, and interests to the labor market. Different jobs and different employers require different skills, aptitudes, and experience. The flow of information is not perfect, so employers cannot always find the "right" worker and workers cannot easily find the "right" jobs. Our mission is to help make the process work more smoothly.

I can point to a number of statistics that show how DET is helping. Last year 8,700 Vermonters with whom we worked found employment. DET launched **vermontjoblink.com**, an Internet based system designed to help both employers and workers get together or find needed services. On the not-so-positive side, I also know that the number of employers using DET services has been declining.

As you may know, DET is redesigning its service delivery system. One reason for the change is declining financial support from the Federal government. Another reason is that the nation and Vermont are entering a time when we must efficiently use the available labor force. The number of youth is declining and the number of people eligible to retire is growing. To meet this challenge, DET is going to be present in more communities to get to know its customers better. DET must change to help more people successfully enter or remain in the labor market by helping them find jobs or training. DET needs to know what skills and experiences employers require. Once the employer needs are known, DET can use its various services to meet those needs and to help more people find jobs.

The primary focus of DET's new service delivery system is to provide more access and a broader range of services at all its current facilities and other population centers that have been ignored in the past. The hours will be different in some cases and services will be primarily

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The Edge

Around The State

A comparison of economic conditions in Vermont communities is often based on the state's Labor Market Areas. For the last 10 years, DET has published indicators, such as the unemployment rate, for 13 locations. The U.S Office of Management and Budget (OMB) defined the largest area, the Burlington Metropolitan Statistical Area. The remaining areas were defined by DET in consultation with the U.S. Bureau of Labor Statistics.

After each decennial census, the Labor Market Areas (LMA) are redefined according to the latest population and commuting information. For the latest updates, OMB established a new designation called the Micropolitan Area. According to the U.S. Census Bureau:

"The general concept of a metropolitan or micropolitan statistical area is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core." The Bureau goes on to distinguish the two on the basis of size: "Each metropolitan statistical area (MSA) must have at least one urbanized area of 50,000 or more inhabitants. Each micropolitan

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Commissioner's Message –

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delivered on a scheduled, by-appointment basis. Some walk-in services and access to resource rooms will remain as a key component of our service delivery system. From a time management and resource allocation perspective, the new system will allow DET staff the opportunity to work more closely with employers and bring more people into the labor market.

During the last several weeks, I have meet with many groups to discuss this new model. The response from employers has been overwhelmingly positive. Some believe that focusing on a regional model with regional and branch offices may result in reduced services to branch offices. That is not the case. In fact I am convinced the department can continue to provide necessary service and bring many more employers to DET. This will result in more individuals finding work through DET. We will be developing a pilot project to demonstrate how the new system will work. As we implement the pilot and communicate our progress to you, I would ask that you continue to provide feedback to us at pmcdonald@det.state.vt.us.

Thank you. *Patricia A. McDonald*

Contact DET

If your address has changed or to discontinue your subscription, please email: sredpath@det.state.vt.us

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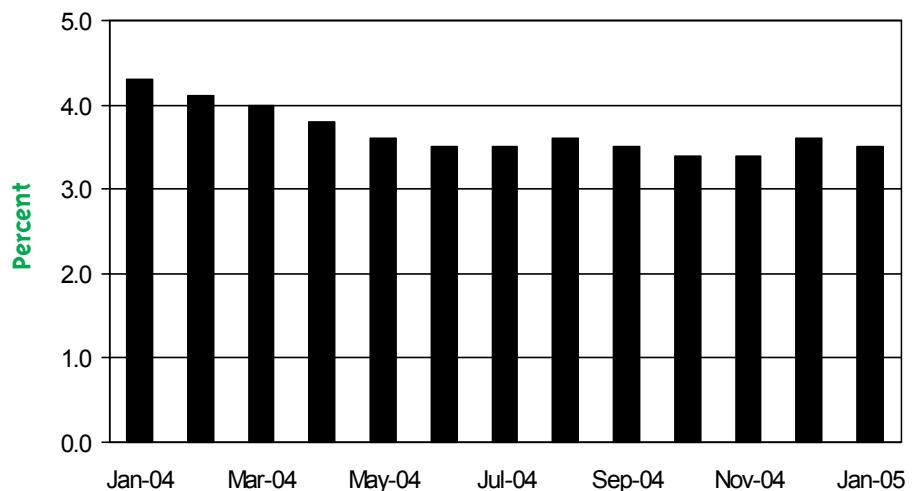
statistical area must have at least one urban cluster of at least 10,000 but less than 50,000 population.”

Burlington and the surrounding communities remain the only MSA in Vermont. However, micropolitan areas have been defined for Barre, Bennington, and Rutland. In addition, 12 towns in Vermont belong to the Lebanon, NH-VT Micropolitan Area. When a metro or micro area is available, the new labor market area is identical. The remainder of the state has been divided into small labor market areas based on population and commuting data. DET will now publish unemployment data for 17 Labor Market Areas in Vermont, plus 4 interstate areas that include a portion of Vermont. The list of new areas is shown on page 3. The definitions for the new areas are available on our web site at www.vtLmi.info/Lma_def.pdf

In order to allow meaningful comparisons over time, the labor force and related unemployment data have been estimated for the new areas back to 1990. This process has been folded into our annual benchmarking. Monthly unemployment estimates are preliminary when first published. Subsequently, at least two annual revisions are possible based on more comprehensive information that becomes available. If you use local unemployment data, you should always update your historical files in March of the following year to reflect the latest updates. This year, the updates go back to 1990 because we have redefined the areas. There will be a temporary gap in the local unemployment data, however, for the years 2000 through 2003 while the estimates are being revised. The updates will be completed by the end of May.

Unemployment data by town and county will continue to be available from our web site. In addition, we publish annually a count of jobs covered by the Unemployment Insurance program by town, county and labor market area. There will be a lag in converting the job data to the new LMA definitions, but all series will be based on the new definitions by the end of 2005.

Vermont Seasonally Adjusted Unemployment Rate



Vermont Unemployment Estimates Statewide *(Seasonally Adjusted)*

| | Jan. '05 | Dec. '04 | Jan. '04 | Changes from: | |
|--------------------------------|----------|----------|----------|---------------|----------|
| | | | | Dec. '04 | Jan. '04 |
| TOTAL LABOR FORCE ¹ | 353,100 | 354,700 | 353,100 | -1,600 | 0 |
| EMPLOYED | 340,800 | 342,000 | 338,000 | -1,200 | 2,800 |
| UNEMPLOYED | 12,400 | 12,700 | 15,100 | -300 | -2,700 |
| RATE (%) | 3.5 | 3.6 | 4.3 | -0.1 | -0.8 |

¹Includes proprietors, professionals, and unpaid family workers.

Labor Market Areas By Residence *(Not Seasonally Adjusted)*

| AREA | Total Labor Force | Number Employed | Number Unemployed | Jan-05 Rate (%) | Dec-04 Rate (%) | Jan-04 Rate (%) |
|-----------------------------|-------------------|-----------------|-------------------|-----------------|-----------------|-----------------|
| Barre-Montpelier | 25,500 | 23,750 | 1,750 | 6.9 | 3.9 | 7.2 |
| Bennington | 12,700 | 12,150 | 600 | 4.6 | 3.4 | 5.4 |
| Bradford | 4,300 | 4,000 | 300 | 7.1 | 3.8 | 7.0 |
| Brattleboro | 22,950 | 22,000 | 950 | 4.0 | 3.0 | 4.7 |
| Burlington-South Burlington | 113,750 | 109,650 | 4,150 | 3.6 | 2.7 | 4.3 |
| Hartford | 18,750 | 18,400 | 300 | 1.7 | 2.0 | 3.0 |
| Manchester | 10,900 | 10,400 | 500 | 4.4 | 3.6 | 4.9 |
| Middlebury | 16,800 | 16,000 | 800 | 4.8 | 3.4 | 6.0 |
| Morristown-Stowe | 18,700 | 17,700 | 1,000 | 5.4 | 4.2 | 6.2 |
| Newport | 14,200 | 13,250 | 950 | 6.7 | 4.7 | 7.6 |
| Randolph | 8,100 | 7,750 | 400 | 4.6 | 3.3 | 6.5 |
| Rutland | 30,000 | 28,900 | 1,150 | 3.8 | 3.1 | 4.6 |
| Springfield | 13,050 | 12,550 | 500 | 3.9 | 3.3 | 4.7 |
| St. Johnsbury | 14,950 | 14,200 | 750 | 5.1 | 3.7 | 6.2 |
| Swanton-Enosburg | 14,400 | 13,500 | 850 | 6.1 | 4.7 | 6.9 |
| Warren-Waitsfield | 4,900 | 4,800 | 100 | 1.9 | 1.6 | 2.3 |
| Woodstock | 3,800 | 3,700 | 100 | 2.9 | 2.3 | 3.3 |
| Vermont Total | 349,950 | 334,750 | 15,200 | 4.3 | 3.2 | 5.1 |

AREAS FROM ADJOINING STATES INCLUDING VERMONT TOWNS *(Not Seasonally Adjusted)*

| | | | | | | |
|--------------------|--------|--------|-------|-----|-----|-----|
| Colebrook, NH-VT | 3,650 | 3,550 | 100 | 3.1 | 4.5 | 5.1 |
| Lebanon, NH-VT | 44,800 | 44,000 | 800 | 1.8 | 2.8 | 2.3 |
| Littleton, NH-VT | 13,200 | 12,700 | 500 | 3.9 | 3.9 | 5.1 |
| North Adams, MA-VT | 16,700 | 15,650 | 1,050 | 6.3 | 4.8 | 7.6 |

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: | |
|----------------------------------|--------------|--------------|--------------|---------------|------------|
| | Jan. '05 | Dec. '04 | Jan. '04 | Dec. '04 | Jan. '04 |
| Total - All Industries | 305.3 | 306.6 | 300.2 | -1.3 | 5.1 |
| Private Industries | 252.3 | 253.7 | 248.2 | -1.4 | 4.1 |
| Construction | 16.7 | 16.7 | 16.1 | 0.0 | 0.6 |
| Manufacturing | 37.0 | 37.1 | 36.7 | -0.1 | 0.3 |
| Retail Trade * | 40.1 | 40.3 | 39.6 | -0.2 | 0.5 |
| Professional & Business Services | 21.3 | 21.2 | 20.9 | 0.1 | 0.4 |
| Private Ed. Services* | 12.6 | 12.4 | 12.3 | 0.2 | 0.3 |
| Health Care & Social Assistance* | 41.3 | 41.6 | 40.0 | -0.3 | 1.3 |
| Leisure & Hospitality* | 33.2 | 33.6 | 32.8 | -0.4 | 0.4 |
| Total Government | 53.0 | 52.9 | 52.0 | 0.1 | 1.0 |

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

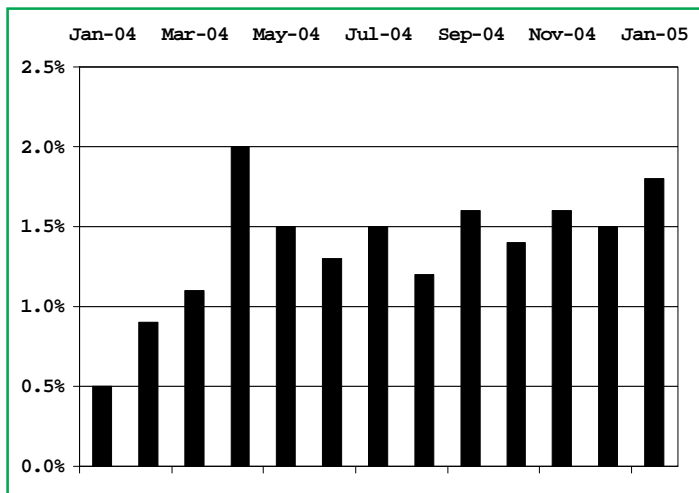
Note: Total - All Industries estimate is seasonally adjusted independently.

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

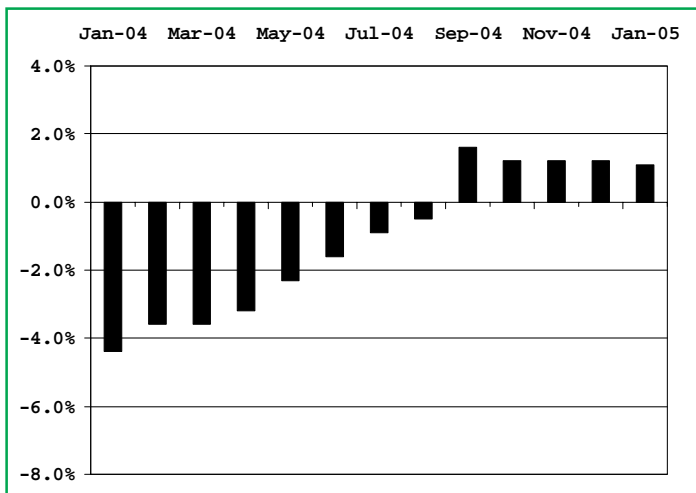
Produced by the Vermont Department of Employment & Training in cooperation with the U.S Bureau of Labor Statistics, unless otherwise noted.

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. Jan. '05 | Revised Dec. '04 | Revised Jan. '04 | Changes From: | |
|---|---------------------|---------------------|---------------------|---------------|--------------|
| | | | | Dec. '04 | Jan. '04 |
| TOTAL NONFARM | 304,000 | 312,300 | 298,600 | -8,300 | 5,400 |
| TOTAL PRIVATE | 250,450 | 256,500 | 246,150 | -6,050 | 4,300 |
| GOODS PRODUCING | 52,400 | 55,100 | 51,100 | -2,700 | 1,300 |
| MANUFACTURING | 36,600 | 37,500 | 36,200 | -900 | 400 |
| Durable Goods | 26,300 | 26,800 | 25,750 | -500 | 550 |
| Computer & Electrical Equipment Mfg. | 9,200 | 9,200 | 9,150 | 0 | 50 |
| Fabricated Metal Products Mfg. | 2,900 | 2,850 | 2,850 | 50 | 50 |
| Machinery Mfg. | 3,000 | 3,050 | 3,000 | -50 | 0 |
| Transportation Equipment Mfg. | 2,400 | 2,400 | 2,300 | 0 | 100 |
| Furniture & Related Product Mfg. | 2,100 | 2,150 | 2,150 | -50 | -50 |
| Non-Durable Goods | 10,300 | 10,700 | 10,450 | -400 | -150 |
| Food Mfg. | 3,800 | 3,950 | 3,800 | -150 | 0 |
| CONSTRUCTION | 15,050 | 16,700 | 14,100 | -1,650 | 950 |
| NATURAL RESOURCES & MINING | 750 | 900 | 800 | -150 | -50 |
| SERVICE-PROVIDING | 251,600 | 257,200 | 247,500 | -5,600 | 4,100 |
| TRADE, TRANSPORTATION AND UTILITIES | 58,550 | 61,050 | 57,900 | -2,500 | 650 |
| Wholesale Trade | 10,150 | 10,100 | 10,150 | 50 | 0 |
| Retail Trade | 39,750 | 42,200 | 39,150 | -2,450 | 600 |
| Food & Beverage Stores | 9,450 | 9,800 | 9,250 | -350 | 200 |
| General Merchandise Store | 2,950 | 3,300 | 2,800 | -350 | 150 |
| Transportation, Warehousing and Utilities | 8,650 | 8,750 | 8,600 | -100 | 50 |
| Utilities | 1,700 | 1,700 | 1,700 | 0 | 0 |
| Transportation & Warehousing | 6,950 | 7,050 | 6,900 | -100 | 50 |
| INFORMATION | 6,250 | 6,300 | 6,450 | -50 | -200 |
| FINANCIAL ACTIVITIES | 13,350 | 13,500 | 13,350 | -150 | 0 |
| Finance & Insurance | 10,050 | 10,100 | 10,200 | -50 | -150 |
| Real Estate, Rental & Leasing | 3,300 | 3,400 | 3,150 | -100 | 150 |
| PROFESSIONAL AND BUSINESS SERVICES | 20,450 | 21,250 | 19,950 | -800 | 500 |
| Professional, Scientific and Technical | 12,150 | 12,500 | 12,150 | -350 | 0 |
| Administrative, Support and Waste | 8,000 | 8,400 | 7,550 | -400 | 450 |
| EDUCATIONAL AND HEALTH SERVICES | 53,500 | 54,700 | 51,800 | -1,200 | 1,700 |
| Educational Services | 12,250 | 12,950 | 11,950 | -700 | 300 |
| College, Universities and Professional | 6,400 | 6,750 | 6,700 | -350 | -300 |
| Health Care and Social Assistance | 41,250 | 41,750 | 39,850 | -500 | 1,400 |
| Ambulatory Health Care Services | 16,100 | 16,150 | 15,550 | -50 | 550 |
| Hospitals | 10,600 | 10,700 | 10,150 | -100 | 450 |
| Nursing and Residential Care Facilities | 6,800 | 6,750 | 6,650 | 50 | 150 |
| LEISURE AND HOSPITALITY | 35,900 | 34,250 | 35,550 | 1,650 | 350 |
| Arts, Entertainment and Recreation | 3,300 | 3,250 | 3,250 | 50 | 50 |
| Accommodation and Food Services | 32,600 | 31,000 | 32,300 | 1,600 | 300 |
| Accommodations | 14,600 | 12,650 | 14,600 | 1,950 | 0 |
| Hotel & Motels | 13,500 | 11,650 | 13,550 | 1,850 | -50 |
| Food Services and Drinking Places | 18,000 | 18,350 | 17,700 | -350 | 300 |
| OTHER SERVICES | 10,050 | 10,350 | 10,050 | -300 | 0 |
| GOVERNMENT | 53,550 | 55,800 | 52,450 | -2,250 | 1,100 |
| Federal Government | 6,300 | 6,400 | 6,300 | -100 | 0 |
| State Government Education | 7,450 | 8,850 | 7,200 | -1,400 | 250 |
| Local Government Education | 23,700 | 24,150 | 23,300 | -450 | 400 |
| Other State Government | 9,450 | 9,300 | 9,050 | 150 | 400 |
| Other Local Government | 6,650 | 7,100 | 6,600 | -450 | 50 |

Labor & Industry



Laura Collins, L&I Commissioner

RETURN TO WORK – THE POST-INJURY PRIORITY

Work injuries pose many concerns to workers and to employers. Injured workers may face reduced income, impaired function and a threat to their future work capabilities and careers. Employers must provide a safe workplace, budget for rising workers' compensation insurance costs, retain skilled staff and run a business. A proactive approach to safety is the first step in reducing the cost and occurrence of injuries *before* they happen. Providing Return-To-Work opportunities is the best means of minimizing costs *after* an injury occurs. The longer an injured worker receives lost time benefits, the more the claim costs the insurance carrier and the employer. Employers are sometimes unfamiliar with the many benefits of offering a swift return to work for an injured worker. Providing return to work opportunities may also present employers a challenge. It may be difficult to arrange for work that an injured worker can perform. This article will provide information concerning the benefits and means of providing return to work and transitional work opportunities.

Returning the injured worker to productive work is the ultimate goal following an injury, but this may not be possible right away.

Return to work provides many benefits. For the worker, Workers' Compensation provides limited wage replacement benefits, usually 2/3rds of wages. In addition, the worker may also lose valuable employment benefits and the many psychosocial benefits of work. The value of putting in a good day's work, interaction with co-workers and bringing home a paycheck all factor in as psychological benefits. Employers also face losses when a skilled worker is injured. The employer must arrange for skilled replacement which involves interviewing, hiring and training new staff, as well as managing the costs and difficulties that a staff absence presents; loss of production; shifting work duties among other staff; and the loss of the unique skills of the injured worker. In addition, studies indicate that a speedy return to work can have long-lasting impacts. Studies confirm that the longer an injured worker is out of work, the less likely they are to ever return to work.

Return to work is beneficial, but in order to reap the benefits of it you must plan ahead. This involves taking action *before* a work injury occurs. Larger employers may have more flexibility in implementing a return-to-work program but even small employers can consider these suggestions:

Plan ahead

Start by figuring the physical requirements of the work available in your business. Determine how much the worker needs to lift, carry, kneel, walk, stand, or use both hands (or other activities) for each job or job duty. You may even be hiring workers to perform jobs which they are not capable of safely performing. Determining physical job requirements can prevent a work injury from occurring and can help you identify work suitable for an injured worker returning to work.

Return-to-Work Committee

Larger employers find that a committee can accomplish more than a single manager or HR staff. A committee involving safety, management and workers can together best identify the many considerations necessary for safe return to work. Involving staff also



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demonstrates your commitment to your staff and highlights awareness of return to work opportunities.

Job modification

If work is not readily available you can probably identify part of a job that an injured worker can perform. Alternatively, you can modify a job so that the worker can perform it. There is a value in returning an injured back to any productive work, even for fewer hours or fewer duties than usual. Transitional work still gets the worker out of the home, out of the disability mode and into the workplace.

Progressive Return To Work

Injured workers are often medically released to work in a limited capacity. They are still recovering and may have limitations. Be sure you obtain guidance from the worker's physician and adhere to activity restrictions or time limits for work. Do not make the mistake of requiring more than is allowed, a setback can be costly in terms of the worker's recovery and your costs.

Communication

Return to work requires good communication between the worker, the doctor, supervisor and others. Everyone needs to have a clear understanding of the work plan and monitoring should be

performed to assure success and progression of the plan.

Goal

Returning the injured worker to productive work is the ultimate goal following an injury, but this may not be possible right away. Modified or transitional work should be encouraged and provided, wherever possible, in order to invite the worker back into the workplace and to prepare them for progressive duties.



Welcome to

VermontJobLink

from the Vermont Department of Employment & Training

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Announcements

2005 Vermont Employer Outreach Seminars

You are invited to attend any of the one-day Employer Outreach Seminars provided by the Department of Employment & Training and other state and federal agencies at no cost. This year we will host four seminars throughout the state. All seminars will be held on Wednesdays, from 8:30 am - 4:30 pm on the following dates:

June 8, 2005 - Killington
Cortina Inn & Resort
103 US Route 4

June 22, 2005 - Burlington
Sheraton Hotel & Conference Center
870 Williston Rd.

September 14, 2005 - Springfield
Howard Dean Center
307 South Street

September 28, 2005 - Lyndonville
Charles Carter Business Resource Center
St. Johnsbury/Lyndonville Industrial Park, 1713 Industrial Parkway

If you are interested in registering in one of the seminars listed above, please send an e-mail to kjacobs@det.state.vt.us with the following information:

1. Location you wish to attend
2. Your name
3. Business name and address
4. Telephone and e-mail
5. Number of attendees