

*Working Together
for Vermont*

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Commissioner's Message

Patricia Moulton Powden, Commissioner

Construction in Vermont

On October 10, 2006, the Associated General Contractors of Vermont (AGC/VT) received the First Place Award from the United States Department of Labor, Mine Safety and Health Administration (MSHA) in the category of Printed Materials for its Heavy Equipment Training Program that AGC/VT runs for 2 weeks each spring. The program went on to receive the Grand Prize at the competition being selected over entries from the following categories: Videos/DVD, CD/DVD (without video), Printed Material, and Mixed Media.

The AGC/VT entry, Heavy Equipment Certification Program, was developed using seed funding from the Workforce Education and Training Fund (WETF) administered by the Vermont Department of Labor. Using the initial WETF grant, the program has grown and is now self-sufficient.

For young people choosing occupations, the construction industry has many opportunities. Just as the health care field is growing and aging, so is the construction industry. And, for women, non-traditional occupations, of which the construction industry has many, wages outpace traditional worker wages. In fact, the Associated General Contractors of America has called on women, minorities, youth, and immigrants to look to the construction industry for a career, based on the projections released by the Bureau of Labor Statistics (BLS).

Nationally 185,000 new workers will be needed for each of the next 10 years, according to the Construction Labor Research Council (CLRC). And an additional 95,000 workers annually will be needed to replace current industry workers who are expected to retire during the next 10 years. In Vermont, the construction industry is not attracting younger people at an adequate rate to replace those who are retiring.

Carpenters are ranked 10th in jobs with the most openings for 2004-2014 here in Vermont. Given the current and potentially future shortage of trained workers, Stafford Technical Center has teamed up with several area firms to offer a training program designed to hone the skills of construction workers. This construction technician course will begin as a one-year pilot program with both a classroom and on-the-job

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The Edge

Governor Announces Minimum Wage Increase

Vermont's minimum wage will increase from \$7.25 to \$7.53 per hour, or 3.8 percent, on January 1, 2007, Governor Jim Douglas announced earlier this month.

In 2005 the General Assembly approved an annual cost of living increase in the minimum wage law, similar to the proposal offered by the Governor.

The minimum wage will increase at the same rate as the 12 month increase in the Consumer Price Index (CPI). The CPI increased by 3.8 percent for the 12 month period ending in August.

"I urged the Legislature to support both a minimum wage increase and linking future increases to the cost of living," the Governor said. "It's important to fight for fairness for our low-wage workers. This is a much deserved pay increase to those on the lowest end of Vermont's pay scale and will make a real difference for working families struggling to make ends meet."

It also ends the periodic, often divisive, debates in the legislature over raising the minimum wage.

For employers of 'tipped' employees, the minimum base wage will stay at \$3.65 per hour. If the combination of \$3.65 plus the amount of tips does not average at least \$7.53 per hour, employers must make up the difference.

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Commissioner's Message –

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component and will be targeted at people who want to upgrade their skills.

Construction trades pay good wages in Vermont: carpenters average \$16.00 per hour, plumbers \$19.00, and hazardous materials removal workers \$17.00. Programs like the one being piloted at Stafford will hopefully boost pay rates for workers who complete the course. Tuition for 141 hours of training will be \$400; qualified companies and individuals may qualify for grant sources. Classes begin on January 5, 2007. For information, call: 802.770.1178.

Information about occupations in construction can be found on our website: www.vtLmi.info.

Vermont Works for Women (www.nnetw.org) also conducts training programs for women wanting to enter non-traditional employment. Currently, they are recruiting for a new program: Step up to Highway Construction. For more information, visit their website.



Contact VDOL

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

The Edge - (continued from front page)

Contact the Department of Labor, Wage & Hour Program at 802-828-0267 or www.labor.state.vermont.gov with questions.

Vermont Students Perform Well

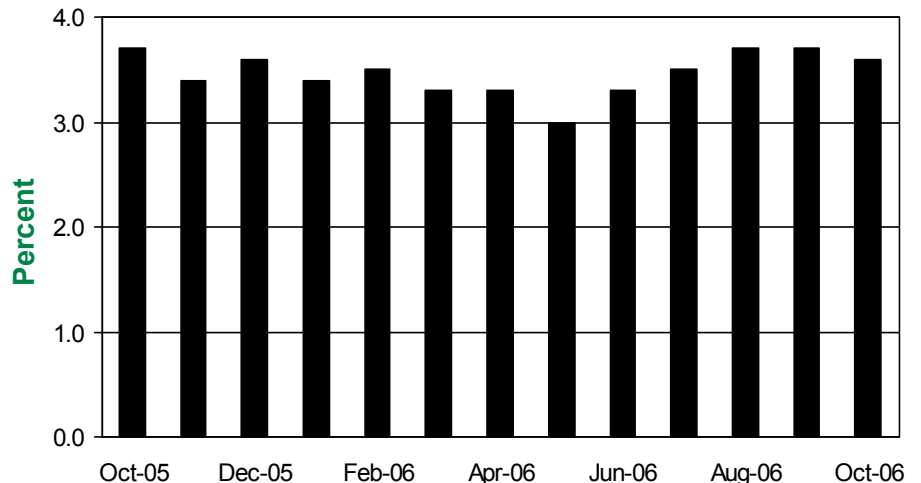
As we move into the 21st century, school administrators are worried about test scores and teachers worry about 'reaching' students and making their learning relevant. Employers are faced with a shrinking workforce and will continue to need well-prepared, knowledgeable workers. They are depending on schools to graduate work-ready/post-secondary training-ready young adults.

According to several recent national studies, our schools are not doing very well. The effort to close the test-score gaps between minority and white students has not been very successful. Despite the efforts of educators, the test score gaps are so large that African-American and Hispanic students in high school can read and do arithmetic at only the average level of whites.

Vermont's educational progress can be viewed with cautious optimism. 2005 results of the NAEP (National Assessment of Educational Progress) show Vermont's Math and Reading scores for grade 8 to be statistically significantly higher than the national average score of students in public schools across the country. In both Math and Reading, Vermont students were outperformed by only one state.

On the negative side of these results are the troubling scores of economically disadvantaged students whose performance was statistically significantly lower than their Vermont peers in both tests. Working to narrow the gaps between our more affluent students and our disadvantaged students, and nationally, between our white students and those of color is the challenge Vermont and the nation faces. The future of our workforce is at stake.

Vermont Seasonally Adjusted Unemployment Rate



Vermont Unemployment Estimates Statewide *(Seasonally Adjusted)*

	Oct. '06	Sept. '06	Oct. '05	Changes from:	
				Sept. '06	Oct. '05
TOTAL LABOR FORCE¹	368,000	366,200	358,400	1,800	9,600
EMPLOYED	354,800	352,600	345,200	2,200	9,600
UNEMPLOYED	13,100	13,500	13,100	-400	0
RATE (%)	3.6	3.7	3.7	-0.1	-0.1

¹Includes proprietors, professionals, and unpaid family workers.

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

AREA	Total Labor Force	Number Employed	Number Unemployed	Oct-06 Rate (%)	Sept-06 Rate (%)	Oct-05 Rate (%)
Barre-Montpelier	30,250	29,300	950	3.1	3.4	3.1
Bennington	12,900	12,450	450	3.3	3.7	3.1
Bradford	5,350	5,150	150	3.0	3.4	2.7
Brattleboro	25,000	24,000	850	3.3	3.7	3.1
Burlington-South Burlington	118,000	114,600	3,400	2.9	3.3	3.0
Hartford	19,500	19,100	350	1.9	2.0	1.7
Manchester	12,500	12,150	350	2.8	3.3	2.9
Middlebury	18,450	17,950	500	2.7	3.1	2.7
Morristown-Stowe	21,200	20,600	600	2.8	2.9	2.8
Newport	14,700	14,150	550	3.7	4.0	4.7
Randolph	8,500	8,250	300	3.3	3.6	3.1
Rutland	29,800	28,850	950	3.2	3.7	3.2
Springfield	12,000	11,550	400	3.5	3.9	3.5
St. Johnsbury	15,300	14,850	450	3.0	3.3	2.8
Swanton-Enosburg	14,800	14,200	550	3.8	3.9	3.7
Warren-Waitsfield	4,400	4,300	100	2.4	2.6	2.3
Woodstock	3,800	3,750	100	2.0	2.3	2.2
Vermont Total	368,500	357,450	11,050	3.0	3.3	3.0

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

Colebrook, NH-VT	3,650	3,550	100	2.8	3.0	3.1
Lebanon, NH-VT	45,900	44,950	1,000	2.1	2.3	2.2
Littleton, NH-VT	15,350	14,950	400	2.5	2.6	2.7
North Adams, MA-VT	17,050	16,250	750	4.5	5.3	4.3

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:	
	Oct. '06	Sept. '06	Oct. '05	Sept. '06	Oct. '05
Total - All Industries	308.9	309.2	306.0	-0.3	2.9
Private Industries	255.5	255.3	253.0	0.2	2.5
Construction	17.9	18.0	17.0	-0.1	0.9
Manufacturing	36.4	36.3	36.7	0.1	-0.3
Trade, Transportation & Utilities	59.8	59.6	59.5	0.2	0.3
Retail Trade *	40.8	40.8	40.5	0.0	0.3
Financial Activities	13.1	13.2	13.2	-0.1	-0.1
Professional & Business Services	22.4	22.3	21.8	0.1	0.6
Education & Health Care	55.1	55.5	54.3	-0.4	0.8
Private Ed. Services*	12.4	12.3	12.4	0.1	0.0
Health Care & Social Assistance*	43.0	43.0	42.2	0.0	0.8
Leisure & Hospitality	33.0	33.0	32.7	0.0	0.3
Other Services	10.1	10.1	10.0	0.0	0.1
Total Government	53.4	53.9	53.0	-0.5	0.4

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

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

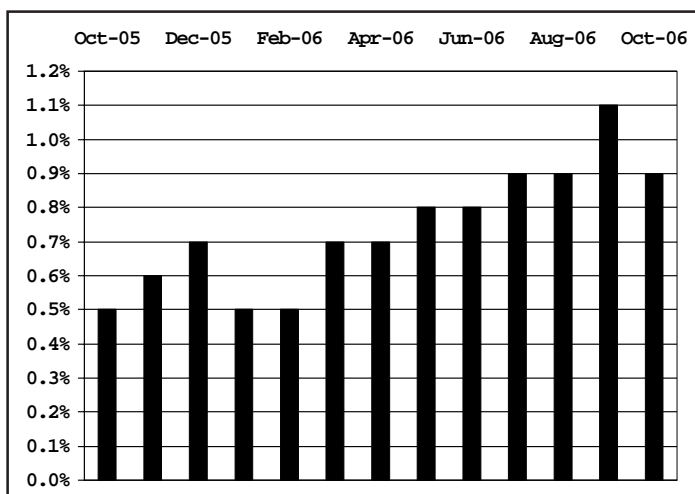
All seasonal adjustment performed with X12-ARIMA. Seasonal factors available from VDOL/LMI on request.

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

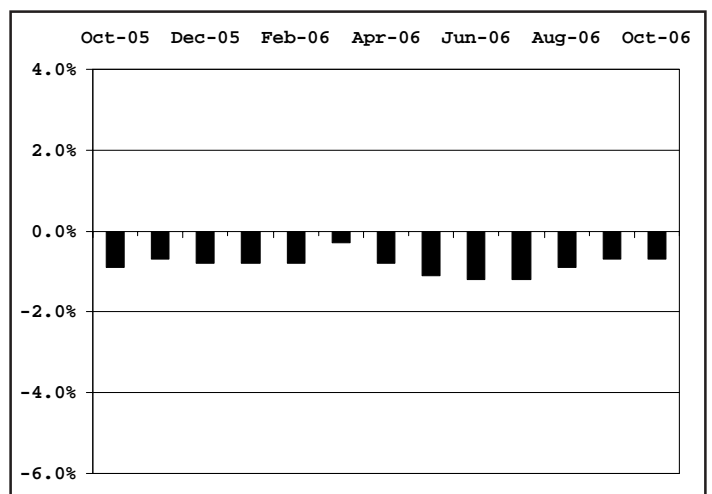
Vermont Annual Job Growth

Not Seasonally Adjusted Data

All Industries



Manufacturing



Nonfarm Employment In Vermont *(Not Seasonally Adjusted)*

Compiled by the Vermont Department of Labor in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

INDUSTRY BY NAICS	Prelim. Oct. '06	Revised Sept. '06	Revised Oct. '05	Changes From:	
				Sept. '06	Oct. '05
TOTAL NONFARM	312,950	311,050	310,150	1,900	2,800
TOTAL PRIVATE	256,950	257,000	254,450	-50	2,500
GOODS PRODUCING	56,550	56,700	56,000	-150	550
MANUFACTURING	36,700	36,550	36,950	150	-250
Durable Goods	26,400	26,300	26,450	100	-50
Computer & Electrical Equipment Mfg.	9,400	9,250	9,250	150	150
Fabricated Metal Products Mfg.	3,150	3,150	2,950	0	200
Machinery Mfg.	3,050	3,000	2,950	50	100
Transportation Equipment Mfg.	2,350	2,350	2,400	0	-50
Furniture & Related Product Mfg.	1,900	1,900	2,050	0	-150
Non-Durable Goods	10,300	10,250	10,500	50	-200
Food Mfg.	3,800	3,750	4,000	50	-200
CONSTRUCTION	19,000	19,300	18,100	-300	900
NATURAL RESOURCES & MINING	850	850	950	0	-100
SERVICE-PROVIDING	256,400	254,350	254,150	2,050	2,250
TRADE, TRANSPORTATION AND UTILITIES	60,250	59,450	59,950	800	300
Wholesale Trade	10,250	10,200	10,150	50	100
Retail Trade	41,000	40,450	40,800	550	200
Food & Beverage Stores	9,650	9,550	9,550	100	100
General Merchandise Store	2,700	2,650	2,850	50	-150
Transportation, Warehousing and Utilities	9,000	8,800	9,000	200	0
Utilities	1,700	1,700	1,700	0	0
Transportation & Warehousing	7,300	7,100	7,300	200	0
INFORMATION	6,300	6,250	6,250	50	50
FINANCIAL ACTIVITIES	13,150	13,200	13,250	-50	-100
Finance & Insurance	9,900	9,950	9,950	-50	-50
Real Estate, Rental & Leasing	3,250	3,250	3,300	0	-50
PROFESSIONAL AND BUSINESS SERVICES	22,750	22,750	22,150	0	600
Professional, Scientific and Technical	13,100	13,050	12,750	50	350
Administrative, Support and Waste	9,300	9,350	9,100	-50	200
EDUCATIONAL AND HEALTH SERVICES	55,650	55,450	54,950	200	700
Educational Services	12,750	12,600	12,850	150	-100
College, Universities and Professional	7,050	6,700	7,150	350	-100
Health Care and Social Assistance	42,900	42,850	42,100	50	800
Ambulatory Health Care Services	15,750	15,750	15,600	0	150
Hospitals	10,900	10,850	10,800	50	100
Nursing and Residential Care Facilities	6,800	6,750	6,750	50	50
LEISURE AND HOSPITALITY	32,150	33,050	31,900	-900	250
Arts, Entertainment and Recreation	3,900	4,500	3,800	-600	100
Accommodation and Food Services	28,250	28,550	28,100	-300	150
Accommodations	9,600	9,450	9,550	150	50
Hotel & Motels	8,500	8,300	8,500	200	0
Food Services and Drinking Places	18,650	19,100	18,550	-450	100
OTHER SERVICES	10,150	10,150	10,000	0	150
GOVERNMENT	56,000	54,050	55,700	1,950	300
Federal Government	5,950	5,950	6,000	0	-50
State Government Education	9,300	8,450	9,200	850	100
Local Government Education	24,000	22,800	23,950	1,200	50
Other State Government	9,500	9,650	9,300	-150	200
Other Local Government	7,250	7,200	7,250	50	0



Reap the Benefits of Return-To-Work

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. Employers are sometimes unfamiliar with the many benefits of offering a swift return to work for an injured worker. A version of this article previously appeared in this newsletter, but it has been augmented here to provide employers with more information concerning the benefits and means of providing return to work and transitional work opportunities. 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. Providing return to work opportunities may also present a challenge to employers. It may be difficult to arrange for work that an injured worker can perform. At a recent conference sponsored by the Workers Compensation Research Institute, Duncan Ballantyne, who has spent 20 years studying workers' compensation systems, observed that return to work and safety programs are the *most* important means by

which employers can reduce workers' compensation costs. He suggested that if an employer takes an injured employee back, it may cost half what it would if that employee were not returned to work.

Return to work provides many benefits. For the worker, workers' compensation provides limited wage replacement benefits, usually two-thirds 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 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 and should 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 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.

Also, identify potential opportunities for transitional work for injured employees that will add value to your business

Reap the Benefits of Return-to-Work - continued

and provide for a progressive return to full duty.

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 who can together best identify the many considerations necessary for a safe return to work. Involving staff also demonstrates your commitment to them 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 worker 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 a progressive return to full duty.

There are different approaches and incentives that can encourage employees to return-to-work. Some states, like Wisconsin and Oregon, appear to get their employees back to work faster than other jurisdictions and therefore have shorter durations of temporary, disability. However, the success of any state's workers compensation program is dependent on the commitment of employers, large and small, to improve safety in the workplace and to establish return-to-work plans *in anticipation* of injuries may occur in the workplace.

VDOL Announces Grants

\$375,000 in grants will be distributed through the Workforce Education and Training Fund, which works to improve the quality of Vermont's work force. Applications will be accepted until the funds are exhausted.

The grants, which are given in categories above and below \$10,000, give Vermont businesses the opportunity to address critical need for skilled workers, in addition to providing Vermonters job security and increased earning potential.

Information, application material and details:

www.labor.vermont.gov

**Additional help: Contact Lori Camp at
802-828-4301 or lcamp@labor.state.vt.us**



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Announcements

Labor Market Publications

In order to insure the widest possible distribution and efficient use of taxpayer dollars, the Economic and Labor Market Information Section of the Vermont Department of Labor is moving to electronic distribution of our current publications. Our publications are available in PDF format on our website. You will be able to access them at: www.vtlni.info. Click ELMI Publications and select the publications(s) you wish to view or download.

We would be pleased to notify you by email of our recently released publications. If you wish to be notified by email when a new publication becomes available, please contact us at lmi@labor.state.vt.us or at 802-828-4202.

Note: For the present time, this newsletter will continue to be mailed as well as published in electronic form on our website.

Equal Opportunity is the Law - The State of Vermont is an Equal Opportunity/Affirmative Action Employer. Applications from women, individuals with disabilities, and people from diverse cultural backgrounds are encouraged. Auxiliary aids and services are available upon request to individuals with disabilities. 711 (TTY/Relay Service) or 802-828-4203 TDD (Vermont Department of Labor).