

Introduction

This edition of Kevin's Corner is the third in a series reviewing regional labor force changes in Vermont. This edition looks at changes in southern Vermont, defined here as the 4 southernmost counties: Windsor, Windham, Rutland and Bennington. Previous editions reviewed the Northeast Kingdom and the Burlington metropolitan area. As with those previous two, here we review statewide changes followed by an analysis of the region and a brief comparison of the component counties.

The labor force is defined as the sum of employed persons and unemployed persons (those willing and able to work who have sought work in the past month). While the components of the labor force change with business cycles, the overall size of the labor force is more closely related to long-term demographic trends. Vermont's labor force has grown by about 44% since 1979.

Sources

Local Area Unemployment Statistics (LAUS) is a program of the Economic & Labor Market Information Division in cooperation with our federal partners at the United States Bureau of Labor Statistics. LAUS data uses data from the Current Population Survey (CPS), Vermont's Unemployment Insurance program, and Current Employment Statistics to generate monthly estimates of the number of Vermonters employed and unemployed (combined, the labor force). This review relies on annual averages for each year. All LAUS data can be found at the data tool on our website [here](#).

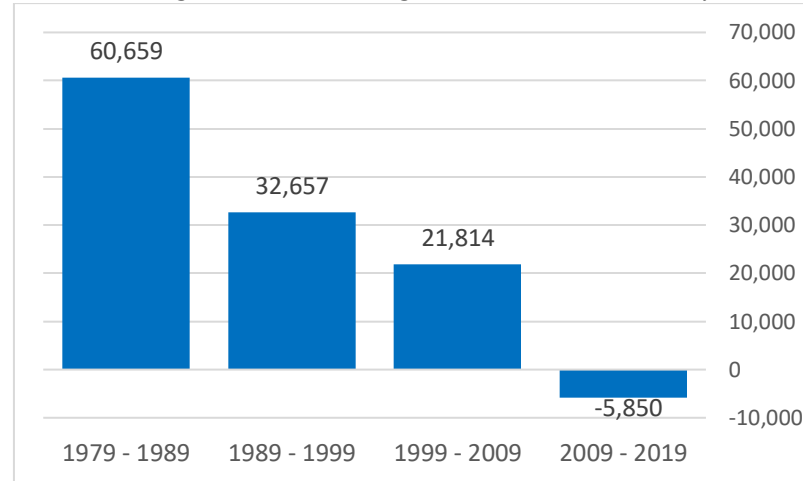
Within this report we will review 10-year changes in annual average labor force figures. The statewide analysis begins with 1979. The Labor Market Information Division and the US Bureau of Labor

Statistics first produced county-level labor force data in 1990. In order to prevent pandemic changes from impacting the decennial analysis we end that portion of analysis with 2019, resulting in slightly incongruent periods: 1990 to 1999 followed by 1999 - 2009 and 2009 - 2019. A review of those periods will be followed by a brief review of pandemic-era changes.

Vermont Statewide, 1979 – Present

Vermont's labor force grew by 43.7% between 1979 and 2023. The growth was not evenly distributed across the decades. Between 1979 and 1989 the labor force expanded by 60,659 persons or 24.8. In the decade that followed (1989 – 1999) growth slowed to 10.7% (+32,657). Between 1999 and 2009 the rate fell to to 6.5% (+21,814 people). In the decade that followed (2009 to 2019) growth reversed and Vermont's labor force declined by 5,850 people (-1.6%). See Chart 1.

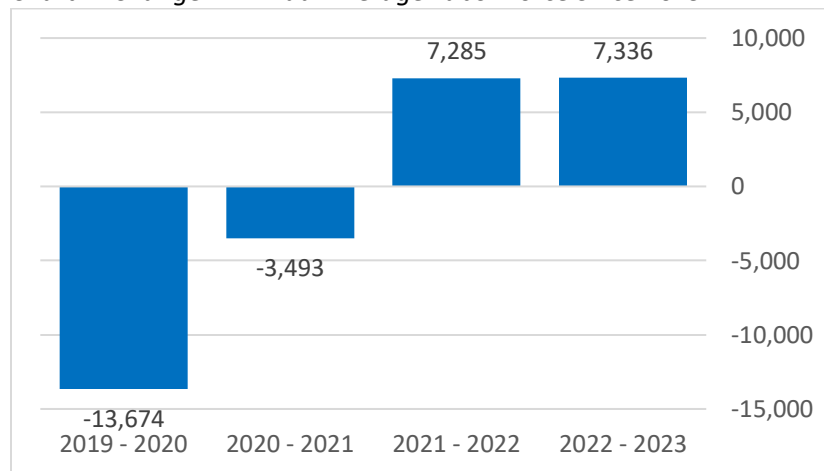
Chart 1: Change in Annual Average Vermont Labor Force by Decade



Statewide Pandemic – Era Labor Force Changes

The impact of the COVID pandemic can be seen in Vermont's 2020 labor force data. On a monthly basis the labor force declined by 13,256 between April and May of 2020, the largest monthly decline in the series. On an annual basis the labor force declined by 13,674 Vermonters (-3.9%) between 2019 and 2020. By 2023 the labor force had regained all but 2,546 (0.7%) of its 2019 total. See Chart 2.

Chart 2: Change in Annual Average Labor Force Since 2019

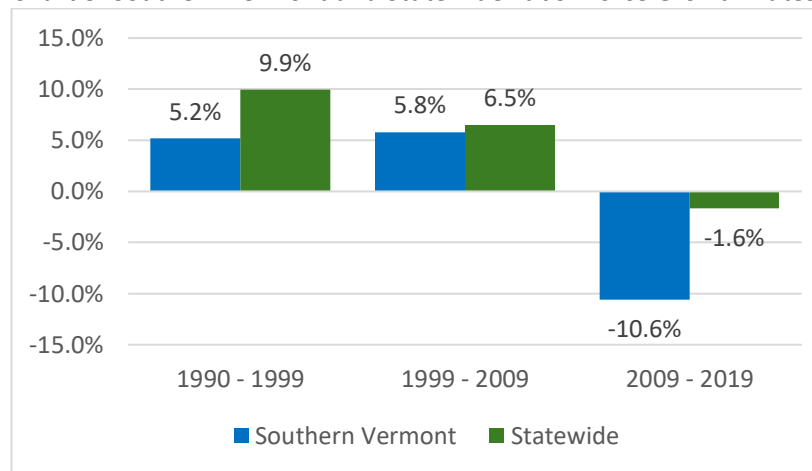


Southern Vermont, 1990 - Present

Southern Vermont's labor force increased by 5,324 between 1990 and 1999, a growth rate of 5.2%. This rate was just over half of the statewide pace of 9.9%. The first decade of the new millennium saw the region's growth rate increase slightly to 5.8% (+6,270) while the statewide rate declined to 6.5%. Between 2009 and 2019 labor force growth in the region reversed somewhat dramatically, the four counties experiencing labor force declines of 10.6% (-12,116). During that same period the state's growth rate also turned negative

but by a far more moderate -1.6%. In fact, excluding the southern Vermont counties the balance of the state showed positive growth (+6,266 or +2.6%) over the period.

Chart 3: Southern Vermont and Statewide Labor Force Growth Rates



This period marks a significant divergence in growth rates across the state. While every county experienced labor force growth between 1990 and 2009, most of the state began to see declines by the 2010s. Between 2009 and 2019 the only counties to experience growth were the three counties of the Burlington Metro and Washington County in central Vermont. Meanwhile, ten counties experienced labor force declines averaging 8.8%. As noted previously, the southern Vermont region experienced a decline of 10.6% or 12,116.

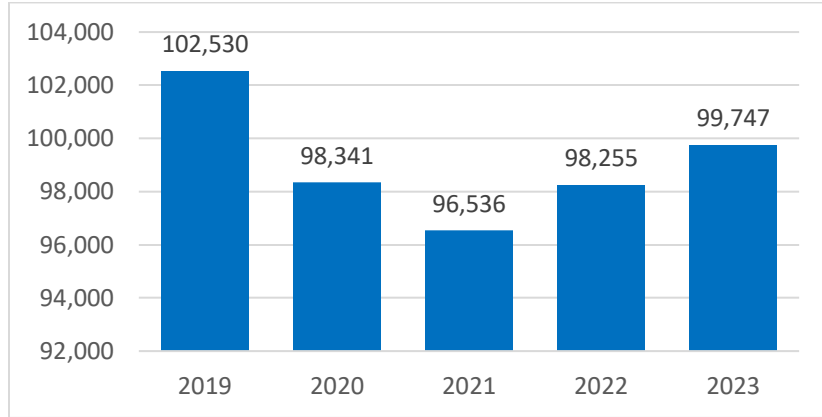
Pandemic-Era Labor Force Changes in Southern Vermont

2020 labor force data for the four county region showed an annual decline of 4,189 (-4.1%) relative to 2019, similar to the statewide decline of 3.9%. In 2021 the labor force declined another 1,805

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(-1.8%). Between 2021 and 2023 the labor force grew by 3,211 or 3.3%. Despite the recent growth, southern Vermont's labor force remains 2.7% below 2019 levels. See Chart 4.

Chart 4: Southern Vermont Labor Force, 2019 – 2023



County-Level Labor Force Changes in Southern Vermont

Labor force growth in the four counties of the southern Vermont region has been slower than the statewide average in recent decades. With the exception of Rutland between 1999 and 2009, no county in the southern region has grown as fast as the statewide average in any decade between 1990 and 2019, nor over the period between 2020 and 2023.

Between 1990 and 2023 the state labor force grew by 14.3%. The only southern county to experience labor force growth over that same period was Windsor which grew by 232 or +0.8%. Windham declined by 175 (-0.8%); Bennington by 730 (-3.9%). The largest declines were in Rutland County where the labor force declined by 2,632 (-8.0%) between 1990 and 2023.

One notable observation about the southern Vermont labor market is a long-term pattern in unemployment rates. The unemployment rate in the southeastern counties (Windsor and Windham) was lower than the southwestern counties (Rutland and Bennington) in almost every year reviewed here. The single exception to this is that Windham County's rate was higher than Rutland County in 2020.

Table 1: Labor Force Changes in Southern Vermont, 1990 - 2023

County	Year	Labor Force	Change	% Change
Bennington County	1990	18,864	NA	NA
	1999	20,516	1,652	8.8%
	2009	20,572	56	0.3%
	2019	18,676	-1,896	-9.2%
	2020	17,631	-1,045	-5.6%
Rutland County	2023	18,134	503	2.9%
	1990	32,836	NA	NA
	1999	32,119	-717	-2.2%
	2009	35,572	3,453	10.8%
	2019	31,383	-4,189	-11.8%
Windham County	2020	30,193	-1,190	-3.8%
	2023	30,204	11	0.0%
	1990	21,921	NA	NA
	1999	23,714	1,793	8.2%
	2009	25,228	1,514	6.4%
Windsor County	2019	22,633	-2,595	-10.3%
	2020	21,608	-1,025	-4.5%
	2023	21,746	138	0.6%
	1990	29,431	NA	NA
	1999	32,027	2,596	8.8%
Windsor County	2009	33,274	1,247	3.9%
	2019	29,838	-3,436	-10.3%
	2020	28,909	-929	-3.1%
	2023	29,663	754	2.6%

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