

House Appropriations

– Economic Update

April 2015

Mathew Barewicz

Economic & Labor Market Information Division

Vermont Department of Labor

E&LMI: WHO ARE WE?

The Economic & Labor Market Information Division

- housed in the Vermont Department of Labor
- state partner to the federal government
- 100% federally funded

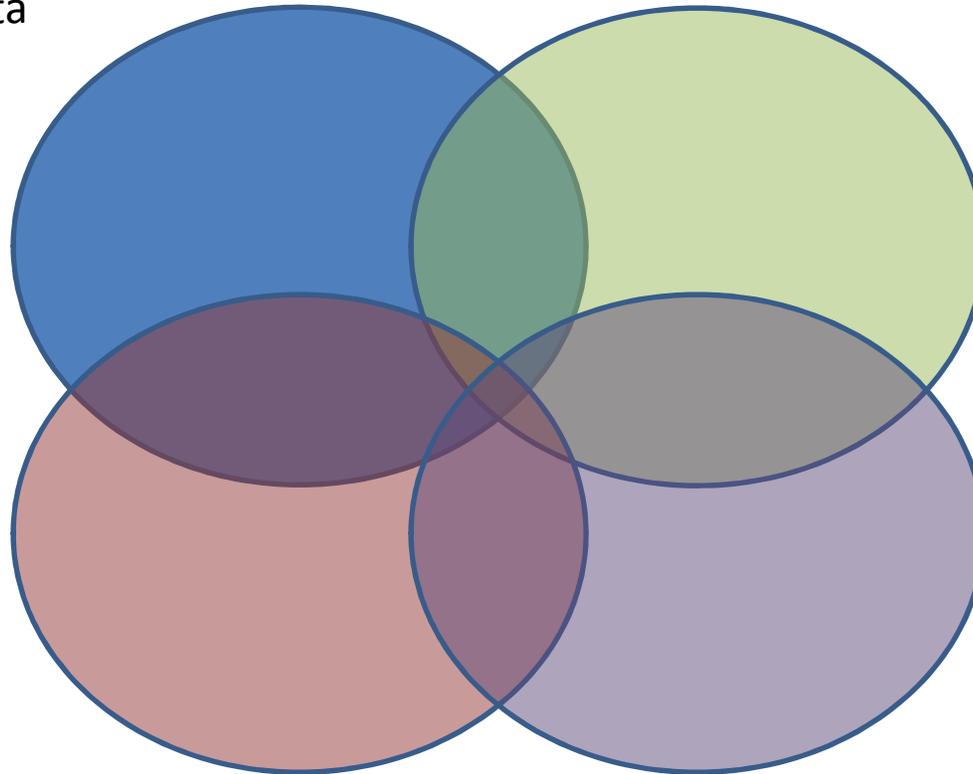
Purpose:

- 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.

ECONOMIC DATA FLAVORS

Business Data

Data on Individuals

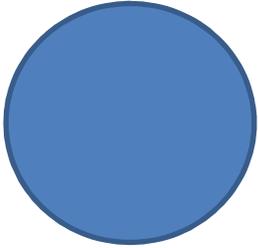


Broad Economic
Data

Household Data

SOURCES OF DATA

Business Data



Current
Employment
Statistics
(CES)

Quarterly Census of Employment and
Wages (QCEW) --- all Unemployment
Insurance (UI) Covered employment
opportunities

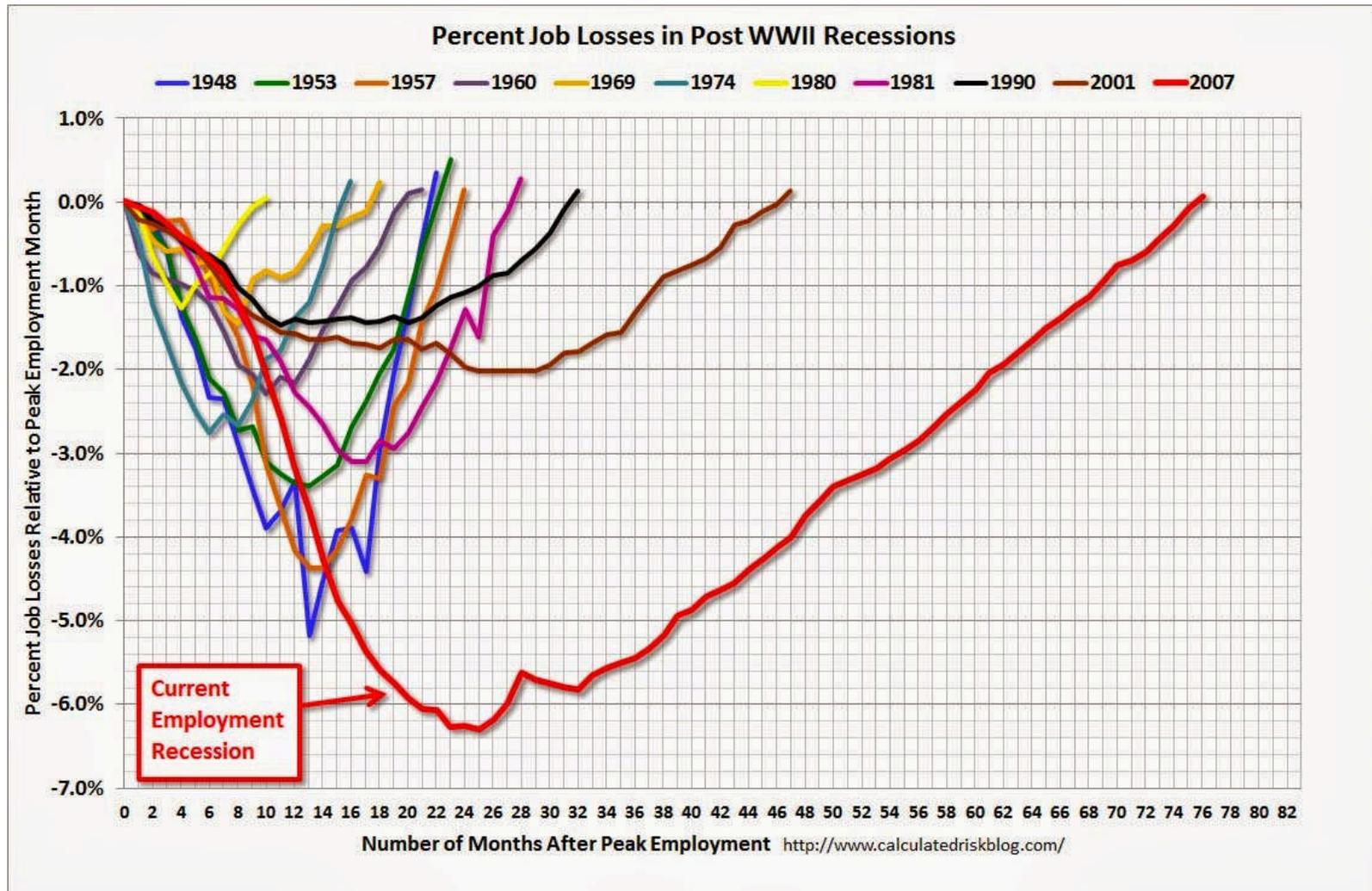
Occupational
Projections

Occupational
Employment
Statistics (OES)

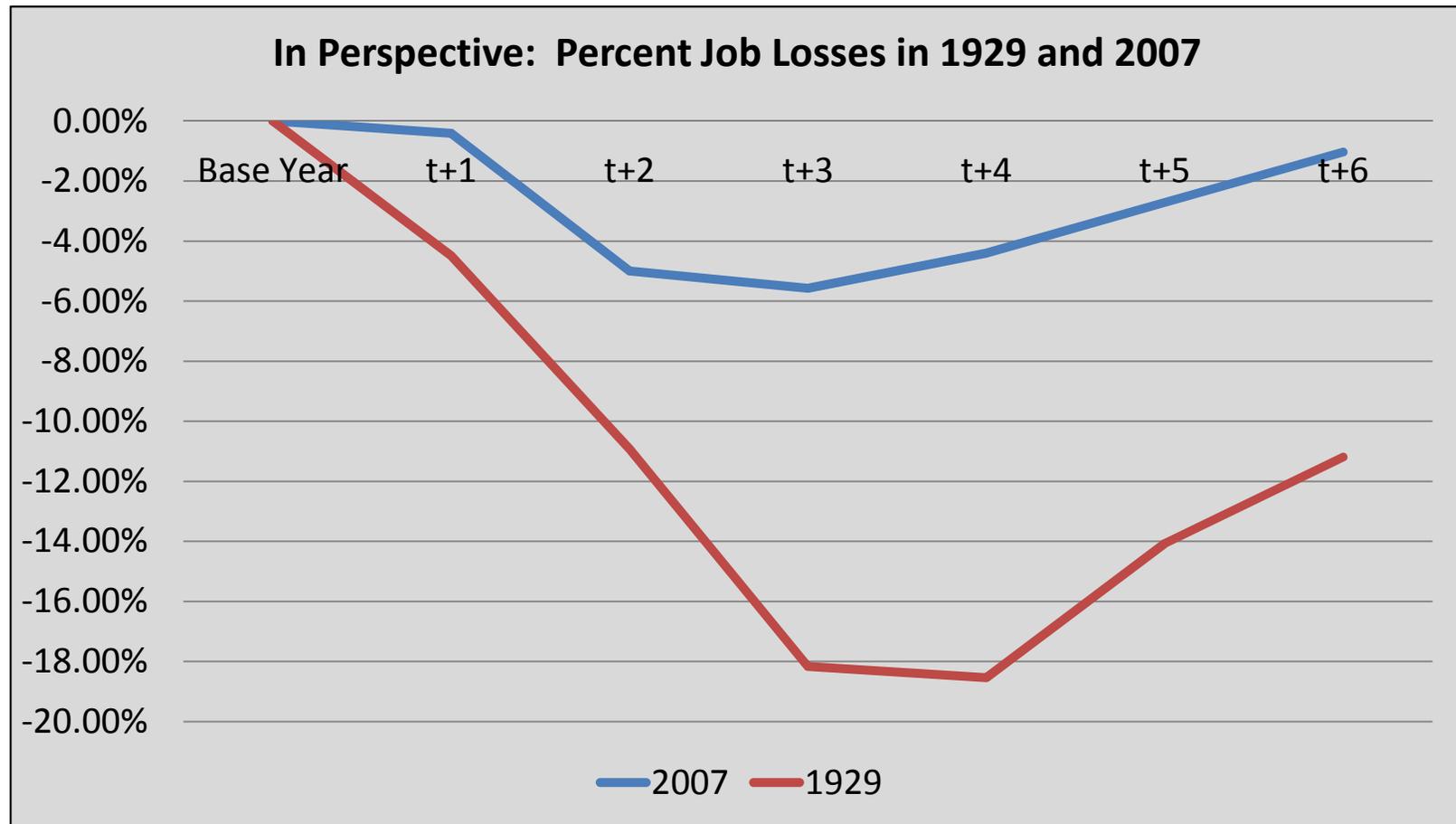
Where We Stand Today

The Great Recession and Recovery

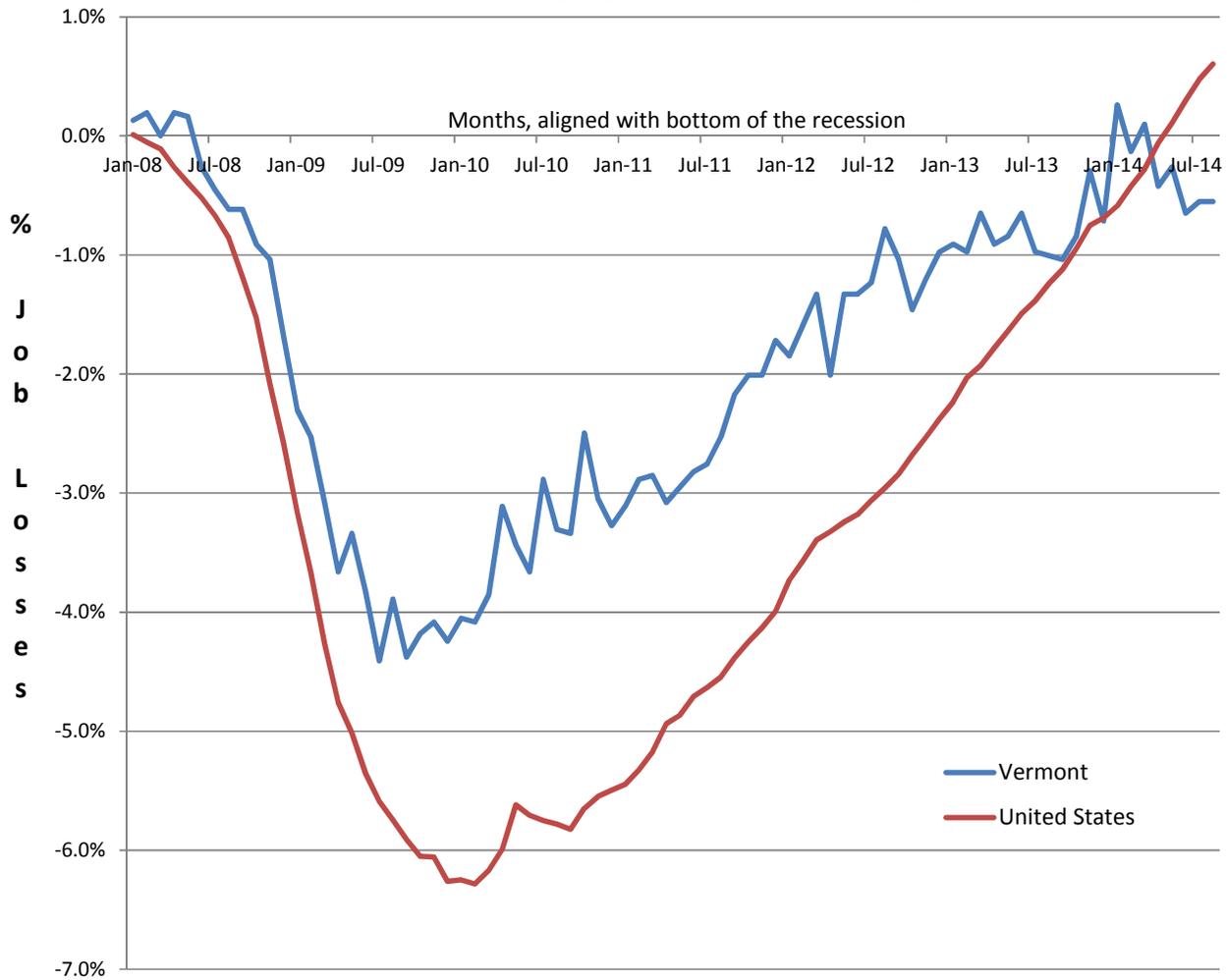
% CHANGE IN US EMPLOYMENT, DEC. 2007 - PRESENT



...BUT THIS IS NOT THE GREAT DEPRESSION

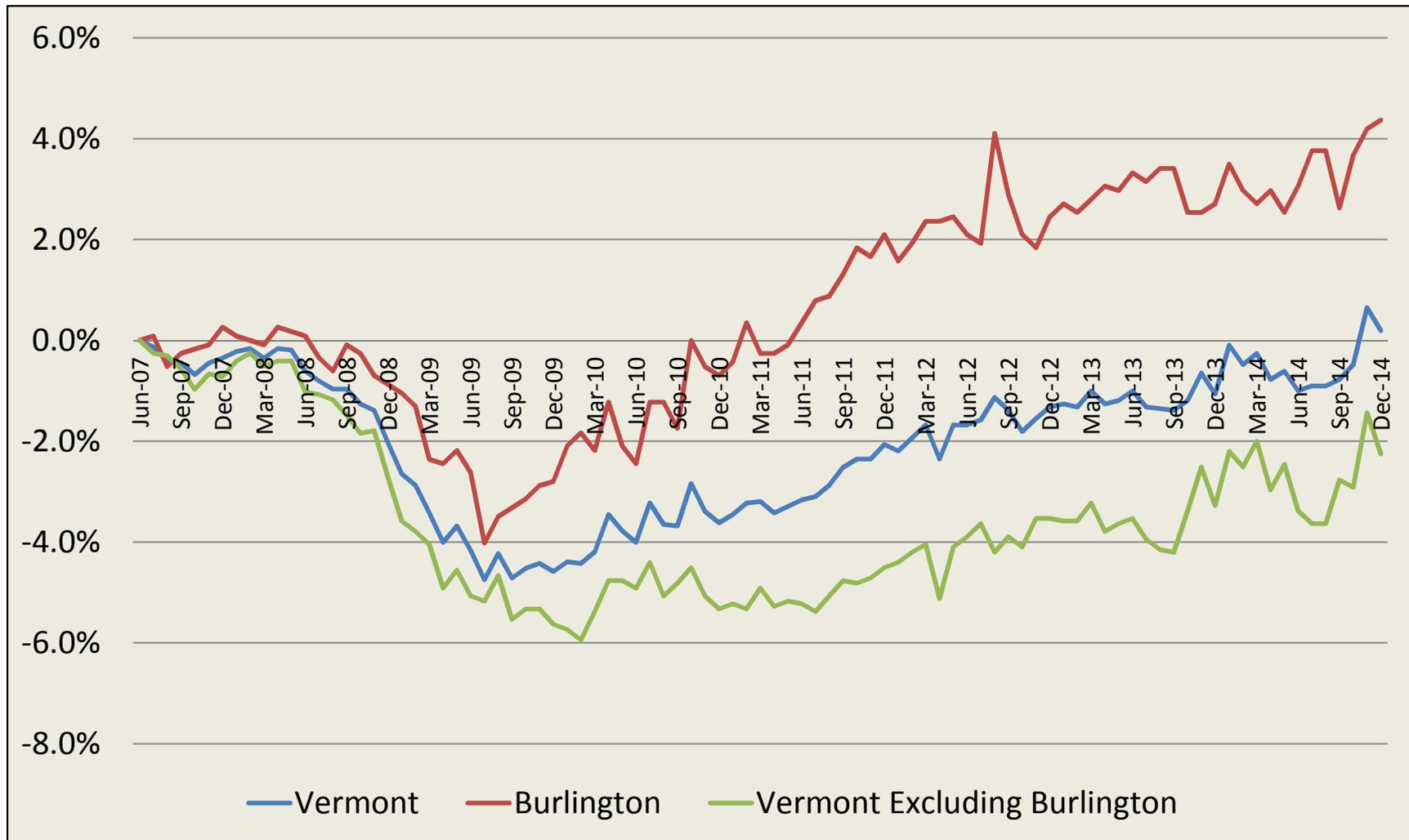


2007 Recession
% Change in Jobs & Duration in Months:
United States and Vermont
Total Nonfarm Employment, Seasonally Adjusted



Change in Employment since Vermont Peak (June 2007)

Total Nonfarm Employment, Seasonally Adjusted



2013 COVERED EMPLOYMENT BY STATE AND COUNTY

Area	2013	Change Since '09	Area	2013	Change Since '09
Vermont	301,596	9,226	Lamoille	11,374	847
Addison	14,120	386	Orange	7,684	142
Bennington	16,963	0	Orleans	10,329	528
Caledonia	10,973	-105	Rutland	27,565	-11
Chittenden	99,167	7,089	Washington	31,606	-274
Essex	999	-257	Windham	21,932	364
Franklin	16,763	557	Windsor	22,669	-238
Grand Isle	1,122	-11	Unspecified	8,328	208

Source: VT LMI, QCEW

CHANGE IN COVERED EMPLOYMENT BY INDUSTRY

Industry	2013	Change Since '09
Total	301,596	9,226
Private	248,993	9,234
Natural Resources	3,444	283
Construction	14,091	352
Manufacturing	31,715	500
Trade, Transport., & Utilities	55,350	-685
Information	4,674	-823
Financial Activities	11,769	-331
Prof. & Biz. Services	26,420	4,493
Educ. & Health	58,416	2,609
Leisure & Hospitality	34,361	2,679
Other Services	8,753	156
Total Government	52,603	-8

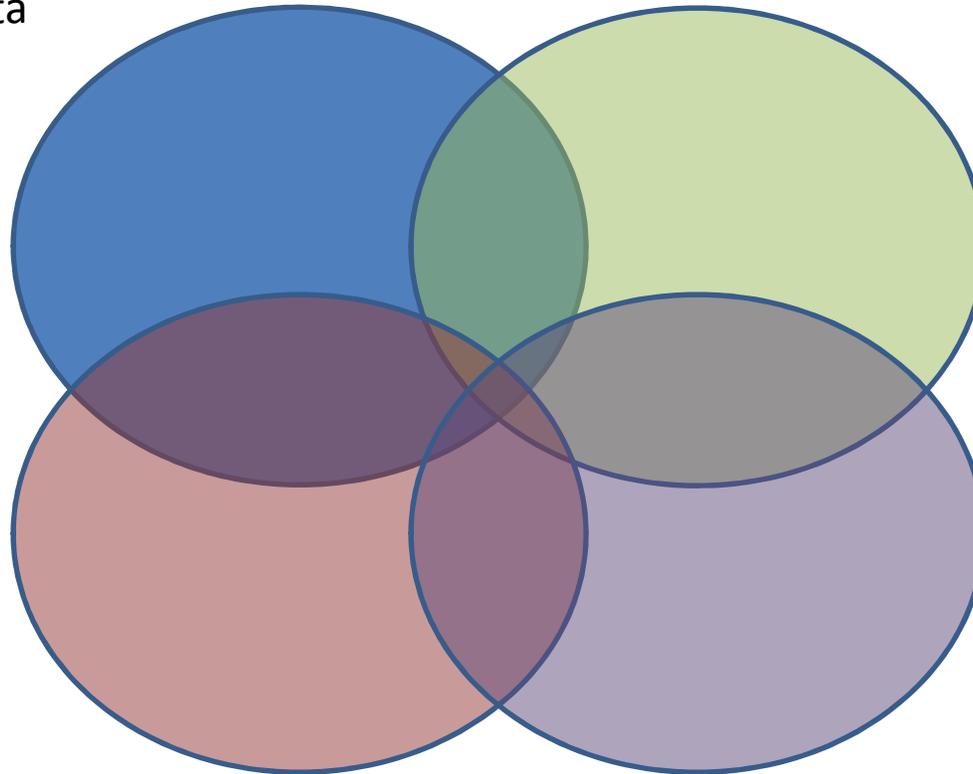
SUMMARY OF BUSINESS DATA

- The 'Great Recession' is in the rearview mirror
 - Nine consecutive months of business employment above pre-recessionary levels
- Preliminary 2014 data indicates economic opportunities are spreading to:
 - More sectors
 - More regions

ECONOMIC DATA FLAVORS

Business Data

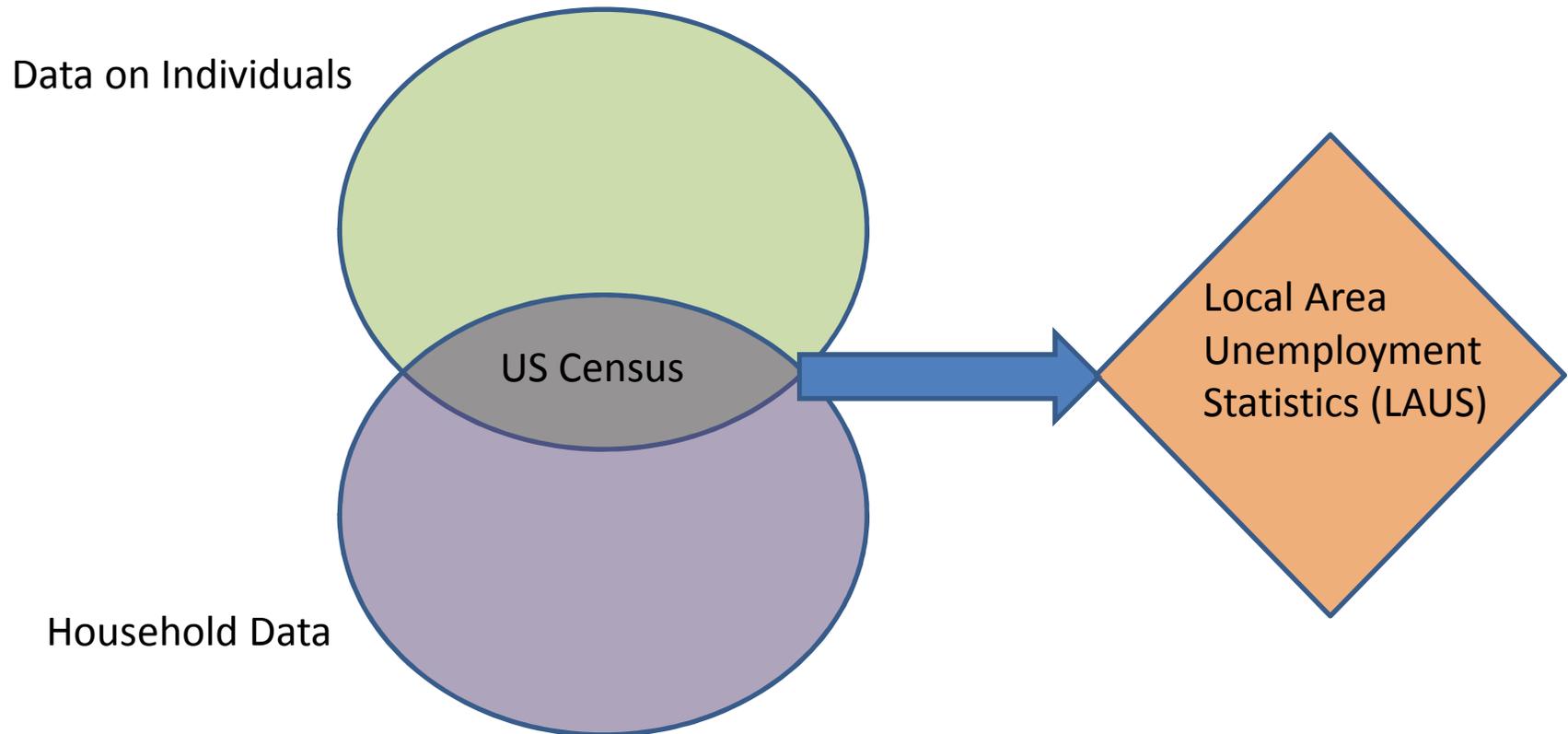
Data on Individuals



Broad Economic
Data

Household Data

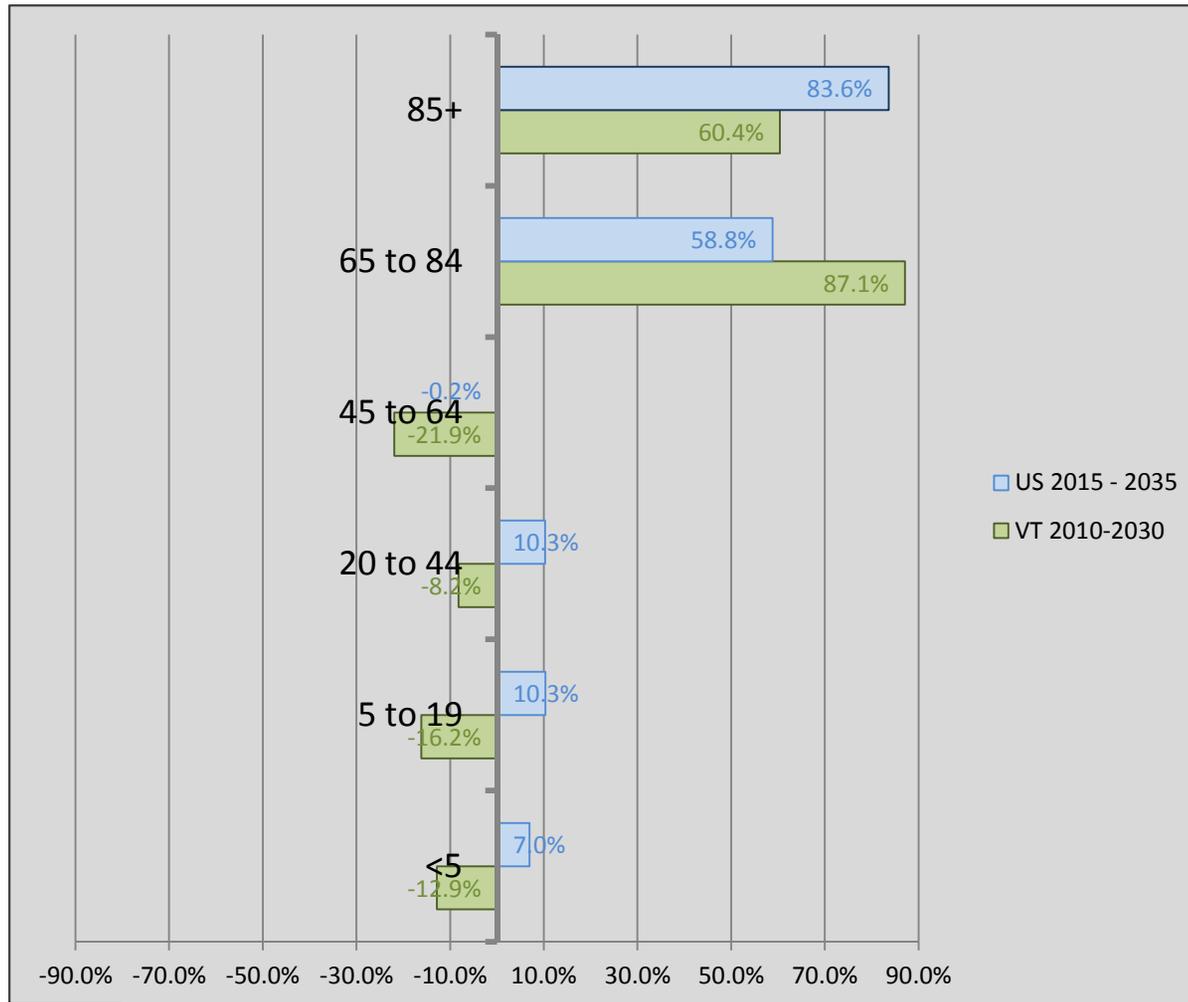
SOURCES OF DATA (CONT.)



LAUS DATA IN PARTNERSHIP WITH US CENSUS

- Household survey about individuals
- Provides valuable information about
 - Number of persons reporting being 'employed'
 - Unemployment rates
 - Labor force participation rates
- Monthly survey with lots of sub-state regional definitions
 - State, county, Labor Market Areas (LMAs), town

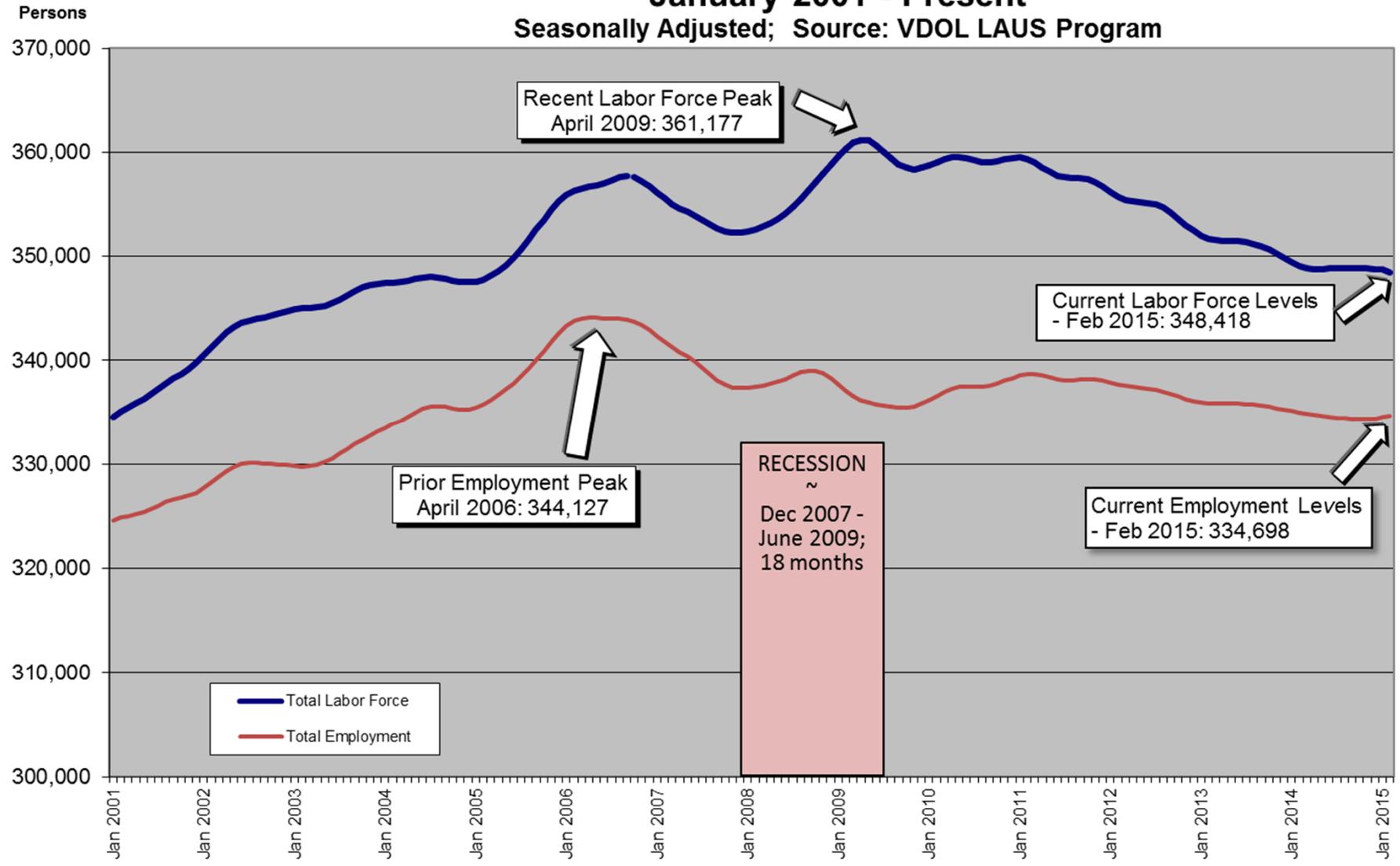
Change in Population by Age Cohort: 20 year projections, US and VT



Vermont Labor Force & Employment

January 2001 - Present

Seasonally Adjusted; Source: VDOL LAUS Program



Source: VT Dept. of Labor, www.VTLMI.info



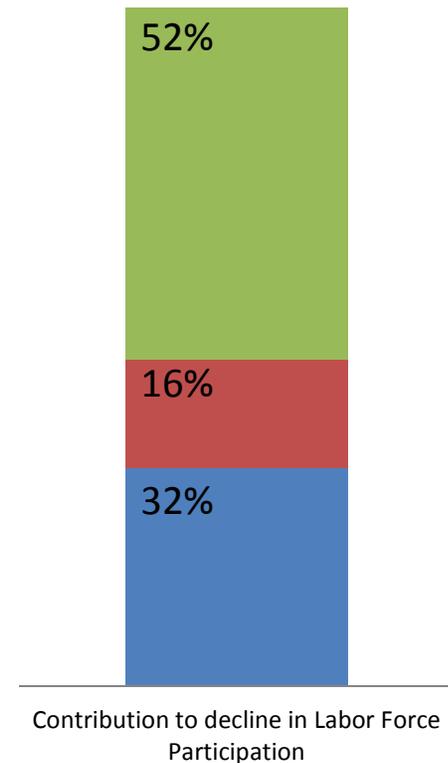
www.vtlmi.info

Explaining the U.S. Decline in Labor Force Participation

Council of Economic Advisors¹

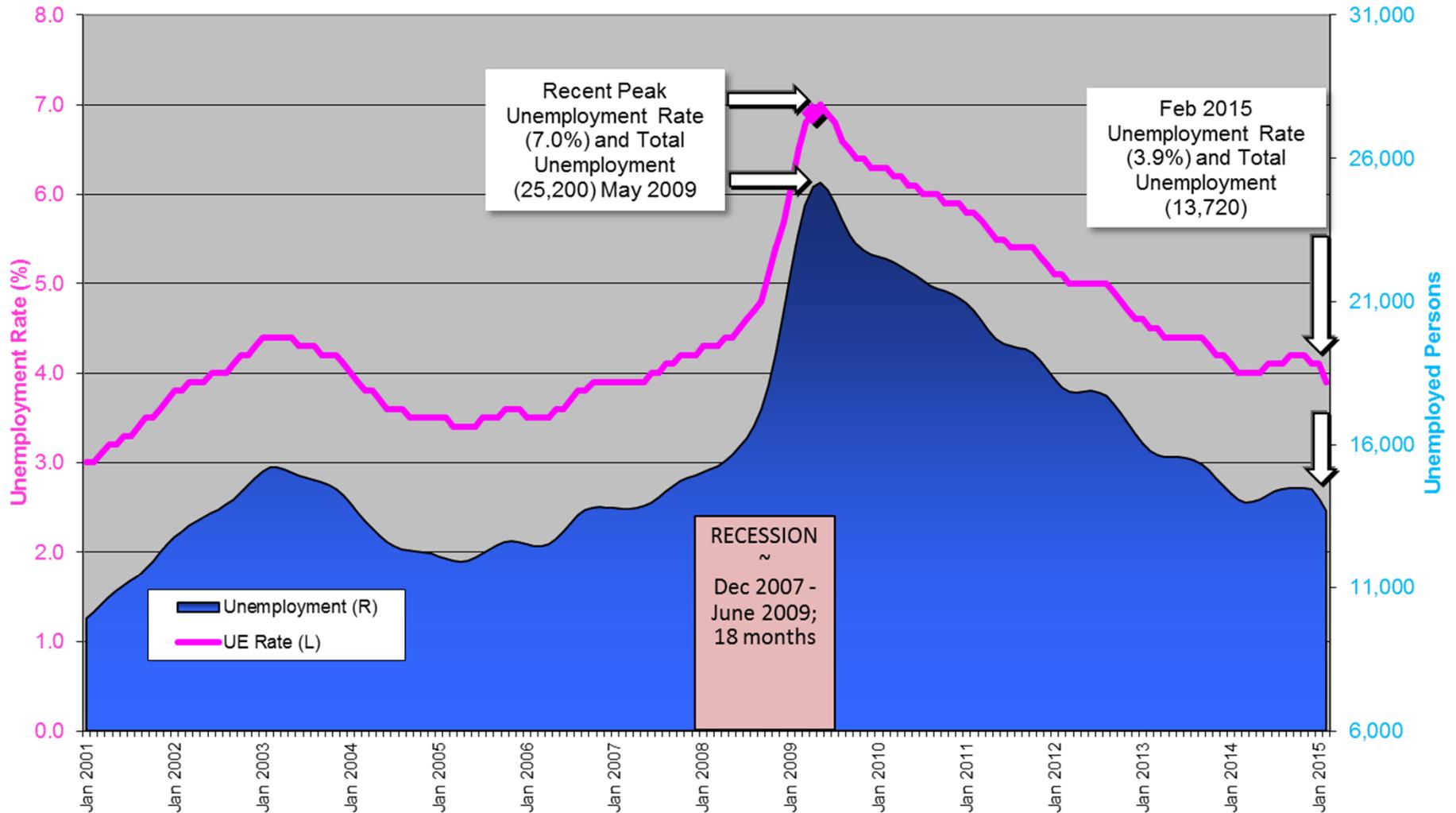
Three Primary Factors:

- 1) Aging of the Population
- 2) Cyclical declines in line with past recessions.
- 3) Other factors
 - Significant increase in Long-Term unemployment.
 - Other demographic factors



¹ Executive Office of the President of The United States. *The Labor Force Participation Rate Since 2007: Causes and Policy Implications*. July, 2014

Vermont Unemployment & Unemployment Rate January 2001 - Present; Seasonally Adjusted



Source: VT Dept. of Labor, www.VTlmi.info

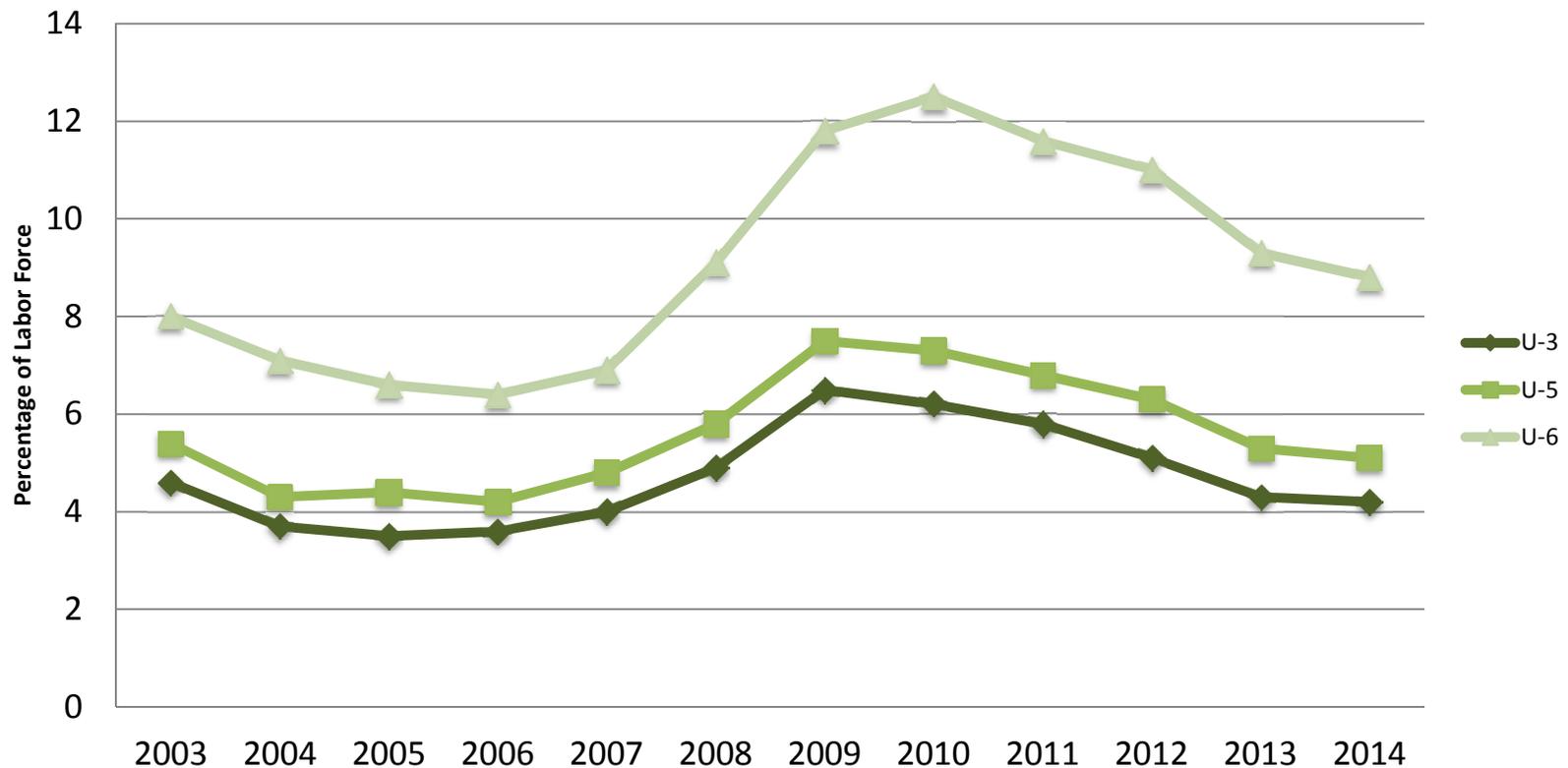
2014 UNEMPLOYMENT (# & %) BY STATE AND COUNTY

Area	Number Unempl.	Percent Unempl.	Area	Number Unempl.	Percent Unempl.
Vermont	14,300	4.1%	Lamoille	700	5.2%
Addison	800	3.9%	Orange	600	3.9%
Bennington	900	4.8%	Orleans	900	6.4%
Caledonia	800	5.0%	Rutland	1,550	4.9%
Chittenden	2,950	3.1%	Washington	1,400	4.0%
Essex	200	6.8%	Windham	1,000	4.2%
Franklin	1,100	4.1%	Windsor	1,150	3.7%
Grand Isle	200	4.7%			

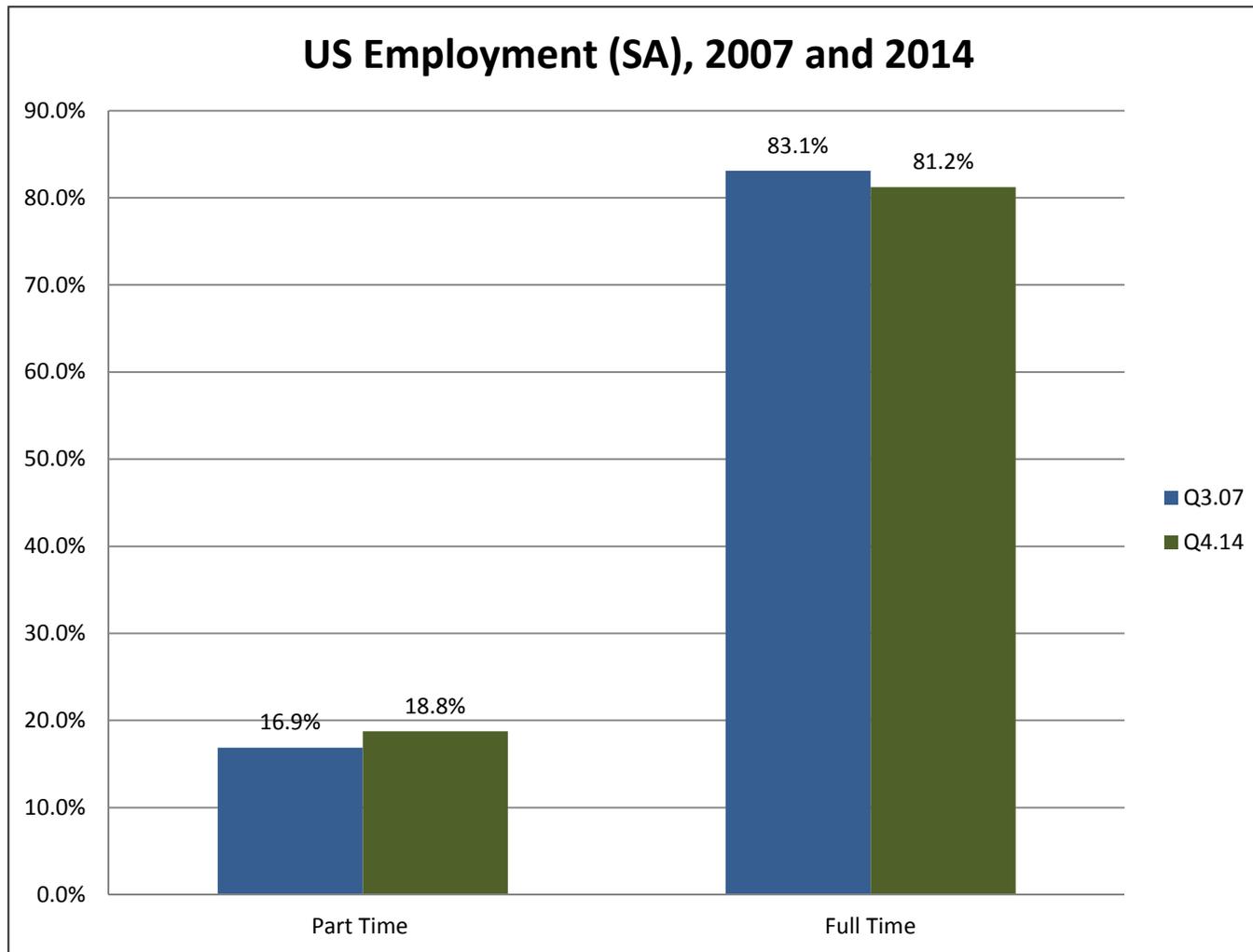
Source: VT LMI, LAUS

How many people are unemployed in Vermont? Underutilized?

Measures of Labor Market Underutilization

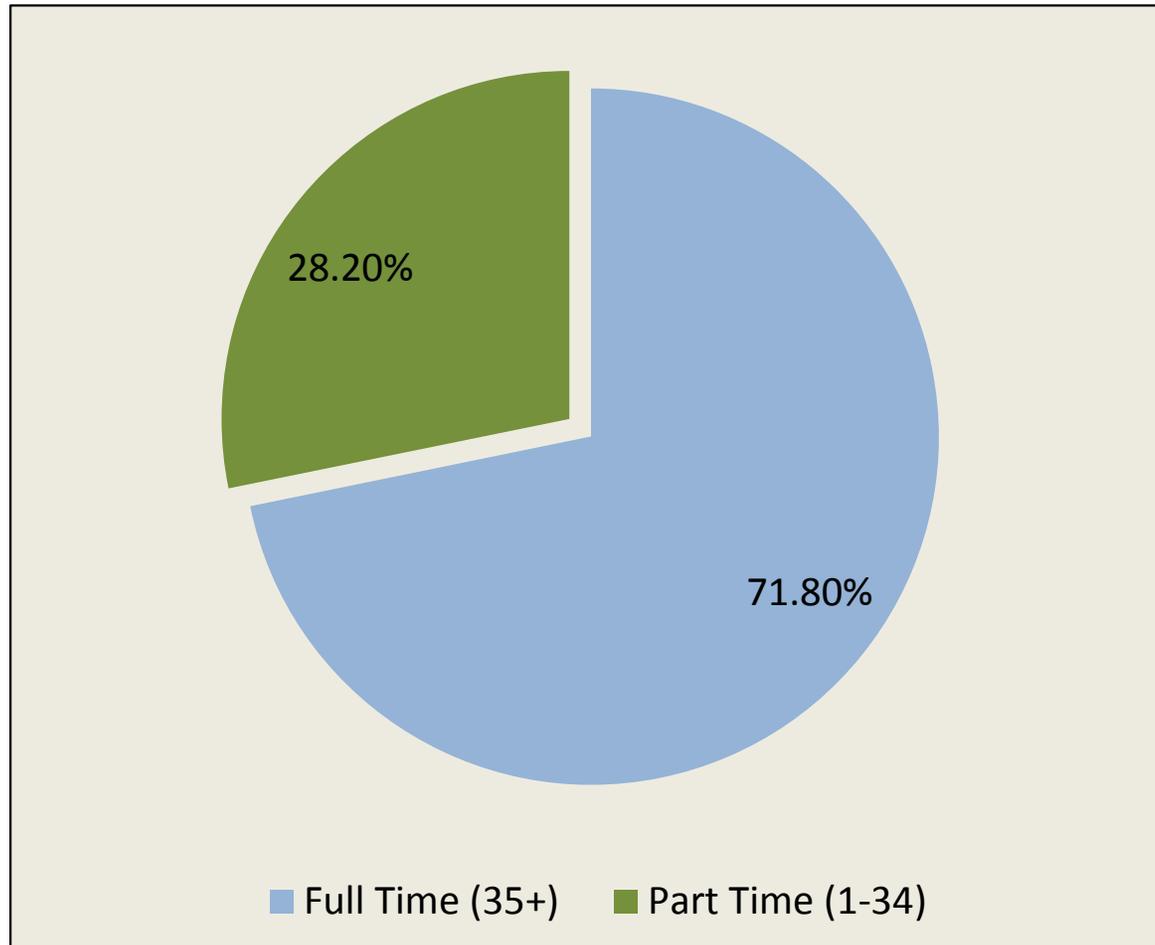


US Change in people working part- and full-time



Vermont

Distribution of Full Time and Part Time Employment, 2014

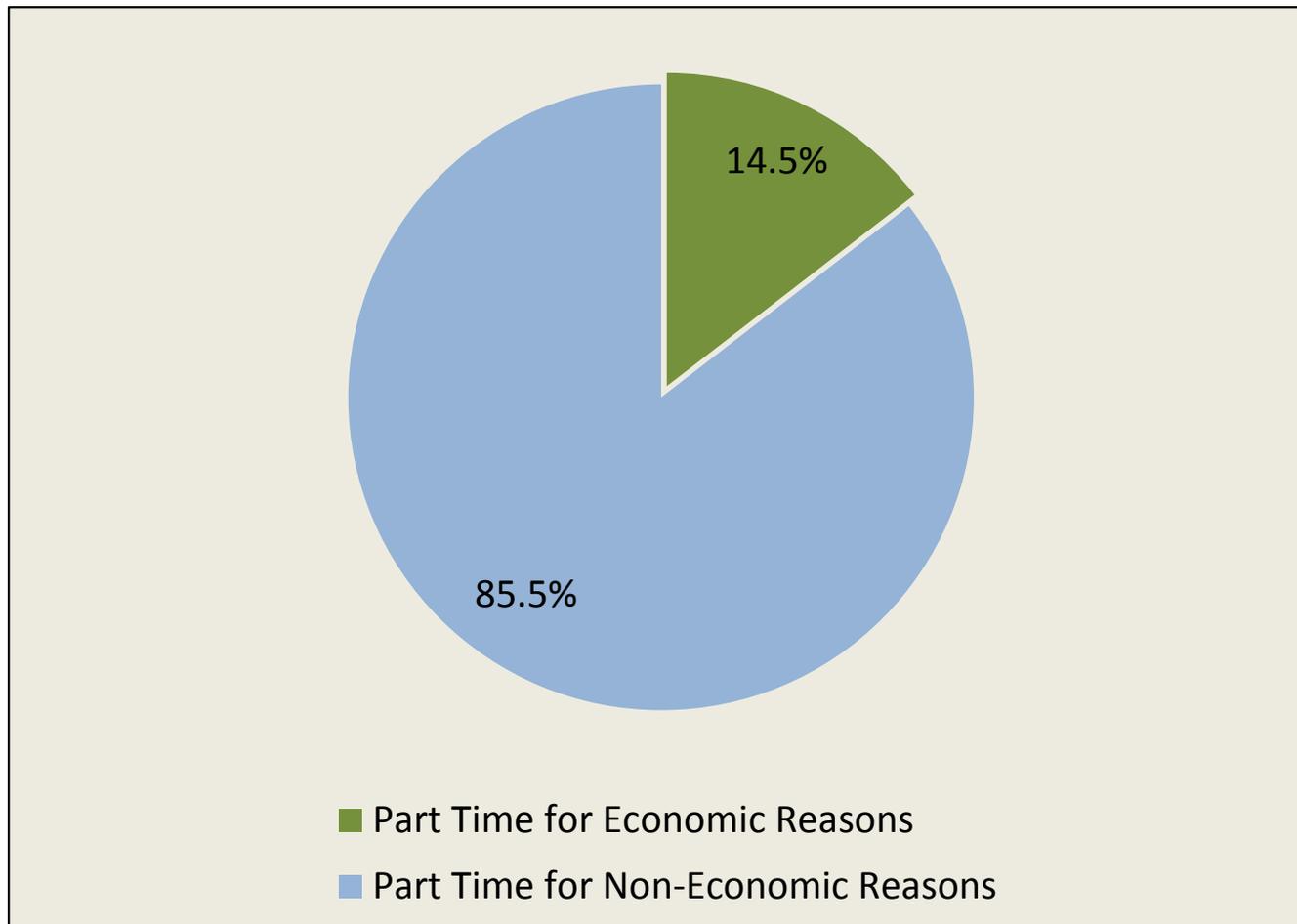


Full Time workers: 229,400

Part Time workers: 90,100

Reason for Part Time Work

(among people currently employed part time)



Part Time workers: 90,100

For economic reasons: 13,100 (14.5%)

For non-economic reasons: 77,000 (85.5%)

DIVING DEEPER INTO LABOR FORCE DATA

Employment status of the civilian non-institutional population 25 years and over by educational attainment, Vermont
 (Numbers in thousands) September 2013 - August 2014 (based on CPS)

	Civilian non-institutional population	Civilian Labor Force		Employment		Unemployment	
		Total	Rate (%)	Total	Rate (%)	Total	Rate (%)
Less than a High school diploma	27.8	10.4	37.6	9.3	33.4	1.2	11.1
High school graduates, no college	149.5	96.3	64.4	92.7	62.0	3.7	3.8
Some college or associate degree	102.3	72.7	71.1	70.5	69.0	2.2	3.0
Bachelor's degree and higher	164.6	127.8	77.7	125.2	76.1	2.6	2.0

- Education is positively related to labor force participation and negatively related to Unemployment

DIVING DEEPER INTO LABOR FORCE DATA

Employment status of the civilian non-institutional population by sex, age, race, and Hispanic origin, Vermont
(Numbers in thousands) September 2013 - August 2014 (based on CPS)

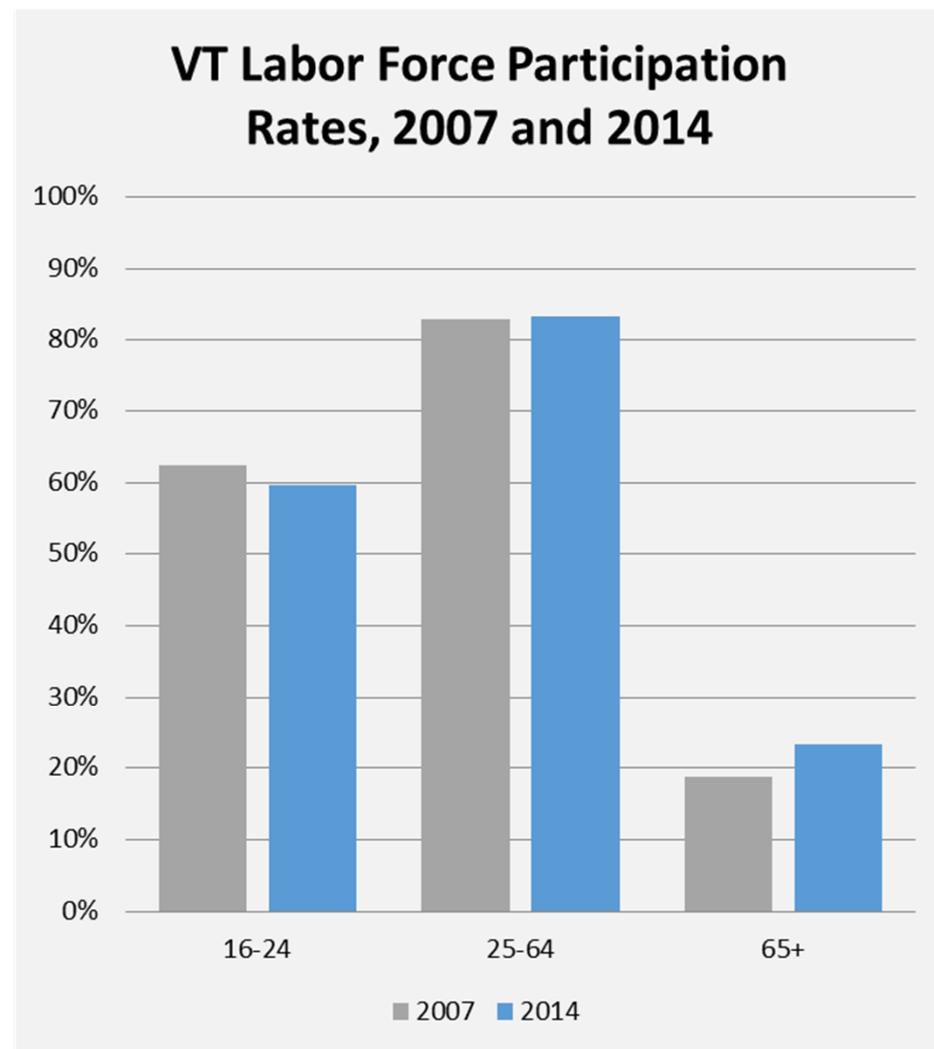
	Civilian non-institutional population	Civilian labor force participation rate	Civilian labor force	Employment			Unemployment	
				Total	Nonagriculture	Agriculture	Total	Rate
All Races								
Age 16-19	30.7	42.0	12.9	10.7	9.9	0.9	2.2	17.1
Age 20-24	38.8	74.7	29.0	26.3	25.4	0.9	2.7	9.3
Age 25-34	75.7	86.0	65.1	62.2	61.5	0.7	2.8	4.3
Age 35-44	79.8	86.3	68.9	66.9	64.7	2.2	2.0	2.9
Age 45-54	85.0	86.0	73.1	71.1	68.4	2.7	2.0	2.7
Age 55-64	97.9	76.9	75.3	73.3	71.1	2.2	2.0	2.7
Age 65+	105.7	23.6	24.9	24.1	22.2	1.9	0.7	2.8

- Though size of labor force varies by age, the number of unemployed by age is quite uniform

THE START OR THE END OF A TREND?

Age	Non-Inst'l Population	Civilian Labor Force	Participation Rate
2007			
16-24	78,325	48,875	62%
25-64	349,250	289,750	83%
65+	79,200	14,800	19%
2014*			
16-24	69,800	41,600	60%
25-64	337,500	281,400	83%
65+	106,500	24,900	23%

*2014 data covers Oct13-Sept14



SUMMARY OF HOUSEHOLD DATA

- The Vermont Department of Labor is partnering with a number of organizations to foster positive labor market outcomes for all Vermonters
- Current projects focus on:
 - Mature workers – understanding transferrable skills and local employment opportunities
 - Young people – increasing career awareness and education/work readiness

Questions.... & Thank you!

*Mathew Barewicz
Economic & Labor Market Information Division
Vermont Department of Labor
802.828.4153*