



Vermont Economic Update

June 17, 2016

Summary

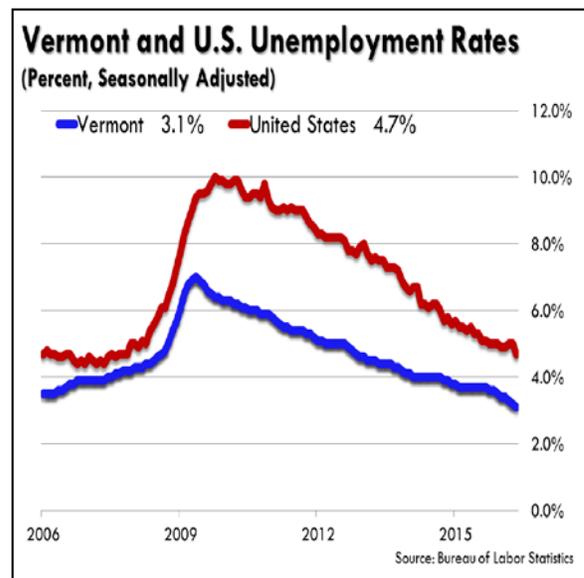
Nonfarm payroll employment in Vermont declined by 800 jobs and the unemployment rate fell to 3.1 percent in May according to data released by the Bureau of Labor Statistics (BLS).

Vermont Unemployment Rate

During May, the unemployment rate in Vermont declined by 0.1 percentage point to 3.1 percent. The number of people counted as unemployed fell by 199 in May to 10,787, while the labor force grew by 470 to 345,821. Among the 50 states and the District of Columbia, only 3 posted lower unemployment rates. A year earlier, the unemployment rate in Vermont stood at 3.7 percent.

The 10 year peak for the unemployment rate in Vermont was 7.0 percent in May 2009. The series high for the unemployment rate in Vermont occurred in February 1976 when the unemployment rate reached 8.8 percent. The 10 year low for the unemployment rate in Vermont was 3.1 percent in May 2016. The series low for the unemployment rate in Vermont occurred in March 2000 when the unemployment rate reached 2.6 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Vermont Payroll Employment

Vermont nonfarm payrolls declined by 800 jobs, or 0.25 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls increased by 700. Over the past 12 months nonfarm payrolls in Vermont increased by 4,400, or 1.41 percent. Vermont nonfarm payroll employment has increased in 6 of the past 12 months.

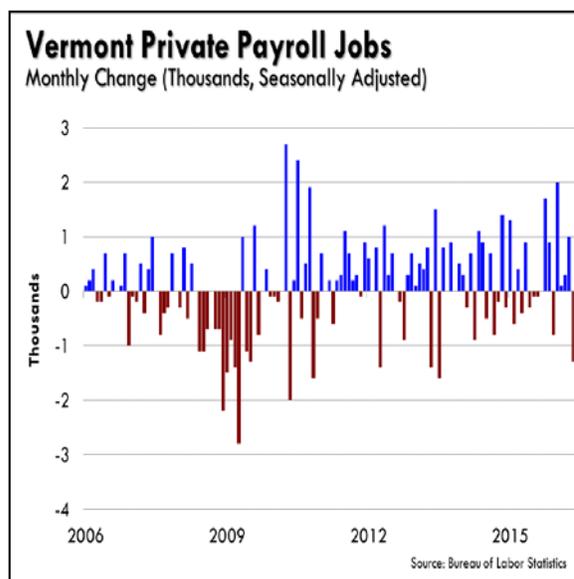
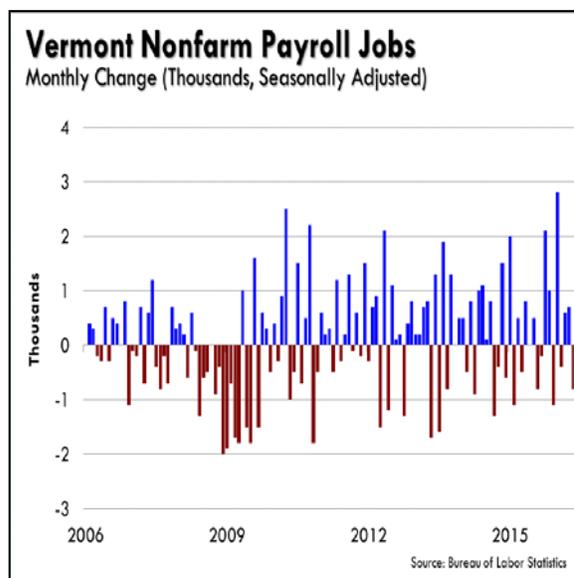
Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. Vermont ranks 25th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Vermont private sector payrolls declined by 1,300, or 0.50 percent. Private sector payrolls increased by 1,000 jobs in the prior month. Over the past 12 months, private sector payrolls in Vermont increased by 3,400, or 1.33 percent. Vermont private sector payroll employment has increased in 6 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent.

Vermont ranks 31st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in Vermont increased by 500, or 0.89 percent. Federal government payroll employment increased by 100, or 1.47 percent. State government payroll employment increased by 300, or 1.52 percent, while local government payroll employment increased by 100, or 0.34 percent.



Over the past year, total government payroll employment increased by 1,000, or 1.80 percent. State government payroll employment increased by 1,200, or 6.38 percent. Local government payroll employment declined by 300, or 1.00 percent.

The best performing sectors on a seasonally adjusted basis during May were Total Government (+500) and Educational & Health Services (+400). The poorest performing sectors during the month were Construction (-1,000) and Professional & Business Services (-600).

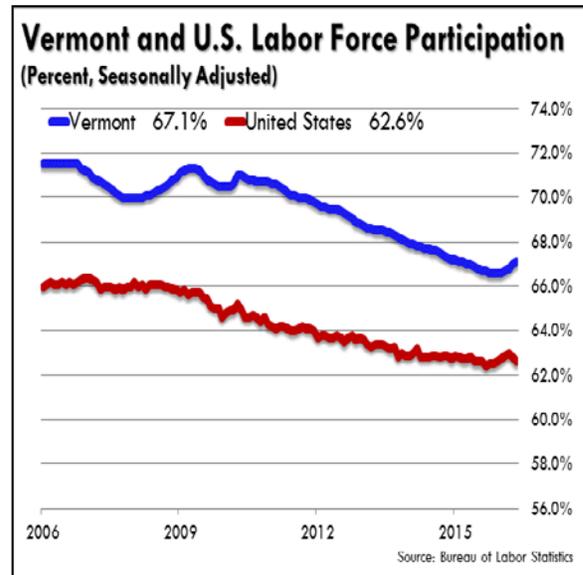
The best performing sectors during the last twelve months were Educational & Health Services (+2,300) and Total Government (+1,000). The poorest performing sectors for the year were Manufacturing (-700) and Mining & Logging (unchanged).

Other Vermont Labor Force Statistics

The labor force participation rate in Vermont rose to 67.1 percent in May from 67.0 percent the prior month. Among the 50 states and the District of Columbia, 11 have a higher labor force participation rate than Vermont. The labor force participation rate in Vermont is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Vermont was 71.5 percent in October 2006. The series high for the labor force participation rate in Vermont occurred in September 1999 when the labor force participation rate hit 72.6 percent. The 10 year low for the labor force participation rate was 66.6 percent in January 2016. The series low for the labor force participation rate occurred in February 1976 when the labor force participation rate hit 62.6 percent.

The national labor force participation rate declined by 0.2 percentage point to 62.6 percent in May 2016, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the Vermont civilian noninstitutionalized population 16 years and older counted as employed, rose to 64.9 percent in May from 64.8 percent the prior month. Among the 50 states and the District of Columbia, 10 have higher employment-to-population ratios than Vermont. The employment-to-population ratio in Vermont is 0.4 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Vermont was 69.0 percent in June 2006. The series high for the employment-to-population ratio in Vermont occurred in August 1999 when the

employment-to-population ratio hit 70.5 percent. The 10 year low for the employment-to-population ratio was 64.2 percent in January 2016. The series low for the employment-to-population ratio occurred in April 1976 when the employment-to-population ratio hit 57.2 percent.

The national employment-to-population ratio held steady at 59.7 percent in May. That rate was 0.3 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.

