

Introduction

The global recession in response to the COVID-19 pandemic had a profound impact on employment across the United States. Employment fell in every private-sector industry as state and local governments required businesses to shut down and individuals to shelter in place. Nationally, The United States lost over 22 million jobs between February and April, just under 15% of all jobs. Using data from the Quarterly Census of Employment and Wages, Vermont's decline was even greater – a loss of 66,085 jobs or 21.4%. Between April and June the state regained 28,712 jobs, 43% of those lost.

Pandemic-related shut downs were not evenly distributed across industries; employment in some industries declined by over half while others were minimally impacted. This review relies on data from the Quarterly Census of Employment and Wages (QCEW), a count that includes all firms in Vermont covered by the state's Unemployment Insurance program.

The nature of the pandemic meant that businesses that benefit from close contact with others and that require employees to work in close physical proximity were most impacted. Because normal seasonal employment changes can be significant the basis of comparison for the pandemic decline is an over-the-year comparison of April, 2019 and April, 2020. The basis of comparison for the recovery is the change in employment from April to June 2020 – June being the latest available data from QCEW.

Over-the-Year Declines

Covered Employment – the subset of Vermont employment from firms covered by the state's Unemployment Insurance program – declined by 62,892 between April of 2019 and April of 2020, a decline of 20.5%. Private Ownership employment fell by 59,263 (-23.5%). Federal Government was the only series to increase over

the period, adding 218 jobs or 3.1%, likely due to hiring for the 2020 Census. Both state (-1.5%) and local (-11.7%) declined.

The hardest hit firms were concentrated in the Leisure & Hospitality supersector. Arts, Entertainment & Recreation employment fell by 2,282 or 58.2%. Accommodation & Food Service fell by 20,687 or 66.9%. Other notable declines include Retail Trade (-9,204, -25.2%), Health Care & Social Assistance (-6,440, -12.4%), Construction (-5,455, -38.2%) and Durable Goods Manufacturing (-4,083, -22.1%).

Private Industries experiencing the smallest employment declines between April 2019 and April 2020 included Finance and Insurance (-10 jobs or 0.1%), Professional & Technical Services (-420 or 2.8%) and Agriculture, Forestry, Fishing and Hunting (-86 or 2.6%).

Measuring the Recovery

By June 2020 statewide employment in Vermont had increased 28,712 (11.8%) from its April trough. Despite those gains the Vermont economy still stood 37,538 jobs (12.1%) below the January, 2020 level.

Between April and June industries with the largest employment gains were, in large part, ones that witnessed the largest pandemic-related declines. Leisure & Hospitality added 7,746 jobs (28.4% of those lost) with 6,307 coming from Accommodation & Food Service. Retail Trade added 5,753, 66.3% of those lost. Construction added 6,385, 137.1% of those lost, due in large part to seasonal factors. Educational Services (-640, -7.2%) was the only industry to lose jobs.

The table on the next page details all industry-level changes. In the next edition of Kevin's Corner we will address the impact of the pandemic in Vermont's 17 Labor Market Areas (LMA's).



Kevin's Corner: Reviewing the Impact of the COVID Pandemic on Industry Employment in Vermont

Covered Employment

Vermont Department of Labor Quarterly Census of Employment and Wages

Industry	Covered Employment				April 2019 - April 2020		April 2020 - June 2020	
	Apr-19	Jan-20	Apr-20	Jun-20	Change	% Change	Change	% Change
Total Covered - all ownerships	306,107	309,465	243,215	271,927	-62,892	-20.5%	28,712	11.8%
Private ownership	251,901	255,681	192,638	222,014	-59,263	-23.5%	29,376	15.2%
Goods Producing domain	47,864	47,208	36,871	47,167	-10,993	-23.0%	10,296	27.9%
Natural Resources and Mining supersector	3,899	3,705	3,688	4,355	-211	-5.4%	667	18.1%
Agriculture, forestry, fishing and hunting	3,300	3,158	3,214	3,700	-86	-2.6%	486	15.1%
Mining	599	547	474	655	-125	-20.9%	181	38.2%
Construction supersector	14,283	13,882	8,828	15,213	-5,455	-38.2%	6,385	72.3%
Manufacturing supersector	29,682	29,621	24,355	27,599	-5,327	-17.9%	3,244	13.3%
Durable Goods manufacturing	18,500	18,200	14,417	17,048	-4,083	-22.1%	2,631	18.2%
Non-Durable Goods manufacturing	11,182	11,421	9,938	10,551	-1,244	-11.1%	613	6.2%
Service Providing domain	204,037	208,473	155,767	174,847	-48,270	-23.7%	19,080	12.2%
Trade, Transportation, and Utilities supersector	53,536	53,506	42,097	48,628	-11,439	-21.4%	6,531	15.5%
Wholesale trade	9,133	9,136	8,240	8,552	-893	-9.8%	312	3.8%
Retail Trade	36,479	36,232	27,275	33,028	-9,204	-25.2%	5,753	21.1%
Transportation and warehousing	6,696	6,911	5,457	5,843	-1,239	-18.5%	386	7.1%
Utilities	1,228	1,227	1,125	1,205	-103	-8.4%	80	7.1%
Information supersector	4,243	4,254	3,731	3,774	-512	-12.1%	43	1.2%
Financial Activities supersector	11,768	11,868	11,245	11,442	-523	-4.4%	197	1.8%
Finance and insurance	8,778	8,869	8,768	8,673	-10	-0.1%	-95	-1.1%
Real estate and rental and leasing	2,990	2,999	2,477	2,769	-513	-17.2%	292	11.8%
Professional and Business Services supersector	28,603	28,874	26,206	28,116	-2,397	-8.4%	1,910	7.3%
Professional and technical services	14,922	15,240	14,502	14,861	-420	-2.8%	359	2.5%
Management of companies and enterprises	1,947	2,139	1,939	1,988	-8	-0.4%	49	2.5%
Administrative and waste services	11,734	11,495	9,765	11,267	-1,969	-16.8%	1,502	15.4%
Education and Health Services supersector	62,361	62,730	54,360	55,886	-8,001	-12.8%	1,526	2.8%
Educational services	10,452	10,058	8,891	8,251	-1,561	-14.9%	-640	-7.2%
Health care and social assistance	51,909	52,672	45,469	47,635	-6,440	-12.4%	2,166	4.8%
Leisure and Hospitality supersector	34,862	38,731	11,893	19,639	-22,969	-65.9%	7,746	65.1%
Arts, entertainment, and recreation	3,919	4,040	1,637	3,076	-2,282	-58.2%	1,439	87.9%
Accommodation and food services	30,943	34,691	10,256	16,563	-20,687	-66.9%	6,307	61.5%
Other services, except public administration supersector	8,664	8,510	6,235	7,362	-2,429	-28.0%	1,127	18.1%
Federal Government	7,105	7,137	7,323	7,218	218	3.1%	-105	-1.4%
State government	16,419	15,906	16,171	15,541	-248	-1.5%	-630	-3.9%
Local government	30,682	30,741	27,083	27,154	-3,599	-11.7%	71	0.3%

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