

The Vermont Labor Market

Departments of Employment & Training / Labor & Industry

Vermont Department of

Employment & Training

October 2003

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<http://www.det.state.vt.us>

Commissioner's Message

"DISABILITY PROGRAM NAVIGATOR INITIATIVE"

By Jim Dorsey, E&T Grant Project Administrator

The Vermont Department of Employment & Training will be implementing a new "Pilot" program jointly sponsored by the Department of Labor (DOL) and the Social Security Administration (SSA). The new positions, called Disability Program Navigators, will be located in four Career Resource Centers (One-Stop). The pilot program will be tested in Burlington, Morrisville, Rutland and St. Albans for a period of two years.

The new Disability Program Navigators will help people with disabilities "navigate" through the enormous challenges of seeking work. Complex rules surrounding entitlement programs, along with fear of losing cash assistance and health benefits, can often discourage people with disabilities from working. DOL and SSA have established the Disability Program Navigator initiative to better inform beneficiaries and other individuals with disabilities about the work support programs now available at DOL-funded One-Stop Career Resource Centers. Career Resource Centers provide information, training and other employment related services at a single customer-friendly location. DOL's Employment and Training Administration and SSA's Office of Program Development and Research signed an Interagency Agreement in September

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The Edge

Where Do They Come From?

No, we don't mean the leaf peepers. We mean the workers.

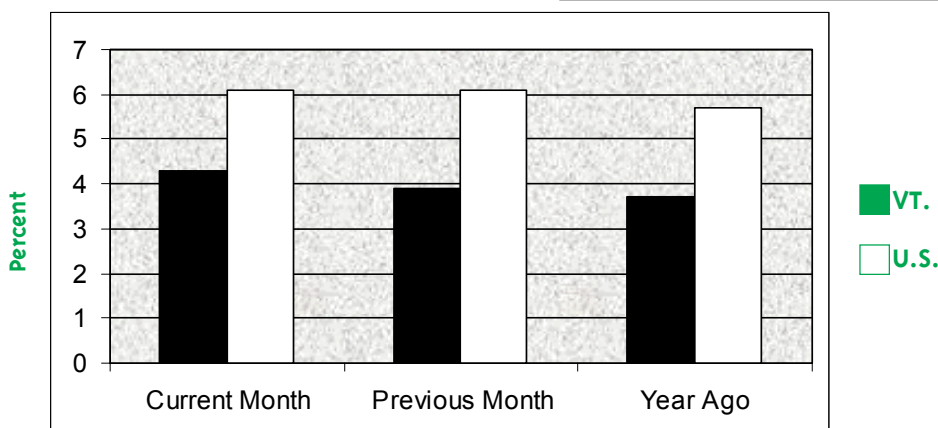
Vermont is a lot different than the urban areas to our south but we still have some things in common and a strong reliance on commuting to work is one of them. Of course, we rely on cars mostly but understanding where the people come from for jobs may help a business understand how to recruit workers. It is certainly valuable information for transportation planners, and it might help local retail establishments evaluate the weekday demand for their services. For whatever purpose you want to use it, the town commuting files are available on the web from the Census Bureau's web site at www.census.gov. If you search for "commuting" you will have a direct link to all the state files.

Towns are the basic geographic structure in New England but for states in other regions you can access files with county data. There are two basic ways to view the data: by place of work or by place of residence. In many cases the local area will provide the majority of workers, but you may be surprised to find workers coming from more remote areas to work in your

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Unemployment Rates Vermont and U.S.

September (SA) 2003 Rates
VT 4.3% • U.S. 6.1%



Commissioner's Message –

(continued from front page)

2002 to jointly fund, implement, pilot, and evaluate the Navigator initiative with on-going collaboration of DOL's Office of Disability Employment Policy.

The Navigator will address the needs of people with disabilities seeking training and employment opportunities through the One-Stop Career Resource Center system established under the Workforce Investment Act (WIA) of 1998. The Navigator will provide expertise and serve as a resource person to the workforce investment system and persons with disabilities, including Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) disability and blindness beneficiaries. Navigators will have expertise regarding the One-Stop partner programs, services and information and Social Security Administration work incentives and other employment support programs. This will include the Ticket to Work programs and SSA demonstration projects focused on improving employment opportunities for persons with disabilities.

The Navigator will expand consumer choice in addressing the needs of people with disabilities. The Navigator position is intended to increase employment and self-sufficiency for persons with disabilities by linking them to employers and by facilitating access to supports and services that will enable transition to employment.

The Navigator will be trained on a broad range of Federal, State, local and private work incentives and other employment support programs and services. Training will be conducted jointly by both DOL and SSA and is expected to take place in early November 2003, at a site in Washington, D.C. The Navigator will be expected to acquire knowledge in many areas of, sufficient depth and detail, to effectively impart program and service information to One-Stop customers and staff and to successfully

facilitate referrals and improve job opportunities for persons with disabilities. The following is a partial listing of the programs and services that Navigators will need expertise in as they help people with disabilities transition to employment.

- Title XVI of the Social Security Act, including the Plan to Achieve Self Support provision and other work incentives as well as Title II of the Social Security Act, with particular attention to work incentives
- Title XVIII and Title XIX of the Social Security Act, with particular attention to state "buy-in" options with regard to Medicaid
- The Ticket to Work and Work Incentives Improvement Act of 1999
- The Workforce Investment Act, with particular attention to adult, dislocated worker and youth programs
- The Individuals with Disabilities Education Act (IDEA) and State Title V (Maternal and Child Health) Agency programs
- Vocational rehabilitation agency services provided through the State Vocational Rehabilitation (VR) agency
- The array of available assistive technologies and resources, including an awareness of local, state, regional and national resources related to assistive technology
- The goals, policies and operations of the state and local workforce investment systems and the partner agencies and their programs
- Local transportation resources and the availability of alternative transportation modes
- Housing availability, programs and limitations

The initial phase of the pilot program for Vermont will begin in the fall. The Lead Navigator, operating out of the Rutland Career Resource Center (One-Stop), will have direct supervision over the program in the field and will report directly to the Director, Jobs and Training Division, DET. This Initiative will compliment and continue the work already implemented during the Work Incentive (Disability) Grant previously funded by the U.S. Department of Labor (ETA).

The Edge - *(continued from front page)*

community. If your business is having difficulty finding workers locally, this might help you decide where else to advertise. Here are a couple examples of the commuting pattern in different parts of Vermont.

Almost 9,000 people work in the capital city of Montpelier. Of those, just about a quarter live in the city. Fifty percent of Montpelier's workers come from surrounding towns: Northfield, Barre Town and City, Middlesex, Plainfield, Berlin, Waterbury, Calais, Worcester, Stowe and Williamstown.

Burlington is the biggest city in the state and there are over 30,000 workers employed there. Over a third of them are from Burlington, another 10 percent from S. Burlington, however, workers commute from states as far away as Colorado, W. Virginia and Arkansas. Most of Burlington's out-of-state workers come from the New England states, as would be expected. Almost the same amount of people commute to work in Montpelier from Burlington as go to Burlington from Montpelier.

Over 90 percent of Rutland City's workforce lives in Rutland County, with a third both living and working in the city.

The Census Bureau provides files in Excel format for easy access, or text format that can be easily loaded into various database software.



DET Notebook

Vermont State Apprenticeship Program

Mike Bugbee, is the primary instructor of students who are attending night classes held at St. Johnsbury Academy for the Vermont State Ap-prenticeship Program enrolled in the Electrical Apprenticeship Program.



By day, Mike is the instructor for high school students enrolled in the highly respected Electrical Program at St. Johnsbury Academy. Mike is a master electrician and is strongly committed to the apprenticeship program. He willingly and effectively serves as an advocate for his students interested in pursuing a career in the electrical trades.

The Vermont State Apprenticeship Program is administered by the Vermont Department of Employment & Training. The Department of Employment & Training assists employers in establishing structured training programs which will significantly increase the work skills of their employees. It provides monitoring, related instruction classes and certification for approximately 800 apprentices and 325 employers annually in over 45 trades. The Department of Employment & Training collaborates with the Vermont State Apprenticeship Council, the Vermont Department of Labor & Industry, Vermont Technical College, employers, unions and apprentices to insure that all program requirements are met.

As the demand for all classifications of skilled workers is increasing rapidly one of the best methods for developing employee skills is the formalized apprenticeship system of training. It is proved to be cost effective, goal oriented, and designed to meet the specific skill needs of the employer.



For information on how the apprenticeship program can help your business, please call your local Department of Employment & Training Career Resource Center.

Economic Spotcheck

Local Unemployment Rates (Not Seasonally Adjusted)

Town/City*	Sept. '03	Aug. '03	Sept. '02
Barre City	6.4	6.3	6.4
Barre Town	2.3	2.1	2.8
Bennington Town	4.5	5.1	5.1
Brattleboro Town	4.1	4.0	2.8
Burlington City	3.8	3.5	3.0
Colchester Town	4.0	3.2	2.5
Essex Town	4.7	2.8	3.1
Hartford Town	1.6	1.5	1.5
Middlebury Town	1.8	2.1	2.1
Milton Town	5.0	4.7	3.7
Montpelier City	2.1	2.1	1.8
Rutland City	3.1	3.2	2.5
St. Albans City	2.4	2.0	2.7
St. Johnsbury Town	4.3	5.0	4.3
So. Burlington City	3.0	2.3	2.6
Springfield Town	5.9	6.6	7.1

*16 Largest Towns in Vermont

U.S. CONSUMER PRICE INDEX Base Period (1982 - 1984 = 100)

	Sept. 2003	Aug. 2003	Sept. 2002
All Items Index	185.2	184.6	181.0
Annual Percent Change	2.3	2.2	1.5

BRIEF EXPLANATION OF THE CPI - The Consumer Price Index (CPI) is a measure of the average change in prices over time of a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, fuels, transportation fares, and other items that people buy for day to day living. The CPI shown above represents the U.S. city average for all urban consumers and is not seasonally adjusted.

There is no separate Consumer Price Index for Vermont or any area within the state.

Employment Trends

Total seasonally adjusted September employment dropped slightly, down 1,300 from the previous month with 338,000 working Vermonters. This estimate includes all Vermont residents who worked, whether at wage and salary jobs, or as self-employed.

On a seasonally adjusted basis, the estimated number of nonfarm jobs fell, losing 1,100 from the revised August estimate, to 302,900. Manufacturing led the way in terms of loss, with a decline of 700. This was primarily due to a temporary lay-off within the industry. Government also fell from August to September, down 300. Leisure & Hospitality helped offset the loss, adding 300, possibly indicating more strength than in recent years. Seasonal lay-offs in Construction were not as sharp as in recent years as well, as that sector added 100 seasonally adjusted.

The more detailed unadjusted estimates surged in September as both private and public education headed towards peak seasonal highs. Combined, they added just over 11,000 jobs. Leisure & Hospitality experienced a somewhat less than typical seasonal drop, down 2,000. This period can be considered between seasons for many in the industry. Construction began its seasonal reductions. However, the loss of 500 was less than in recent years. Temporary cuts in Computer & Electrical equipment was a major contributing factor to the sharp decline

in Manufacturing, which was down 750 in September. Declines in Retail, which to a great extent reflect a seasonal pattern, were slightly heavier than in previous years, with a downward turn of 800.

The preliminary September estimates reflect an annual increase of 1.1%, with the change in private sector employment not considered statistically significant. Leisure & Hospitality led the way with an annual increase of over 1,700. Also contributing to the increase were Health Care & Social Assistance, which produced an additional 950 jobs over the year.

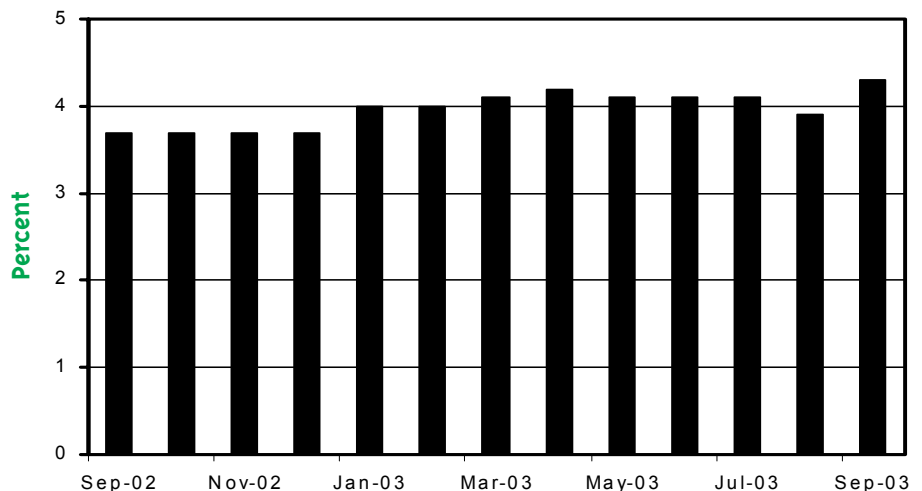
Unemployment Trends

Vermont's seasonally adjusted September unemployment rate of 4.3 percent was up 0.4 from the revised August rate, with an estimated 15,400 Vermonters unemployed during the month.

The comparable national unemployment rate was unchanged at 6.1 percent for September. Vermont continues to be well under the national rate.

The number of initial claims for Unemployment Insurance filed in September increased significantly from the previous month. The spike was found in manufacturing, which may be reflecting the previously mentioned temporary lay-offs. Without this isolated increase claims were virtually flat over the month.

Vermont Seasonally Adjusted Unemployment Rate



Labor Force Estimates *(Seasonally Adjusted)*

Vermont	Sept. '03	Aug. '03	Sept. '02	Changes from:	
				Aug. '03	Sept. '02
TOTAL LABOR FORCE¹	353,400	353,200	349,800	200	3,600
TOTAL EMPLOYMENT	338,000	339,300	336,900	-1,300	1,100
TOTAL UNEMPLOYMENT	15,400	13,900	13,000	1,500	2,400
RATE	4.3	3.9	3.7	0.4	0.6

¹Includes proprietors, professionals, and unpaid family workers.
VCM Regression Methodology

Labor Market Areas *(Not Seasonally Adjusted)*

	Sept. 2003	Aug. 2003	Sept. 2002		Sept. 2003	Aug. 2003	Sept. 2002
BARRE-MONTPELIER				MORRISTOWN-STOWE			
Labor Force	41,500	41,600	40,600	Labor Force	19,400	20,000	19,150
Unemployment	1,450	1,450	1,450	Unemployment	750	700	600
Rate	3.5	3.4	3.5	Rate	4.0	3.4	3.2
Employment	40,050	40,150	39,200	Employment	18,650	19,350	18,500
BENNINGTON-MANCHESTER				NEWPORT			
Labor Force	22,050	22,050	21,950	Labor Force	13,550	13,500	13,250
Unemployment	800	850	800	Unemployment	850	750	700
Rate	3.7	3.9	3.7	Rate	6.1	5.4	5.4
Employment	21,200	21,150	21,150	Employment	12,700	12,800	12,550
BURLINGTON				RANDOLPH			
Labor Force	108,800	107,950	107,300	Labor Force	6,550	6,350	6,500
Unemployment	4,050	3,300	3,050	Unemployment	250	300	250
Rate	3.7	3.1	2.8	Rate	4.0	4.4	4.0
Employment	104,750	104,650	104,250	Employment	6,300	6,050	6,200
ENOSBURG				RUTLAND			
Labor Force	11,800	11,450	11,550	Labor Force	30,150	30,350	30,150
Unemployment	550	500	450	Unemployment	1,400	1,500	1,100
Rate	4.5	4.5	4.0	Rate	4.7	5.0	3.7
Employment	11,300	10,950	11,100	Employment	28,750	28,850	29,050
HARTFORD-LEBANON,VT-NH LMA (VT PORTION ONLY)				ST. JOHNSBURY			
Labor Force	29,800	30,450	30,800	Labor Force	15,200	15,300	15,050
Unemployment	500	500	450	Unemployment	650	650	600
Rate	1.7	1.7	1.5	Rate	4.3	4.2	3.9
Employment	29,300	29,950	30,300	Employment	14,550	14,650	14,450
KEENE-BRATTLEBORO,NH-VT LMA (ENTIRE AREA)				SPRINGFIELD			
Labor Force	59,400	60,700	57,600	Labor Force	9,400	9,400	9,450
Unemployment	1,700	1,850	1,600	Unemployment	500	500	550
Rate	2.9	3.1	2.8	Rate	5.2	5.5	5.7
Employment	57,700	58,850	56,000	Employment	8,950	8,850	8,900
MIDDLEBURY				STATEWIDE			
Labor Force	21,100	21,550	20,850	Labor Force	354,200	355,250	350,950
Unemployment	600	650	600	Unemployment	13,150	12,500	11,200
Rate	2.9	3.0	2.9	Rate	3.7	3.5	3.2
Employment	20,500	20,900	20,250	Employment	341,000	342,750	339,700

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:	
	Sept. '03	Aug. '03	Sept. '02	Aug. '03	Sept. '02
Total - All Industries	302.9	304.0	299.1	-1.1	3.8
Private Industries	251.8	252.6	248.2	-0.8	3.6
Construction	14.9	14.8	14.6	0.1	0.3
Manufacturing	37.8	38.5	39.7	-0.7	-1.9
Retail Trade *	40.4	40.5	40.1	-0.1	0.3
Professional & Business Services	20.8	20.9	20.7	-0.1	0.1
Education & Health Services	52.9	53.6	50.6	-0.7	2.3
Leisure & Hospitality*	34.8	34.5	32.9	0.3	1.9
Total Government	51.1	51.4	50.9	-0.3	0.2

*These estimates are not endorsed by the U.S Bureau of Labor Statistics.

Note: Total - All Industries estimate is seasonally adjusted independently.

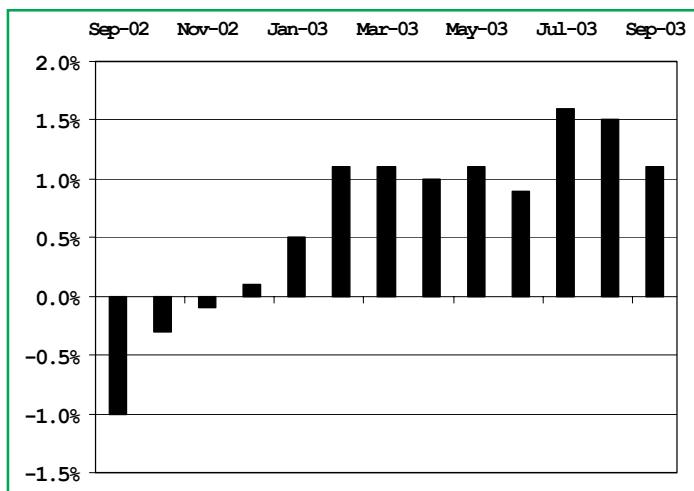
All seasonal adjustment performed with X12-ARIMA. Seasonal factors available from DET/LMI on request.

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

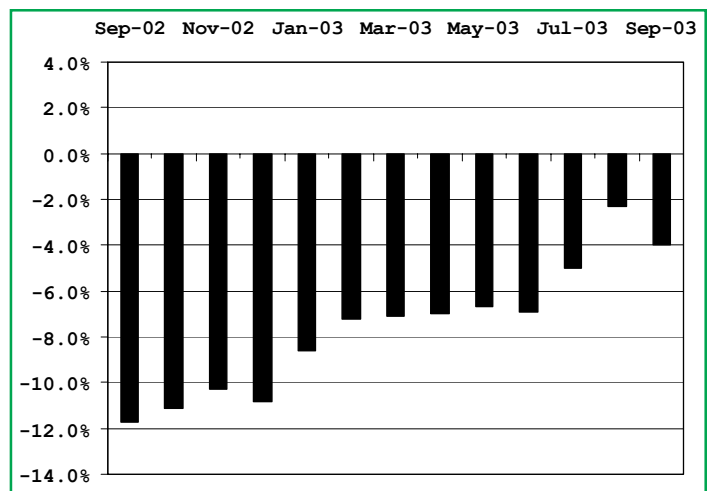
Vermont Annual Job Growth

Not Seasonally Adjusted Data

All Industries



Manufacturing



Nonfarm Employment In Vermont *(Not Seasonally Adjusted)*

Compiled by the Department of Employment and Training in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

INDUSTRY BY NAICS	Prelim.	Revised	Revised	Changes From:	
	Sept. '03	Aug. '03	Sept. '02	Aug. '03	Sept. '02
TOTAL NONFARM	304,200	298,550	300,800	5,650	3,400
TOTAL PRIVATE	252,500	255,850	249,400	-3,350	3,100
GOODS PRODUCING	55,300	56,550	56,450	-1,250	-1,150
MANUFACTURING	38,000	38,750	39,600	-750	-1,600
Durable Goods	27,000	27,700	28,250	-700	-1,250
Computer & Electrical Equipment Mfg.	9,550	10,150	10,300	-600	-750
Fabricated Metal Products Mfg.	2,600	2,650	2,850	-50	-250
Machinery Mfg.	3,000	3,000	3,100	0	-100
Transportation Equipment Mfg.	2,200	2,200	2,200	0	0
Furniture & Related Product Mfg.	2,450	2,500	2,500	-50	-50
Non-Durable Goods	11,000	11,050	11,350	-50	-350
Food Mfg.	3,850	3,900	4,000	-50	-150
CONSTRUCTION	16,050	16,550	15,800	-500	250
NATURAL RESOURCES & MINING	1,250	1,250	1,050	0	200
SERVICE-PROVIDING	248,900	242,000	244,350	6,900	4,550
TRADE TRANSPORTATION AND UTILITIES	59,200	59,950	58,500	-750	700
Wholesale Trade	10,550	10,600	10,050	-50	500
Retail Trade	40,000	40,800	39,750	-800	250
Food & Beverage Stores	9,900	10,250	9,950	-350	-50
General Merchandise Store	3,350	3,500	3,300	-150	50
Transportation, Warehousing and Utilities	8,650	8,550	8,700	100	-50
Utilities	1,700	1,700	1,700	0	0
Transportation & Warehousing	6,950	6,850	7,000	100	-50
INFORMATION	6,800	6,800	6,600	0	200
FINANCIAL ACTIVITIES	13,350	13,450	13,200	-100	150
Finance & Insurance	10,250	10,250	10,100	0	150
Real Estate, Rental & Leasing	3,100	3,200	3,100	-100	0
PROFESSIONAL AND BUSINESS SERVICES	21,100	21,400	21,050	-300	50
Professional, Scientific and Technical	12,550	12,500	12,400	50	150
Administrative, Support and Waste	8,400	8,650	8,400	-250	0
EDUCATIONAL AND HEALTH SERVICES	51,950	50,750	50,650	1,200	1,300
Educational Services	12,950	11,250	12,600	1,700	350
College, Universities and Professional	6,900	6,250	6,800	650	100
Health Care and Social Assistance	39,000	39,500	38,050	-500	950
Ambulatory Health Care Services	15,400	15,600	15,050	-200	350
Hospitals	10,300	10,350	9,850	-50	450
Nursing and Residential Care Facilities	6,600	6,650	6,400	-50	200
LEISURE AND HOSPITALITY	34,450	36,450	32,700	-2,000	1,750
Arts, Entertainment and Recreation	4,700	4,950	4,300	-250	400
Accommodation and Food Services	29,750	31,500	28,400	-1,750	1,350
Accommodations	11,050	12,300	10,000	-1,250	1,050
Hotel & Motels	8,950	9,550	8,650	-600	300
Food Services and Drinking Places	18,700	19,200	18,400	-500	300
OTHER SERVICES	10,350	10,500	10,250	-150	100
GOVERNMENT	51,700	42,700	51,400	9,000	300
Federal Government	6,400	6,400	6,050	0	350
State Government Education	7,500	6,150	7,450	1,350	50
Local Government Education	21,950	13,700	21,900	8,250	50
Other State Government	9,100	9,100	9,250	0	-150
Other Local Government	6,750	7,350	6,750	-600	0

Nonfarm Employment By Area *(Not Seasonally Adjusted)*

Note: Monthly estimates are preliminary and subject to revision. See Annual Employment & Earnings for details. Benchmark 3/2002.

Burlington

INDUSTRY BY NAICS	Preliminary	Revised	Revised	Changes From:	
	Sept. '03	Aug. '03	Sept. '02	Aug. '03	Sept. '02
TOTAL NONFARM	109,800	107,450	108,250	2,350	1,550
TOTAL PRIVATE	91,500	92,150	90,900	(650)	600
GOODS PRODUCING	19,850	20,800	21,300	(950)	(1,450)
MANUFACTURING	14,450	15,350	16,250	(900)	(1,800)
Durable Goods	11,250	12,000	12,450	(750)	(1,200)
NATURAL RESOURCES, MINING & CONST.	5,400	5,450	5,050	(50)	350
SERVICE PROVIDING	89,950	86,650	86,950	3,300	3,000
TRADE, TRANSPORTATION AND UTILITIES	21,100	21,350	20,950	(250)	150
Wholesale Trade	3,700	3,700	3,600	0	100
Retail Trade	14,450	14,650	14,300	(200)	150
Transportation, Warehousing & Utilities	2,950	3,000	3,050	(50)	(100)
INFORMATION	3,250	3,200	3,100	50	150
FINANCIAL ACTIVITIES	5,500	5,550	5,350	(50)	150
PROFESSIONAL & BUSINESS SERVICES	10,750	10,700	9,900	50	850
Professional Scientific and Technical	6,950	6,900	6,400	50	550
EDUCATIONAL & HEALTH SERVICES	17,150	16,850	17,000	300	150
Health Care and Social Assistance	13,650	13,800	13,700	(150)	(50)
LEISURE AND HOSPITALITY	10,150	9,950	9,750	200	400
Accommodation and Food Services	7,700	8,150	7,600	(450)	100
Food Services and Drinking Places	6,350	6,550	6,250	(200)	100
OTHER SERVICES	3,750	3,750	3,550	0	200
GOVERNMENT	18,300	15,300	17,350	3,000	950
Federal Government	3,000	2,950	2,800	50	200
State Government Education	5,450	4,300	5,350	1,150	100
Local Government Education	6,050	4,000	5,550	2,050	500
Other State Government	1,650	1,650	1,600	0	50
Other Local Government	2,150	2,400	2,050	(250)	100

Barre-Montpelier

TOTAL NONFARM	35,450	34,750	34,450	700	1000
TOTAL PRIVATE	26,750	26,950	25,700	-200	1050
GOODS PRODUCING	4,700	4,750	4,850	-50	-150
MANUFACTURING	3,050	3,050	3,150	0	-100
NATURAL RESOURCES, MINING & CONST.	1,650	1,700	1,700	-50	-50
SERVICE-PROVIDING	30,750	30,000	29,600	750	1150
TRADE, TRANSPORTATION AND UTILITIES	6,200	6,200	6,000	0	200
Wholesale Trade	1,050	1,050	1,000	0	50
Retail Trade	4,350	4,350	4,150	0	200
Transportation, Warehousing & Utilities	800	800	850	0	-50
INFORMATION	700	700	700	0	0
FINANCIAL ACTIVITIES	2,900	2,950	2,800	-50	100
PROFESSIONAL AND BUSINESS SERVICES	2,100	2,150	1,900	-50	200
EDUCATIONAL & HEALTH SERVICES	5,500	5,450	5,300	50	200
Health Care and Social Assistance	3,800	3,800	3,750	0	50
LEISURE AND HOSPITALITY	3,150	3,250	2,700	-100	450
Accommodation and Food Services	2,750	2,800	2,450	-50	300
OTHER SERVICES	1,500	1,500	1,450	0	50
GOVERNMENT	8,700	7,800	8,750	900	-50
Federal Government	350	350	350	0	0
State Government Education	300	300	300	0	0
Local Government Education	2,800	1,850	2,750	950	50
Other State Government	4,550	4,550	4,650	0	-100
Other Local Government	700	750	700	-50	0

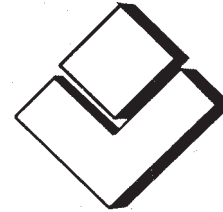
Unemployment Insurance Program Summary

	September 2003	August 2003	September 2002	Percent Change From	
				Last Month	Last Year
UI Trust Fund	\$251,513,972	\$257,876,199	\$295,208,098	-2.5%	-14.8%
UI Reg. Benefit Payments *	\$6,502,515	\$5,513,994	\$6,565,443	17.9%	-1.0%
UI Initial Claims	5,486	2,337	2,337	134.7%	134.7%
UI Weeks Claimed	26,570	30,098	29,357	-11.7%	-9.5%

**Includes benefit payments for reimbursable employers.*

Average Hours and Earnings of Production and Nonsupervisory Workers

INDUSTRY BY NAICS	Average Weekly Earnings(\$)			Average Weekly Hours			Average Hourly Earnings(\$)		
	Sept. '03 Prelim.	Aug. '03 Revised	Sept. '02 Revised	Sept. '03 Prelim.	Aug. '02 Revised	Sept. '02 Revised	Sept. '03 Prelim.	Aug. '03 Revised	Sept. '02 Revised
GOODS PRODUCING	597.25	595.76	589.59	40.3	40.2	40.3	14.82	14.82	14.63
Natural Resources & Mining	466.46	466.13	460.32	33.9	33.9	33.6	13.76	13.75	13.70
Construction	639.74	639.74	646.65	41.3	41.3	41.8	15.49	15.49	15.47
Manufacturing	584.26	582.80	572.40	40.1	40.0	40.0	14.57	14.57	14.31
Durable Goods	606.69	604.79	592.41	40.5	40.4	40.3	14.98	14.97	14.70
Non-Durable Goods	517.20	515.48	512.46	38.8	38.7	39.0	13.33	13.32	13.14
SERVICE PROVIDING									
Wholesale Trade	639.73	639.73	652.94	35.6	35.6	36.6	17.97	17.97	17.84
Retail Trade	368.64	368.64	359.66	30.9	30.9	30.3	11.93	11.93	11.87
Health Care & Social Assist.	546.92	546.92	528.64	30.2	30.2	29.5	18.11	18.11	17.92
BURLINGTON AREA									
Manufacturing	572.27	571.90	575.65	37.6	37.6	38.3	15.22	15.21	15.03



Commissioner's Message

Vermont's Workers' Compensation Marketplace

The current condition of Vermont's workers' compensation market can be attributed to several global forces, such as declining insurer investment yields and deterioration of underwriting results. The combination of those forces along with the current climate of Vermont's workers' compensation system result in the makings for the perfect storm in regards to an employer's workers' compensation premium costs.

While the number of claims in Vermont has remained steady, the cost per claim is growing because of medical costs and higher wage replacement costs. Availability of workers' compensation coverage in the "voluntary" market has decreased with an increasing amount of employers being forced to obtain coverage in the "assigned risk" market.

Since worker's compensation insurance is mandatory in Vermont, employers who can't obtain coverage in the voluntary market must go to the assigned risk market. The assigned risk market is designed to price risks at higher premiums in order to provide an incentive for an employer to maintain a safe workplace. Between 2001 and 2002, the assigned risk pool grew from 12% to 17.6% of the overall market and continues to maintain a large market share so far this year.

Maintaining a safe workplace is the most important thing an employer can do to control their workers' compensation costs. A safe workplace translates into favorable experience

modifications, which directly affect premium. Additionally, it certainly pays to shop around. All companies have discretionary pricing tools (i.e. credits, dividend plans) designed to reward employers with a good loss history and will use these tools to compete with other carriers to get that business.

For those employers who have safety issues, it is never too late to turn an unfavorable loss history around. A step taken to make a workplace safer reflects a favorable commitment from an employer. Some carriers recognize this and will work with an employer to achieve their safety goals, in turn reducing their costs.

Labor & Industry

(continued from page 10)

Minimizing Workers' Compensation Costs

The high price of workers' compensation insurance is an issue of great concern to many Vermonters. Over the past few years, the cost of this mandatory insurance has risen dramatically – not just in Vermont, but nationwide. This increased cost of doing business serves as a drag on our economy, as business owners are forced to raise prices, cut expenses, or even let employees go in order to stay competitive.

An ambitious study of Vermont's workers' compensation system is currently underway. This study will result in a report to be delivered to the Legislature in January, and it is expected that the report will form the basis of a workers' compensation reform bill. For more on the study, please visit www.state.vt.us/labind.

A review of our laws and rules on workers' comp is certainly important, but perhaps even more important is recognizing what you – as a business owner or manager – can do to minimize your workers' compensation costs. First, you and your employees must be pro-active about safety in your workplace. Secondly, you need to be pro-active about workers' comp claims when an injury occurs.

Lesson #1: Create a “culture of safety” in your workplace

- Be pro-active about workplace safety. Commit to improving your health and safety record, and let your employees know that eliminating hazards and reducing injuries will be a top priority.
- Work with your employees to

identify existing and/or potential hazards, paying particular attention to those injuries most prevalent in your workplace and your industry.

- Talk to your employees about the link between workplace safety and workers' compensation. It is important that your employees understand that a high number of workers' comp claims can lead to significantly higher costs for workers' comp insurance, which can impact profits, wages, and even the size of your workforce. In that sense, a good safety record gives your business a competitive advantage, which is good for both employers and employees.

- Develop an injury reduction plan, and stick to it. By limiting job-related injuries, you will find that productivity and morale improve. Hopefully you will see an improvement in your bottom line as well: in one recent study, 95% of large and mid-size employers said that workplace safety has a positive impact on their financial performance, and 61% reported \$3 in savings for every \$1 invested in workplace safety. Some reported even higher savings, up to \$10 for each dollar invested.

- Don't be afraid to ask for help. Many industry groups offer safety programs, and your workers' comp insurer can also help identify areas that need improvement. You may also want to contact Project WorkSAFE, Vermont's workplace safety consultation program, at 1-888-SAFE-YES.

Lesson #2: Effectively manage your workers' compensation claims

- When an injury does occur, communication is key. Communicate early and often with your workers' comp insurer and provide them with as much information about the injury

as possible. Make sure all necessary paperwork is filled out completely and accurately.

- Stay in touch with your injured employee. Let them know that their well being is important to you, and you will do whatever it takes to help them recover and get back to work. Keeping tabs on your employee's recovery send the message that “you care” and can help accelerate a successful return to work.

- If the injury is serious and will require time away from work, talk with your insurer about medical case management. A case manager can help coordinate medical care and rehabilitation services, serve as a general point of communication, and facilitate an early return to work.

- It is not uncommon for a physician to tell an employee they can go back to a job with modified duties, often referred to as “light duty.” Plan ahead and identify meaningful roles that can be filled by injured employees who can work, but aren't yet at 100%.

- Learn from your experience. After a workplace injury has occurred and the employee has (hopefully) returned to work, make sure the hazard or behavior that caused the injury is corrected. You should also review how you, as the employer, managed the claim to see if there are areas in which you need to improve.

In summary, it is imperative that employers create a “culture of safety” in their workplace and also develop a plan for managing a workers' comp claim when injuries do occur. Doing so can have a positive effect on your workers' compensation rates, and can also have a positive effect on morale and productivity in your workplace.



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Occupational Wage Survey

The occupational employment and wage survey will continue in mid-November when approximately 900 Vermont employers will receive a large white window envelope containing a questionnaire for the November 2003 panel. The Occupational Employment Statistics (OES) program is conducted in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, throughout the country. The results provide comparable wage and employment data by occupation that employers and workers can use to help assess pay levels. We always appreciate the time and effort of the employers who respond to our surveys.

The latest results are available on our web page at www.vtLmi.info/occupation.cfm.