

Modest Growth Continues: Vermont's Economy in 2012

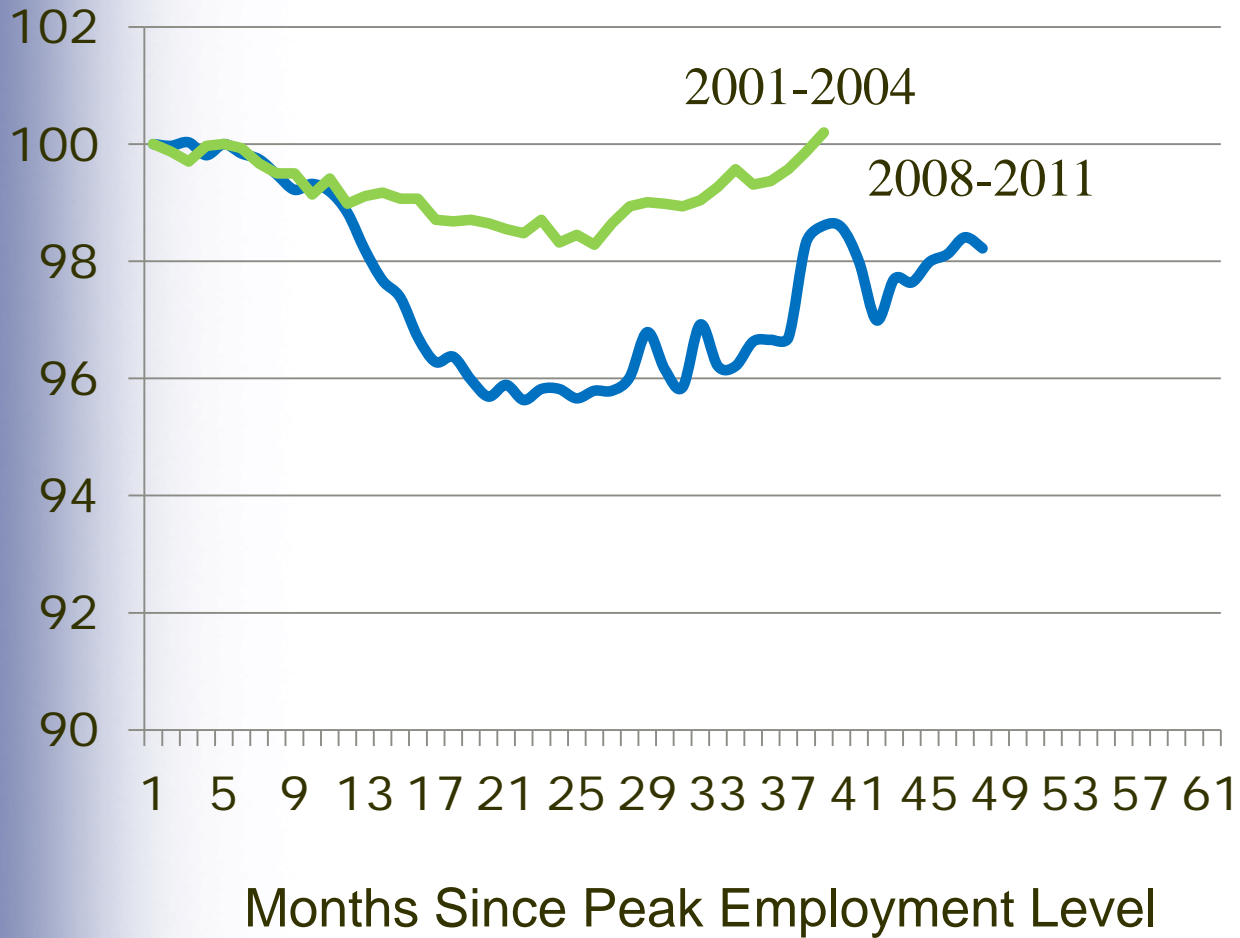
By Richard Heaps

The Great Recession

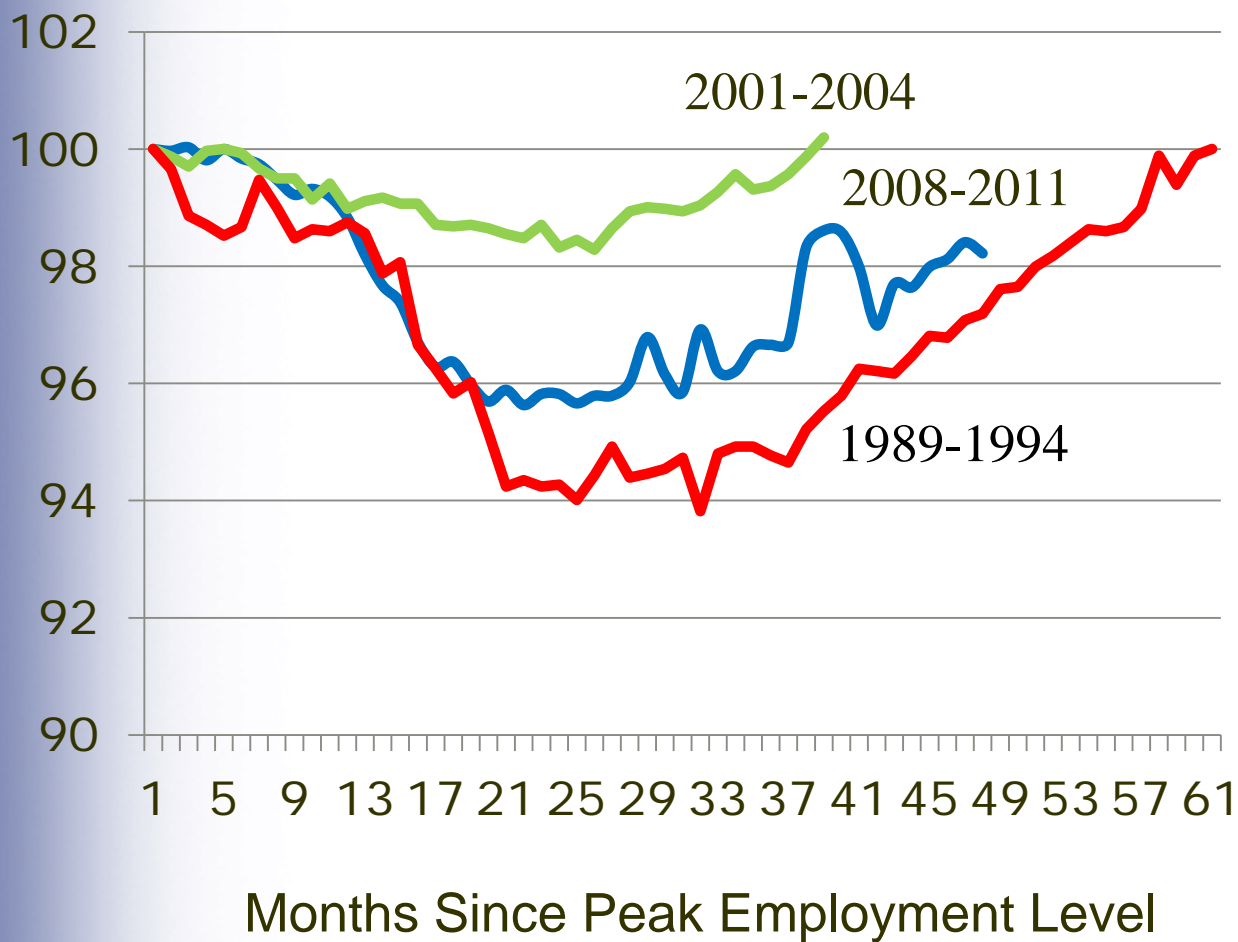
Recent Job Loss and Gain



Recent Job Loss and Gain

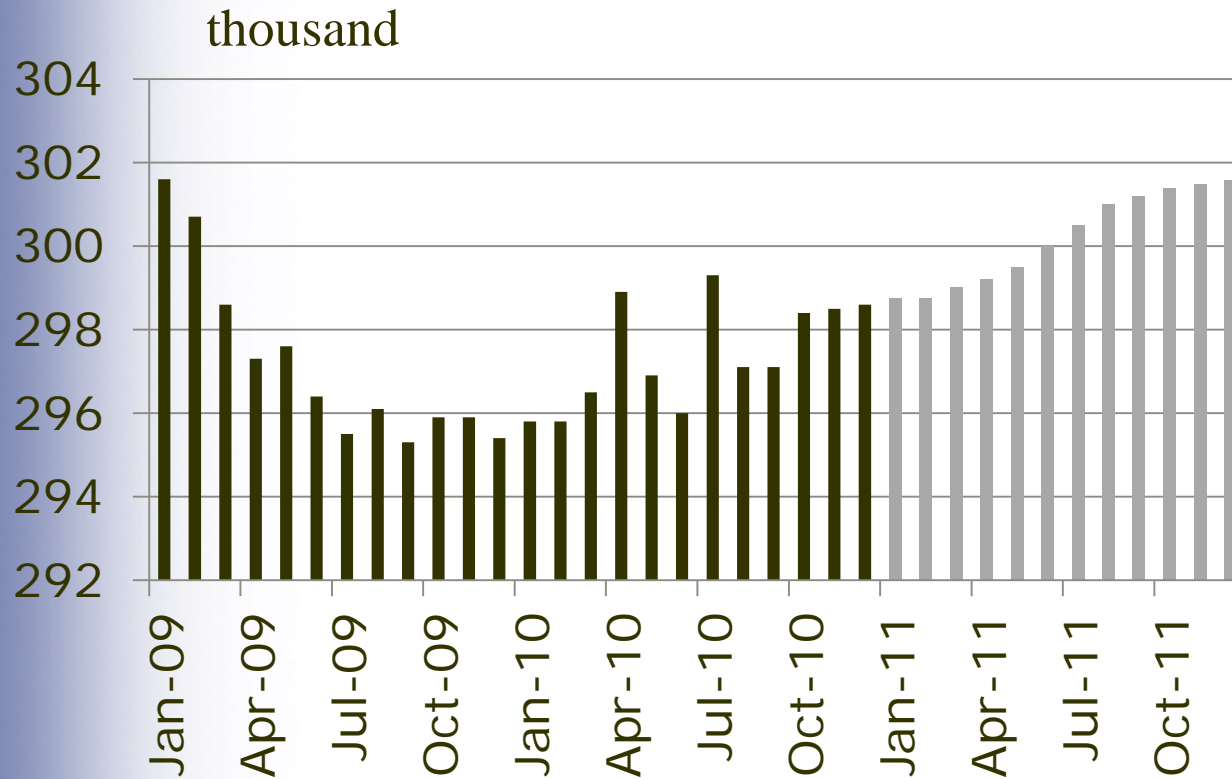


Recent Job Loss and Gain



Payroll Employment (sa)

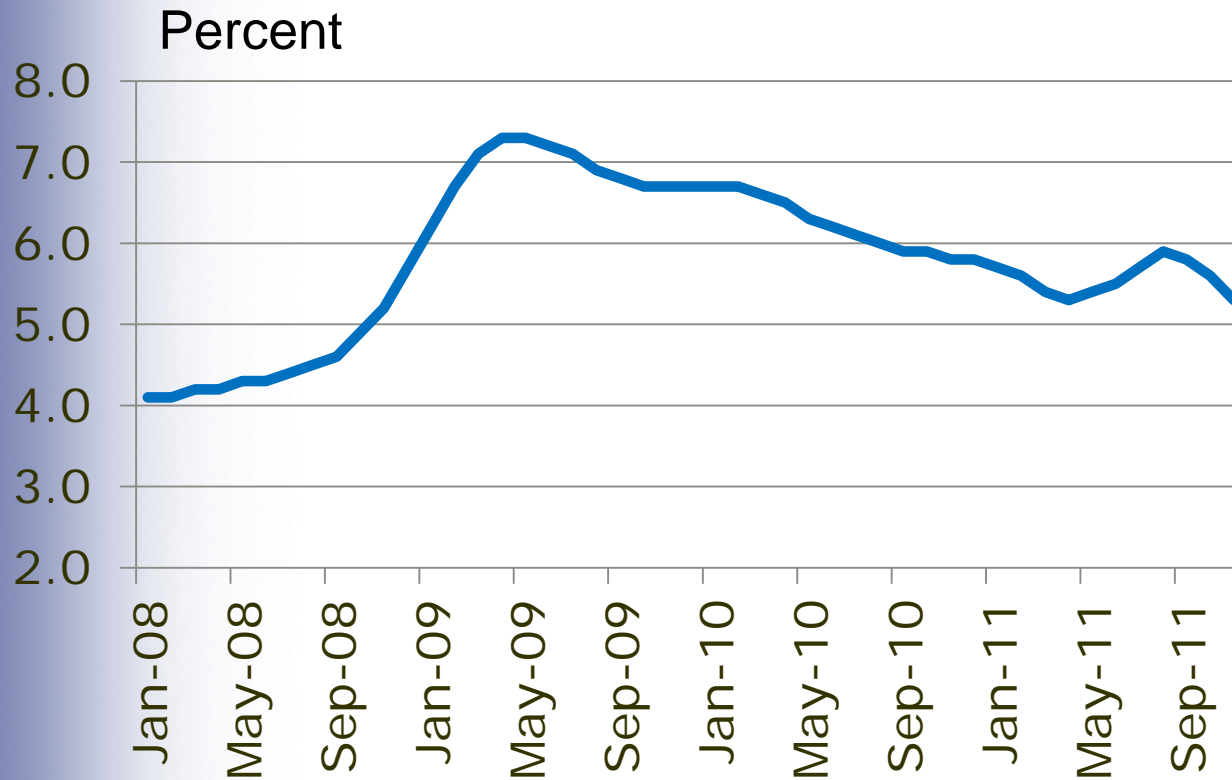
2011 VEN Estimates



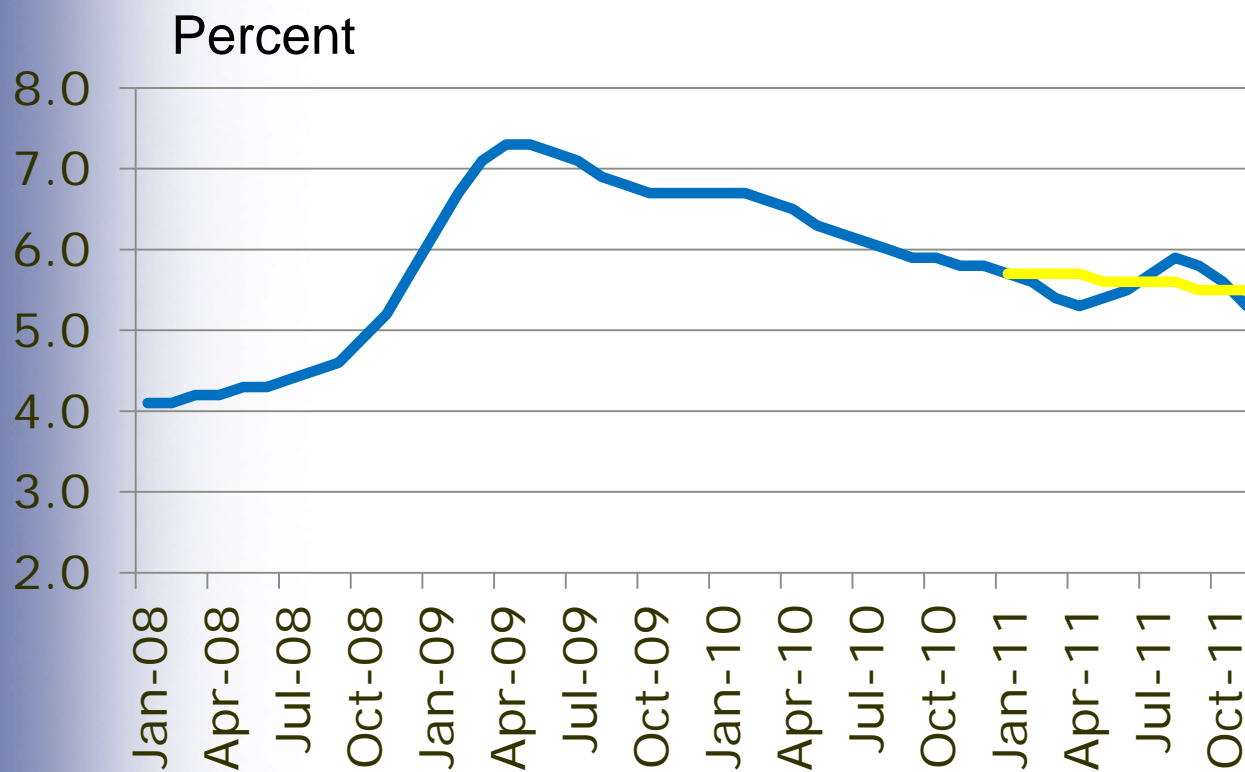
Where Were Those Jobs?

- No gov't jobs – local school employment down & census down
- Nothing in goods-producing
- Professional & business services (1,500)
- Leisure and hospitality (500)
- Warehousing (400)
- Social Assistance (600) – No health care
- Retail (200)

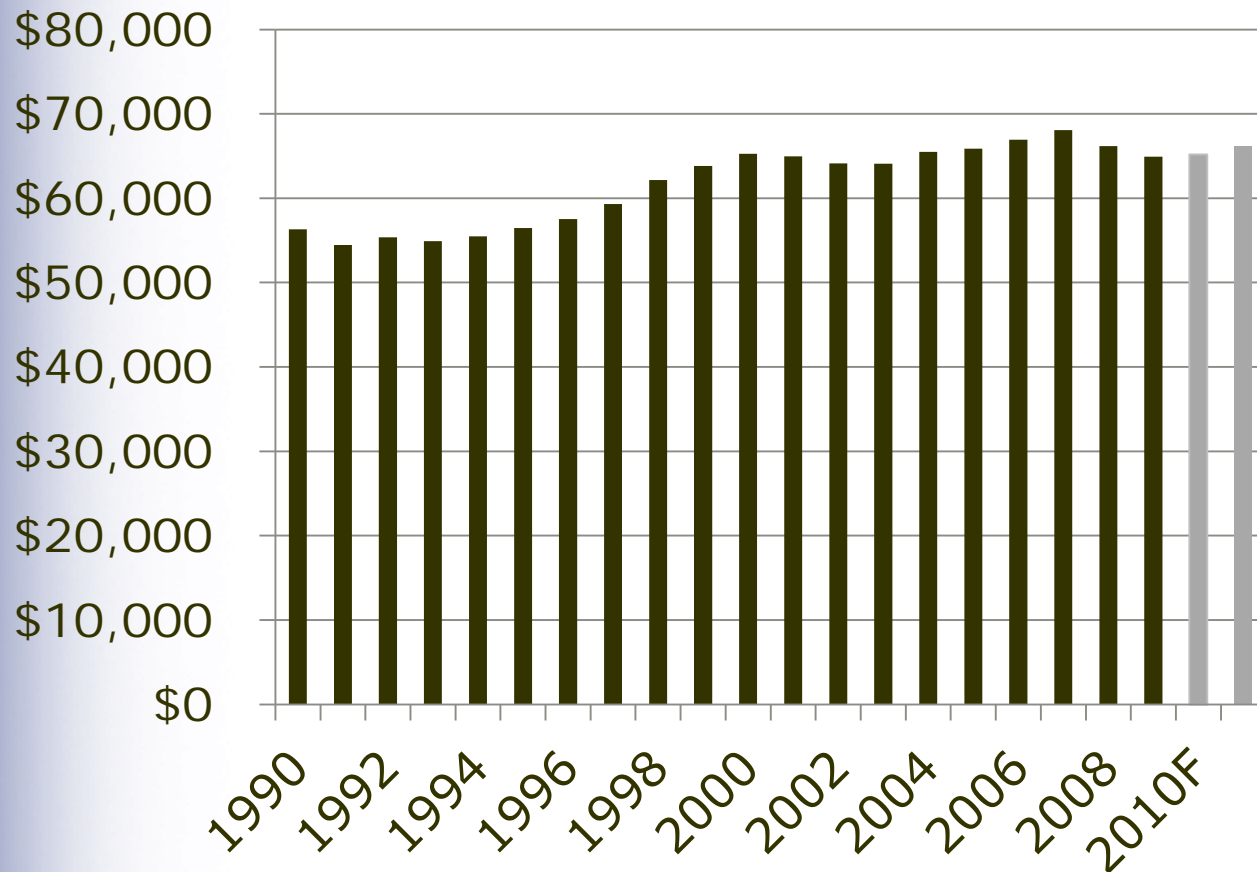
Unemployment in Vermont



Unemployment in Vermont

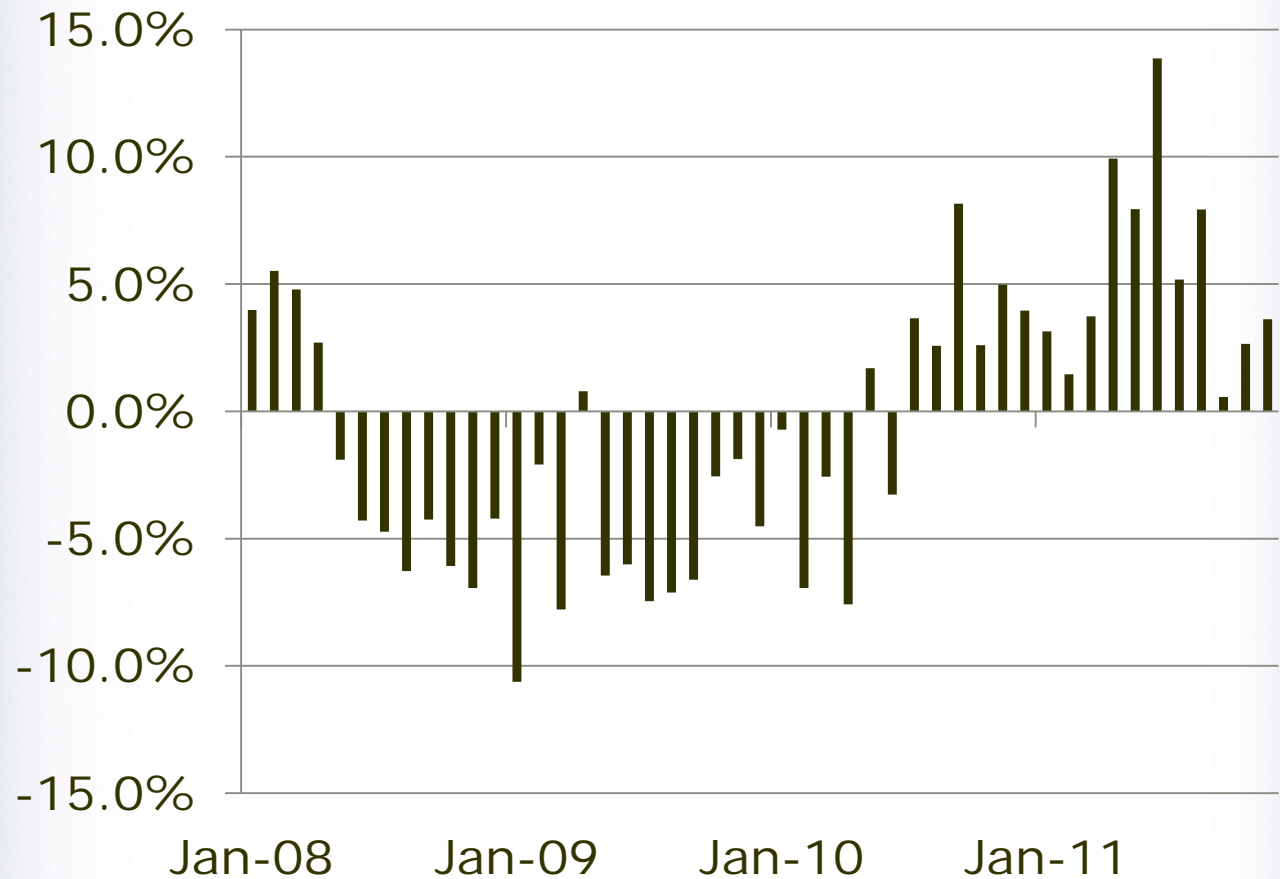


Inflation-adjusted Vermont Median Family Income

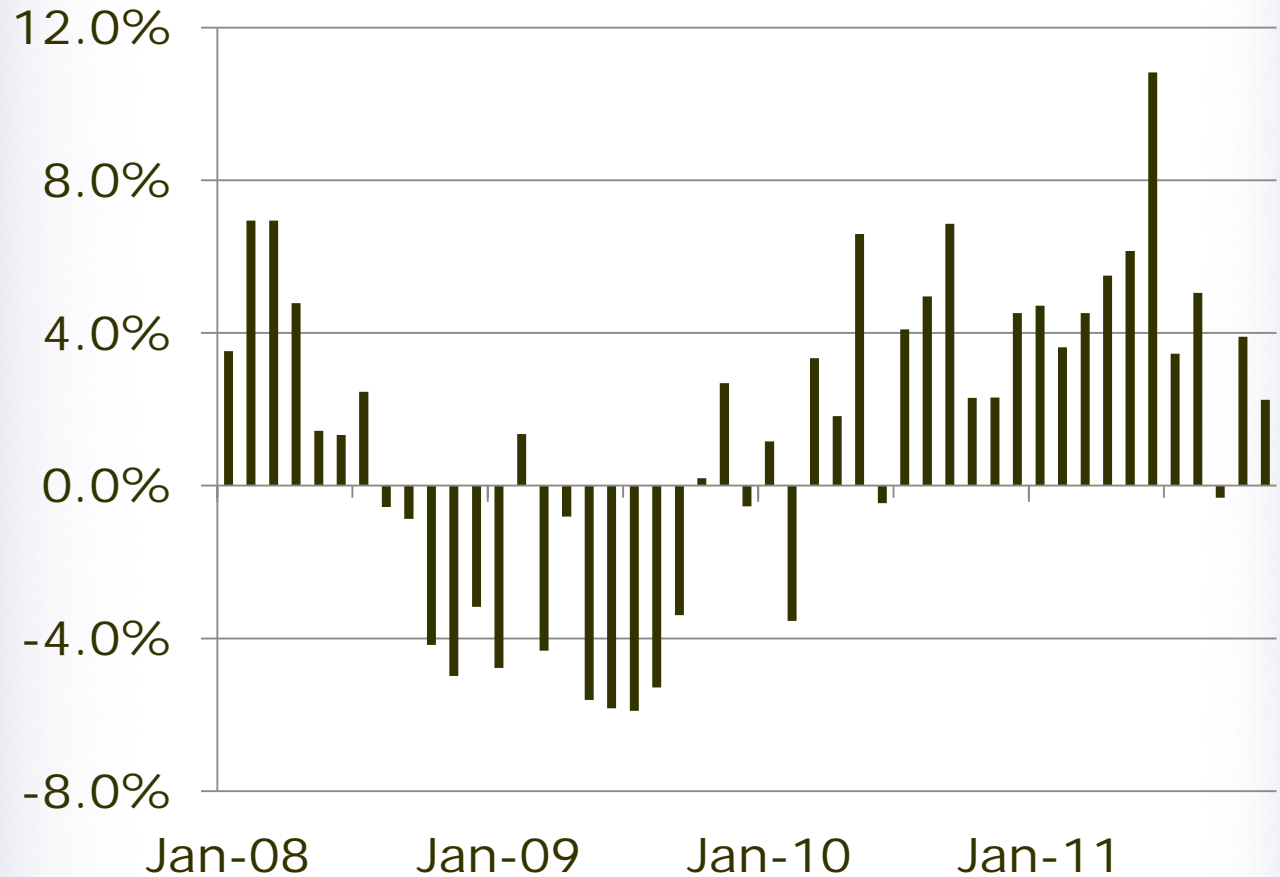


VT Taxable Retail Spending

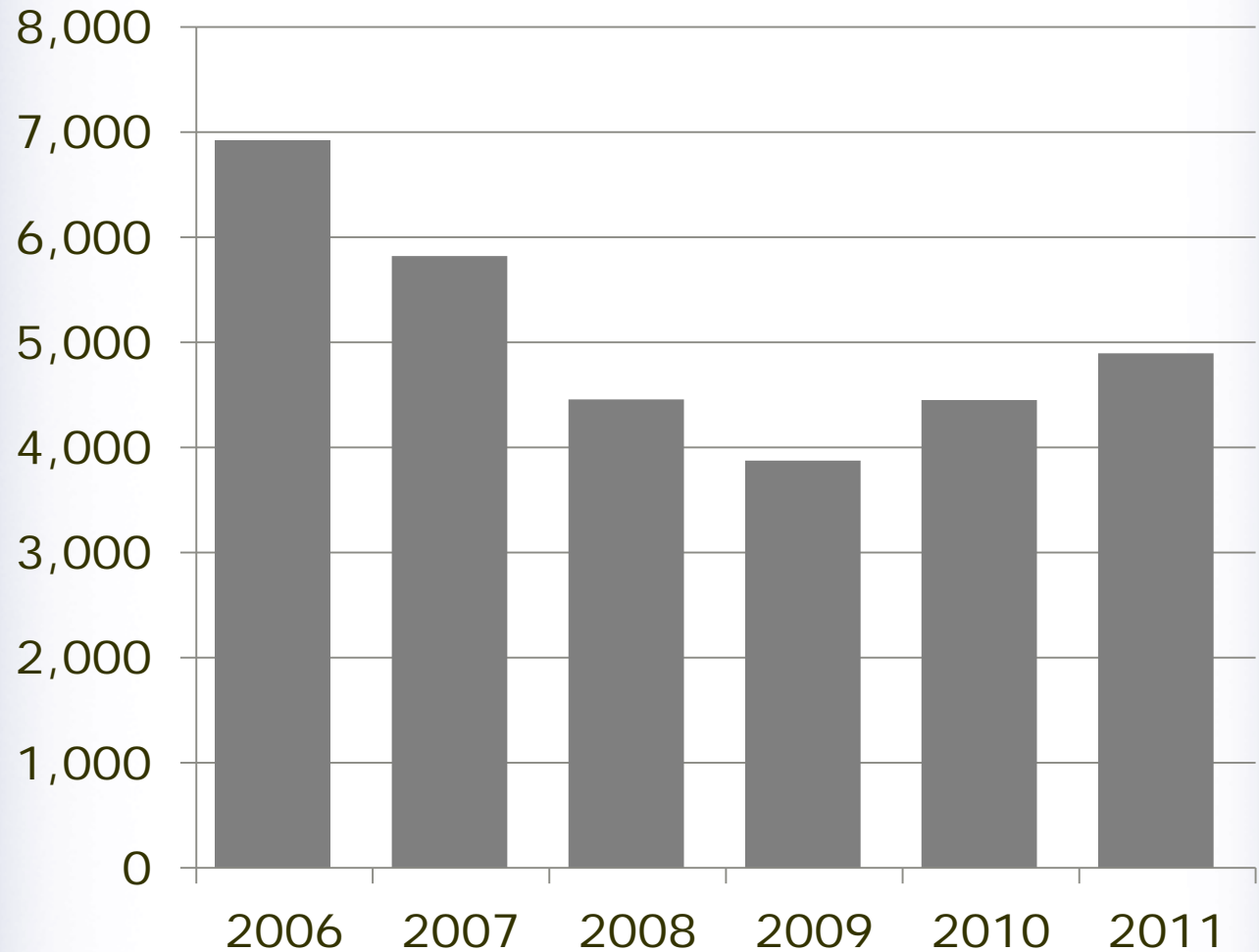
(Year over Year Change)



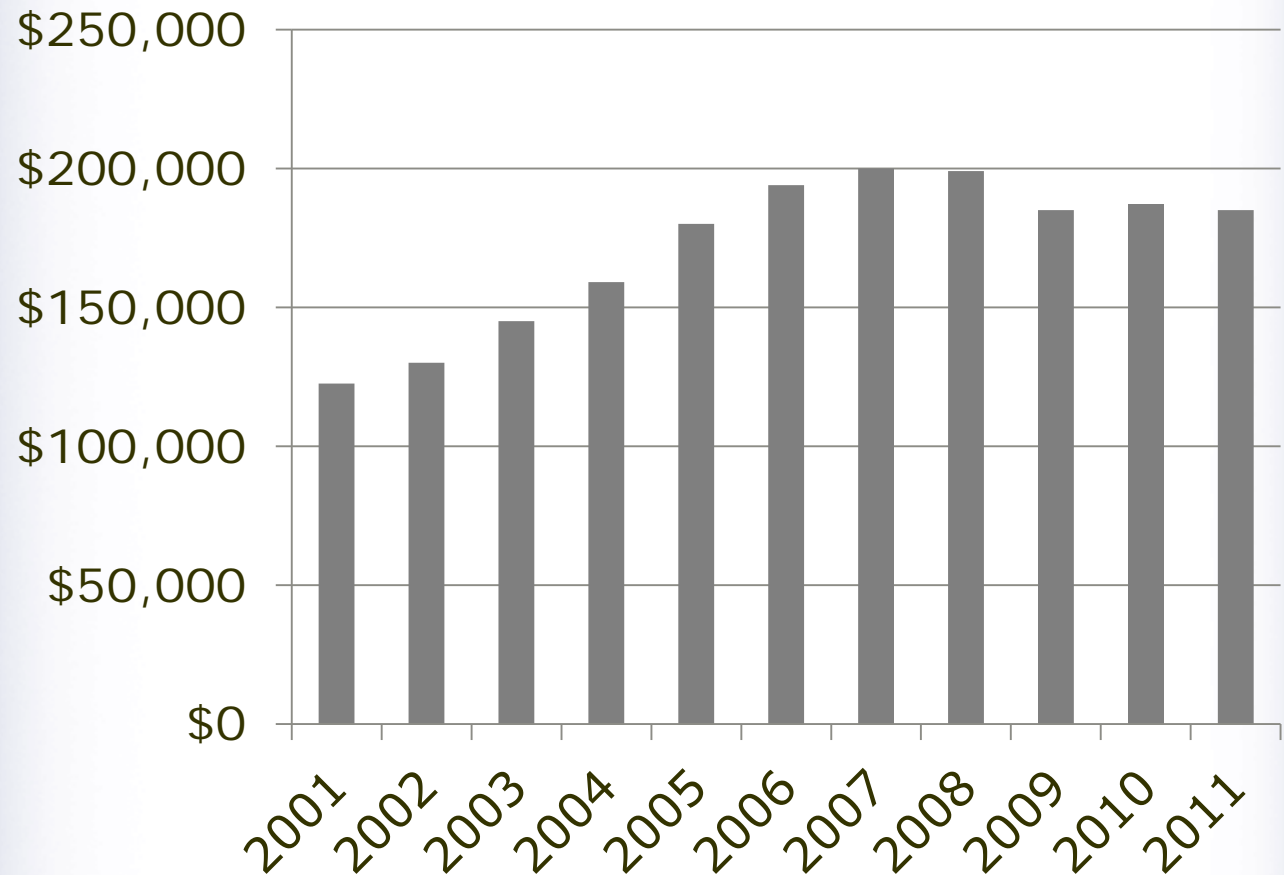
VT Taxable Meals & Rooms Year over Year Change



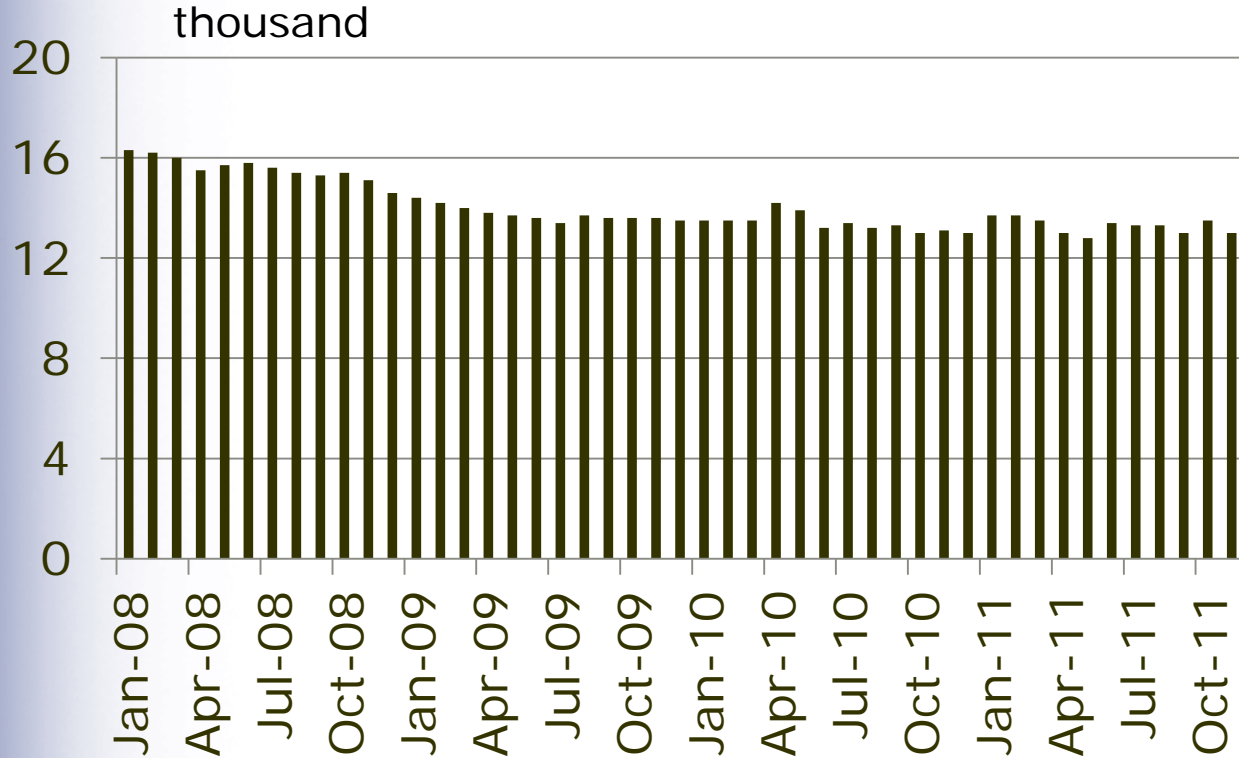
Sales of Vermont R1 Homes



Median R1 House Price



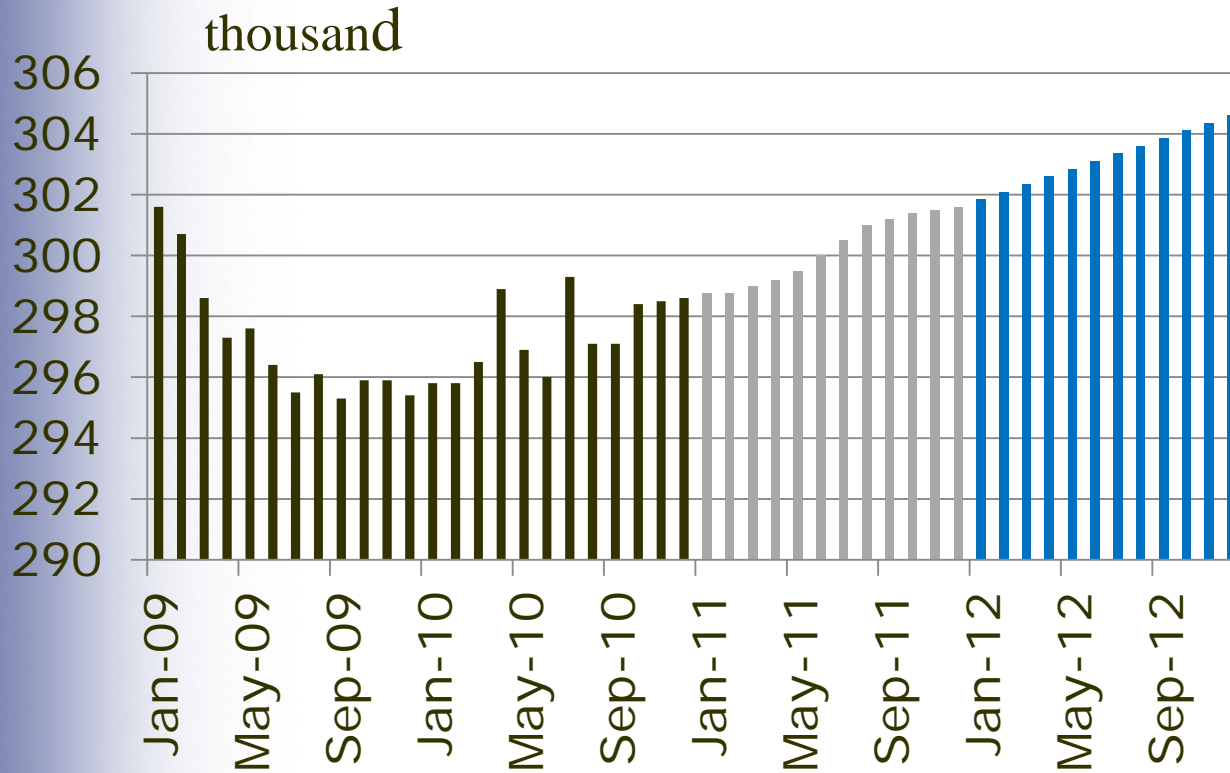
Construction Employment in Vermont



2012
A Year Just Like the Last One
the Vermont Economy

Payroll Employment (sa)

2011 VEN Estimates and 2012 Forecast



Where Will the Jobs Be?

- Again not in government
- Not in goods producing – all services
- Professional and business services will lead the way
- Health care – demand up but finances tight
- Social assistance
- Leisure and hospitality will have a good year

Unemployment in Vermont

- Estimated at 5.5% today
- Will fall to 5.0% by the close of 2012
- A labor shortage quickly becomes a concern for Vermont firms

Real Family Incomes

- After declining \$3,100 in 2008 & 2009
- And inching up 0.4% in 2010
- Jumping 1.5% in 2011 (up 4.5% with inflation of 3.0%)
- Another 1.5% gain in 2012
- Again, modest economic activity and Vermont households doing fine

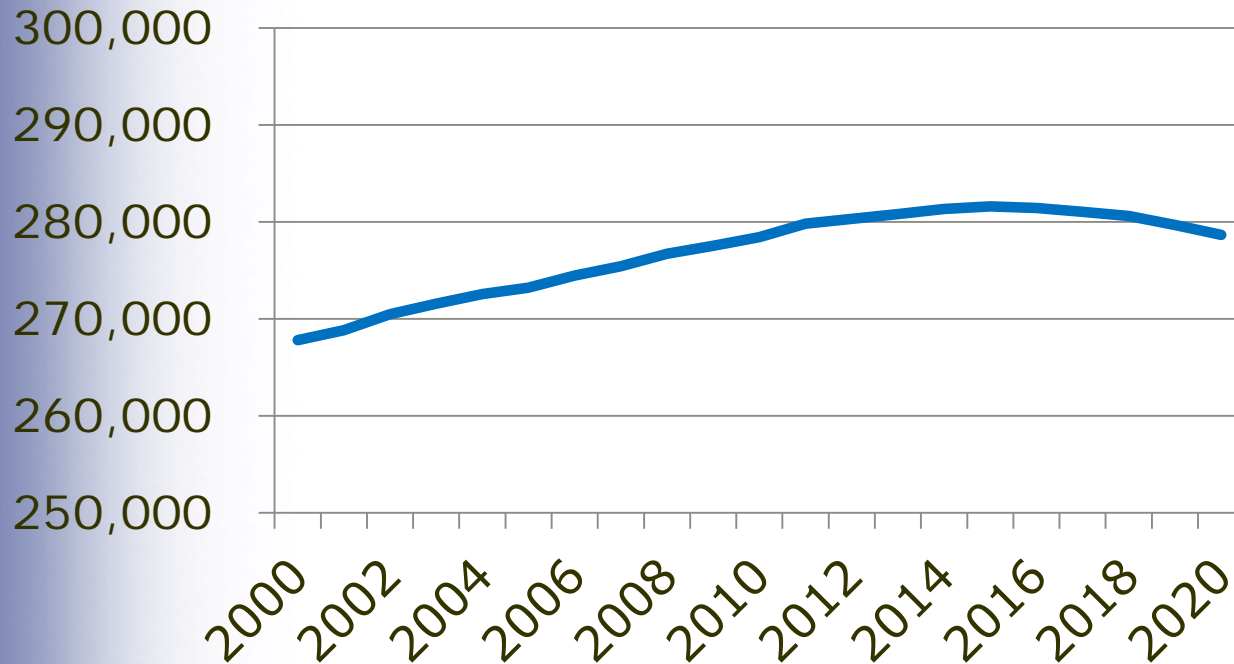
Housing in Vermont

- A better year (fundamentals very strong)
- Uncertainty remains, rest of US a drag on Vermont housing
- Existing housing (R1) sales jump up 30% to near 6,000 units (best since 2006)
- Permits on new SF stabilize
- Prices up 1% to 3%

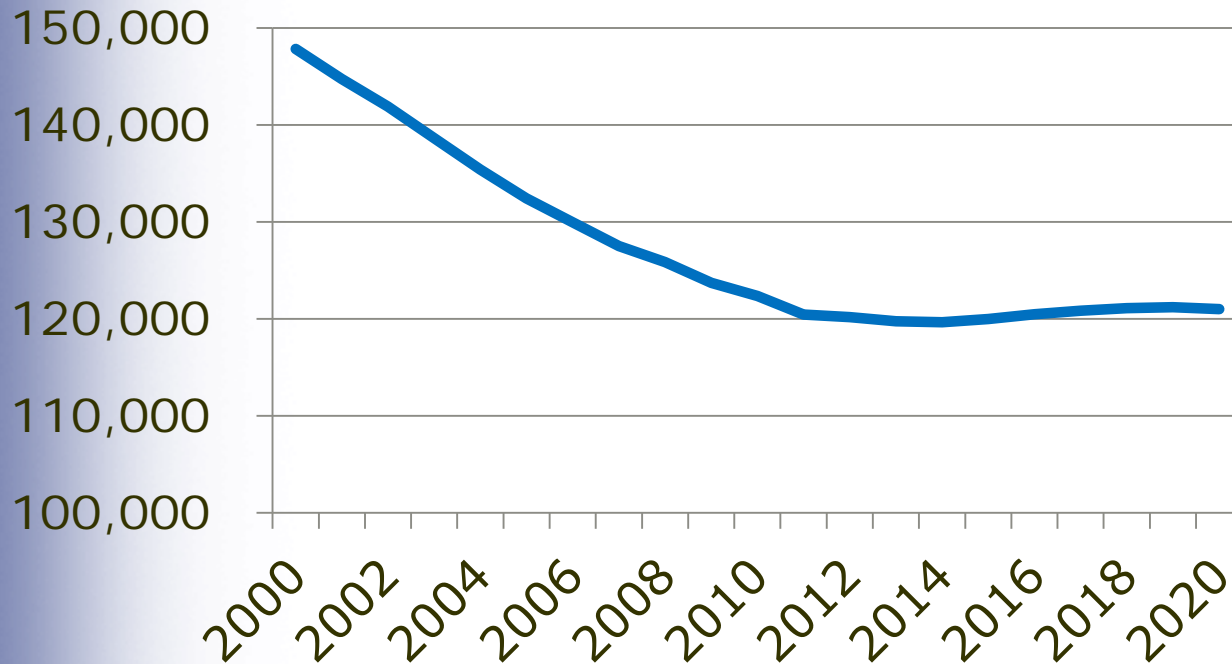
2010-2020

**Where Will Vermont
Firms Get Employees?**

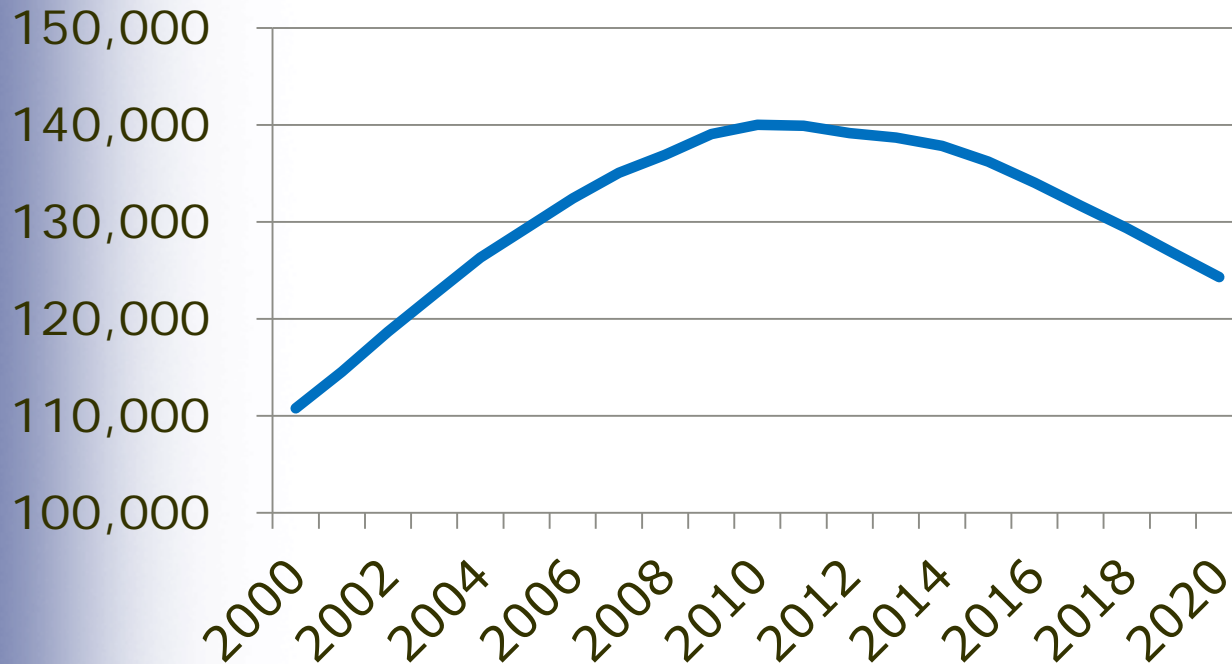
Labor Force in Vermont Ages 25 to 84



Labor Force in Vermont Ages 25 to 44



Labor Force in Vermont Ages 45 to 64



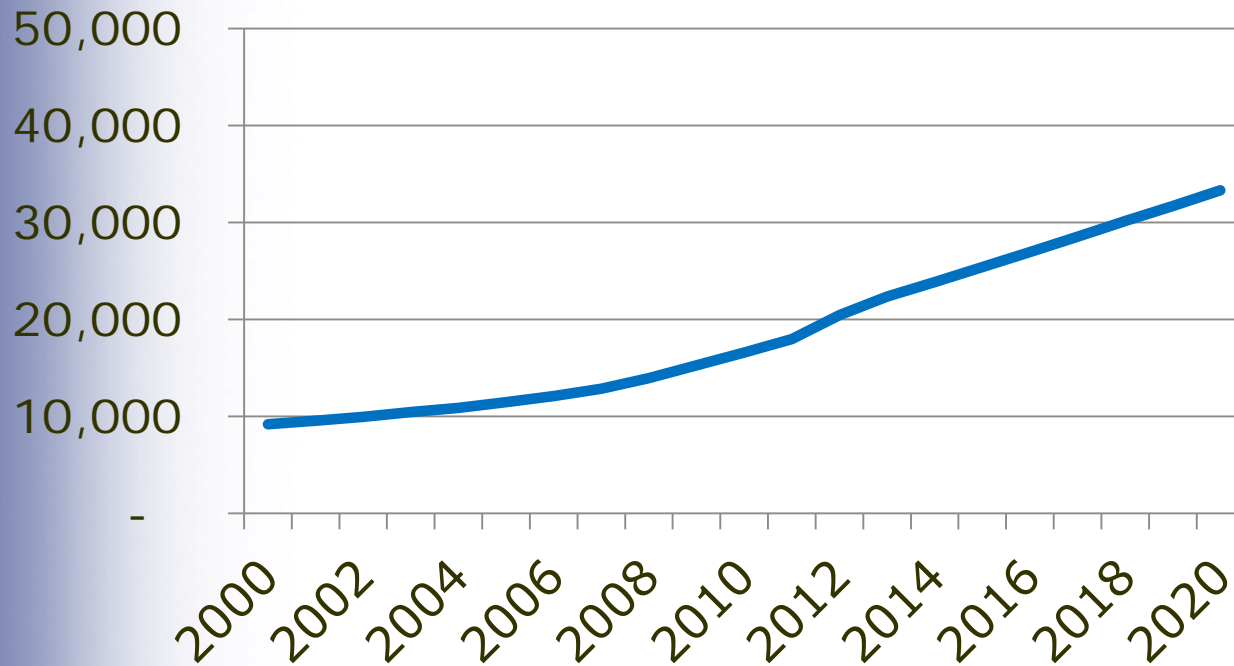
Labor Force Participation Rates (BLS)

Age	2008 Rate	2018 Rate
Age 30	85%	83%
Age 40	85%	84%
Age 50	83%	82%
Age 60	58%	63%
Age 63	40%	47%
Age 67	23%	31%
Age 70	17%	23%

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Labor Force in Vermont Ages 65 to 84



Labor Force in Vermont Ages 25 to 64

