

## Commissioner's Message *Patricia Moulton Powden*

### Unemployment Insurance Trust Fund Reform

Unemployment Insurance began in 1935 and was designed to accomplish three goals:

- To help stabilize the economy by allowing unemployed workers to continue to spend during periods of high unemployment and taking money out of the labor market during economic expansions.
- To stabilize the workforce by allowing employees to wait out short term lay offs and be available for work when the economy turns around.
- To mitigate the negative effects of unemployment on workers and their families.

The fund from which Vermont's unemployment insurance benefits are paid is facing a serious financial challenge. Significant reform is necessary for our system to remain fiscally viable. After years of a healthy trust fund, it is now moving toward a negative balance. The current economic downturn is exacerbating the problem, however, Vermont workers have received more in benefits than employers have paid in taxes during 14 of the last 20 years.

The Vermont Department of Labor is committed to phasing in a variety of initiatives to bring about that reform. It is important to remember that **throughout this process Unemployment Benefits will continue to be paid**. We are in a very difficult economic time and understand that for both employers and recipients, changes, which must reflect some combination of more revenue and adjustments to benefit payments, may be difficult. The department's current Reform Proposal is available on our website at: <http://labor.vermont.gov/Portals/0/UI/UI%20Brief.pdf>

In the early 1980's, a taxable wage base was established at \$8,000. This means that we can only assess UI taxes on the first \$8,000 of an employee's wages. When this was established, that represented approximately half the average wage in Vermont. Now, the taxable wage base is less than a quarter of the average Vermont wage. Additionally, Vermont's maximum weekly UI benefit ranks 17th highest in the country at \$425/week. As unemployment rises, and benefits paid increase, the trust fund decline speeds up. The current model indicates benefits increasing to \$160 million in 2009 (assuming an average unemployment rate of 6.3%) while contributions will total only \$55 million. Without reform, Vermont's UI trust fund will bankrupt.

Clearly, an equitable solution must include both benefit and revenue changes. Some of the changes proposed include:

- Increasing Employer Contributions to the Trust Fund by phasing in taxable wage base increases over two years starting in calendar year 2010. The increase would be from \$8,000 to \$14,000 in 2010, and then to \$20,000 in 2011. This change will increase contributions by \$44 million the first year and an additional \$41 million the second year.
- Not relieving an employer from charges to their experience rating when that employer is non-responsive to initial requests for information from the department and if that employer fails to participate in subsequent fact finding or appeals.
- Charging an administrative fee to reimbursable employers.
- Reducing the maximum weekly benefit from \$425 to \$409 and cap it at that amount effective in 2009.
- Modifying the weekly benefit amount to be 50% of the average wage replacement as opposed to 57% as it is currently calculated.
- Limiting total annual benefits to 1/3 wages or 26 weeks, whichever is shorter.
- Requiring an average of 20 weeks of work to qualify for benefits.
- Eliminating one of the three methods used to determine a weekly benefit amount for workers with a significant attachment to the labor market.
- Disqualifying a person fired for misconduct from receiving benefits until they earn 4 times their weekly benefit amount.
- Prohibiting workers fired for gross misconduct from using the wages paid by that employer to qualify for benefits.
- Reducing earnings disregard from 30 to 20 %.
- Ordering repayment of benefits by claimants when those benefits have been awarded erroneously.
- Eliminating the optional trigger for state extended unemployment benefits. Vermont will then be utilizing federal extended benefits before paying state benefits.

We understand that initiating these and other changes now, during this challenging economic time will impact both employers and workers. Without reform, however, the system will only be able to pay benefits by borrowing from the federal government or other market sources, which will lead to much higher federal taxes on the state's businesses. These taxes will exceed current combined state contributions and federal taxes and would continue for years to come. Please take the time to look over the proposal on our website: <http://labor.vermont.gov/Portals/0/UI/UI%20Brief.pdf> and contact us with any questions.

# The Edge

## NATEF Certification at Northlands

The Auto Mechanics program offered to students at the Northlands Job Corps Center in Vergennes, VT, has obtained a National Automotive Technicians Education Foundation (NATEF) certification, proof of its compliance with the industry-recognized standards of excellence. Areas of certification include brakes, electrical electronic systems, engine performance, suspension and steering.

According to the Occupational Outlook handbook, jobs as automotive service professionals will be plentiful for persons who finish training programs in high schools, vocational or technical schools, or community colleges. Today's motor vehicle industry has become more sophisticated. Technicians need to be computer literate and technically skilled. They must have:

- A thorough knowledge of automotive systems and components
- Good computer skills
- Excellent communication skills
- Above average mechanical aptitude
- Good reasoning ability
- Ability to read and follow instructions
- Manual dexterity

The National Institute for Automotive Service Excellence (ASE) offers certification for technician training programs in order to assist vocational educators in enlisting, coaching, and preparing the technicians of tomorrow, with a goal of strengthening the quality of training offered at secondary, post-secondary, public schools and training programs.

NATEF decides whether a program is worthy of ASE certification. The foundation was started to provide development opportunities for prospective automotive technicians, as well as to improve education and support. NATEF looks at the structure and resources of training programs, and judges them against nationally accepted standards of quality. Certifying ASE through NATEF evaluation makes sure that certified training programs meet or exceed industry-recognized standards of excellence.

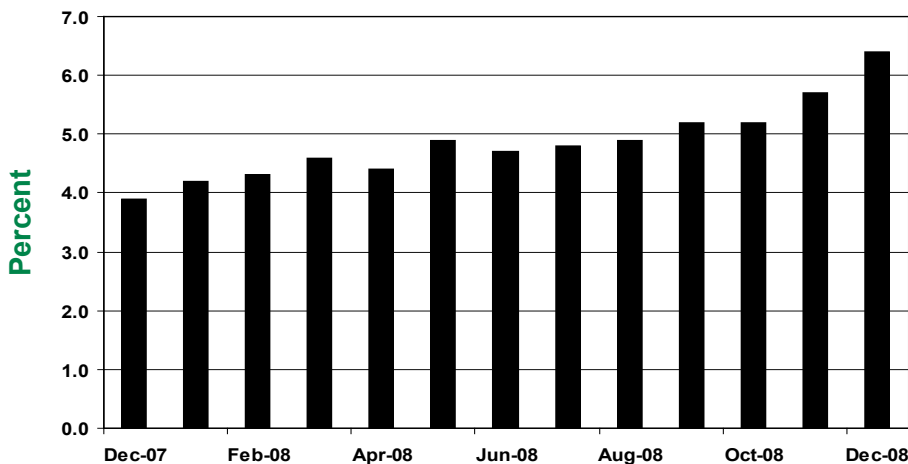
Students, employers, schools and the automotive service industry all can benefit from the certification process. For schools, program certification raises funding resources from the public and corporate sectors as well as aids in recruiting students. It helps students identify programs which meet national standards and provide current, complete, and applicable training. Employers look to the certification as a way to evaluate future employees.

The process for receiving NATEF certification is lengthy. First, NATEF reviews the self-evaluation materials to decide whether the program qualifies for on-team evaluation. If the program is a fit, an Evaluation Team leader, qualified by ASE and coached by NATEF, is assigned for a site visit. The program does not become certified until 5 years after the industry requirements are met.

So, congratulations to Northlands' Auto Mechanics program. As Sue Magill, Career Technical Training Supervisor at Northlands Job Corps Center said, "The NATEF certification not only confirms the quality of our Auto Mechanics program, but it will also allow for easier access to the labor market for our graduates. Job placement is a very important part of our work, as our goal is to provide young adults with an opportunity to be responsible and productive members of our society."

The NATEF certification expires by the end of 2013, when the program will undergo another series of evaluations and examinations.

### Vermont Seasonally Adjusted Unemployment Rate



**Visit our website for more information and additional opportunities.**

<http://labor.vermont.gov>

### Contact VDOL

To discontinue your subscription, please email:  
[sally.redpath@state.vt.us](mailto:sally.redpath@state.vt.us)

## Vermont Unemployment Estimates Statewide *(Seasonally Adjusted)*

	Dec. '08	Nov. '08	Dec. '07	Changes from:	
				Nov. '08	Dec. '07
<b>TOTAL LABOR FORCE<sup>1</sup></b>	356,900	356,900	352,900	0	4,000
<b>EMPLOYED</b>	334,200	336,700	339,300	-2,500	-5,100
<b>UNEMPLOYED</b>	22,700	20,200	13,600	2,500	9,100
<b>RATE (%)</b>	6.4	5.7	3.9	0.7	2.5

<sup>1</sup>Includes proprietors, professionals, and unpaid family workers.

VCM Regression Methodology

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

AREA	Total Labor Force	Number Employed	Number Unemployed	Dec-08 Rate (%)	Nov-08 Rate (%)	Dec-07 Rate (%)
Barre-Montpelier	28,900	27,100	1,800	6.2	5.6	4.0
Bennington	12,750	11,850	850	6.8	5.7	3.6
Bradford	4,750	4,400	350	7.0	5.5	4.4
Brattleboro	23,550	22,250	1,300	5.5	5.7	3.5
Burlington-South Burlington	112,850	107,050	5,750	5.1	4.8	3.1
Hartford	19,450	18,800	650	3.3	3.2	2.3
Manchester	12,450	11,650	800	6.4	6.6	3.6
Middlebury	17,950	16,850	1,100	6.1	5.4	3.6
Morristown-Stowe	20,000	18,600	1,400	6.9	6.0	4.9
Newport	13,950	12,550	1,350	9.8	7.4	6.3
Randolph	8,900	8,350	550	6.2	5.5	4.4
Rutland	29,300	27,350	1,950	6.6	6.5	3.6
Springfield	12,450	11,750	700	5.6	6.0	3.5
St. Johnsbury	14,750	13,700	1,050	7.2	5.9	4.4
Swanton-Enosburg	14,550	13,400	1,150	8.0	7.0	5.3
Warren-Waitsfield	4,050	3,900	150	3.8	4.2	2.4
Woodstock	3,500	3,350	150	4.4	4.4	2.4
<b>Vermont Total</b>	<b>356,250</b>	<b>335,000</b>	<b>21,250</b>	<b>6.0</b>	<b>5.4</b>	<b>3.7</b>

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

Colebrook, NH-VT	3,550	3,350	200	6.0	5.2	5.7
Lebanon, NH-VT	46,100	44,800	1,300	2.8	2.8	2.2
Littleton, NH-VT	14,500	13,750	750	5.3	5.3	3.3
North Adams, MA-VT	17,200	15,850	1,350	8.0	6.4	5.3

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

# Vermont Seasonally Adjusted Nonfarm Employment in Thousands

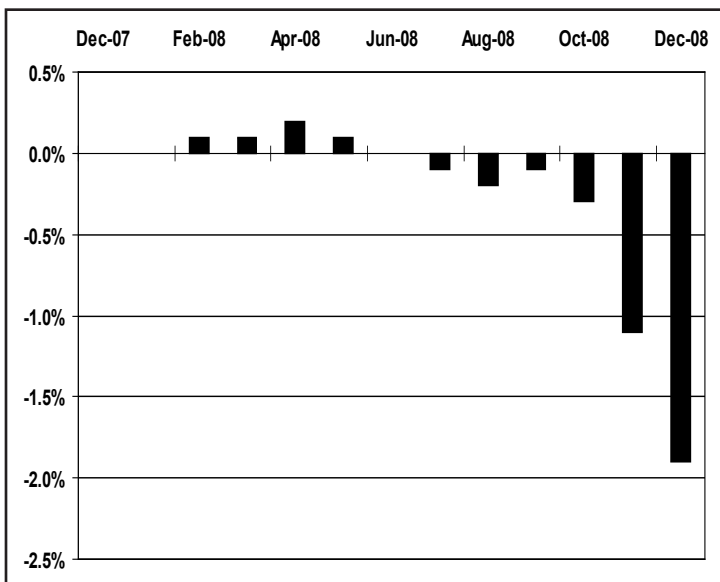
BY NAICS	Prelim.	Revised	Revised	Changes From:	
	Dec. '08	Nov. '08	Dec. '07	Nov. '08	Dec. '07
<b>Total - All Industries</b>	<b>302.7</b>	<b>305.1</b>	<b>308.5</b>	<b>-2.4</b>	<b>-5.8</b>
<b>Private Industries</b>	<b>248.9</b>	<b>251.2</b>	<b>254.6</b>	<b>-2.3</b>	<b>-5.7</b>
Construction	14.5	14.9	16.7	-0.4	-2.2
Manufacturing	34.1	34.8	35.7	-0.7	-1.6
Durable Goods	24.8	25.4	26.0	-0.6	-1.2
Non-Durable Goods	9.3	9.4	9.7	-0.1	-0.4
Trade, Transportation & Utilities	57.6	58.8	59.3	-1.2	-1.7
Retail Trade	38.8	39.8	40.0	-1.0	-1.2
Trans., Warehousing & Utilities	8.6	8.7	8.8	-0.1	-0.2
Financial Activities	12.9	13.0	13.2	-0.1	-0.3
Professional & Business Services	22.2	22.3	22.2	-0.1	0.0
Professional., Scientific & Technical	13.1	13.2	13.2	-0.1	-0.1
Administrative Support & Waste	8.8	8.8	8.6	0.0	0.2
Education & Health Services	58.1	58.2	57.7	-0.1	0.4
Private Ed. Services	12.9	12.8	12.9	0.1	0.0
Health Care & Social Assistance	45.2	45.4	44.8	-0.2	0.4
Leisure & Hospitality	33.5	33.0	33.2	0.5	0.3
Arts, Entertainment & Recreation	4.1	4.0	4.0	0.1	0.1
Accommodation & Food Services	29.4	29.0	29.2	0.4	0.2
Other Services	9.3	9.8	9.9	-0.5	-0.6
<b>Total Government</b>	<b>53.8</b>	<b>53.9</b>	<b>53.9</b>	<b>-0.1</b>	<b>-0.1</b>
State Government	17.6	17.8	17.8	-0.2	-0.2
Local Government	30.1	30.0	30.0	0.1	0.1

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

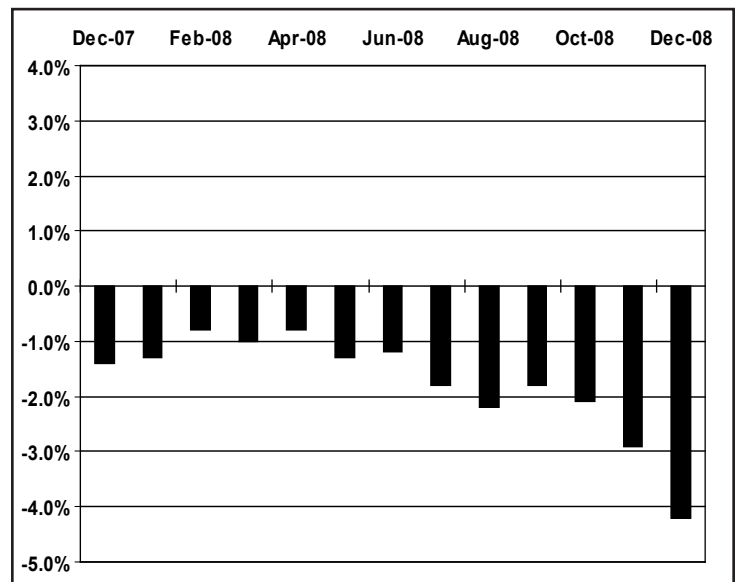
Produced by the Vermont Department of Labor in cooperation with the U.S Bureau of Labor Statistics, unless otherwise noted.

## 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:	
	Dec. '08	Nov. '08	Dec. '07	Nov. '08	Dec. '07
<b>TOTAL NONFARM</b>	<b>308,900</b>	<b>307,200</b>	<b>314,900</b>	<b>1,700</b>	<b>-6,000</b>
<b>TOTAL PRIVATE</b>	<b>252,100</b>	<b>250,300</b>	<b>258,100</b>	<b>1,800</b>	<b>-6,000</b>
<b>GOODS PRODUCING</b>	<b>49,450</b>	<b>51,150</b>	<b>53,250</b>	<b>-1,700</b>	<b>-3,800</b>
MANUFACTURING	34,550	34,950	36,050	-400	-1,500
Durable Goods	25,000	25,400	26,200	-400	-1,200
Computer & Electrical Equipment Mfg.	9,150	9,150	9,450	0	-300
Fabricated Metal Products Mfg.	3,050	3,000	3,000	50	50
Non-Durable Goods	9,550	9,550	9,850	0	-300
Food Mfg.	3,850	3,850	3,900	0	-50
CONSTRUCTION	14,050	15,300	16,350	-1,250	-2,300
NATURAL RESOURCES & MINING	850	900	850	-50	0
<b>SERVICE-PROVIDING</b>	<b>259,450</b>	<b>256,050</b>	<b>261,650</b>	<b>3,400</b>	<b>-2,200</b>
TRADE, TRANSPORTATION AND UTILITIES	59,750	60,050	61,500	-300	-1,750
Wholesale Trade	10,350	10,400	10,500	-50	-150
Retail Trade	40,450	40,800	41,850	-350	-1,400
Food & Beverage Stores	9,750	9,650	9,850	100	-100
General Merchandise Store	2,800	3,150	3,200	-350	-400
Transportation, Warehousing and Utilities	8,950	8,850	9,150	100	-200
Utilities	1,750	1,750	1,750	0	0
Transportation & Warehousing	7,200	7,100	7,400	100	-200
INFORMATION	5,900	5,950	6,050	-50	-150
FINANCIAL ACTIVITIES	12,850	12,850	13,150	0	-300
Finance & Insurance	9,600	9,700	9,900	-100	-300
Real Estate, Rental & Leasing	3,250	3,150	3,250	100	0
PROFESSIONAL AND BUSINESS SERVICES	22,150	22,250	22,200	-100	-50
Professional, Scientific and Technical	13,300	13,200	13,450	100	-150
Administrative, Support and Waste	8,550	8,800	8,450	-250	100
EDUCATIONAL AND HEALTH SERVICES	58,750	58,600	58,300	150	450
Educational Services	13,300	13,200	13,300	100	0
College, Universities and Professional	7,250	7,250	7,350	0	-100
Health Care and Social Assistance	45,450	45,400	45,000	50	450
Ambulatory Health Care Services	16,450	16,400	16,200	50	250
Hospitals	12,350	12,300	11,900	50	450
Nursing and Residential Care Facilities	6,800	6,750	6,850	50	-50
LEISURE AND HOSPITALITY	33,950	29,700	33,750	4,250	200
Arts, Entertainment and Recreation	3,500	3,300	3,450	200	50
Accommodation and Food Services	30,450	26,400	30,300	4,050	150
Accommodations	12,450	8,750	11,900	3,700	550
Hotel & Motels	11,500	7,700	10,950	3,800	550
Food Services and Drinking Places	18,000	17,650	18,400	350	-400
OTHER SERVICES	9,300	9,750	9,900	-450	-600
<b>GOVERNMENT</b>	<b>56,800</b>	<b>56,900</b>	<b>56,800</b>	<b>-100</b>	<b>0</b>
Federal Government	6,100	6,100	6,050	0	50
State Government Education	9,250	9,450	9,100	-200	150
Local Government Education	25,200	24,950	25,100	250	100
Other State Government	9,400	9,500	9,650	-100	-250
Other Local Government	6,850	6,900	6,900	-50	-50

NOTE: ESTIMATES ARE PRELIMINARY AND SUBJECT TO REVISION. SEE ANNUAL SUMMARY FOR DETAILS.

# VERMONT Winter 2009 Safety Seminars

**Forklift Operator Safety Training** - March 13th, 2009, 8:30 a.m. to 12:30 p.m., Middlebury Hannaford Career Center. Did you know that VOSHA requires that all Fork Truck operators be trained by a "qualified person"? This forklift training is designed for powered lift truck operators in manufacturing, construction and retail. A complete overview of 29 CFR 1910.178 VOSHA standards will be followed with a discussion on load balance, characteristics and truck components, engineering design, fueling, and fundamentals of operation, with a hands-on forklift safety inspection. COST: \$75 per person; CONTACT FOR INFO. OR REGISTRATION: Denise Senesac, 802-382-1004

**Ergonomics on the Shop Floor** - LIFTING, REACHING, PULLING & PUSHING AND MORE; APRIL 9TH, 8:30 a.m. - 12:30 p.m., Green Mountain Techn. & Career Center, Hyde Park. How to identify the ergonomic challenges of general industry work tasks using the Job Safety Analysis tool; evaluate and recommend solutions to improve the work conditions of each task in order to promote the health and safety of the employees. The JSA tool uses observation, interviewing, and research methods to determine the hazards associated with each task; selected solutions range from engineering controls to administrative procedures to training and wellbeing programs, with each solution designed to target each identified hazard. P. Singley, Instructor. \$45, includes light breakfast. To register, contact Patti Coultas, Coordinator of Adult Ed. & Online Learning, Green Mountain Tech & Career Center, Hyde Park, pcoultas@gmtcc.net, 802-851-1574.

**OSHA Training Institute** courses in Vermont: Gen. Indus. Standards Course, Feb 23-26, Montpelier; Trainer Course, Gen. Indus., Mar 9-12, Montpelier; Update for Gen. Indus. Trainers, Mar 4-6, Burlington; Construction Standards, May 4-7, Burlington; Trainer Course, Const., May 18-21, Burlington; Update for Const. Trainers, Mar. 2-4, Burlington. More info 1-800-449-6742; www.keene.edu/conted/osha.cfm, Diane Malachowski.

**7th Annual Vermont Workplace Safety Conference & Governor's Awards** - May 13, 2009, 9 am. - 3:45 p.m., DoubleTree Hotel and Conference Center (former Clarion), 1117 Williston Rd., Burlington. An Excellent professional development opportunity for HR and Safety Staff. Topics include: How to Ensure Sub-Contractors Work Safely at Your Business; Material Handling Ergonomics Tool Demonstration; Supervisors as Safety Leaders Panel; What Works for Employee Wellness; and the Governors' Safety Awards. Sponsored by: the Partnership in Safety (Project WorkSAFE, Green Mtn. Coffee Roasters and VT Small Business Development Center), and the Vermont Safety and Health Council. Registration \$75, \$65 before 4/15/09 at: www.vtsbdc.org (training tab). To Register at no cost for Governor's Awards only please email: pcrawford@vtc.edu

**Northwest Occupational Health SAFETY SERIES** - 8:30 A.M. - 12:30 NOON, NORTHWESTERN MEDICAL CENTER, ST. ALBANS, \$65 FOR SINGLE SESSION; 2 OR MORE \$60 EA. TO REGISTER CALL 802-524-1223 OR EMAIL NOHINFO@NMCINC.ORG

**1/22/09** EMERGENCIES AND ACCIDENTS: EMERGENCY PREPAREDNESS FOR THE WORKPLACE; ACCIDENT INVESTIGATION.

**2/19/09** INDUSTRIAL SAFETY LOCK OUT/ TAG OUT, MACHINE GUARDING/ CHEMICAL SAFETY INCLUDING PEL'S, AIR QUALITY, HAZCOM AND SOME OF HAZWOPER.

**3/19/09** SAFETY AND SAFETY COMMITTEES, TRAINING; WORKPLACE VIOLENCE, EMPLOYEE ASSISTANCE PROGRAMS AND SECURITY (OF PEOPLE AND THE FACILITY)

**4/8/09** CONFINED SPACE TRAINING Course is approved for Continuing Education Credits (3.5 hours) for both Water treatment and Wastewater treatment Operators. Trainer: Bruce Gray, certified by DEC. \$75 per person to register email NOHINFO@NMCINC.ORG OR CALL 802-524-1223.

**April: 4/8/09 Confined Space Entry Training:** Presented by Bruce Gray. Water treatment and Wastewater treatment operators get 3.5 hours CEU credits. \$75 per person. Northwestern Medical Center, conference room 1 8:30 am - 12:30 pm. Call 802-524-1223 or email nohinfo@nmcinc.org to register. ALSO TBA: LEAN MANUFACTURING 101 & LEAN HEALTHCARE 101

**FIND Vermont Safety Seminars at: [www.vshc.org](http://www.vshc.org) (upcoming events).**

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# The Governor's Outstanding Workplace Safety Award

Governor James Douglas is scheduled, on Wednesday, May 13 to recognize Vermont businesses that have made a major commitment to providing safe work places for their employees. The Governor's Award for Outstanding Workplace Safety will be presented at the annual Workplace Safety Conference at the Double Tree Conference Center in South Burlington. The award was designed five years ago to recognize companies with good safety and health records in their work place. Typically such companies have lower costs of doing business and increased production benefiting both the company and its workers.

Last year 17 Vermont firms were nominated (either by themselves or recommended by others) for this prestigious award. The recipient of the large business category was Cersosimo Lumber of Brattleboro, while the recipient in the small business category was A.C. Hathorne Company of Williston. More than a dozen certificates of participation including special awards were also presented. The small business category includes companies with one to 50 employees. Large companies are those with more than 50 workers.

The criteria for consideration involves an experience modification (MOD Rate) of less than .90, no workplace fatalities or catastrophic injuries for the past three years, an active Safety Committee that includes both management and workers, and a written safety and health policy. Companies that meet the criteria are encouraged to nominate themselves. Nominees will also be asked how safety has improved their businesses, how they assess their safety program and how they track improvements.

The deadline for receiving nominations is Friday, March 13.

In presenting last year's awards, Governor Douglas pointed to the benefits of a safe workplace saying that workplace safety, whether on the production line, in an office, or on the road, is a key component to the success of any Vermont business. The governor also said that a strong safety and health commitment can be the difference between profitability, and economic difficulty.

Vermont's Commissioner of Labor, Patricia Moulton Powden said, "A company with a safety culture controls, and reduces direct costs such as workers' compensation, and indirect costs such as lost productivity and damaged equipment. The result," she said, "is a more competitive profitable business."

The Awards ceremony is part of the annual Vermont Workplace Safety Conference, sponsored by the Vermont Small Business Development Center. Visit their website ([www.vsbdc.org](http://www.vsbdc.org)) to register for both the conference and the award ceremony.

**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).

*Workers' Compensation & Safety Division*

**2009 Governor's Award  
For  
Outstanding Workplace Safety**

**Nomination Form**

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact person: \_\_\_\_\_

Phone #: \_\_\_\_\_ Email: \_\_\_\_\_

Nominating party contact info: \_\_\_\_\_

***What is your Safety Success Story?***

*Please tell us by answering the following questions:*

- 1) How has safety improved at your business and what did you do to make it happen?
- 2) How does your company assess its safety programs for effectiveness and track improvement?
- 3) What statistics and documentation can you provide that prove the effectiveness of your safety program?
- 4) How does management get employee involvement in workplace safety?

***Please verify the following by a check mark:***

- Experience modification rate of .90 or less (your mod rate \_\_\_\_\_ )
- No workplace fatalities or catastrophic injuries for past 3 years
- We have an active Safety Committee with both management and employee involvement
- We have a written safety and health policy (Please include a copy of your policy)
- We have up to 50 Employees
- We have more than 50 Employees

**All nominations should be sent, with a covering letter, to arrive by March 13, 2009, to:**

Workers' Compensation & Safety Division  
Vermont Department of Labor  
Attn: Becky Morris  
5 Green Mountain Drive, P.O. Box 488  
Montpelier, VT 05601-0488

Or email, with attachments, to: [becky.morris@state.vt.us](mailto:becky.morris@state.vt.us)