

The Vermont Economy: Myths and Realities

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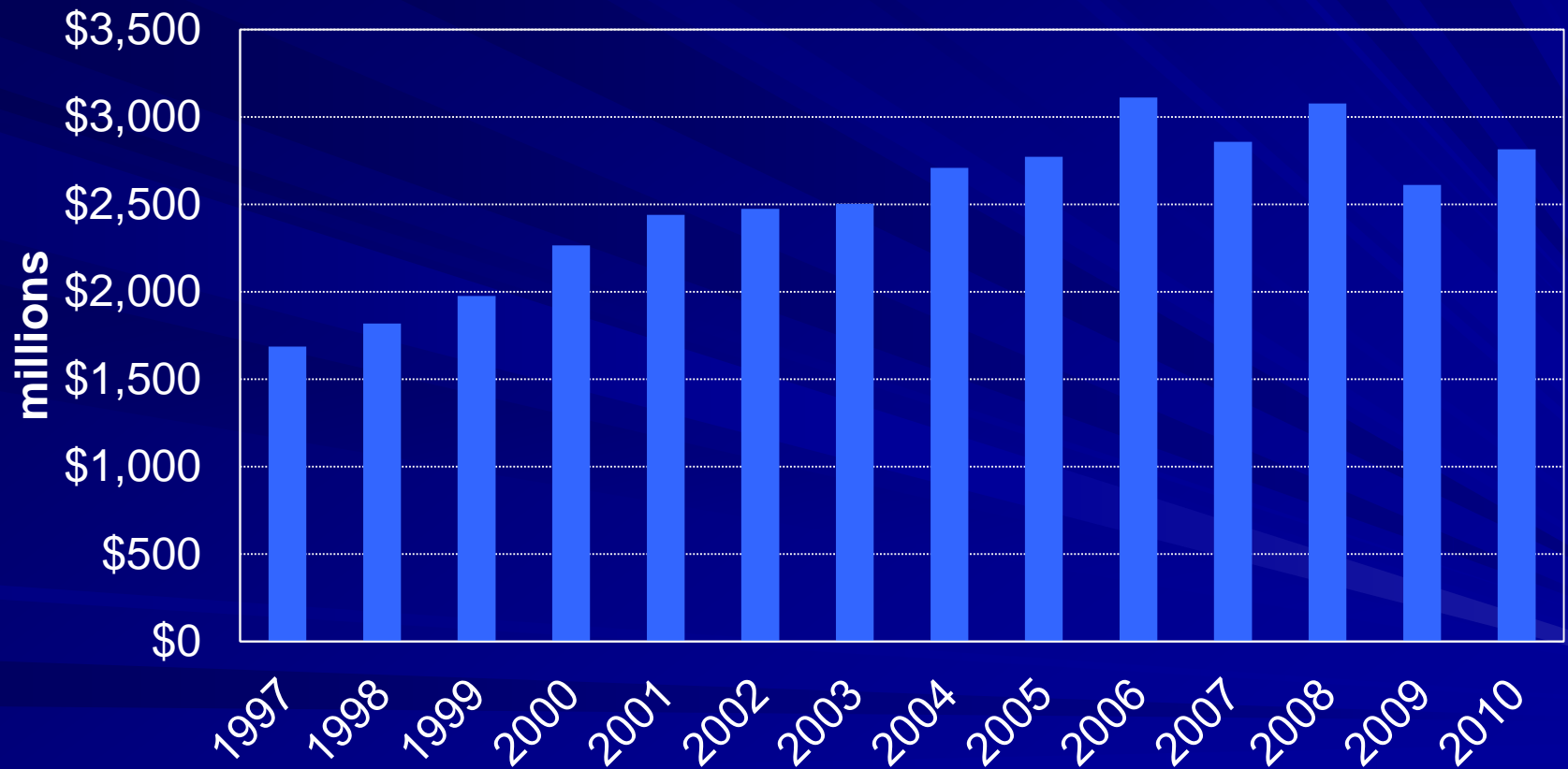
Myth: VT has a small manufacturing base

Share of Manufacturing in

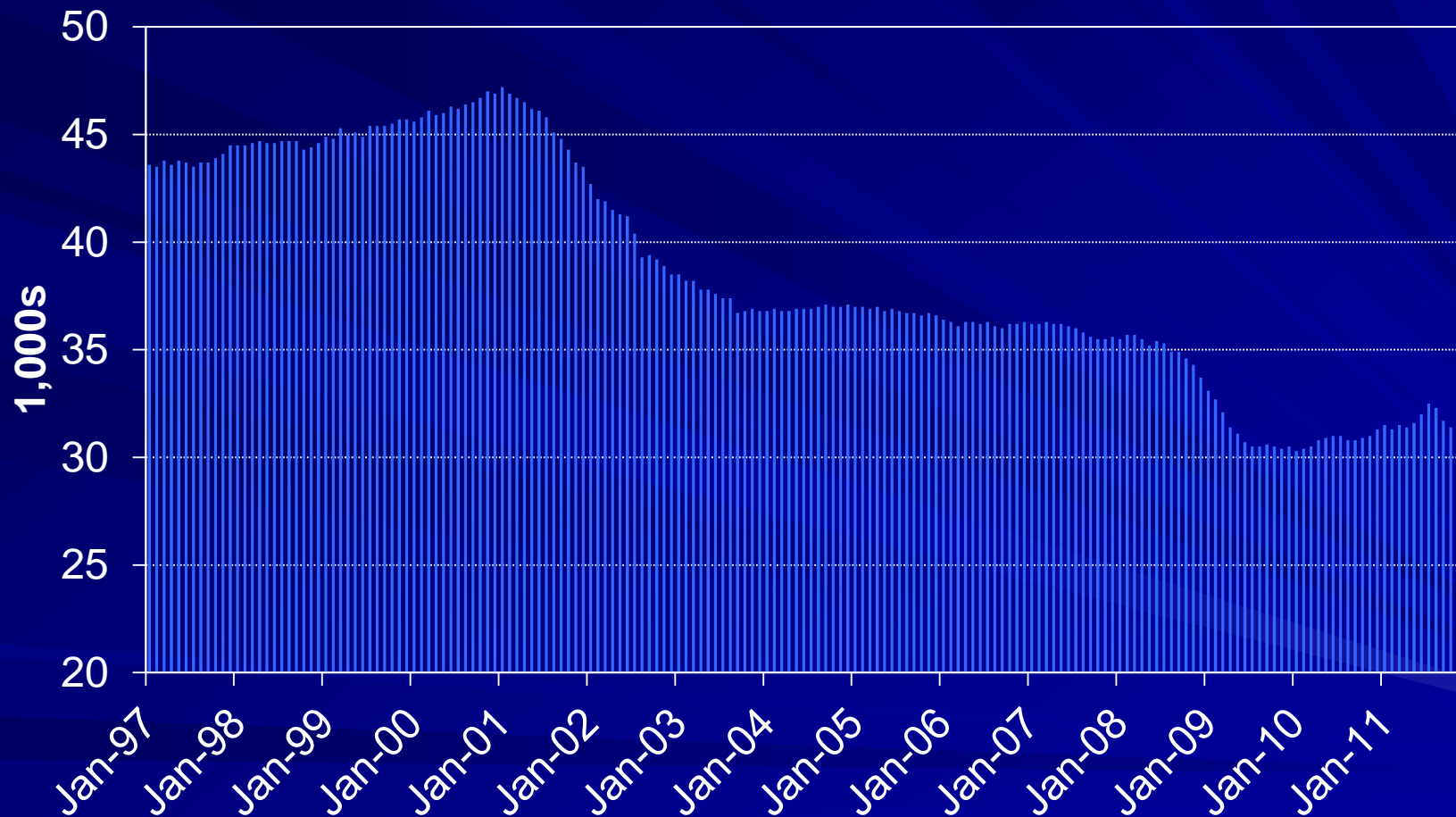
	<u>GDP</u>	<u>Employment</u>
Vermont	11.1%	10.4%
U.S.	11.8%	8.9%

Myth: Manufacturing is Shrinking

Real VT Manufacturing Output



Reality: VT Manufacturing Employment is Shrinking



Myth: Agriculture is a Foundation of Vermont's Economy

Share of Agriculture in

	<u>GDP</u>	<u>Employment</u>
Vermont	1.4%	2.0% (8,600 jobs)
U.S.	1.1%	1.5%

Myth: Vermont's economy is very different from the U.S.

2010 Employment Shares

	Vermont	U.S.	VT-U.S.
Government	18.4%	17.3%	+1.1
Retail	12.7%	11.1%	+1.6
Health Care	11.8%	10.6%	+1.2
Leisure & Hospitality	10.9%	10.0%	+0.9
Manufacturing	10.4%	8.9%	+1.5
Professional Business Services	7.8%	12.8%	-5.0
Wholesale, Transportation, Utilities	6.6%	7.8%	-1.2
Construction	4.5%	4.3%	+0.2
Education (private)	4.3%	2.4%	+1.9
Financial Services	4.1%	5.9%	-1.8
Other	9.1%	8.7%	+0.4

Myth: If we're not careful, Vermont will look like New Jersey

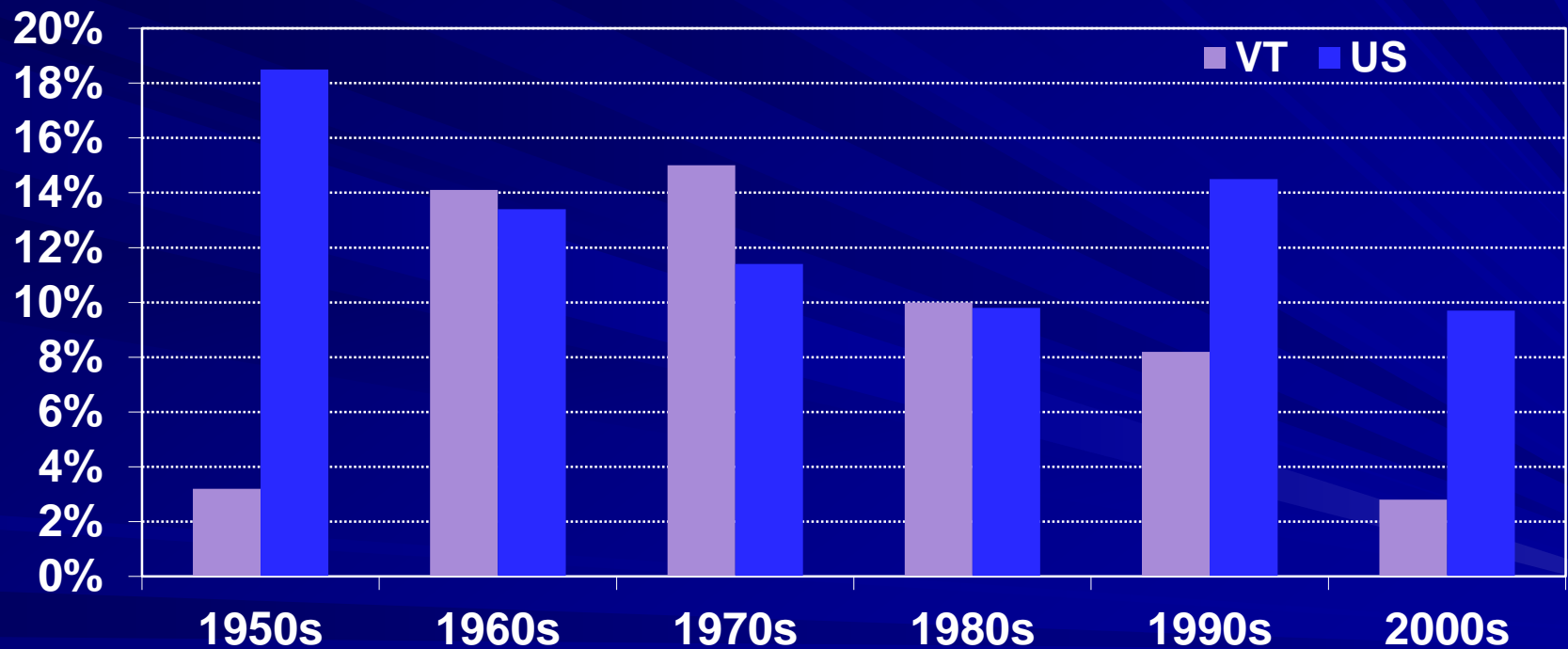


Myth: If we're not careful, Vermont will look like New Jersey

- Population: VT 626,000 NJ 8.7 million
- Vermont population at New Jersey population per square mile: 11 million
- Chittenden County population per square mile: 179
- Sussex County NJ population per square mile: 277
- Chittenden County at Hudson County population density: 8.4 million

Myth: Everyone wants to come to Vermont

Population Growth by Decade

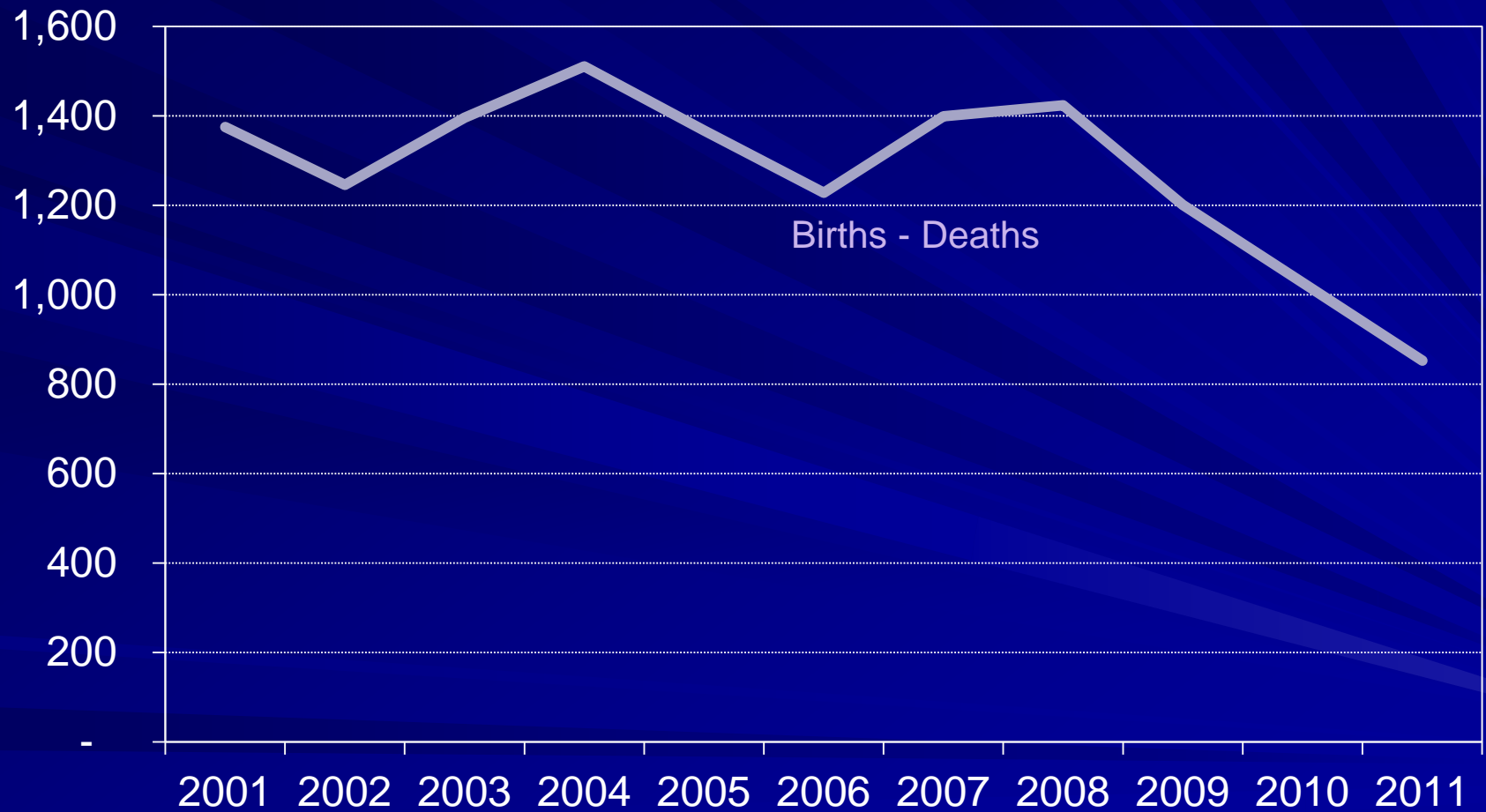


*Myth: Everyone **still** wants to come
to Vermont*

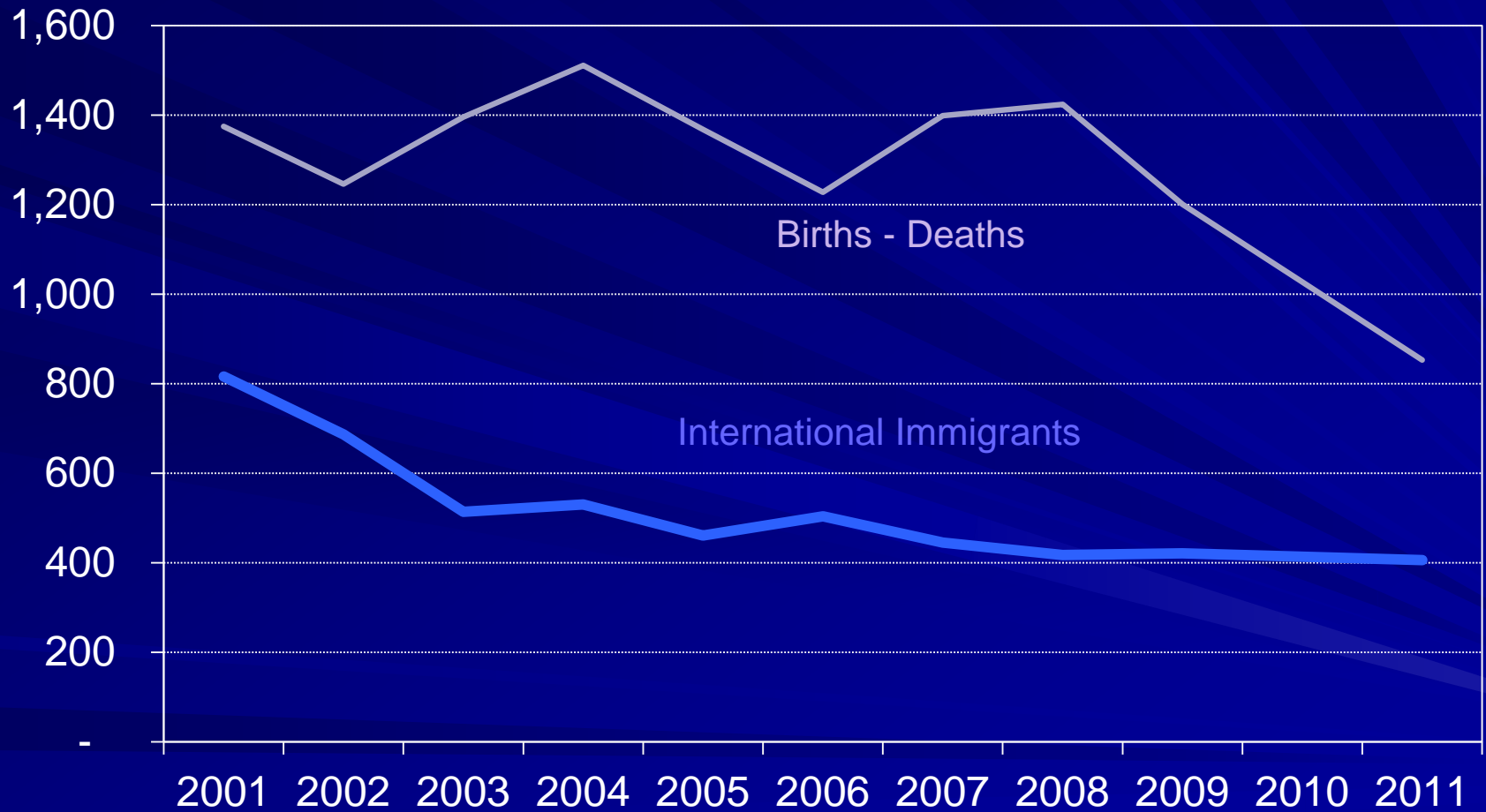
Vermont Population Change 2010-2011:
0.08% (522 people)

Number of people moving into Vermont from
other states 2010-2011: -709

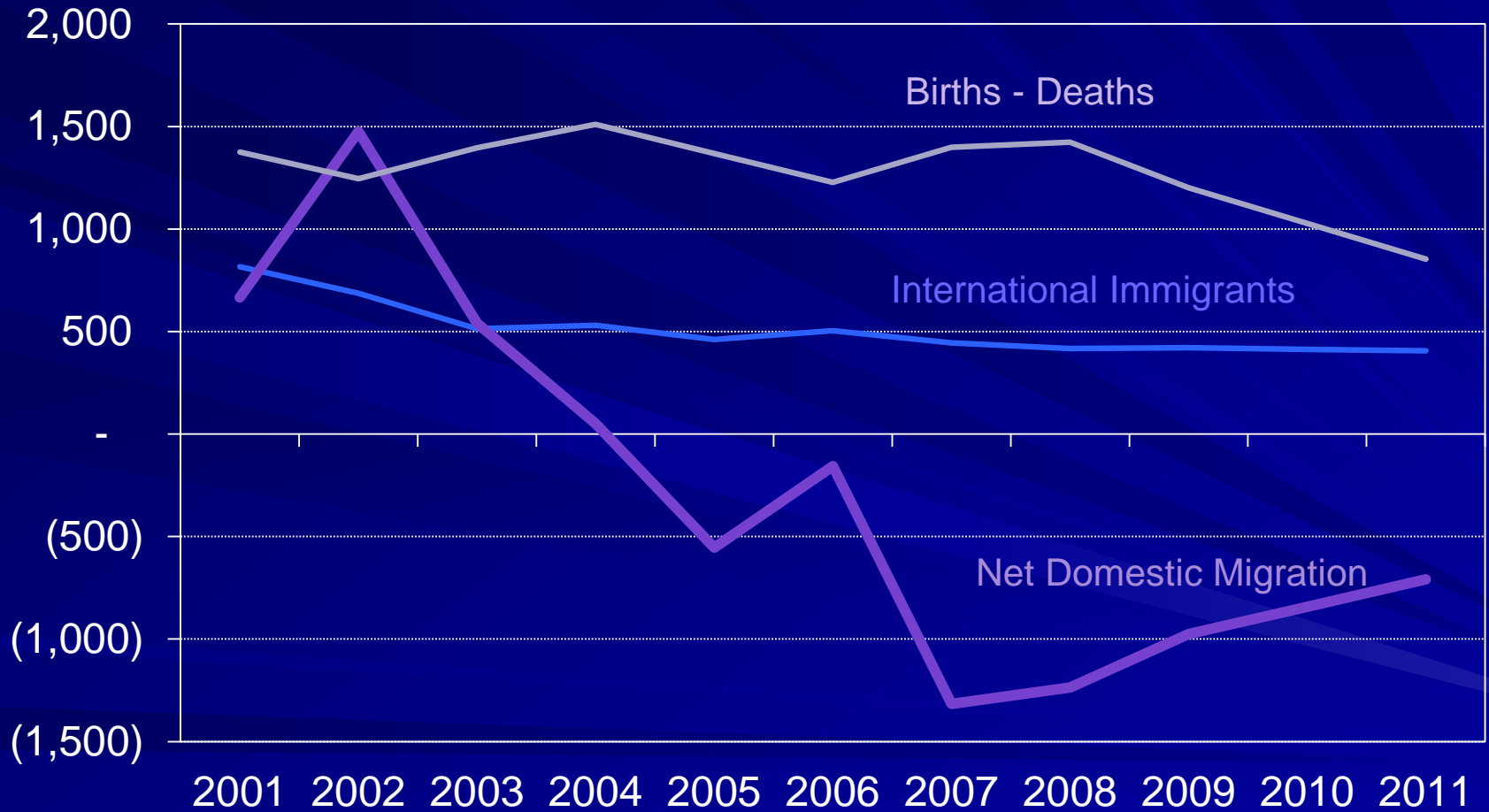
Who Does Want to Live in Vermont?



Who Does Want to Live in Vermont?



Who Does Want to Live in Vermont?





Even Vermonters don't want more Vermonters

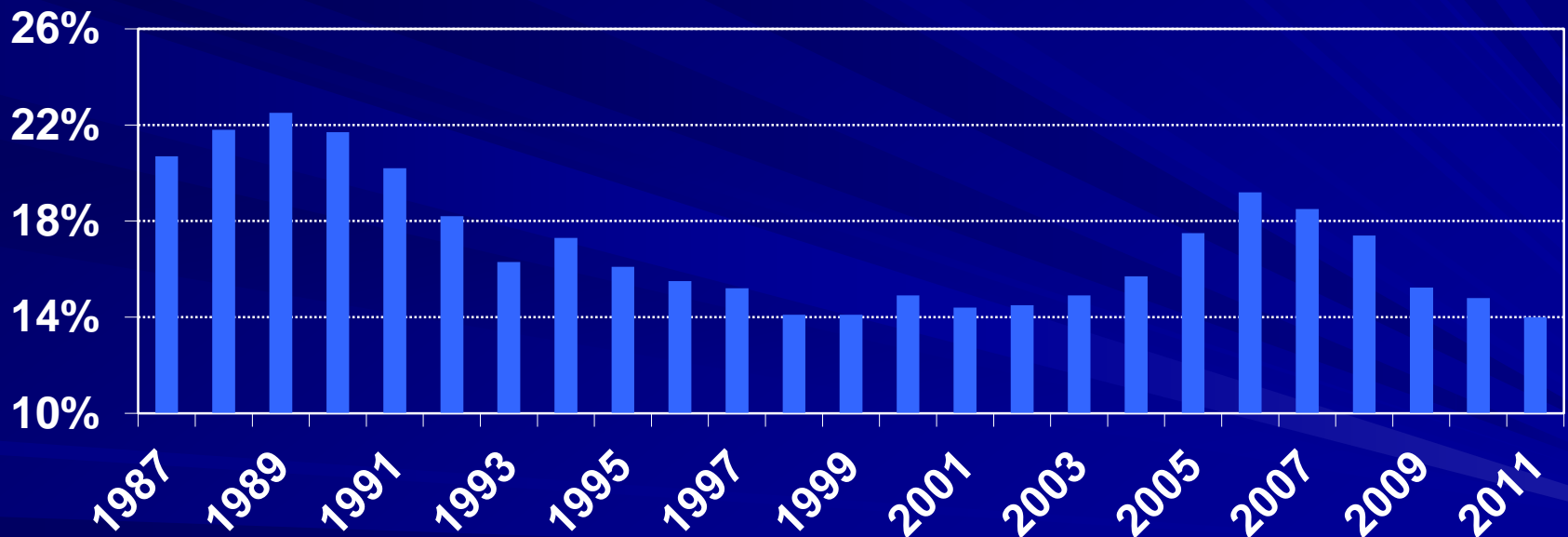
Average number of births per woman
over her lifetime

US 2.0

VT 1.6 (# 50 in U.S.)

Myth: Housing is Increasingly Unaffordable in Vermont

Share of Median Family Income Needed to Service Mortgage on Median Priced House



Median House, Median Buyer

\$190,000 in St. Albans
1,900 sq ft, 3 br, 2 bath



\$51,000



Myth: Vermont has Great Schools

2011 8th Grade Math NAEP Test: Percent of Students Proficient or Advanced

Vermont	46%
U.S.	34%

But Vermont's students are not like U.S. students

Percent of students Black and Hispanic

Vermont	1%
U.S.	32%

2011 8th Grade Math NAEP Test

Percent of students proficient or advanced
for non-minority students

	All students	White students
Vermont	46%	47%
U.S.	34%	43%

But Vermont's students are not like U.S. students

Percent of students eligible for free or
reduced price lunch

Vermont	32%
U.S.	45%

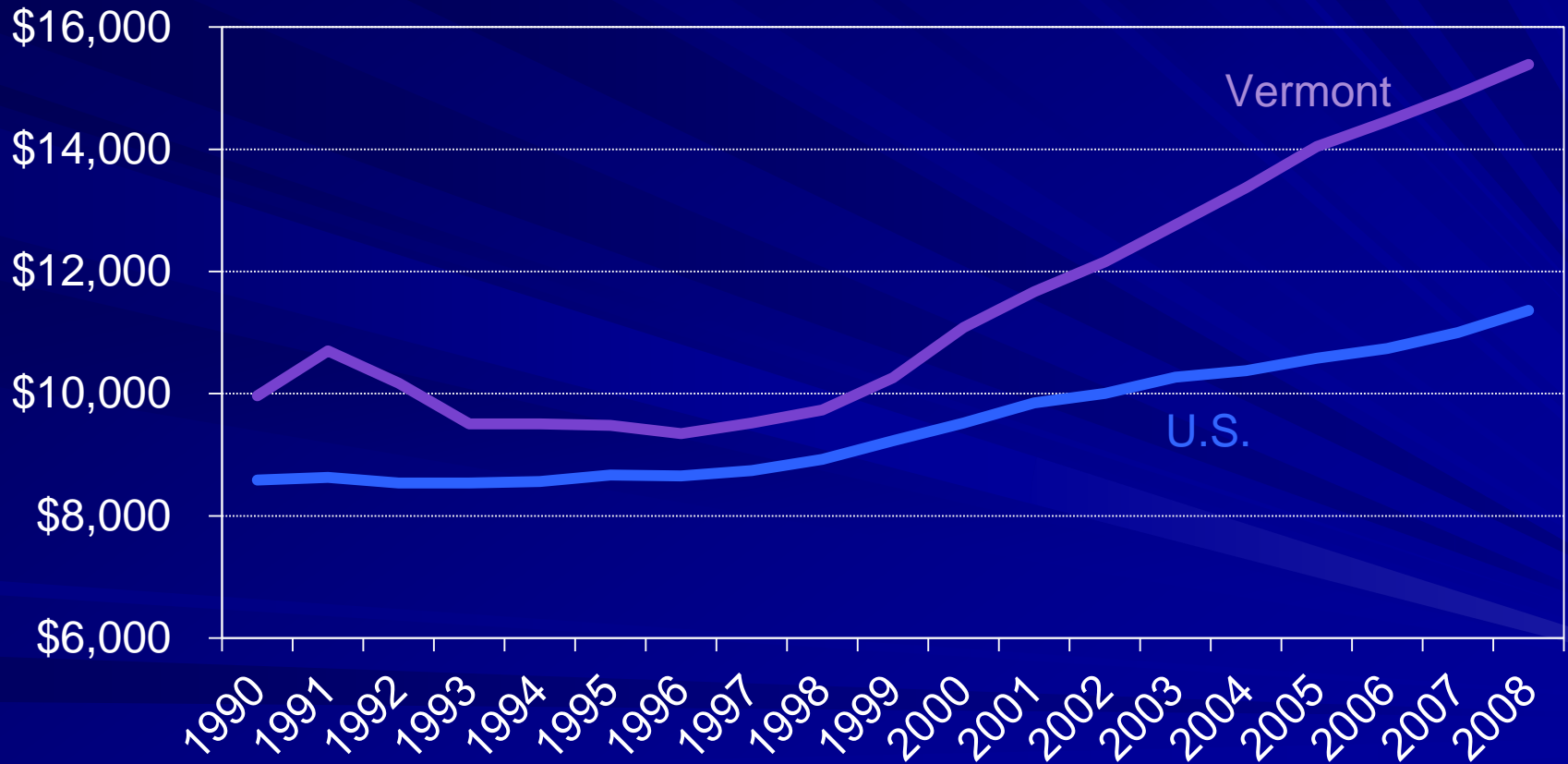
2011 8th Grade Math NAEP Test

Percent of students proficient or advanced

	All students	White students	Low income White students	Non-poor White students
Vermont	46%	47%	29%	56%
U.S.	34%	43%	25%	50%

And Vermont Spends a Lot

Inflation-Adjusted Per Pupil Spending



Conclusions

- Vermont's economy looks like the national economy
- Vermont's population does not look like the U.S. population
- To make good policy decisions, need good statistics
- Make even better decisions if you are not hungry