

The Vermont Labor Market

Departments of Employment & Training / Labor & Industry

Vermont Department of

Employment & Training

August 2004

P.O. Box 488 • Montpelier, Vermont 05601-0488 • Tel.: (802) 828-4000 • FAX: (802) 828-4022

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

Commissioner's Message

New Employer Tax Rates

Some years ago, I was talking to an individual about his business. He told me that he had more work than he could do, but he was reluctant to hire workers. He did all the work himself and he was concerned about the responsibilities and cost associated with having employees. We talked further about the benefits of creating jobs both to the business and to the community at large. Remembering that conversation made it very easy to agree with and support a proposal to simplify the way the unemployment insurance program treats businesses employing workers for the first time.

Federal law heavily influences the unemployment insurance program. Federal law requires states to use the business' experience to fix employer tax rates. But a business hiring its first employee has no experience so states are allowed some flexibility as long as the tax rate is at least one

(Continued on page 2)

**Labor & Industry section
begins on page 10**

The Edge

Vermont Business and the World Marketplace

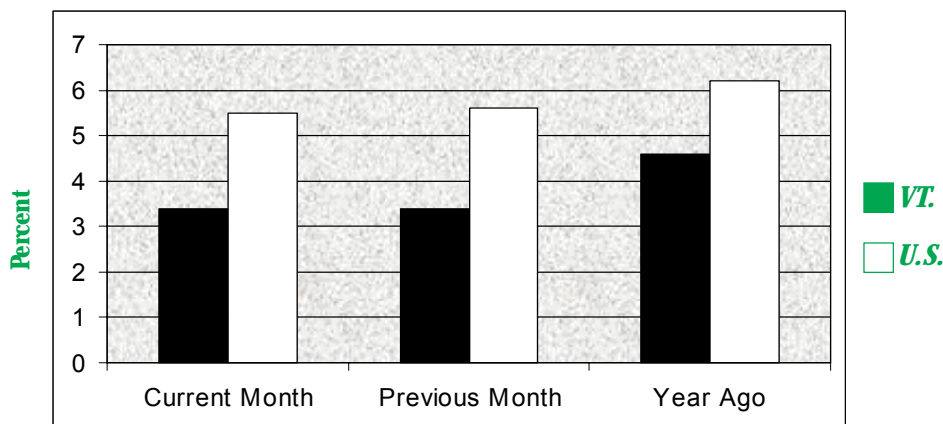
Global economy...a term we all hear and all use. Vermont products can be found all over the world. But where does a businessperson look for help if s/he wants to enter the international marketplace? Kevin Dorn, Secretary of the Agency of Commerce and Community Development announced recently that a new public/private partnership has been created to provide international trade assistance to Vermont businesses. The mission of this partnership is to provide, through collaboration, sustainable, cost effective and coordinated assistance to Vermont companies doing business in the global marketplace with emphasis on providing technical assistance, information, facilitation, training and support.

"The Vermont Global Trade Partnership, consisting of a broadly based group of organizations and

(Continued on page 3)

Unemployment Rates Vermont and U.S.

July (SA) 2004 Rates
VT 3.4% • U.S. 5.5%



Commissioner's Message –

(continued from front page)

percent. Until July 2004, Vermont assigned the average tax rate of all businesses in the same industry to new employers. As an example, someone opening a restaurant would have a tax rate of 1.5 percent, the average effective rate of all restaurants.

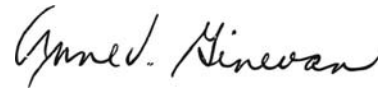
**Vermont now
has the lowest
new employer
tax rate in the
Northeast.**

Representative Kathie Lavoie of Swanton introduced a bill during the last session to assign the minimum tax rate allowed under federal law to new employers. She did so because employers told her, in response to a question about what could be done to improve the business climate, that it was not fair to assume new employers would have an average experience. It would be more positive to assume new employers would have stable employment.

Representative Lavoie's bill passed with strong bipartisan support and only one change. There was some concern that the bill placed some Vermont construction companies at a disadvantage when bidding against an out-of-state company. To address this, the bill was amended to require out-of-state based construction companies to pay the average tax rate of the industry until establishing an experience based rate. All other

new employers now pay one percent of the first \$8000 in wages paid to each worker.

This change is supportive of the Governor's job growth goals and an example of Vermont's commitment to a positive business climate. Vermont now has the lowest new employer tax rate in the Northeast. That, along with the second lowest average tax rate for all employers and above average benefit payment rates shows strong support for business and its workers. The change simplifies the unemployment tax system and is fairer to businesses hiring their first Vermont employee.



The Edge - *(continued from front page)*

institutions that provide international trade programs and services has been formed under the leadership of the Vermont Department of Economic Development," said Dorn. "As more and more Vermont businesses seek to expand markets, it is critical that seamless and coordinated assistance be readily available."

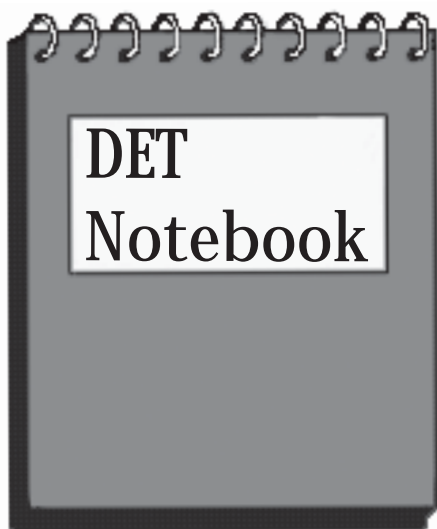
The partnership includes representatives from the twelve Regional Development Corporations, Vermont Chamber of Commerce, Lake Champlain Regional Chamber of Commerce, Champlain College, the U.S. Department of Commerce, and the Vermont Congressional delegation. The Vermont World Trade Office Board of Directors will serve as advisors to the partnership.

"This new model leverages the strength of a variety of international trade players," said Mike Quinn, Commissioner of the Department of Economic Development. "This partnership is in the same tradition as so many of the programs and services the department provides in areas including business expansion and recruitment, permit process assistance, workforce training and government contracting."

Dorn stated that one of the primary reasons for formalizing this new collaboration is the expectation of declining federal funding for the Vermont World Trade Office. VWTO has received approximately \$900,000 in the last ten years, and funding will likely run out by January, 2005.

"We need a new and sustainable model to make sure businesses get the help they need," added Dorn. "As federal grants wind down, the governor has directed that we continue to invest state funds in support of international trade. We will do that by building capacity within the Department of Economic Development and work in a collaborative fashion with members of this partnership."

For more information, contact Ken Horseman at: ken@thinkvermont.com



Reach Up Assessments in Bennington County

In response to a directive from the Department of Children and Family Services and the Reach Up program, VT DET is developing an Employability Assessment program. This initiative is aimed at Reach Up participants, who often are building their job readiness and employment skills, creating a realistic plan for self-sufficiency and seeking a solid job.

New entrants into Reach Up will complete this assessment within their first month in the program and receive a written report listing their immediate, short-term and long-term career goals along with general recommendations as to steps needed to achieve these goals. This activity, conducted in a group workshop format, will

be offered at least two times each month.

The actual employability assessment process will allow participants to explore their vocational interests, abilities and values, using the Harrington-O'Shea Career Decision-Making System. Lists of job categories and, finally, specific occupations that may "fit" each person will be presented for exploration. Job duties, training or education time required and job outlook information will be available for each occupation. The Occupational Information Network (O*NET) career exploration tools, the Occupational Outlook Handbook and Choices/e-Guidance Center research materials can also be utilized to enhance this planning effort. Included in the O*NET assessments is the Ability Profiler. This can foster career awareness, provide knowledge about occupational ability strengths and link a person to 900+ occupations within the O*NET system.

A literacy assessment (likely administered by the Getting Ready to Work or Vermont Adult Education and Literacy program) will be provided to those with unproven basic reading and math skills. The results will identify those who could benefit from remediation

and could also be added to the above employability materials and factored into the quest to name "suitable" career goals.

Finally, local, regional and national labor market information will be provided to all attendees at the DET Employability Assessment. Current job listings will be displayed along with the latest "scoop" on local trends and developments (e.g. Are there any new businesses coming to the area? Which occupational "sector" is providing the most new jobs? How best to get an interview at a specific company?). Using VT DET and America's Workforce Network web sites, VT State, New England and national trends will be reported and discussed.

The point of all the above is to provide Reach Up participants with a chance to make realistic employment decisions. The DET Employability Assessment process aims to help people know themselves better, find some occupations that may "fit" best, learn about careers and career paths, understand what is happening in the labor market and begin developing a plan of action.

Economic Spotcheck

Local Unemployment Rates (Not Seasonally Adjusted)

Town/City*	July '04	June '04	July '03
Barre City	6.2	5.7	8.8
Barre Town	2.5	1.8	3.0
Bennington Town	4.5	3.9	6.4
Brattleboro Town	3.3	3.4	5.2
Burlington City	3.1	3.3	4.3
Colchester Town	2.3	2.5	3.7
Essex Town	2.4	2.4	3.2
Hartford Town	1.3	1.3	1.7
Middlebury Town	2.2	2.0	2.8
Milton Town	4.0	4.4	5.5
Montpelier City	1.6	1.9	2.2
Rutland City	2.8	3.3	4.2
Shelburne Town	1.4	1.2	1.9
So. Burlington City	2.0	2.2	2.6
Springfield Town	5.8	4.3	8.0
Williston Town	0.9	0.9	1.3

*16 Largest Towns in Vermont

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

	July 2004	June 2004	July 2003
All Items Index	189.4	189.7	183.9
Annual Percent Change	3.0	3.3	2.1

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 July employment edged up 900 from the previous month with 342,200 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 non-farm jobs fell by 1,800 following an increase of 700 from the previous month. Government education seems to have been responsible for much of the downturn. Seasonal lay-offs in Local Education produced an unexpected loss in the seasonally adjusted job estimates. There were also losses in Private Industries as well. However, because several industries are not estimated individually, it's difficult to determine exactly where the losses occurred. Gains were very modest and relatively spread out. Adding just 100 jobs each were Retail, Professional & Business Services, Health Care & Social Assistance and Leisure & Hospitality.

The more detailed unadjusted estimates experienced a large decline, which is typical for the period with seasonal declines in both public and private education. The majority of the decline was specific to Local Government Education, down almost 9,400 jobs. Also related was the downturn in Transportation, which includes school bus companies. Manufacturing was down 150, possibly due to vacations and/or annual shutdowns at some companies.

Computer & Electrical Equipment Manufacturing helped to offset some of that loss. Seasonal hiring was evident in Accommodations as well as Food Services. Combined, they added over 1,200 jobs to the sector. The influx of summer tourism also helped to boost Retail. Construction added almost 600 jobs as the season came into high gear.

The preliminary July estimates reflect an annual increase of 0.3%. The annual change in Private Industry was not considered statistically significant. Manufacturing, once again, continued to lead the way in terms of annual losses. Health Care & Social Assistance, once again, experienced the largest year to year growth.

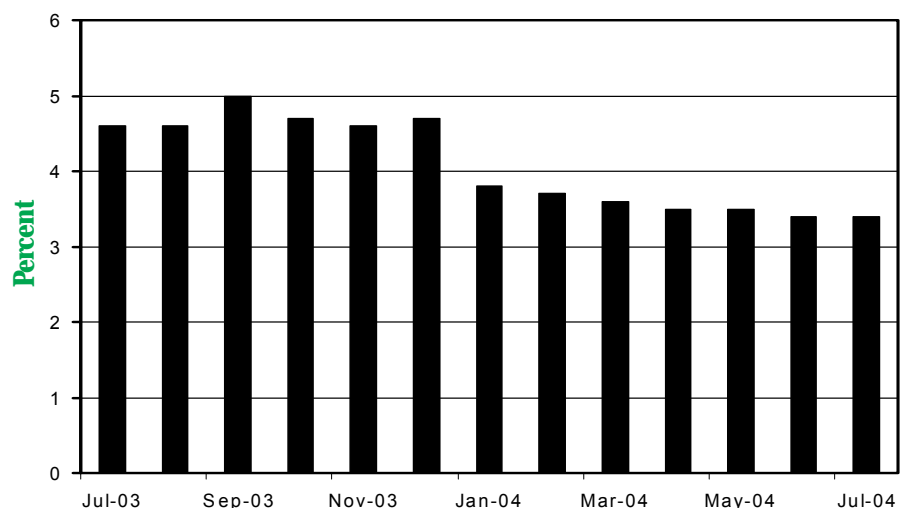
Unemployment Trends

Vermont's seasonally adjusted July unemployment rate of 3.4% was unchanged from the revised June rate. An estimated 11,900 Vermonters were unemployed in July.

The comparable national unemployment rate was 5.5%, down -0.1 from the previous month. Vermont continues to be well under the national rate.

The number of initial claims for Unemployment Insurance filed in July was down almost 1,000 from the previous month. Service Industries experienced the sharpest drop. Initial claims were a little more than half of what they were in June.

Vermont Seasonally Adjusted Unemployment Rate



Labor Force Estimates *(Seasonally Adjusted)*

Vermont	July '04	June '04	July '03	Changes from:	
				June '04	July '03
TOTAL LABOR FORCE¹	354,100	353,400	351,100	700	3,000
TOTAL EMPLOYMENT	342,200	341,300	334,800	900	7,400
TOTAL UNEMPLOYMENT	11,900	12,200	16,300	-300	-4,400
RATE	3.4	3.4	4.6	0.0	-1.2

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

Labor Market Areas *(Not Seasonally Adjusted)*

	July 2004	June 2004	July 2003		July 2004	June 2004	July 2003
BARRE-MONTPELIER				MORRISTOWN-STOWE			
Labor Force	42,000	41,650	40,900	Labor Force	19,200	19,450	19,400
Unemployment	1,400	1,350	1,850	Unemployment	700	700	850
Rate	3.3	3.2	4.5	Rate	3.6	3.6	4.5
Employment	40,600	40,300	39,050	Employment	18,500	18,750	18,550
BENNINGTON-MANCHESTER				NEWPORT			
Labor Force	21,500	21,800	21,900	Labor Force	13,550	13,750	13,800
Unemployment	700	700	1,100	Unemployment	650	650	900
Rate	3.3	3.3	5.0	Rate	4.6	4.9	6.3
Employment	20,750	21,100	20,800	Employment	12,900	13,100	12,950
BURLINGTON				RANDOLPH			
Labor Force	111,700	109,400	108,300	Labor Force	6,200	6,550	6,250
Unemployment	2,850	2,900	3,950	Unemployment	250	300	300
Rate	2.6	2.6	3.6	Rate	4.0	4.2	4.8
Employment	108,850	106,550	104,350	Employment	5,950	6,300	5,950
ENOSBURG				RUTLAND			
Labor Force	10,950	11,950	11,200	Labor Force	31,550	31,300	30,700
Unemployment	500	500	600	Unemployment	1,350	1,450	1,850
Rate	4.5	4.0	5.5	Rate	4.3	4.6	6.0
Employment	10,450	11,500	10,600	Employment	30,150	29,900	28,900
HARTFORD-LEBANON,VT-NH LMA (VT PORTION ONLY)				ST. JOHNSBURY			
Labor Force	28,900	30,200	29,950	Labor Force	15,300	15,450	15,450
Unemployment	500	500	650	Unemployment	500	500	750
Rate	1.8	1.6	2.2	Rate	3.4	3.2	4.9
Employment	28,400	29,750	29,300	Employment	14,750	14,950	14,700
KEENE-BRATTLEBORO,NH-VT LMA (ENTIRE AREA)				SPRINGFIELD			
Labor Force	61,950	58,750	59,450	Labor Force	9,550	9,650	9,800
Unemployment	1,700	1,800	2,000	Unemployment	450	450	650
Rate	2.7	3.1	3.4	Rate	4.7	4.5	6.8
Employment	60,300	56,950	57,450	Employment	9,100	9,200	9,100
MIDDLEBURY				STATEWIDE			
Labor Force	21,850	22,100	22,250	Labor Force	357,800	357,550	354,350
Unemployment	550	500	800	Unemployment	11,150	11,200	15,250
Rate	2.5	2.3	3.7	Rate	3.1	3.1	4.3
Employment	21,300	21,600	21,450	Employment	346,650	346,350	339,100

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	<i>Prelim.</i>	<i>Revised</i>	<i>Revised</i>	<i>Changes From:</i>	
	<i>July '04</i>	<i>June '04</i>	<i>July '03</i>	<i>June '04</i>	<i>July '03</i>
Total - All Industries	299.7	301.5	298.7	-1.8	1.0
Private Industries	248.2	249.2	246.6	-1.0	1.6
Construction	15.6	15.6	15.4	0.0	0.2
Manufacturing	37.2	37.3	37.3	-0.1	-0.1
Retail Trade *	39.1	39.0	39.3	0.1	-0.2
Professional & Business Services	20.7	20.6	20.4	0.1	0.3
Private Ed. Services*	12.6	12.6	12.6	0.0	0.0
Health Care & Social Assistance*	41.2	41.1	40.0	0.1	1.2
Leisure & Hospitality*	32.9	32.8	32.6	0.1	0.3
Total Government	51.5	52.3	52.1	-0.8	-0.6

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

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

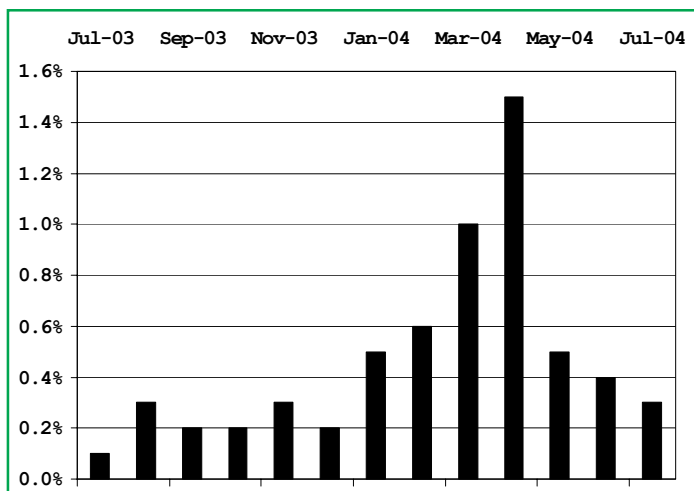
All seasonal adjustment performed with X12-ARIMA. Seasonal factors available from DET/LMI on request.

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

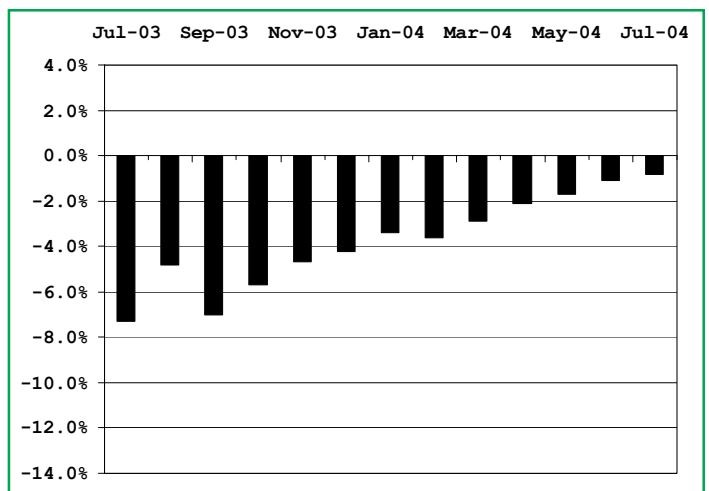
Vermont Annual Job Growth

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	<i>Prelim.</i>	<i>Revised</i>	<i>Revised</i>	<i>Changes From:</i>	
	<i>July '04</i>	<i>June '04</i>	<i>July '03</i>	<i>June '04</i>	<i>July '03</i>
TOTAL NONFARM	295,050	302,200	294,100	-7,150	950
TOTAL PRIVATE	252,150	250,250	250,950	1,900	1,200
GOODS PRODUCING	55,700	55,300	55,900	400	-200
MANUFACTURING	37,400	37,550	37,700	-150	-300
Durable Goods	26,600	26,650	27,000	-50	-400
Computer & Electrical Equipment Mfg.	9,500	9,400	9,750	100	-250
Fabricated Metal Products Mfg.	2,950	2,900	2,800	50	150
Machinery Mfg.	3,100	3,100	2,900	0	200
Transportation Equipment Mfg.	2,450	2,450	2,250	0	200
Furniture & Related Product Mfg.	2,500	2,550	2,350	-50	150
Non-Durable Goods	10,800	10,900	10,700	-100	100
Food Mfg.	3,850	3,900	3,850	-50	0
CONSTRUCTION	17,200	16,650	17,200	550	0
NATURAL RESOURCES & MINING	1,100	1,100	1,000	0	100
SERVICE-PROVIDING	239,350	246,900	238,200	-7,550	1,150
TRADE, TRANSPORTATION AND UTILITIES	58,150	58,100	58,000	50	150
Wholesale Trade	10,350	10,350	10,250	0	100
Retail Trade	39,450	39,050	39,650	400	-200
Food & Beverage Stores	9,400	9,450	9,600	-50	-200
General Merchandise Store	2,950	2,950	2,950	0	0
Transportation, Warehousing and Utilities	8,350	8,700	8,100	-350	250
Utilities	1,750	1,750	1,750	0	0
Transportation & Warehousing	6,600	6,950	6,350	-350	250
INFORMATION	6,550	6,650	6,500	-100	50
FINANCIAL ACTIVITIES	13,250	13,250	13,500	0	-250
Finance & Insurance	9,900	10,000	10,200	-100	-300
Real Estate, Rental & Leasing	3,350	3,250	3,300	100	50
PROFESSIONAL AND BUSINESS SERVICES	21,100	21,050	21,000	50	100
Professional, Scientific and Technical	12,150	12,150	12,250	0	-100
Administrative, Support and Waste	8,600	8,500	8,500	100	100
EDUCATIONAL AND HEALTH SERVICES	52,950	53,000	51,800	-50	1,150
Educational Services	11,550	11,800	11,550	-250	0
College, Universities and Professional	6,350	6,300	6,400	50	-50
Health Care and Social Assistance	41,400	41,200	40,250	200	1,150
Ambulatory Health Care Services	16,050	15,850	15,800	200	250
Hospitals	10,200	10,350	10,200	-150	0
Nursing and Residential Care Facilities	6,800	6,750	6,650	50	150
LEISURE AND HOSPITALITY	34,100	32,550	33,950	1,550	150
Arts, Entertainment and Recreation	4,400	4,100	4,550	300	-150
Accommodation and Food Services	29,700	28,450	29,400	1,250	300
Accommodations	11,150	10,050	10,850	1,100	300
Hotel & Motels	9,550	8,900	9,000	650	550
Food Services and Drinking Places	18,550	18,400	18,550	150	0
OTHER SERVICES	10,350	10,350	10,300	0	50
GOVERNMENT	42,900	51,950	43,150	-9,050	-250
Federal Government	6,100	6,150	6,200	-50	-100
State Government Education	5,950	6,000	5,900	-50	50
Local Government Education	13,750	23,100	13,750	-9,350	0
Other State Government	9,400	9,350	9,600	50	-200
Other Local Government	7,700	7,350	7,700	350	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:	
	July '04	June '04	July '03	June '04	July '03
TOTAL NONFARM	108,950	109,650	107,000	-700	1,950
TOTAL PRIVATE	92,850	92,350	91,200	500	1,650
GOODS PRODUCING	21,300	20,950	21,200	350	100
MANUFACTURING	15,600	15,350	15,550	250	50
Durable Goods	11,400	11,300	11,900	100	-500
NATURAL RESOURCES, MINING & CONST.	5,700	5,600	5,650	100	50
SERVICE PROVIDING	87,650	88,700	85,800	-1,050	1,850
TRADE, TRANSPORTATION AND UTILITIES	21,200	21,250	21,050	-50	150
Wholesale Trade	3,700	3,700	3,750	0	-50
Retail Trade	14,450	14,550	14,300	-100	150
Transportation, Warehousing & Utilities	3,050	3,000	3,000	50	50
INFORMATION	3,350	3,400	3,100	-50	250
FINANCIAL ACTIVITIES	5,400	5,400	5,500	0	-100
PROFESSIONAL & BUSINESS SERVICES	10,000	10,000	9,900	0	100
Professional Scientific and Technical	6,250	6,350	6,050	-100	200
EDUCATIONAL & HEALTH SERVICES	17,850	17,850	17,000	0	850
Health Care and Social Assistance	14,750	14,850	14,100	-100	650
LEISURE AND HOSPITALITY	10,000	9,800	9,800	200	200
Accommodation and Food Services	7,900	7,750	7,850	150	50
Food Services and Drinking Places	6,600	6,550	6,450	50	150
OTHER SERVICES	3,750	3,700	3,650	50	100
GOVERNMENT	16,100	17,300	15,800	-1,200	300
Federal Government	2,800	2,800	2,850	0	-50
State Government Education	4,550	4,600	4,450	-50	100
Local Government Education	4,350	5,700	4,100	-1,350	250
Other State Government	1,750	1,750	1,700	0	50
Other Local Government	2,650	2,450	2,700	200	-50

Barre-Montpelier

TOTAL NONFARM	34,250	35,000	33,750	-750	500
TOTAL PRIVATE	26,200	26,050	25,750	150	450
GOODS PRODUCING	4,850	4,800	4,800	50	50
MANUFACTURING	3,000	3,000	3,050	0	-50
NATURAL RESOURCES, MINING & CONST.	1,850	1,800	1,750	50	100
SERVICE-PROVIDING	29,400	30,200	28,950	-800	450
TRADE, TRANSPORTATION AND UTILITIES	6,000	5,950	5,800	50	200
Wholesale Trade	900	900	950	0	-50
Retail Trade	4,350	4,300	4,200	50	150
Transportation, Warehousing & Utilities	750	750	650	0	100
INFORMATION	700	700	700	0	0
FINANCIAL ACTIVITIES	2,600	2,600	2,700	0	-100
PROFESSIONAL AND BUSINESS SERVICES	2,200	2,150	2,000	50	200
EDUCATIONAL & HEALTH SERVICES	5,300	5,300	5,350	0	-50
Health Care and Social Assistance	3,700	3,700	3,800	0	-100
LEISURE AND HOSPITALITY	3,100	3,150	2,950	-50	150
Accommodation and Food Services	2,650	2,700	2,600	-50	50
OTHER SERVICES	1,450	1,400	1,450	50	0
GOVERNMENT	8,050	8,950	8,000	-900	50
Federal Government	350	350	350	0	0
State Government Education	300	300	300	0	0
Local Government Education	1,900	2,850	1,750	-950	150
Other State Government	4,750	4,750	4,850	0	-100
Other Local Government	750	700	750	50	0

Unemployment Insurance Program Summary

	<i>July 2004</i>	<i>June 2004</i>	<i>July 2003</i>	<i>Percent Change From Last Month Last Year</i>	
UI Trust Fund	\$231,531,584	\$228,844,688	\$258,925,968	1.2%	-10.6%
UI Reg. Benefit Payments *	\$4,703,288	\$5,698,612	\$6,209,549	-17.5%	-24.3%
UI Initial Claims	2,446	3,234	2,891	-24.4%	-15.4%
UI Weeks Claimed	22,316	25,657	30,338	-13.0%	-26.4%

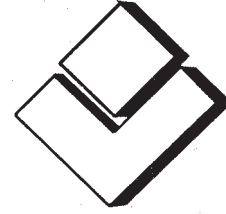
**Includes benefit payments for reimbursable employers.*

Average Hours and Earnings of Production and Nonsupervisory Workers

INDUSTRY BY NAICS	<i>Average Weekly Earnings(\$)</i>			<i>Average Weekly Hours</i>			<i>Average Hourly Earnings(\$)</i>		
	<i>July '04 Prelim.</i>	<i>June '04 Revised</i>	<i>July '03 Revised</i>	<i>July '04 Prelim.</i>	<i>June '04 Revised</i>	<i>July '03 Revised</i>	<i>July '04 Prelim.</i>	<i>June '04 Revised</i>	<i>July '03 Revised</i>
GOODS PRODUCING	600.75	600.75	593.88	40.4	40.4	40.1	14.87	14.87	14.81
Natural Resources & Mining	463.68	463.68	464.07	33.6	33.6	33.8	13.80	13.80	13.73
Construction	640.66	640.66	635.82	41.2	41.2	41.1	15.55	15.55	15.47
Manufacturing	586.92	586.52	580.55	40.2	40.2	39.9	14.60	14.59	14.55
Durable Goods	610.09	610.09	602.49	40.7	40.7	40.3	14.99	14.99	14.95
Non-Durable Goods	519.53	519.53	514.32	38.8	38.8	38.7	13.39	13.39	13.29
SERVICE PROVIDING									
Wholesale Trade	645.84	645.84	636.87	35.9	35.9	35.5	17.99	17.99	17.94
Retail Trade	368.95	368.95	366.83	30.9	30.9	30.8	11.94	11.94	11.91
Health Care & Social Assist.	551.76	551.76	540.89	30.4	30.4	29.9	18.15	18.15	18.09
BURLINGTON AREA									
Manufacturing	576.06	576.06	569.63	37.7	37.7	37.5	15.28	15.28	15.19

Vermont Department of

Labor & Industry



Drawer 20 • Montpelier, Vermont 05620-3401 • Tel.: (802) 828-2288 • FAX: (802) 828-2195

Commissioner's Message

Safety and Your Small Business

Developing an injury reduction plan and creating a “culture of safety” in your workplace is a topic that has been addressed many times in this space. Having a safe workplace is probably the number one way by which an employer can exercise some degree of control over their workers’ compensation costs. More importantly, having a safe workplace is the right thing to do – it ensures that the people you work with are able to enjoy life with their family and friends, and return to work the next day.

Small business owners and managers have remarked to me that in their hectic workday, it is often difficult to find the time – and the resources – to devote to workplace safety issues. Whereas a large or mid-sized employer may have a full or part-time safety director, and safety committees, at a small business most of the time must be devoted to the primary line of work. Who has time to think about safety when there are cars to be fixed, goods to be sold, or clients in need of services?

This fall, a number of organizations will join with the Department of Labor and Industry in a series of safety trainings designed specifically for small businesses. The Small Business Safety Program Development Series will help you develop an injury reduction program so you can create a “culture of safety” in your workplace, control your workers’ compensation rates, and stay in compliance with health and safety regulations. The series is a collaboration between the Labor and Industry’s Project WorkSAFE and the Workers’ Compensation Division, along with the Vermont Small Business Development Center, Regional Chambers of Commerce, and the Vermont Network of Employers for Traffic Safety.

All injuries, including expensive ergonomic injuries, are preventable if you have a working safety program in place. This series will help you develop a pro-active approach for eliminating or minimizing risks at your workplace, which in turn can make your business more competitive. Tips on how to make your safety program really work will be included. Attendees will leave with a clear understanding of how to prevent injuries and create a “culture of safety”, the requirements of a written workplace safety plan, and resources that can help you achieve your injury reduction goals.

The dates for the training series are listed below; please contact your regional Chamber of Commerce to register. Further information can be found on the web at www.vtsbdc.org. See you there!

10/19 Burlington:
Lake Champlain Chamber,
802-863-3489, x203

10/25 St. Albans:
Franklin County Chamber,
802-524-2444

10/27 Springfield:
Springfield Chamber,
802-885-2779

10/28 Bennington:
Bennington County Chamber,
802-375-2576

11/16 St. Johnsbury:
Northeast Kingdom Chamber,
802-748-3678

11/17 Rutland:
Rutland Chamber,
802-773-2747

11/18 Barre/Montpelier:
Central VT Chamber,
802-229-5711

Labor & Industry *(continued from page 10)*

Changes to Federal “White Collar” Overtime Exemption

The Department of Labor and Industry Wage & Hour Program has received numerous inquiries prompted by the new federal overtime exemption rules affecting executive, administrative, professional, outside sales and some computer employees — the so-called “white collar” exemption — that are scheduled to go into effect on August 23rd. It is important to note:

- first, that only federal law, not Vermont law, is changing, and
- second, that this federal change will not necessarily result in changes for all Vermont employers.

Vermont Law or Federal Law?

Vermont has wage and hour law independent of federal wage and hour law. All employers having employees in Vermont are subject to Vermont’s law; an employer engaged in interstate commerce or with an annual volume of business in excess of \$500,000 may **also** be subject to the federal Fair Labor Standards Act.

If an employer is subject to both Vermont and federal wage and hour law, and if provisions of the different laws conflict, then the law that is most protective of or beneficial to employees will prevail.

Employers that are subject to both Vermont and federal law should determine whether either body of law entitles its employees to overtime wages—and if so, overtime wages should be paid. This is true of all overtime exemptions, not just the “white collar” exemption. There are instances where federal law requires overtime payments when Vermont law does not, and vice versa.

The “White Collar” Exemption

Vermont’s “white collar” exemption is similar to the pre-August 23rd federal rules in this area. It extends to executive, administrative and professional employees, and a separate clause in Vermont law exempts outside salespersons. There are two criteria that an employer must meet to qualify for Vermont’s “white collar” exemption: first, the employee must generally be paid on a salary basis of at least a specific minimum level (usually \$250.00 per week); second, the employee’s job content must meet the particular definition for that class of exemption. A common element in all the definitions is that the employee regularly exercises independent judgment or decision-making.

When the federal rule change goes into effect:

- Employers that are covered by Vermont law but not by federal law will not be subject to any changes.
- Employers that are covered by both Vermont and federal law will need to determine whether the

federal changes apply to any of their employees.

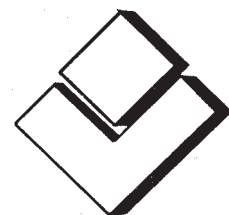
- If an employee has been exempt under Vermont law, he or she will continue to be exempt under Vermont law.
- If an employee was exempt under federal law, he or she may no longer be exempt.
- If an employee was non-exempt under federal law, he or she may become exempt.

For More Information

The U.S. Department of Labor has a special section about its “white collar” rule changes on its website at <http://www.dol.gov/esa/regs/compliance/whd/fairpay/main.htm>. Additionally, the regional office of the USDOL may be contacted at (603) 666-7716.

For information about Vermont’s wage & hour laws, visit our website at <http://www.state.vt.us/labind/wagehr.htm> or call us at (802) 828-0267.

Our policy statement regarding the federal changes may be accessed at <http://www.state.vt.us/labind/Wagehour/whitecollar.htm>.





P.O. Box 488 • Montpelier, VT 05601-0488
Official Business • Penalty for Private Use \$300

Welcome to
VermontJobLink
from the Vermont Department of Employment & Training

www.vermontjoblink.com

The Department of Employment & Training is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. TDD: (802) 828-4203.
