

Fewer Vermonters are Working or Seeking Work

Both the labor force and the number of Vermonters working decreased for the third consecutive month in May. The official unemployment rate remained unchanged because the number of unemployed workers declined along with the overall labor force. At the same time, the U.S. Bureau of Labor Statistics reported a net increase of 3,300 jobs in the state in May.

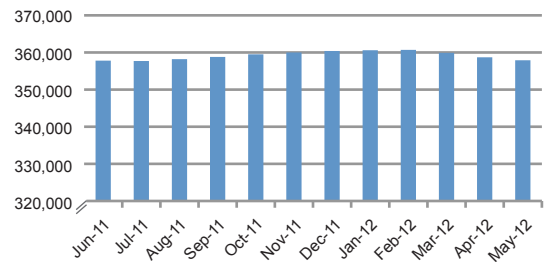
This number—at odds with the trend in the state labor force data—could be inaccurate this month.

	May 2012	Apr 2012	May 2011
Labor Force	357,922	358,748	358,320
Employment	341,532	342,241	338,120
Unemployment	16,390	16,507	20,200
Rate	4.6%	4.6%	5.6%

Source: U.S. Bureau of Labor Statistics

Labor Force Continues to Shrink

Vermont labor force, seasonally adjusted, June '11-May '12



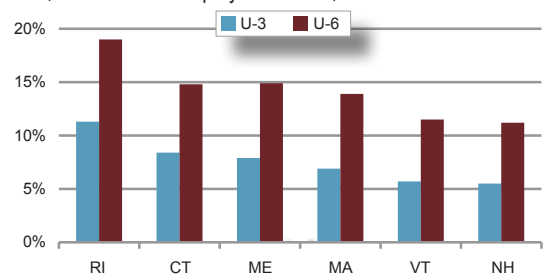
Source: U.S. Bureau of Labor Statistics

Unemployment: Worse than it looks

Vermont's traditional unemployment rate (U-3) remains one of the lowest in the country and the second lowest in New England. However, this figure measures only the total unemployed as a percentage of the total labor force; it does not include workers who have given up job seeking and part-time workers who would prefer to work more. The U-6 rate, an [alternative measure](#) of unemployment, includes discouraged and part-time workers. Vermont's "real" unemployment rate is about double its official rate. By this broader measure, Vermont ranked second lowest in New England and eighth lowest nationally for the 12-month period ending March 31, 2012.

VT's 'Real' Unemployment Twice Official Rate

U-3, U6 annual unemployment rates, Q2 2011 - Q1 2012



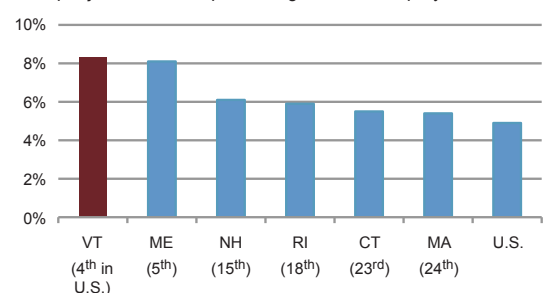
Source: U.S. Bureau of Labor Statistics

Doubling down on jobs

It's not clear why Vermont's unemployment rate is consistently below the national average, in good times and bad. Vermonters working two or more jobs may be a factor. There's a statistical correlation, albeit a weak one, between a higher percentage of multiple jobholders and lower unemployment rates in a state. Vermont continues to lead New England in the percentage of workers with at least two jobs, and ranks fourth nationally.

Vermont Leads Region in Two-Job Holders

Multiple jobholders as percentage of total employment, 2011



Source: U.S. Bureau of Labor Statistics