

*Working Together
for Vermont*

<http://www.labor.vermont.gov>

P.O. Box 488 • Montpelier, VT 05601-0488

National Life Drive • Drawer 20 • Montpelier, VT 05620-3401

Commissioner's Message

Patricia Moulton Powden, Commissioner

TRAINING FUNDING OPPORTUNITY!

Last month, I referenced the passage of Act 46 (H.433) and the additional funding it brings to the Department of Labor. The funding provided is an excellent opportunity for employers to develop training partnerships to train for new job openings, job upgrades and new skill development for your current workers. The text that follows explains the criteria we will be using to fund the various programs referenced in the act. Please contact your regional Department of Labor office listed at the end of the article for more information and assistance developing training solutions:

Vermont Department of Labor - Workforce Development Programs

Purpose: Workforce Development Programs through the Vermont Department of Labor (VDOL) promote the creation and retention of high quality jobs, and the growth of a highly skilled workforce, by funding occupational skills training, employment experiences and career awareness activities for adults, students, and other specialized training leading to employment with new and existing businesses.

Goals: Workforce Development Programs have two primary goals: 1) to train or re-train workers who are unemployed, underemployed, or at risk of losing their jobs; 2) to increase the retention of Vermont secondary and post-secondary students, by providing internships and other employment experiences that will establish a bridge between school and careers in Vermont.

Introduction: The 2007 Legislature appropriated funding through VDOL for three workforce development programs that are described in more detail below. While the programs have distinct features, they share a common purpose: to increase career opportunities for workers and strengthen career awareness for students about to enter the workforce in Vermont; and to increase the number of workers with skills that meet the needs of Vermont employers.

Application Process: Potential applicants are encouraged to read the program descriptions to determine which program best fits their needs.

If your project meets the essential eligibility criteria listed for that program, contact the VDOL representative (see attached list), for an application, and for assistance in completing the application process.

Applications under the category of WETF Training require WIB review before being forwarded to the Commissioner of Labor for final consideration. As appropriate, the VDOL representative will assist applicants in contacting the local Workforce Investment Board (WIB).

Funds are available immediately, and will be granted on an on-going basis. There are no upper or lower limits on the amount that can be requested, but applications requesting more than \$150,000 must demonstrate their projects will have statewide impact, and/or will result in the creation of a significant number of new jobs.

Please note: WETF cannot fund planning activities or training for self-employment, nor can it fund individuals seeking financial assistance for their own education or training.

Programs:

1. **WORKFORCE EDUCATION & TRAINING FUND (WETF)** provides grants under two categories, Training and Internships.

a. Training: Grants in this category support training that will improve the skills of Vermont workers who are unemployed, under-employed, or at risk of becoming unemployed. Eligible applicants include employers, and public and private training providers in **collaboration with employers**. Activities under this program can include occupational training/education and apprenticeships. Extra weight will be given to projects that train for new or vacant jobs, but projects may also train current workers for greater job security or for upgrades. All projects must:

- Have clear employer involvement and lead directly to new or upgraded employment after training is completed.
- Lead to jobs paying at least 200% of current minimum wage, or 150% with benefits totaling 200%. If wages will not meet these criteria, please contact your local VDOL representative to discuss possible exceptions.
- Demonstrate matching contributions at least equal to the amount awarded. Match may include cash or in-kind contributions from private or public sources (other than Vermont Training Program or Workforce Investment Act).
- Articulate clear goals, and demonstrate accountable, measurable results.
- Not duplicate or supplant existing training programs.

b. Internships*: Grants in this category support work-based learning opportunities with Vermont employers. Eligible applicants include public and private entities that match Vermont employers with

(Continued on page 2)

Commissioner's Message -

(continued from front page)

students from public and private secondary and post-secondary schools, regional technical centers and the Community High School of Vermont. Eligible interns are Vermont residents who are students at colleges, public or private high schools, regional technical centers, and Community High School of Vermont. Interns may, or may not receive academic credit or financial remuneration. All projects should:

- Demonstrate a link to the state's economic development needs goals.
- Create real workplace expectations and consequences.
- Provide an opportunity for interns to learn skills, attitudes and behaviors necessary to succeed in the workplace.
- Create links to employers that increase the likelihood that interns will continue to work and live in Vermont following graduation.
- Promote employer involvement with secondary and post secondary students.

*For more information, please contact Sally Redpath at (802) 828- 4394.

2. CAREER AND ALTERNATIVE WORKFORCE EDUCATION

provides grants under two categories, Career Exploration and Alternative Workforce Education. Both categories promote outcomes leading to employment or continued education of youth at risk, out-of-school youth, and youth at risk of remaining unemployed.

a. Career Exploration: Grants in this category support career exploration projects for students in grades 7 through 12. Eligible applicants are regional technical centers, comprehensive high

schools and other programs that increase career awareness and expose students to a variety of career options.

b. Alternative Workforce Education: Grants in this category support alternative and intensive vocational/academic programs that enable secondary students to earn necessary credits toward graduation. Eligible applicants include regional technical centers, comprehensive high schools, the Community High School of Vermont, and non-profit organizations designated by the Workforce Development Council. All projects in the above categories should:

- Create a continuum of education, training and work experience that increase career awareness, expose students to an array of technical careers, assist students in making well-informed decisions about careers and education, and create relationships with Vermont employers that increase the likelihood of students establishing a career in Vermont.
- Provide opportunities for businesses to become more involved with Vermont schools, students and curriculum, in order to strengthen the school's role in preparing students to live and work in Vermont.
- Articulate clear goals, and demonstrate accountable, measurable results.
- Not duplicate or supplant other comparable existing programs.

3. ADULT TECHNICAL EDUCATION PROGRAMS provide grants to regional technical centers and comprehensive high schools to deliver new and innovative adult technical education to unemployed and under-employed Vermont adults to train for identified skills needed in the region. Under this program, only regional technical centers and comprehensive high schools are eligible to apply. Activities are limited to education/training programs that are not part of a post-secondary degree program, and do not award post-secondary credit. Extra weight will be given to projects that include employer participation in curriculum design, candidate recruitment and screening, or other activities that strengthen the direct link between training and employment in Vermont. All projects must:

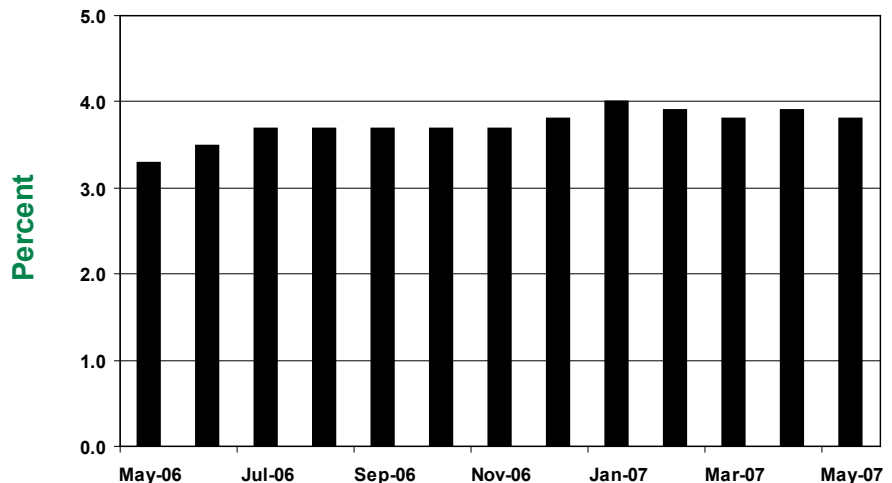
- Demonstrate a link to state and regional economic development needs goals.
- Provide adults with technical knowledge, skills and attitudes that will prepare them for further education, enhance their employment options, or lead to an industry recognized credential in a high-demand occupation.
- Articulate clear goals, and demonstrate accountable, measurable results
- Not duplicate or supplant other comparable existing programs.

(continued on page 7)

Contact VDOL

If your address has changed or to discontinue your subscription, please email: sredpath@labor.state.vt.us

Vermont Seasonally Adjusted Unemployment Rate



Vermont Unemployment Estimates Statewide *(Seasonally Adjusted)*

	May '07	Apr. '07	May '06	Changes from:	
				Apr. '07	May '06
TOTAL LABOR FORCE¹	360,400	360,400	359,700	0	700
EMPLOYED	346,800	346,200	347,900	600	-1,100
UNEMPLOYED	13,600	14,200	11,900	-600	1,700
RATE (%)	3.8	3.9	3.3	-0.1	0.5

¹Includes proprietors, professionals, and unpaid family workers.

Labor Market Areas By Residence *(Not Seasonally Adjusted)*

AREA	Total Labor Force	Number Employed	Number Unemployed	May-07 Rate (%)	Apr-07 Rate (%)	May-06 Rate (%)
Barre-Montpelier	28,950	27,950	1,050	3.5	4.8	3.3
Bennington	12,600	12,150	400	3.4	4.2	2.8
Bradford	5,000	4,850	150	3.3	4.9	3.5
Brattleboro	25,000	23,850	1,000	4.0	4.6	3.7
Burlington-South Burlington	113,000	109,550	3,400	3.0	3.6	2.8
Hartford	19,400	19,000	400	2.1	2.7	1.8
Manchester	12,600	12,100	500	3.8	5.0	3.5
Middlebury	19,100	18,500	600	3.1	4.1	2.4
Morristown-Stowe	20,200	19,350	800	4.0	5.8	3.4
Newport	13,550	12,850	700	5.3	7.9	4.3
Randolph	8,900	8,500	350	4.0	5.0	3.2
Rutland	28,050	26,750	1,300	4.7	4.8	4.3
Springfield	11,900	11,350	500	4.3	5.4	4.1
St. Johnsbury	14,850	14,300	550	3.6	5.0	2.9
Swanton-Enosburg	14,200	13,650	550	3.8	6.3	3.7
Warren-Waitsfield	3,750	3,600	150	3.4	3.9	2.6
Woodstock	4,050	3,950	100	2.3	2.8	2.1
Vermont Total	357,200	344,550	12,650	3.5	4.5	3.1

AREAS FROM ADJOINING STATES INCLUDING VERMONT TOWNS *(Not Seasonally Adjusted)*

Colebrook, NH-VT	3,650	3,450	200	5.9	8.4	4.6
Lebanon, NH-VT	46,150	45,050	1,100	2.4	2.8	1.9
Littleton, NH-VT	14,650	14,100	600	3.9	4.5	3.1
North Adams, MA-VT	17,200	16,200	1,050	6.0	6.1	5.0

Monthly estimates are preliminary and subject to revision. Detail may not add to totals due to rounding.

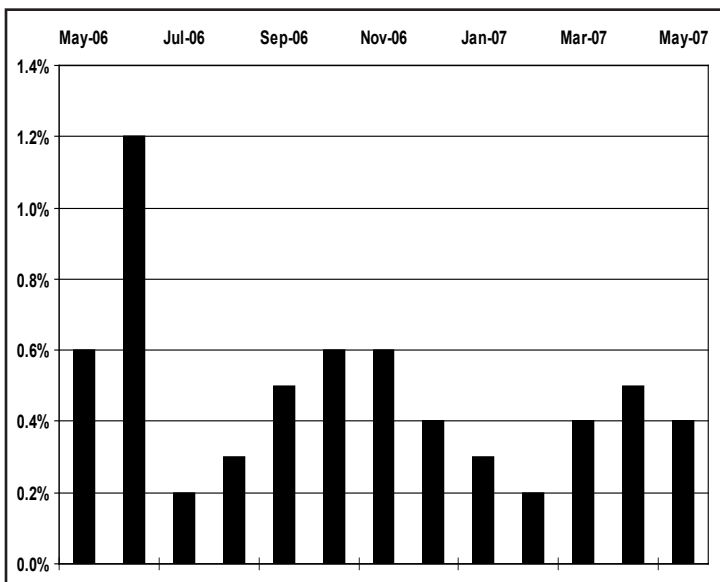
Vermont Seasonally Adjusted Nonfarm Employment in Thousands

BY NAICS	Prelim.	Revised	Revised	Changes From:	
	May '07	Apr. '07	May '06	Apr. '07	May '06
Total - All Industries	308.8	308.4	307.4	0.4	1.4
Private Industries	255.4	254.8	254.0	0.6	1.4
Construction	17.5	17.5	17.3	-0.1	0.1
Manufacturing	35.8	35.7	36.2	0.1	-0.4
Durable Goods*	26.1	26.0	26.2	0.1	-0.1
Non-Durable Goods*	9.7	9.7	10.0	0.0	-0.3
Trade, Transportation & Utilities	59.9	59.5	59.6	0.4	0.3
Retail Trade	40.6	40.3	40.5	0.3	0.1
Trans., Warehousing & Utilities*	8.8	8.7	8.8	0.1	0.0
Financial Activities	13.2	13.3	13.3	-0.1	-0.1
Professional & Business Services	22.3	22.4	22.2	-0.1	0.1
Professional., Scientific & Technical*	13.3	13.4	13.2	-0.1	0.1
Administrative Support & Waste*	8.7	8.7	8.7	0.0	0.0
Education & Health Services	55.9	55.7	54.8	0.2	1.1
Private Ed. Services	12.6	12.6	12.5	0.0	0.1
Health Care & Social Assistance	43.3	43.1	42.3	0.2	1.0
Leisure & Hospitality	34.2	33.9	33.9	0.3	0.3
Arts, Entertainment & Recreation*	4.2	4.3	4.0	-0.1	0.2
Accommodation & Food Services*	30.0	29.6	29.9	0.4	0.1
Other Services	9.9	10.0	9.9	-0.1	0.0
Total Government	53.4	53.6	53.4	-0.2	0.0
State Government*	17.7	17.8	17.8	-0.1	-0.1
Local Government*	29.6	29.7	29.7	-0.1	-0.1

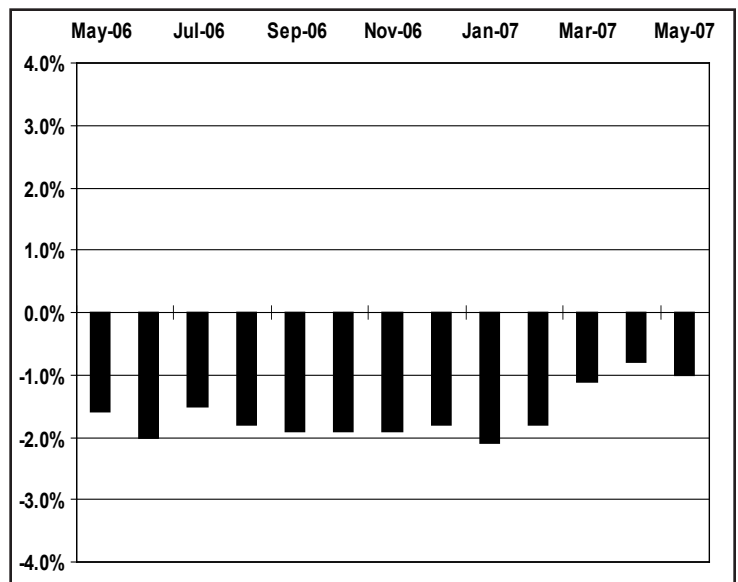
Note: Retail, Private Ed. Services and Health Care & Social Assistance are now estimated using the official BLS methodology. Total - All Industries estimate is seasonally adjusted independently. All seasonal adjustment performed with X12-ARIMA. Seasonal factors available from VDOL/LMI on request. Produced by the Vermont Department of Labor in cooperation with the U.S. Bureau of Labor Statistics, unless otherwise noted.
* New series for 2007.

Vermont Annual Job Growth Not Seasonally Adjusted Data

All Industries



Manufacturing



Nonfarm Employment In Vermont *(Not Seasonally Adjusted)*

Compiled by the Vermont Department of Labor in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

INDUSTRY BY NAICS	Prelim.	Revised	Revised	Changes From:	
	May '07	Apr. '07	May '06	Apr. '07	May '07
TOTAL NONFARM	308,600	305,100	307,250	3,500	1,350
TOTAL PRIVATE	253,000	249,150	251,750	3,850	1,250
GOODS PRODUCING	54,600	52,750	54,900	1,850	-300
MANUFACTURING	35,850	35,600	36,200	250	-350
Durable Goods	26,250	26,050	26,300	200	-50
Computer & Electrical Equipment Mfg.	9,250	9,250	9,250	0	0
Fabricated Metal Products Mfg.	3,000	3,000	2,900	0	100
Non-Durable Goods	9,600	9,550	9,900	50	-300
Food Mfg.	3,700	3,650	3,650	50	50
CONSTRUCTION	17,850	16,300	17,800	1,550	50
NATURAL RESOURCES & MINING	900	850	900	50	0
SERVICE-PROVIDING	254,000	252,350	252,350	1,650	1,650
TRADE, TRANSPORTATION AND UTILITIES	59,550	58,700	59,350	850	200
Wholesale Trade	10,450	10,400	10,250	50	200
Retail Trade	40,300	39,600	40,300	700	0
Food & Beverage Stores	9,550	9,450	9,500	100	50
General Merchandise Store	2,750	2,750	2,750	0	0
Transportation, Warehousing and Utilities	8,800	8,700	8,800	100	0
Utilities	1,700	1,700	1,750	0	-50
Transportation & Warehousing	7,100	7,000	7,050	100	50
INFORMATION	6,150	6,050	6,100	100	50
FINANCIAL ACTIVITIES	13,200	13,100	13,200	100	0
Finance & Insurance	9,900	9,900	9,950	0	-50
Real Estate, Rental & Leasing	3,300	3,200	3,250	100	50
PROFESSIONAL AND BUSINESS SERVICES	22,500	22,200	22,350	300	150
Professional, Scientific and Technical	13,300	13,350	13,150	-50	150
Administrative, Support and Waste	8,900	8,550	8,900	350	0
EDUCATIONAL AND HEALTH SERVICES	56,100	56,100	55,100	0	1,000
Educational Services	12,850	13,150	12,700	-300	150
College, Universities and Professional	7,100	7,250	7,000	-150	100
Health Care and Social Assistance	43,250	42,950	42,400	300	850
Ambulatory Health Care Services	15,450	15,400	15,400	50	50
Hospitals	11,350	11,300	11,050	50	300
Nursing and Residential Care Facilities	6,750	6,750	6,750	0	0
LEISURE AND HOSPITALITY	30,950	30,400	30,850	550	100
Arts, Entertainment and Recreation	4,150	3,600	4,150	550	0
Accommodation and Food Services	26,800	26,800	26,700	0	100
Accommodations	8,600	8,950	8,550	-350	50
Hotel & Motels	7,700	8,250	7,650	-550	50
Food Services and Drinking Places	18,200	17,850	18,150	350	50
OTHER SERVICES	9,950	9,850	9,900	100	50
GOVERNMENT	55,600	55,950	55,500	-350	100
Federal Government	5,950	5,900	5,950	50	0
State Government Education	7,950	8,950	8,050	-1,000	-100
Local Government Education	25,200	24,900	25,200	300	0
Other State Government	9,700	9,550	9,500	150	200
Other Local Government	6,800	6,650	6,800	150	0

NOTE: DATA COMPILED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS. PRELIMINARY AND SUBJECT TO REVISION. SEE ANNUAL SUMMARY FOR DETAILS.

ESTIMATES ARE



Important News for Employers Paying “tipped” Employees ...

This legislative session has brought changes to the Wage and Hour laws in Vermont. First and foremost would be the change in the definition of a “service or tipped” employee. With the passage of Senate Bill S.27, the threshold of the tipped amount which makes an employee a “service or tipped” employee, increased. As of July 1, 2007, a “service or tipped employee” means all those, in either hotels, motels, tourist places, and restaurants who customarily and regularly receive more than \$120.00 a month in tips for direct and personal service. This means, if an employee does not regularly receive more than \$120.00 a month in tips, they can no longer be paid the basis wage rate, but must instead be paid an hourly wage equal to or exceeding the minimum wage rate, currently \$7.53 per hour.

“Service or tipped” employees who regularly receive more that \$120.00 can be paid at a rate lower than the minimum wage of \$7.53 per hour, but under no circumstance can they be paid lower than the basic wage rate of \$3.65 per hour. Employers are allowed to take a “tip credit” of up to \$3.88 per hour toward meeting the minimum wage of \$7.53. However, if a service or tipped employee does not earn enough tips in a workweek to make up the full tip credit of \$3.88 per hour, the employer is required to make up the difference.

increased amounts by October 1 of each year.

Please check our website for information, at: www.labor.vermont.gov

As a result of both of these changes, we will provide new minimum wage posters upon request at no charge. The new posters will reflect the changes in the “service or tipped” employee definition. In January of 2008, the poster will again be updated to reflect any changes in the basic and minimum wage rates. The mandatory posters may be downloaded free from our website \at www.labor.vermont.gov or by calling the 802-828-0267.

Other Wage & Hour News...

Recently the Department of Labor has investigated several complaints involving the payment of minimum wage to “service or tipped” employees. These investigations have resulted in back wages being paid to employees. The Department of Labor strongly encourages all employers of “service or tipped” employees to review their payroll practices to ensure compliance with all Wage & Hour laws and rules. If you have questions or concerns in this area, please don’t hesitate to contact the Wage & Hour Unit at 802-828-0267, or to review the wealth of information provided on our website.

An example of this may be:

	Total Wages
Employee works 10 hours at \$3.65 per hour	\$36.50
Employee earns tips of \$10.00	<u>10.00</u>
Total paid thus far to employee	\$46.50
Minimum wage is \$7.53 for 10 hours	\$75.30
Employer would subtract out amount already paid	<u>(46.50)</u>
Employer would be required to pay	\$28.80 **

***This ensures the employee has received the minimum wage amount for ALL hours worked.*

The second change in S.27 concerns the basic wage rate for “service or tipped employees”. Effective January 1, 2008 and each subsequent January thereafter, the basic wage rate will increase by the same percentage amount as the minimum wage rate, using the Consumer Price Index (CPI), not seasonally adjusted, city average, or 5%, whichever is smaller. The Department of Labor will publish the

With the inception of Employer Contributions for Catamount Health Care, the Wage & Hour unit has received complaints about requiring employees to provide proof of health insurance in order to obtain or maintain their employment. The legislators addressed this issue in Sec 28 of Title 21, chapter 5, subchapter 12. This section was changed to add language which prohibits an employer or employment agency to inquire about the health care status of a job applicant, or in any way discriminate among applicants or employees on the bases of health coverage status. An aggrieved individual may bring action in superior court seeking compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, reasonable attorneys fees and other appropriate relief.

To contact the Wage and Hour program with questions, please call (802) 828-0267 or e-mail us at labor-wagehour@state.vt.us

Summer Employer Seminars hosted by the Vermont Department of Labor's Unemployment Insurance and Wages Division have been scheduled! These seminars are attended by many employers who want to educate themselves regarding many laws and policies encountered while doing business in this state. Presentations provided in the Employer Seminars include: Social Security Department, Office of Child Support, Federal Wage and Hour, IRS, INS, BISCHA, and the Department of Labor's Workers Compensation, Unemployment Insurance, Wage & Hour, and VOSHA divisions.

All seminars will be held on Thursdays from 8:30 a.m. to 4:30 p.m. on the following dates and locations.

**September 13, 2007 – Rutland
Rutland Holiday Inn**

**September 27, 2007 – Montpelier
National Life Annex Building**

**October 11, 2007 - Burlington
Sheraton Hotel & Conference Center**

You may register for these "Informational Meetings for Employers" on our website www.labor.vermont.gov, under Businesses/Training Seminars page or by calling the Department of Labor's Employer Services Unit at 802-828-4344.

Commissioner's Message -

(continued from page 2)

Please Note: Program descriptions provided above are intended to guide applicants in selecting the workforce development program that best matches their proposed project. The descriptions are not all inclusive, and meeting the basic criteria cannot guarantee that a project will be funded. Applicants should contact a local VDOL representative (see attached list), for additional details on eligibility, and assistance in completing the application.

Contact List for WETF Training Grant Applications

Barre, Morrisville, White River –
David Lahr, Regional Manager
(802) 476-2603
Sheldon Esch (802) 476-2622

Burlington, St. Albans, Middlebury –
John Vowles, Regional Manager
(802) 652-0325
Melanie Langevin (802) 652-0368
John Young (802) 652-0307

Rutland, Bennington –
Larry Sudlow, Regional Manager
(802) 786-8805
Donna Nobrega (802) 786-5846
Steve Engle (802) 447-2857
Wendy Morse (802) 447-2871

St. Johnsbury, Newport –
Jane Fortin, Regional Manager
(802) 748-3036
Cindy Robillard (802) 748-6275
Neil Morrissette (802) 748-6682

Springfield, Brattleboro –
Bob Herbst, Regional Manager
(802) 885-1423
Tawny Staskunas (802) 885-1426





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

BUSINESS CONTINUITY PLANNING in VERMONT

**Co-Sponsored by Norwich University and the
National Life Group.**

Preparing for disasters is critical to the long-term survival of your business. Join us at Norwich University to learn how to preserve service to customers and constituencies during a business disruption. Experts in business continuity planning will provide a step-by-step guide to building a continuity plan for your business or organization! Attendees receive a packet of materials on continuity planning. Includes lunch.

Thursday, August 2, 2007 • 9:00 am - 1:00 pm
Cabot 85, Norwich University • School of Graduate Studies
Northfield, Vermont

REGISTRATION FEES: \$45 by July 15. \$55 after July 15.
TO REGISTER: Contact Jane Swann at 802-485-2213 or kswann@norwich.edu.
Checks and credit cards are welcome.

Equal Opportunity is the Law - The State of Vermont is an Equal Opportunity/Affirmative Action Employer. Applications from women, individuals with disabilities, and people from diverse cultural backgrounds are encouraged. Auxiliary aids and services are available upon request to individuals with disabilities. 711 (TTY/Relay Service) or 802-828-4203 TDD (Vermont Department of Labor).