

Vermont State Colleges

October 2022

The Economic & Labor Market Information Division

online @ VTLMI.info

- Housed in the Vermont Department of Labor
- State partner to the Federal Government
- 100% federally funded
 - Thank you to the USDOL Employment & Training Administration!



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Purpose: to produce, explain and disseminate economic data for the benefit of the State of Vermont, educational institutes, employers, students, job-seekers, researchers, and the general public.

MOMENT OF APPRECIATION

Thank you all for the work you do!!

Important note:

Data:

- From the Vermont Dept of Labor, The Bureau of Labor Statistics and The Census Bureau

Accurate! Consistent in methods and production!

Anything beyond the data:

- My views, not those of the VDoL or the executive branch.
- Please interrupt to ask questions or share comments. This is meant to be a discussion.

Let's talk economics...

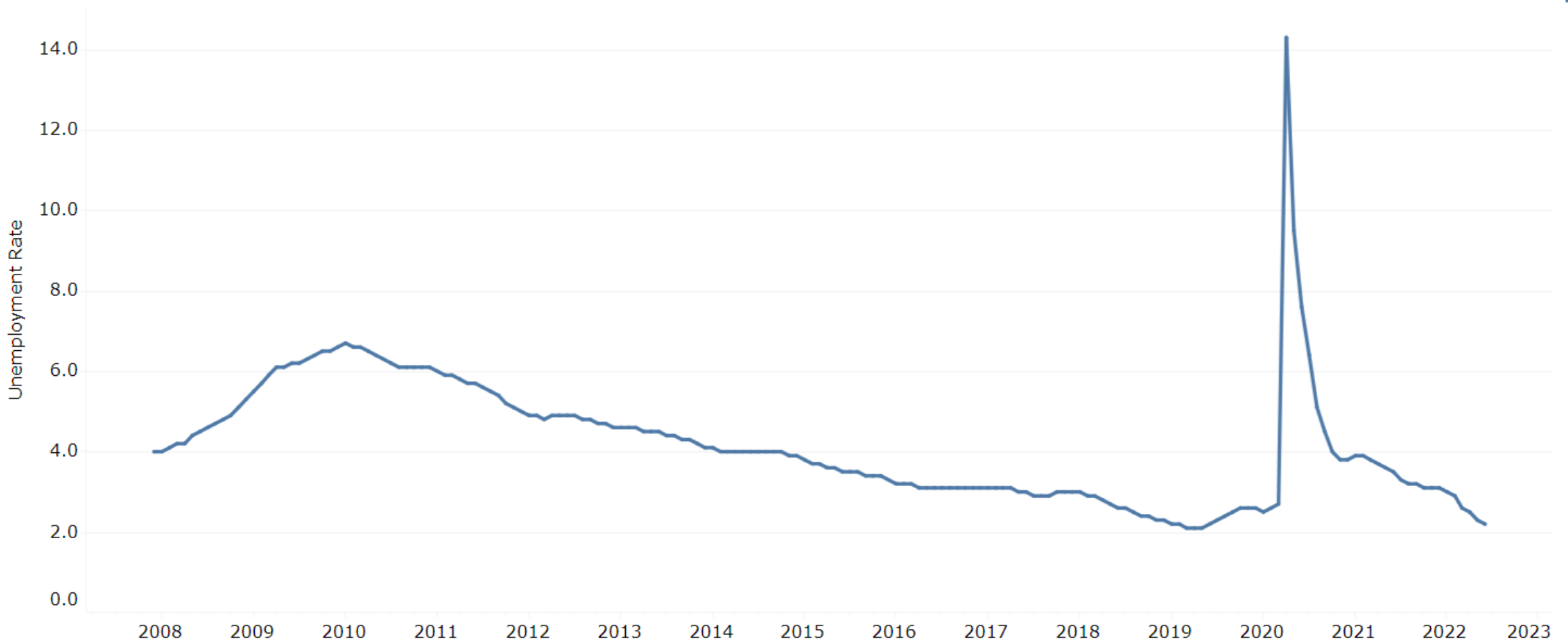
Labor and the Labor Market

Vermont Unemployment Rate

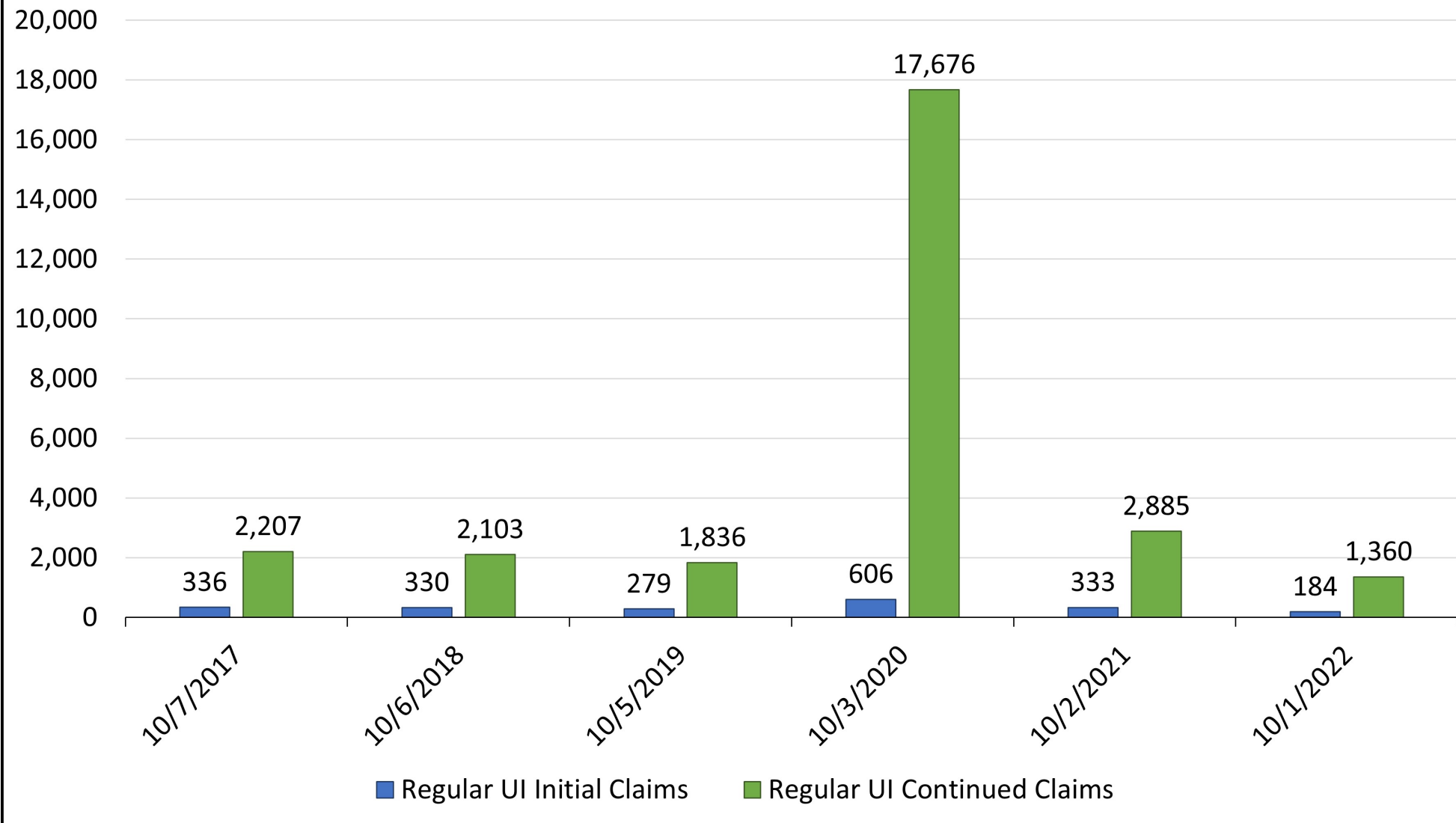
(Seasonally Adjusted)

Unemployment Rate

Area
■ Vermont

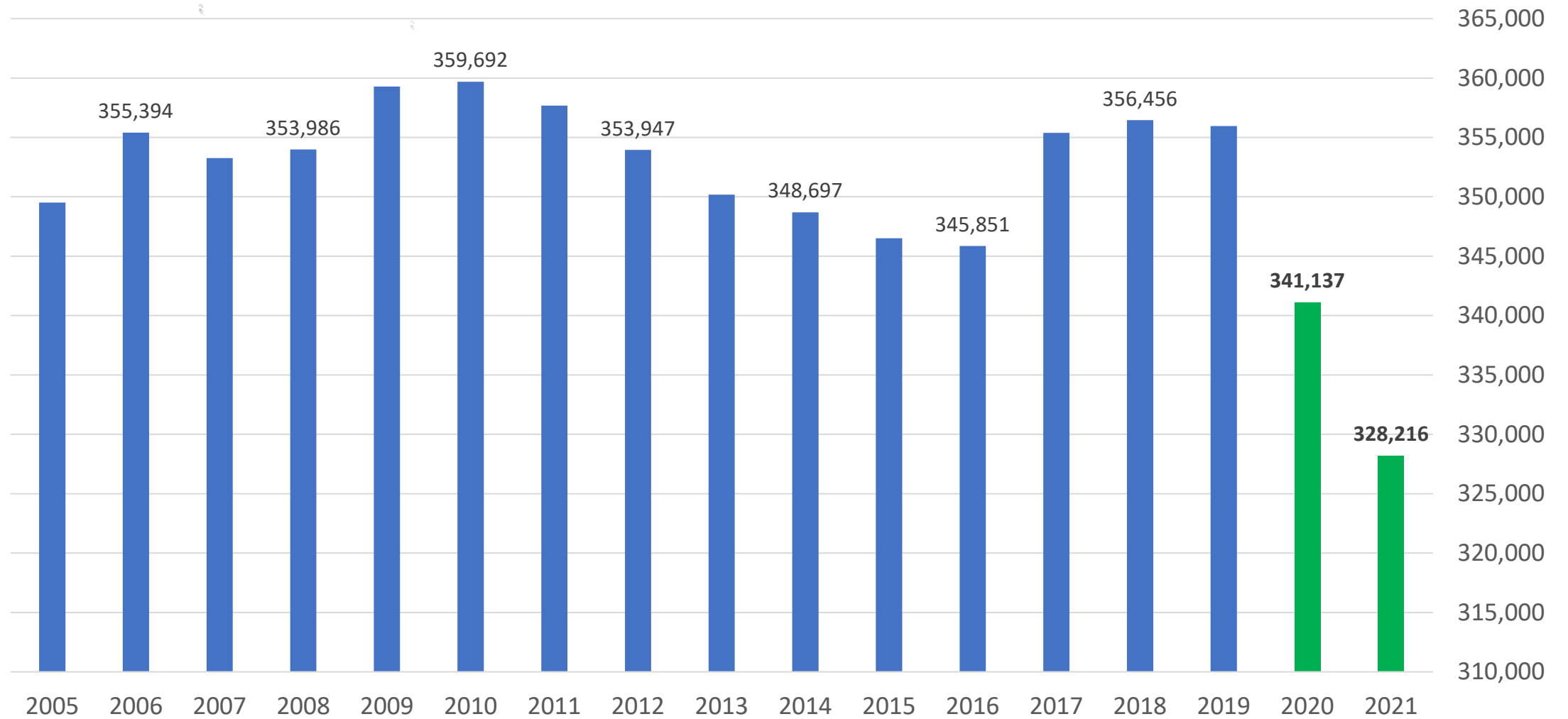


Current Week vs Last 5 Years



Vermont Labor Force

Annual Average, 2005 - 2021



County	% Change - '21	Peak Year
Addison	-9.0%	2009
Bennington	-17.8%	2006
Caledonia	-16.8%	2006
Chittenden	-7.3%	2019
Essex	-21.0%	2009
Franklin	-6.2%	2019
Grand Isle	-8.5%	2006
Lamoille	-14.6%	2009
Orange	-9.0%	2010
Orleans	-12.1%	2009
Rutland	-19.4%	2006
Washington	-9.4%	2019
Windham	-19.8%	2010
Windsor	-15.6%	2009

County Labor Force Data: Percent Change since Peak

- Based on each county's respective peak labor force numbers, all counties have seen a decline in labor force.
- Franklin County has lost the least, 6.2% of its peak labor force. It is followed by northwest neighbors Chittenden (-7.3%) and Grand Isle (-8.5%)
- Eight counties have seen a 10%+ decline in labor force.

Source: Local Area Unemployment Statistics
Vermont Department of Labor

Labor Demand > Labor Supply

It's a seller's market

February 2020

- Unemployed: 9,000
- Openings: 16,000
- Quits: 7,000

1 unemployed person for every
1.8 job openings

July 2022

Unemployed: 7,000
Openings: 23,000
Quits: 11,000

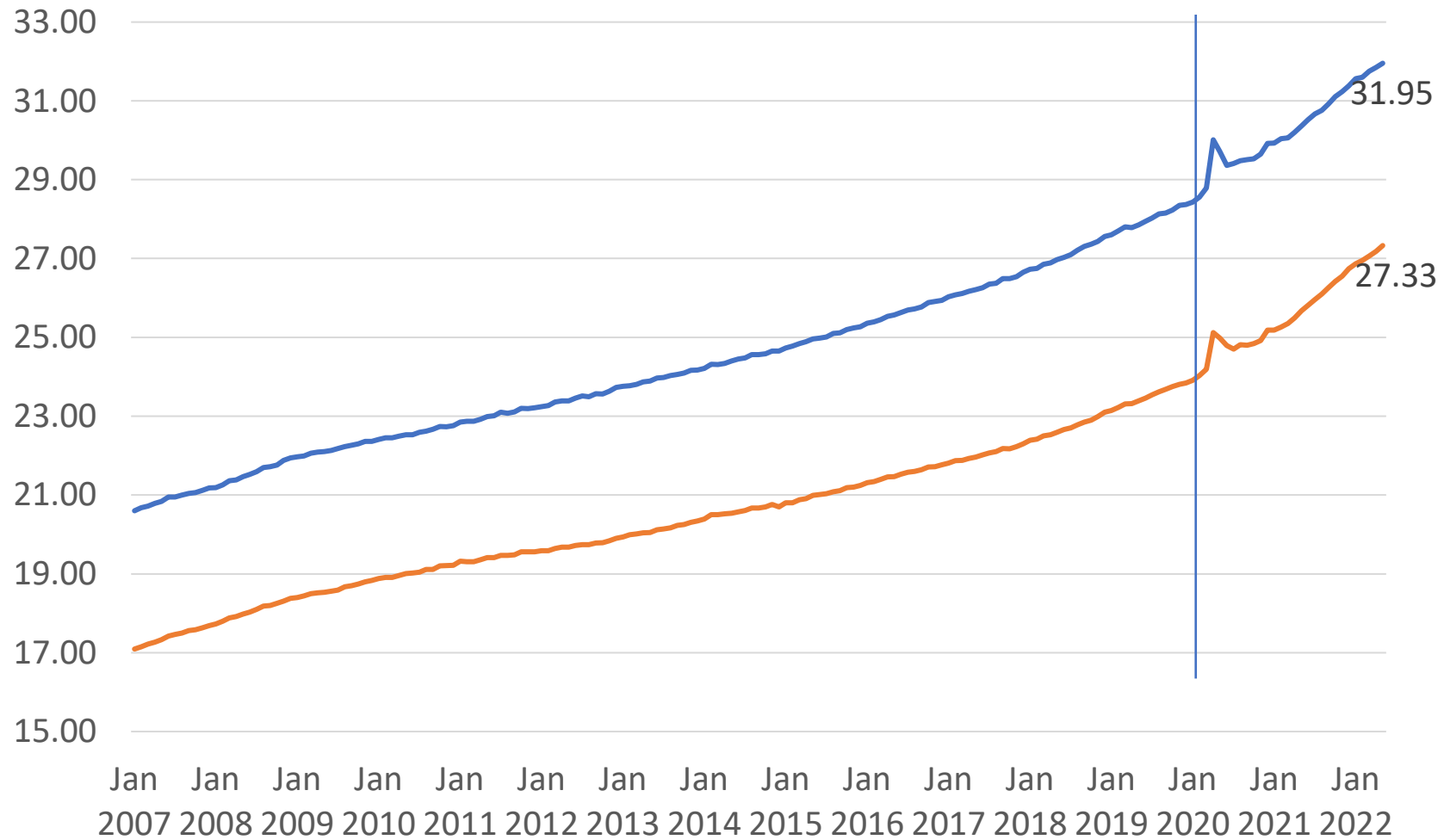
1 unemployed person for every
3.3 job openings



This was considered a *very* tight labor market

Average Hourly Wages

All workers and non-supervisory



Half the Story

Point 1 - Wages up locally due to decrease in labor supply

And now, on to the second half...

Business Formation Rates

Over the Year Change

2016 >>	1.7% or 420 new establishments
2017 >>	1.9% or 480 new establishments
2018 >>	0.5% or 136 new establishments
2019 >>	1.2% or 309 new establishments
2020 >>	1.6% or 409 new establishments

Business Formation Rates

Over the Year Change

2021 >> 5.9% or 1,545 new establishments

- 1,041 in Prof & Biz Services
 - 807 in Prof & Tech Services
 - 202 in Admin Services
- 129 in Information
- 102 in Financial Activities

Business Formation Rates

Over the Year Change

Approx. 1,300 new establishments added 2,500 jobs NET but...

There were approx. 8k businesses already in these three areas; the +2.5k jobs includes new and previously existing businesses

Point 2 - Expanded regional competition for labor due to technology

Role of Education

Human Capital Theory

- vs. -

Signaling Effect

EMPLOYERS' HIERARCHY OF NEEDS™



What do Employers Tell Us They Need?

(it's a seller's market –
employers tell us they will
train for the rest)



Show up to work on time, ready to work



Critical thinking skills



Customer service skills



Basic math and language skills



*How can you demonstrate to an employer
that you fit these needs?*



Version 5

A Continued Partnership with
the McClure Foundation
Highlighting E&LMI Data
(released this week!)

Found online:

[VTLMI.info](https://vtlmi.info)

in the upper right

OR McClureVT.org

Thank you!

Mathew Barewicz

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