

# Growing Vermont's Next Generation Workforce

*"There is an increasing crisis of affordability and the signals are all around us – chiefly, the exodus of young people and new families, and the rapid graying of Vermont. ..."*

*Already, the flight of young people as a result of high expense and limited opportunities has helped make Vermont the second-oldest state in the country. Within twenty-five years the number of retirees will double while the number of working-age Vermonters will continue to shrink. In just the next decade there will be fifteen percent fewer Vermonters under the age of twenty than there were just five years ago."*

*~ Governor Douglas, State of the State, January 2006*

## Finding a local solution to a national problem

The inability of any region – rural or urban – to retain its young people is not unique to Vermont. The "New England 2020" report, published in June 2006 by the Nellie Mae Education Foundation found that by 2020, all six New England states will have experienced a measurable decline in the percentage of their young population holding a bachelor's degree or higher.



**Figure 3.1:**  
**Age structure in 2000**

	United States	Vermont	Rank*
Under 5	6.8%	5.6%	50
5 to 9	7.3%	6.8%	45
10 to 14	7.3%	7.5%	19
15 to 19	7.2%	7.5%	19
20 to 24	6.7%	6.2%	44
<b>25 to 29</b>	<b>6.9%</b>	<b>5.6%</b>	<b>51</b>
30 to 34	7.3%	6.6%	39
35 to 39	8.1%	8.1%	20
40 to 44	8.0%	8.6%	3
45 to 49	7.1%	8.2%	3
<b>50 to 54</b>	<b>6.2%</b>	<b>7.2%</b>	<b>1</b>
55 to 59	4.8%	5.4%	3
60 to 64	3.8%	4.0%	20
65 to 69	3.4%	3.5%	26
70 to 74	3.1%	3.2%	24
75 to 79	2.6%	2.6%	29
80 to 84	1.8%	1.8%	24
85 & over	1.5%	1.6%	20
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>NA</b>

U.S. Census Bureau \*Rank among 50 states and District of Columbia

- Vermont's share of people aged 25 to 29 was the lowest in the nation during the last decennial census
- By contrast, the state's share of people aged 50 to 54 was the highest in the nation.

The ramifications of this situation are clear. There are not enough highly skilled workers and college graduates to meet the needs of Vermont's businesses. Our population is getting older.

## Vermont has an opportunity to influence current demographic trends

Young people have confirmed VT is a desirable location to live. Their perceptions of Vermont as a place to live are positive and are based on experiences either growing up here or living here while attending college.

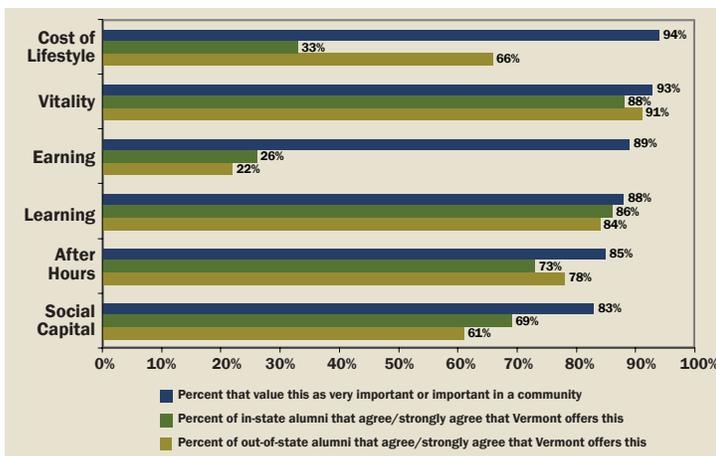
- 67% of alumni living outside of VT considered moving back
- 80% of alumni would promote VT to family/friends as a place to live
- 47% of alumni living in VT plan to live in VT for life compared to only 16% alumni living outside VT plan to live in current city for life

In late spring of 2006, the Vermont Department of Economic Development launched a study to understand more fully the precise reasons why young people choose to leave or stay in Vermont. Vermont college alumni were the focus of an on-line survey and in-depth phone interviews. The results of this research would provide insight and support for Vermont's efforts to reverse the flow of young workers out of the state.

- Over 2,700 Vermont college alumni responded to on-line survey
- 72 in-depth phone interviews were completed

Young people are increasingly mobile. The availability of information through the internet has made movement from place to place easier. Cities, regions, states, and even countries are addressing the issue of young talent out-migration. When examined on its highest level, the issue is no longer "brain drain" but rather "brain circulation." Vermont's opportunity lies with young people who have an existing relationship and experiences with the state.

However, real barriers exist that must be addressed. The overarching obstacle for Vermont's ability to retain and attract young people is the cost of life in Vermont. The barriers that exist for young people to move back to Vermont include lack of affordable housing, high-paying jobs, and the high cost of living.



- 94% say Cost of Lifestyle (a community where I can afford to live work and play) is important while only 33% of alumni living in VT agree the state offers this
- 46% of alumni living outside VT left for their own job or their spouse's job
- 19% of alumni living outside VT left to continue education
- Only 9% cited affordable living as the reason they stayed or returned to VT

### The solution is a coordinated, multi-pronged approach

Unlike some neighboring cities, regions, or states, Vermont does not have to convince young people that it is a desirable place to live. The desire to come home is already strong. The solution is a combination of efforts that aim to improve opportunities, affordability, and awareness of their potential in Vermont.

#### OPPORTUNITIES

The results of this data complement the findings from the Next Generation Commission. Strengthening the link between education and Vermont businesses can connect young people to opportunity within the state and support businesses needs for a qualified workforce.

- **Education** – we will work with the higher education community, including career services, internship programs, and alumni associations to improve the link between students and job opportunities in the state.
- **Industry** – we will work with Vermont's employers to identify their needs and then improve the connection with Vermont's students and alumni to help fill their workforce needs

#### AFFORDABILITY

- **Housing** – Governor Douglas has introduced the New Neighborhoods initiative, as one of several initiatives aimed at making housing, particularly housing for working families, more affordable.
- **Taxes** – Vermont must continue to exercise restraint with respect to tax burdens on working families.
- **Health Care** – The state has taken steps to make health care more accessible and affordable by creating the Catamount Health and the Chronic Care programs and should continue its efforts in these areas.

#### AWARENESS

The messages for this population will focus on triggering the decision making process. Specifically, information will highlight job and educational opportunities. But the message will be broader than economic opportunity.

The most cited reasons for staying or coming back are about life after 5:00PM.

- 56% had family they wanted to be close to
- 47% enjoy living in small towns
- 46% enjoy the accessibility to recreational activities

- **On-line** – an internet portal will act as a hub for the flow of information involving all aspects of living, working, and playing in Vermont. Visitors may opt-in to receive e-mails that will match information to their specific interests in jobs, communities, real estate, and social activities.
- **Events** – industry or occupational themed events in areas with greatest concentration of VT alumni co-hosted by the state, businesses, colleges, and industry associations are aimed at increasing awareness of businesses in VT that hold job opportunities in particular areas

This is just the beginning. We will continue to keep the lines of communication open with young people both in state and those who have left the state.