

The Vermont Labor Market Quarterly

A newsletter of the Economic & Labor Market Information Division of the Vermont Department of Labor

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The Green Economy in Vermont

The green economy is generally defined as those economic activities that reduce waste, protect and preserve natural resources or prevent pollution. Beyond these broad outlines, however, the definitions and measurement tools vary widely. Numerous private and public sector organizations have attempted to define and measure the green sector using a wide range of methods. Recent research by the Economic & Labor Market Information Division (E&LMI) assessed the size of the green sector in Vermont. This effort was based on definitions created by the Bureau of Labor Statistics (BLS) and our own research.

Our research shows that the state of Vermont has the highest concentration of private sector green jobs in the nation, with 3.9% of all jobs meeting the definition (see sidebar). Including public sector jobs, the portion increases to 4.1% but Vermont falls to second behind Oregon. The highest number of green jobs can be found in Manufacturing with 2,133 green jobs, while the highest concentration can be found in Professional

and Technical Services, where 13.5% of all jobs are classified as green. Nationwide, the BLS reports 1.95M green jobs.

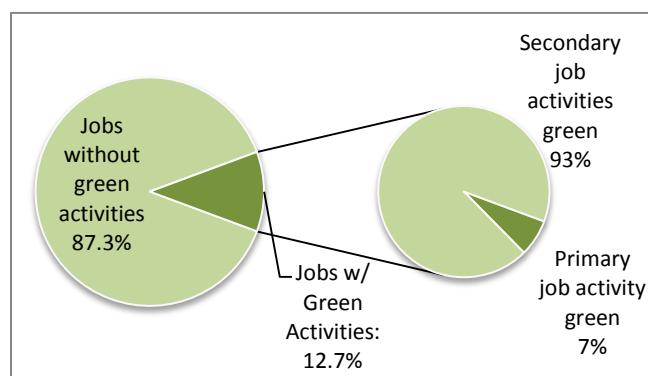
The weighted average hourly wage for green occupations in Vermont is \$23.98, almost \$4.00 higher than the weighted state occupational average. The growth rate of green jobs between now and 2020 is projected to be about the same as the state occupational average of 0.8%

In a separate analysis E&LMI surveyed 1,009 Vermont firms about the prevalence of jobs associated with conserving energy, reducing waste or limiting resource use (collectively, 'green tasks'). 44.6% of firms reported having jobs with green activities. These 7,082 jobs represented 12.7% of the 55,599 jobs reported in the survey. In the vast majority of cases (93%) the green activity was a portion of the employee's work activity, whereas in 7% of those cases the green activity was the primary work activity. The highest rate of green employment was in Manufacturing, where 33.6% of all jobs included green activities.

Defining Green

According to the Bureau of Labor Statistics a green job is any job :

- In a business that produces goods or services that benefit the environment or conserve resources. Or:
- In which workers' duties involve making their establishment's production processes more environmentally friendly or use fewer natural resources.



The Economic & Labor Market Information Division (ELMI) of the Vermont Department of Labor is a primary source of labor market information in Vermont.

We provide detailed information about current employment patterns, labor market trends and workforce utilization for the state of Vermont and various sub-state geographies

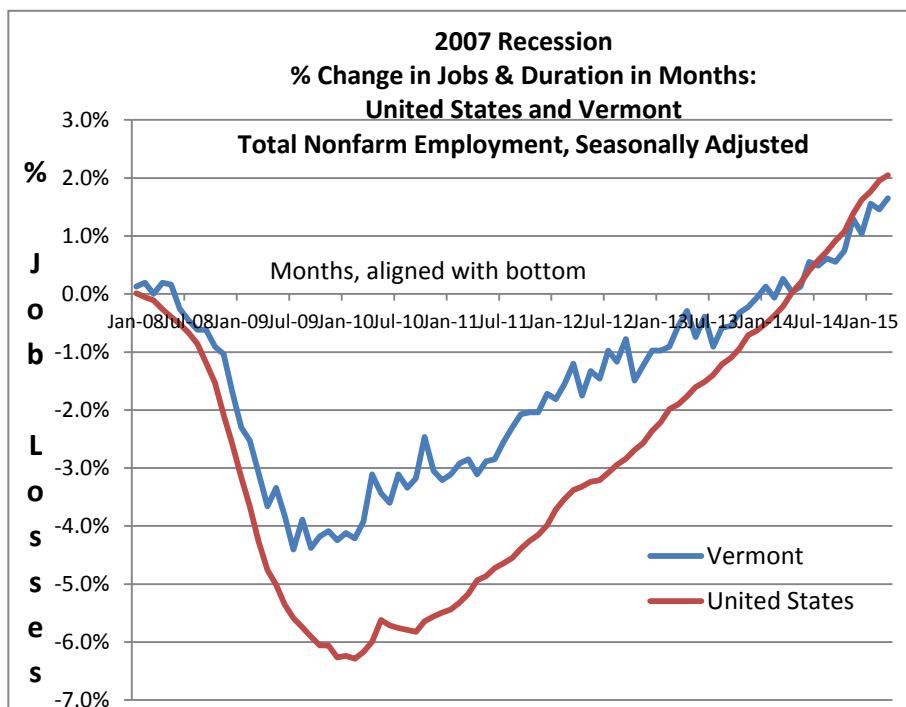
ELMI administers labor market data programs in collaboration with our federal partners at the Bureau of Labor Statistics and the Employment & Training administration.

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Current Employment Statistics

The Current Employment Statistics (CES) program provides detailed industry data on employment, hours and earnings of workers on nonfarm payrolls. It is designed to take a monthly 'pulse' of the economy based on historical data and a survey of approximately 144,000 business and government agencies nationwide. The sample includes approximately 2,000 firms in Vermont each month.

CES output is a modeled survey sample. As with any sample, it is subject to statistical error. Another program, the Quarterly Census of Employment and Wages (QCEW), provides a more comprehensive count but publication is delayed approximately six months.



The Vermont economy lost a seasonally adjusted 600 jobs in February, 2015 relative to January. Over the course of the past year, however, it added 4,700 jobs. This is an increase of 1.4%. Since the bottom of the most recent recession (July 2009), the Vermont economy has added a seasonally adjusted 18,700 jobs. Total seasonally adjusted nonfarm payroll employment stood at 312,700 as of February. Over the year, the largest number of jobs were added in Education and Health Services while the fastest growth rate was in Arts, Entertainment & Recreation where employment increased 21.4%. Durable Goods Manufacturing saw the largest losses, -1,100 over the year.

The Quarterly Census of Employment and Wages

QCEW is a quarterly census of all firms covered by unemployment insurance in the state of Vermont. Data collected includes monthly employment level and wages at each worksite. Because it is a census, QCEW serves as a benchmark for other LMI programs. Data is published on a quarterly basis with a processing delay of approximately six months. Between the third quarter of 2013 and third quarter of 2014 total employment increased

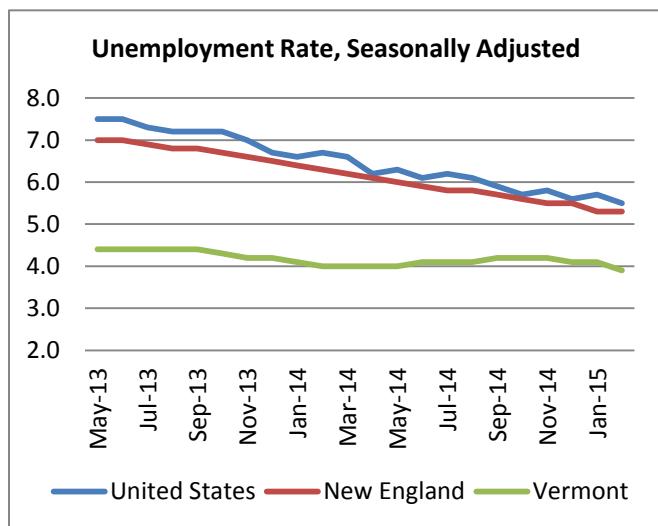
by 4,192 (about 1.4%), with private, service-providing industries accounting for the largest increase. On a percent basis large areas of growth included Beverage & Tobacco Product Manufacturing (+20.6%), Animal Production (+12.0%) and Performing Arts and Spectator Sports (+10%). The greatest increase in number of jobs was in Construction (+948) followed by Leisure and Hospitality (+935). The largest losses were in Durable Goods Manufacturing (-764).

Change in QCEW Employment, Q3 2013 – Q3 2014

Industry Group	2013	2014	Change	Percent change
Total employment	300,151	304,343	4,192	1.40%
Private ownership	252,331	255,706	3,375	1.34%
Goods Producing	50,967	51,738	771	1.51%
Service Providing	201,364	203,968	2,604	1.29%
Government	47,820	48,637	817	1.71%

Local Area Unemployment Statistics

The Local Area Unemployment Statistics (LAUS) program produces monthly and annual employment, unemployment, and labor force data for Census regions, states, counties, metropolitan areas, and towns by place of residence.



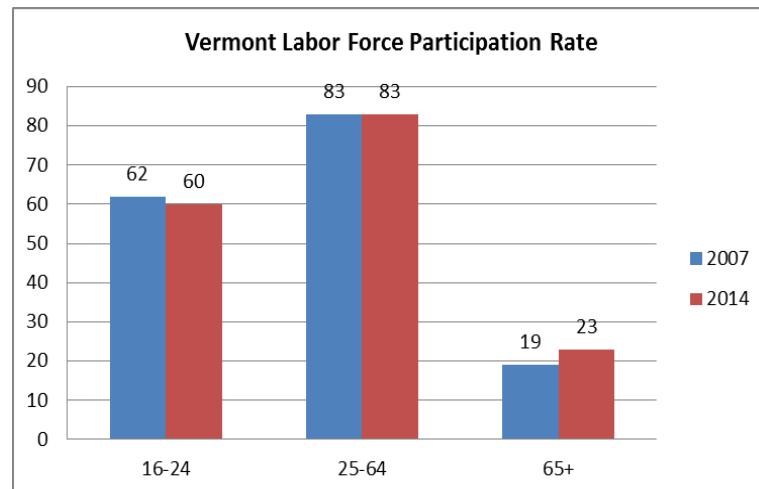
Statewide estimates are derived primarily from a survey of approximately 1,200 Vermonters each month, part of the nationwide Current Population Survey. Monthly Current Employment Statistics figures and weekly unemployment claims are also included in the LAUS model.

The state's seasonally adjusted unemployment rate has fallen in each of the past three months. As of February, 2015 it stands at 3.9%, a decline of one tenth of one percent over the year. This relative stability comes after an uneven decline from its recessionary peak of 7.0% in May of 2009.

Vermont's unemployment rate was tied for 6th lowest in the nation as of February. Rhode Island and Connecticut had the highest rates in New England at 6.4%. Nationwide, Nevada had the highest rate among state at 7.1% though The District of Columbia was higher still at 7.8%.

The Local Area Unemployment Statistics program also generates the Labor Force Participation Rate, the percentage of the civilian noninstitutionalized population 16 and over working or actively looking for work. Nationwide, this rate climbed throughout the second half of the 20th century as females entered the workforce in large numbers. It stood at about 58% in 1948 and peaked at 67.3% in 2000. Vermont's participation rate has been above the national average for many years. It peaked at over 72% in 1999 and in recent years has hovered around 68%. While there are many factors in the decline, research from the Council of Economic Advisors¹ indicates that approximately 52% of the national decline is explained by aging of the population – Baby Boomers retiring. Another 16% is explained by cyclical declines in line with past recessions. The final 32% is attributed to a significant increase in long-term unemployment and other demographic factors.

Since 2007, Vermont has experienced a decline in labor force participation by young people (16-24), falling from 62% in 2007 to 60% in 2014. The participation rate among those aged 25 to 64 has remained flat at 83%. Among those people 65+, the participation rate has actually increased from 19% in 2007 to 23% in 2014. Nationally, the decline among young people has been greater (from 59% to 55%) and those 25-64 have experienced a decline in participation from 81% to 79%.



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

Career Planning and Employment Data Resources

The Department of Labor has a wide range of employment resources available to Vermonters seeking to find work, change careers or just explore opportunities. Our staff work to connect Vermont businesses with qualified employees and offer innovative programs to help train motivated individuals. The Economic & Labor Market Information Division also houses data related to occupations, industries, wages, income and labor force utilization for the state and various sub-state geographies.

Career Exploration Resources

American Job Centers: The Vermont Department of Labor has 13 Career Resource Centers throughout the state. These centers can assist with job searches and provide access to online resources.

www.labor.vermont.gov/workforce-development

Start Where You Are explores the variety of occupations available to Vermonters and offers guidance on where to receive the requisite education and training.

www.startwhereyouarevt.org

My Skills My Future is a place to manage your career and create a pathway to success. Tools are available to help students, businesses and career professionals.

www.careeronestop.org

My Next Move helps young people and those changing careers make informed decisions about career choices, including a unique exploration tool that allows the user to search by interests and training. www.mynextmove.org

Vermont Job Link is a free, self-service job matching system for jobseekers and employers. Job seekers can post a resume and apply for positions directly from the site. Job Link is hosted by the VT Department of Labor.

www.vermontjoblink.com

For questions about this newsletter or for more information about the Economic & Labor Market Information Division of the Vermont Department of Labor, please reach us at:

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