

*Working Together
for Vermont*

<http://www.labor.vermont.gov>
P.O. Box 488 • Montpelier, VT 05601-0488

Commissioner's Message

Patricia Moulton Powden, Commissioner

VTrans to Improve Transportation Options through New "Go Vermont" Program

The Vermont Department of Labor and a number of other state agencies have received inquiries from employers seeking ways to reduce the cost of their employees commuting. Governor Douglas has directed VTrans to improve the assistance it provides to commuters. In January, he proposed a new program entitled "Go Vermont" for communicating all transportation options in Vermont. This new program expands upon and replaces the current "Vermont RideShare" program that has traditionally focused only on carpool and vanpool services.

Charles Gallagher, Administrator for the Public Transit Section at VTrans, states "Transportation accounts for the largest expense for Vermont families, and almost half of these costs are attributed to commuting to and from work. Through a new program called "Go Vermont", VTrans is bringing all transportation options under one website for easy referral, including links to regional public transit, rail, ferry, and bike services as well as information for all the Park and Ride locations throughout the state. This new program will also provide information for an improved carpool matching service, and a new vanpool program."

Carpool

VTrans currently has a carpool referral service, and an online registration form can be found at www.vermontrideshare.org. One simply fills out this form (or calls the "800" number) and they receive a letter with contact information for those who roughly fit the same commuter profile. Once a person receives this info, it will be up to them to contact those listed as potential matches. This is a free referral service.

This "matching" process will improve dramatically this summer as VTrans enters into an agreement to share automated carpool matching software with Maine and New Hampshire. This service will provide an immediate e-mail response to online registrations and will accommodate those who are looking to find a match for their daily commutes or for a single trip only.

Registrants will also receive an Emergency Ride Home benefit card – this benefit pays up to \$70 for travel expenses in the event of an unforeseeable circumstance, and takes the worry out of ridesharing. This benefit can be used twice per month and up to 6 times per year.

Vanpool

Groups of commuters can collaborate and buy a van for daily commutes. VTrans estimates these vans will be available by the end of July 2008, but don't wait to begin forming potential vanpools and commuter routes.

(Continued on page 2)

The Edge

Unemployment - The Numbers Behind the Numbers

The latest jump in the United States unemployment statistics has finally prompted us to speak out about what is really happening in the US labor marketplace and what effects these changes will have on our trading partners around the globe.

Last month, the US Bureau of Labor Statistics (BLS) announced that the unemployment rate is the highest since October 2004; this 10 percent boost was the biggest percentage point gain in 33 years. The Payroll Survey of employers is the basis for this increase. To its credit, the BLS does include in its notes: "in the establishment (payroll) survey, estimates for the most recent 2 months are based on substantially incomplete returns".

This increase in unemployment continues to mask the real situation. Looking at the BLS' Household Survey, in the month of May, the national unemployment percentages among adult men and women were 4.9 and 4.8. At the same time, the rate for teenagers, ages 16 to 19 jumped from 15.4 in April to 18.7 in May, an increase of 21.4 percent. While part of this increase is due to high school and community college graduations, these new job seekers do not account for this huge increase. Rather, we believe that something else is happening.

We believe that employers are holding on to their skilled, experienced workers and those with lower skill levels are considered more

(Continued on page 2)

Commissioner's Message -

(continued from front page)

Individuals planning to participate should let VTrans know so the process can begin now, allowing the commuters to begin using one of the most efficient and cheapest alternatives to driving their own cars. VTrans also partners with the Vermont Economic Development Authority (VEDA) to offer interest free loans for van purchases.

VTrans has named a third-party vanpool provider, VPSI, Inc, to coordinate these services on behalf of VTrans. This approach will allow VTrans to promote a professional vanpool service and off-set the per-seat costs by way of a monthly subsidy payment. Each vanpool will have its own specific costs (based on number of participants, mileage and type of vehicle), but case studies suggest that 10 people going 70 miles per day could expect to pay between \$95-\$115 per month (per person). Compare that with a single vehicle, going 70 miles a day at 25 miles per gallon -- \$224/month for gas only. The federal government now reimburses at approximately \$0.58 per mile as a cost of operation for an average car. Commuting 70 miles a day for a month would cost \$812 at that rate.

The requirements will be for a group of people to get together (minimum of 8) and devise a commuter trip that works for everyone. The group will have to choose who is going to be the primary driver, back-up driver and the overall vanpool coordinator. A 30-day contract will be offered and the group would then receive a new van within 30-60 days. Maintenance, insurance, and fare collection will all be managed by VPSI. The Emergency

Contact VDOL

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

Ride Home Benefit extends to vanpool participants, too.

Please share this information with your employees. More information can be found at www.connectingcommuters.org or by calling 1-800-685-RIDE.



The Edge - (continued from front page)

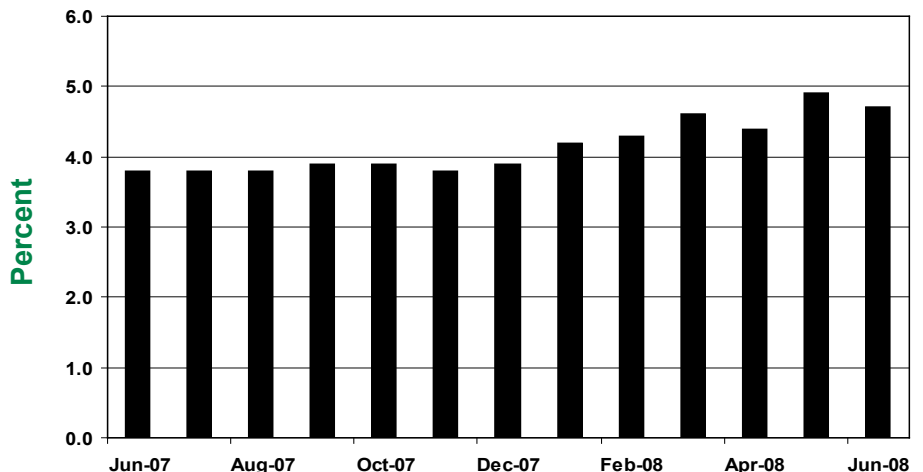
expendable and easier to hire back - as employees or contractors - when conditions improve.

What these data reflect is that the US has a real problem with its under-resourced schools - schools that are either not engaging students enough to keep them there or preparing them for the job market. As a nation, we need to wake up to our workforce development challenges, including the lack of connection between employers and the community and technical colleges.

For our friends abroad, these data also mask our critical skilled labor shortages that present real opportunities for them. Lacking the trained, skilled labor here will mean location of future facilities in places like Brazil and Southeast Asia, where there are pools of skilled workers, capable of handling work that US employees can not.

© Copyright 1998-2008 by The Herman Group, Inc. -- reproduction for publication is encouraged, with the following attribution: From "The Herman Trend Alert," by Roger Herman and Joyce Gioia, Strategic Business Futurists. (800) 227-3566 or <http://www.hermangroup.com>. The Herman Trend Alert is a trademark of The Herman Group, Inc."

Vermont Seasonally Adjusted Unemployment Rate



Vermont Unemployment Estimates Statewide *(Seasonally Adjusted)*

	June '08	May '08	June '07	Changes from:	
				May '08	June '07
TOTAL LABOR FORCE¹	353,500	352,300	353,900	1,200	-400
EMPLOYED	336,900	335,200	340,400	1,700	-3,500
UNEMPLOYED	16,600	17,100	13,400	-500	3,200
RATE (%)	4.7	4.9	3.8	-0.2	0.9

¹Includes proprietors, professionals, and unpaid family workers.

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

AREA	Total Labor Force	Number Employed	Number Unemployed	June-08 Rate (%)	May-08 Rate (%)	June-07 Rate (%)
Barre-Montpelier	28,950	27,550	1,400	4.8	4.7	4.0
Bennington	12,850	12,300	600	4.5	4.2	3.8
Bradford	4,850	4,650	250	4.8	4.9	3.9
Brattleboro	23,950	22,650	1,250	5.2	5.2	4.2
Burlington-South Burlington	113,400	108,650	4,750	4.2	3.9	3.5
Hartford	19,650	19,050	650	3.2	2.8	2.4
Manchester	12,250	11,650	600	4.8	5.1	4.0
Middlebury	18,650	17,900	800	4.2	4.1	3.5
Morristown-Stowe	20,250	19,300	950	4.6	5.1	3.9
Newport	13,900	13,050	850	6.2	6.4	5.1
Randolph	9,150	8,700	450	5.0	5.5	4.0
Rutland	29,250	27,450	1,750	6.0	6.2	4.9
Springfield	11,850	11,300	600	4.9	4.9	4.5
St. Johnsbury	15,100	14,300	750	5.1	4.8	3.9
Swanton-Enosburg	14,300	13,550	750	5.1	4.8	4.1
Warren-Waitsfield	3,700	3,600	150	3.6	3.6	3.5
Woodstock	3,700	3,550	150	3.5	3.4	3.0
Vermont Total	358,050	341,300	16,750	4.7	4.6	3.8

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

Colebrook, NH-VT	3,850	3,650	150	4.4	5.7	4.2
Lebanon, NH-VT	47,150	45,750	1,350	2.9	2.6	2.6
Littleton, NH-VT	15,250	14,600	650	4.3	4.7	3.5
North Adams, MA-VT	17,700	16,650	1,050	5.9	5.4	5.4

Monthly estimates are preliminary and subject to revision. Detail may not add to totals due to rounding.

Vermont Seasonally Adjusted Nonfarm Employment in Thousands

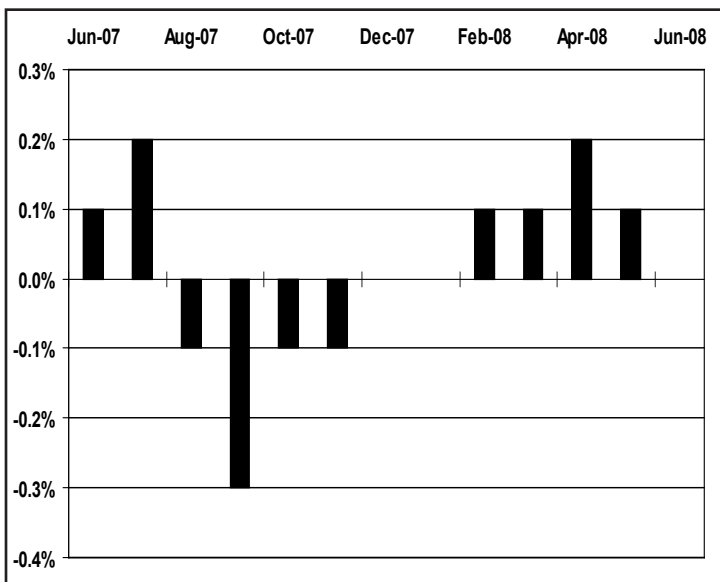
BY NAICS	Prelim.	Revised	Revised	Changes From:	
	June '08	May '08	June '07	May '08	June '07
Total - All Industries	308.5	308.3	308.0	0.2	0.5
Private Industries	253.9	253.4	253.7	0.5	0.2
Construction	16.5	16.6	17.0	-0.1	-0.5
Manufacturing	35.6	35.6	35.9	0.0	-0.3
Durable Goods	25.9	25.9	26.1	0.0	-0.2
Non-Durable Goods	9.7	9.7	9.8	0.0	-0.1
Trade, Transportation & Utilities	58.7	58.6	59.1	0.1	-0.4
Retail Trade	39.8	39.6	40.1	0.2	-0.3
Trans., Warehousing & Utilities	8.6	8.6	8.7	0.0	-0.1
Financial Activities	13.1	13.1	13.2	0.0	-0.1
Professional & Business Services	22.7	22.6	22.4	0.1	0.3
Professional., Scientific & Technical	13.3	13.3	13.2	0.0	0.1
Administrative Support & Waste	9.0	9.0	8.8	0.0	0.2
Education & Health Services	58.0	57.5	56.8	0.5	1.2
Private Ed. Services	12.7	12.4	12.7	0.3	0.0
Health Care & Social Assistance	45.3	45.1	44.1	0.2	1.2
Leisure & Hospitality	32.7	32.7	32.8	0.0	-0.1
Arts, Entertainment & Recreation	4.0	4.0	3.9	0.0	0.1
Accommodation & Food Services	28.7	28.7	28.9	0.0	-0.2
Other Services	9.8	9.8	9.8	0.1	0.0
Total Government	54.6	54.9	54.3	-0.3	0.3
State Government	18.6	18.8	18.5	-0.2	0.1
Local Government	30.0	30.0	30.0	0.0	0.0

Total - All Industries estimate is seasonally adjusted independently. All seasonal adjustment performed with X12-ARIMA. Seasonal factors available from VDOL/LMI on request.

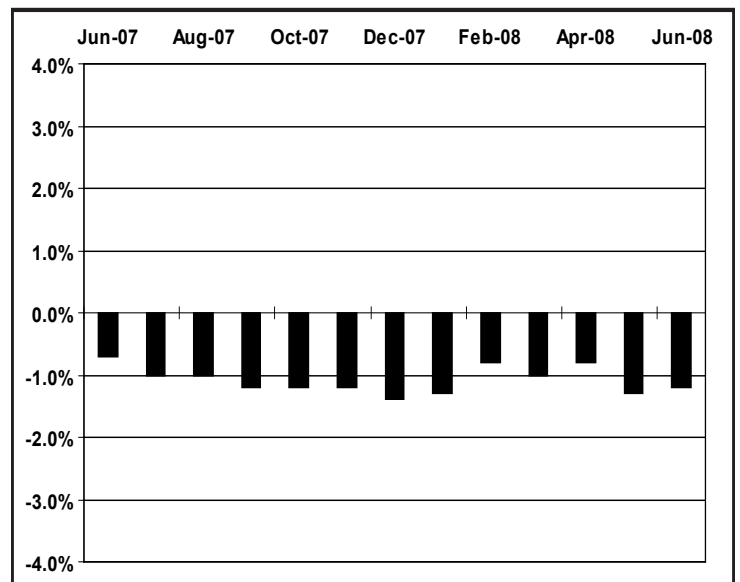
Produced by the Vermont Department of Labor in cooperation with the U.S Bureau of Labor Statistics, unless otherwise noted.

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.	Revised	Revised	Changes From:	
	June '08	May '08	June '07	May '08	June '07
TOTAL NONFARM	310,850	308,400	310,900	2,450	-50
TOTAL PRIVATE	256,700	251,300	256,950	5,400	-250
GOODS PRODUCING	54,700	53,550	55,750	1,150	-1,050
MANUFACTURING	35,850	35,550	36,300	300	-450
Durable Goods	26,050	25,950	26,350	100	-300
Computer & Electrical Equipment Mfg.	9,550	9,500	9,550	50	0
Fabricated Metal Products Mfg.	3,000	3,000	2,950	0	50
Non-Durable Goods	9,800	9,600	9,950	200	-150
Food Mfg.	3,800	3,700	3,800	100	0
CONSTRUCTION	17,900	17,050	18,550	850	-650
NATURAL RESOURCES & MINING	950	950	900	0	50
SERVICE-PROVIDING	256,150	254,850	255,150	1,300	1,000
TRADE, TRANSPORTATION AND UTILITIES	59,100	58,350	59,350	750	-250
Wholesale Trade	10,250	10,250	10,300	0	-50
Retail Trade	40,100	39,450	40,300	650	-200
Food & Beverage Stores	9,750	9,450	9,800	300	-50
General Merchandise Store	2,900	2,850	2,850	50	50
Transportation, Warehousing and Utilities	8,750	8,650	8,750	100	0
Utilities	1,750	1,700	1,750	50	0
Transportation & Warehousing	7,000	6,950	7,000	50	0
INFORMATION	6,000	5,950	5,950	50	50
FINANCIAL ACTIVITIES	13,300	13,100	13,400	200	-100
Finance & Insurance	9,900	9,800	10,000	100	-100
Real Estate, Rental & Leasing	3,400	3,300	3,400	100	0
PROFESSIONAL AND BUSINESS SERVICES	23,150	22,750	23,000	400	150
Professional, Scientific and Technical	13,400	13,250	13,350	150	50
Administrative, Support and Waste	9,500	9,200	9,350	300	150
EDUCATIONAL AND HEALTH SERVICES	57,400	57,750	56,550	-350	850
Educational Services	12,000	12,750	12,000	-750	0
College, Universities and Professional	6,500	7,200	6,350	-700	150
Health Care and Social Assistance	45,400	45,000	44,550	400	850
Ambulatory Health Care Services	16,250	16,000	15,900	250	350
Hospitals	12,150	12,000	11,750	150	400
Nursing and Residential Care Facilities	6,800	6,850	6,800	-50	0
LEISURE AND HOSPITALITY	33,050	30,000	32,900	3,050	150
Arts, Entertainment and Recreation	4,600	4,050	4,600	550	0
Accommodation and Food Services	28,450	25,950	28,300	2,500	150
Accommodations	9,400	8,000	9,300	1,400	100
Hotel & Motels	8,100	7,050	8,050	1,050	50
Food Services and Drinking Places	19,050	17,950	19,000	1,100	50
OTHER SERVICES	10,000	9,850	10,050	150	-50
GOVERNMENT	54,150	57,100	53,950	-2,950	200
Federal Government	6,000	5,900	5,950	100	50
State Government Education	6,850	8,600	6,750	-1,750	100
Local Government Education	23,550	25,450	23,500	-1,900	50
Other State Government	10,250	10,100	10,250	150	0
Other Local Government	7,500	7,050	7,500	450	0

NOTE: DATA COMPILED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS. ESTIMATES ARE PRELIMINARY AND SUBJECT TO REVISION. SEE ANNUAL SUMMARY FOR DETAILS.



Wage & Hour Laws in Vermont

By Kelly Connelley, Program and Compliance Chief

Employee classification	Minimum Wage rate	Basic Wage Rate	Tip Credit
Non-Service Employee	\$7.68*		
Service or Tipped Employee		\$3.72*	\$3.96

*Beginning January 1, 2007, and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U U.S., city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller. The minimum wage shall be rounded off to the nearest \$0.01. For purposes of service and tipped employees, effective January 1, 2008 and on each January 1 thereafter, the basic wage rate for "Tipped or Service" Employees shall be increased at the same percentage rate as the minimum wage rate. **NOTE:** If the minimum wage rate established by the U.S. Government is greater than the rate established for Vermont for any year, the Vermont minimum wage rate shall be the rate established by the U.S. Government.

This 2007-2008 legislative session, brought two changes to the Wage and Hour laws in Vermont.

The first change as outlined in Act 144 requires all employers to provide reasonable work time, either compensated or uncompensated, for nursing mothers to express breast milk in the workplace. The employer is also required to provide an appropriate private space, other than a bathroom stall, for the expression of milk, unless the employer can demonstrate that to do so would represent a substantial disruption of the employer's operations.

A civil penalty of \$100 per violation is provided for, as is a civil action for damages brought by a state's attorney or the attorney general.

The second change, Act 182, allows an employer to deduct from an employee's wages the cost of a uniform. However, no deduction may be made for the care, cleaning, or maintenance of required apparel. Additionally, no deduction for required apparel can be made without the employee's express written authorization and such deduction shall not:

- (A) Reduce the total remuneration received by an employee below the hourly minimum wage.
- (B) Include any administrative fees or charges.
- (C) Amend, nullify, or violate the terms and conditions of any collective bargaining agreement.

The Vermont Department of Labor is currently preparing to purpose updates to the Wage and Hour Rules to provide for the before

mentioned changes passed during the 2007-2008 session, a potential increase to the room and board rates, as well as incorporating a table related to annual change in Vermont's minimum wage and basis wage rate for "service or tipped" employees. We will publish the date of the public hearing regarding the rule changes on our website, which can be found at www.labor.vermont.gov. If you would like to be notified once the hearing has been scheduled, please provide contact information to the department by calling our Wage and Hour Program at 802-828-0267.

Currently Vermont's minimum wage is \$7.68 and the minimum basic wage rate for a "service or tipped" employee is \$3.72. In accordance with prior legislative changes, each will change annually.

The Wage and Hour Rules also contains information regarding the

(continued on page 7)

payment of wages. Given the complaints and voluminous inquiries we get on this topic, a copy of the applicable section on this topic is provided.

Section VII. WEEKLY PAYMENT OF WAGES:

Any person having employees in his service doing and transacting business within the state shall pay each week, in lawful money or checks, each of his employees, the wages earned by such employee to a day not more than six days prior to the date of such payment. See 21 V.S.A. §342(a)

After giving written notice to his employees, any person having employees in his service doing and transacting business within the state may, notwithstanding the previous paragraph, pay bi-weekly or semi-monthly in lawful money or checks, each of his employees, the wages earned by the employee to a day not more than six days prior to the date of the payment. If a collective bargaining agreement so provides, the payment may be made to a day not more than 13 days prior to the date of payment. See 21 V.S.A. §342(b).

An employee who voluntarily leaves employment shall be paid on the last regular pay day, or if there is no regular pay day, on the following Friday. See 21 V.S.A. §342(c)(1).

An employee who is discharged from employment shall be paid within 72 hours of the discharge. See 21 V.S.A. §342(c)(2).

If an employee is absent from his/her regular place of employment on the employer's regular scheduled date of wages or salary payment, such employee shall be entitled to such payment upon demand. See 21 V.S.A. §342(c)(3).

The Wage and Hour Program also continues to receive complaints from employees of restaurants in regards to lawful practices surrounding tips and tip-pooling. As of July 1, 2007, a "service or tipped" employee means all those, in either hotels, motels, tourist places, and restaurants who customarily and regularly receive more than **\$120.00** a month in tips for direct and personal service. This means, if an employee who does not regularly receive more than

\$120.00 a month in tips, they must be paid an hourly wage equal to or exceeding the minimum wage rate, currently at \$7.68 per hour.

"Service or tipped" employees who regularly receives more than \$120.00 can be paid at a rate lower than the minimum wage of \$7.68 per hour, but under no circumstance can they be paid lower than the basic wage rate, which is currently \$3.72 per hour.

Employers are allowed to take a "tip credit" of up to \$3.96 per hour toward meeting the minimum wage of \$7.68. However, if a service or tipped employee does not earn enough tips in a workweek to make up the full tip credit of \$3.96 per hour, the employer **is required** to make up the difference. Here is an example of where an employer has paid the minimum basis wage rate and the difference the employer would be required to make up if the tips received did not result in the hourly wage equal or exceeding the current minimum wage.

All current postings that are required by law can now be downloaded and printed free from our website at www.labor.vermont.gov under the "Forms and Publication" section. If you have questions any of the before mentioned information or about the Wage and Hour Program, you may call 802-828-0267 or review the wealth of information currently available on our web site under the "Workers – Know your rights" section.

	<u>Total Wages</u>
Employee works 20 hours at \$3.72 per hour.....	\$74.40
Employee earns tips of \$50.00.....	50.00
Total paid thus far to employee	\$124.40
Minimum wage is \$7.68 for 20 hours worked	\$153.60
Employer would subtract out amount already paid	(<u>\$124.40</u>)
Employer would be required to pay	\$ 29.20

**This ensures the employee has received the minimum wage amount for ALL hours worked

Announcements

Partnership in Safety – September 10, 2008, Waterbury – Welding & Compressed Gases Safety, 1:00 pm to 4:30 pm - Free: Green Mountain Coffee Roasters' 81 Demeritt Place, Waterbury, This program is designed for anyone who has been assigned health and safety responsibilities in manufacturing or construction companies and has compressed gases on-site, LP gas storage and/or does welding. Sponsored by the Vermont Partnership in Safety (Project WorkSAFE, Green Mtn. Coffee; VT Small Business Development Center, VT Safety & Health Council). Pre-registration for this no-cost program is requested; please contact Peter Crawford at the Vt SBDC by email at: pcrawford@vtc.edu

Vermont's Environmental Regulations Explained - FREE

9/11 - White River Jct./Wilder (CCV) 9/16 – Williston (VTC Blair Park), 9/17 – Newport (CCV – Emory Hebard State Office Bldg.), 9/23 – Manchester (Inn at Willow Pond), 9/24 – Montpelier (National Life Bldg), 1:00 – 3:30pm Free. To register or for more information go to: www.vtsbdc.org (training tab)

Thursday, Sept. 18th, 2008, 12 Noon to 4 pm. Asa Bloomer Bldg, Rutland, VT. Special Safety & Health Forum and Lunch sponsored by the Rutland Area Safety Health Chapter of the Vt Safety & Health Council. Presentation and discussion on the challenges and resources of today's mature workforce. More information available from VSHC President, Pauline Singley, 802-352-4427, sing236@earthlink.net

Thursday, Oct. 2nd, 2008, 9 am to 3:30 pm. Vt Safety & Health Council presents the 2008 Annual Fall Expo at the scenic Basin Harbor Club on Lake Champlain near Vergennes, VT. A day of fun, food and fancy landing you on "The Top of Safety" by using training tips from the experts, exposing the "6th S" of 5S and Lean, sharing the secrets of success from leading Vt companies and tackling the top ten OSHA violations, citations and penalties. More information will be available at: www.vshc.org (upcoming events page).

Thursday, Oct. 16th, 2008, 1 pm to 4 pm. Asa Bloomer Bldg, Rutland, VT. Save-a-Life Training and Safety & Health Roundtable sponsored by the Rutland Area Safety Health Chapter of the Vt Safety & Health Council. Save-a-Life training is a 2-hour Basic Bystander Emergency Preparedness program for the workforce or community. More information available from VSHC President, Pauline Singley, 802-352-4427, sing236@earthlink.net