DECEMBER 2018

State of Working VERMONT 2018

PUBLIC ASSETS INSTITUTE

Ten years after the start of the Great Recession and more than eight years after it officially ended, there are signs of recovery in Vermont. The economy has continued to grow, if more slowly than the rest of the country. Yet whatever growth or prosperity the state has achieved, many have not benefited from it. Average Vermonters still struggle to make ends meet.

The economy is improving, but not for most Vermonters: For the past 13 years State of Working Vermont has told the same story. But the narrative can change—policymakers can change it. The economic indicators selected here highlight the areas where Montpelier can focus attention and resources to improve the well-being of all the people of Vermont.

It's not as though Vermont's political leaders haven't seen the indicators or are unaware of the problems the state faces. But administrations of both parties have been reluctant to acknowledge the need for more revenue, and postponing critical investments—for instance, in early care and education, affordable housing, and clean water—has become the norm. Employers have not been asked to share the responsibility to create a fairer economy. Not enough jobs pay wages that can support a family, yet when the Legislature voted this year to increase the minimum wage, the governor vetoed the bill.

The economy is improving, but not for most Vermonters

This year again, because the fruits of economic growth have not shown up in the pockets of a lot of Vermonters, the indicators point to mixed results. More Vermonters were working, yet at the end of 2017 their numbers were still below the all-time high of 344,135, reached in 2006. Poverty fell a bit last year, but for young Vermonters, Vermonters of color, and single parents the rates remained high. Fewer families were relying on the Reach Up program for assistance in 2017, but still nearly 70,000 Vermonters lived in poverty, and over 75,000 depended on 3SquaresVT to get enough to eat. In the large majority of families with children, all parents in the household worked, but affordable, high-quality child care was out of reach for many of them.

Newly released data from 2015 show upper-income families continued to make greater gains than everyone else. Vermont's low, low unemployment rate has not pushed up wages as would be expected in a tight labor market. Low- and middle-wage workers have seen little change in their paychecks in more than a decade. Vermont was among 10 states where median household income decreased in 2017.

Vermont may be too small to have any influence on the overall national economy. Neither a governor nor the Legislature is going to return the state to the 3 percent real annual economic growth it enjoyed 30 years ago, and waiting for those days to return will not help struggling Vermonters. Still, policymakers can do more now to improve the lives of low- and moderate-income Vermonters who did not benefit from the recent federal tax cuts and are confronted by an economic system that favors the wealthy. Making work pay and raising the incomes of ordinary Vermonters would strengthen the economy and further reduce poverty. And adequately funding social benefits would improve the well-being of Vermonters whose wages are too low to afford the basics.

State of Working Vermont is a companion document to A Framework for Progress, published in 2016 and updated this fall. The data here detail how Vermonters are faring. Framework recommends actions policymakers can take right away to start moving the indicators in a better direction.

Measuring progress

No single statistic or measure tells us whether Vermonters' lives are improving. We can monitor factors that contribute to the expansion of the middle class: economic growth, job creation, income distribution, public policies, and public investments. But even when those indicators appear to be positive—such as a rising gross state product—it is crucial to look at what is happening to people and how the growth is distributed.

Measures such as poverty rates, income growth and disparity, housing affordability and homelessness, labor force expansion and job growth, health care coverage, and the availability of social and educational services let us see, at least statistically, who is getting ahead and who is falling behind. Putting these statistics together helps us understand where policy changes could make a difference to working families and start to break down some of the systemic barriers holding back single parents, people of color, and Vermonters without post-secondary educations.

Executive Summary

What the 2017 data show

State of Working Vermont 2018 includes indicators to answer three questions:

1. Did the overall Vermont economy grow, and who benefited?

- Vermont's economy has been growing, but not in every county and not as fast as the rest of the country.
- Economic growth disproportionately benefited those at the top.
- Vermont was one of 10 states where median household income fell in 2017.
- Wages have been stagnant for most Vermont workers.

2. Were Vermonters able to make ends meet?

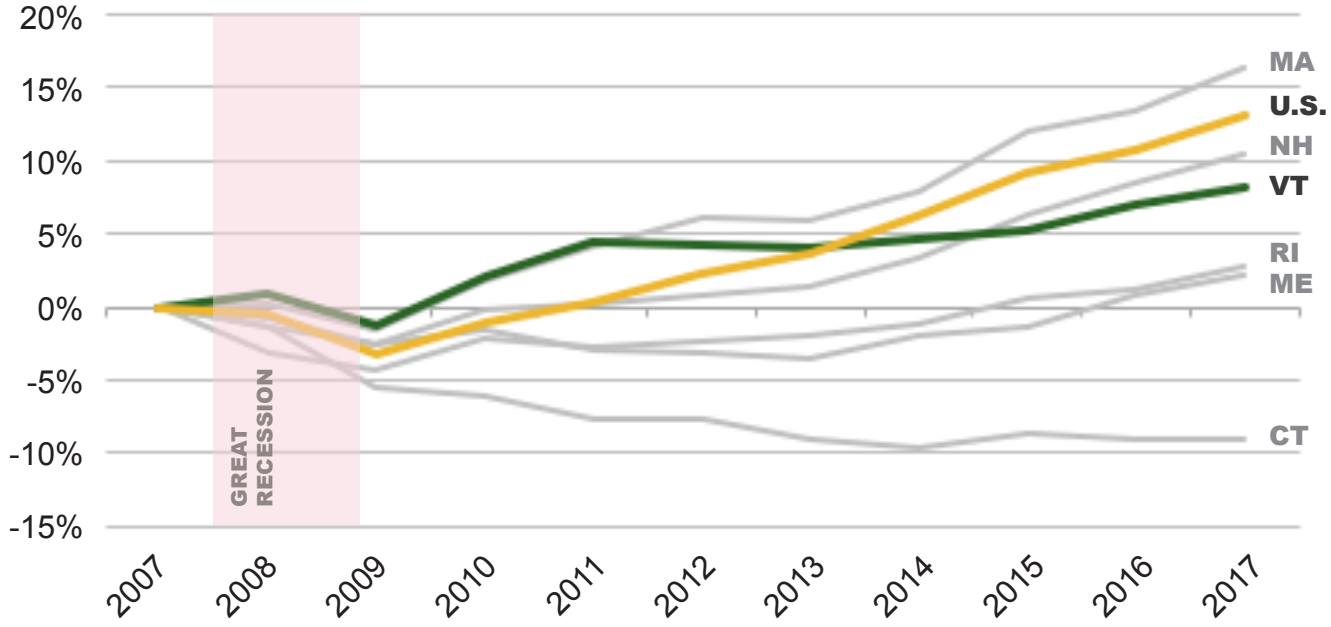
- Vermont's prices were average nationally, but wages were low.
- The cost of essentials grew faster than wages.
- 17 percent of Vermont's young adults lived in poverty.
- 5,000 fewer Vermonters had health insurance in 2017 than in 2016.

3. How was the job market for Vermonters, and who was working?

- The number of private sector jobs continued to grow, but not everywhere in Vermont.
- New jobs were concentrated in service-providing industries.
- Labor force participation was down for all education levels.

Vermont's economy grew slower than the U.S. after 2011, but made the third-best rebound in New England

Cumulative change in gross state product (GSP) for U.S. and New England states, adjusted for inflation, 2007-2017



Data source: U.S. Bureau of Economic Analysis

GROSS STATE PRODUCT

Gross state product (GSP) is the state's portion of gross domestic product (GDP), the nation's output and perhaps the most commonly recognized economic measure. Real gross state product is the total value of goods and services produced by the state after adjusting for inflation.

Even in the early 2000s before the Great Recession, Vermont's economy was losing steam. And since 2007 the state's inflation-adjusted growth rate averaged less than 1 percent a year, half the rate of the U.S. economy. Among the New England states, Vermont's GSP grew faster than Rhode Island's, Maine's, and Connecticut's from 2007 to 2017. But to put that in perspective, New England has seen the slowest growth among the eight regions in the country. By comparison, according to the U.S. Bureau of Economic Analysis, from 1987 to 1997 Vermont's gross state product grew at an average annual rate of 3 percent, after inflation.

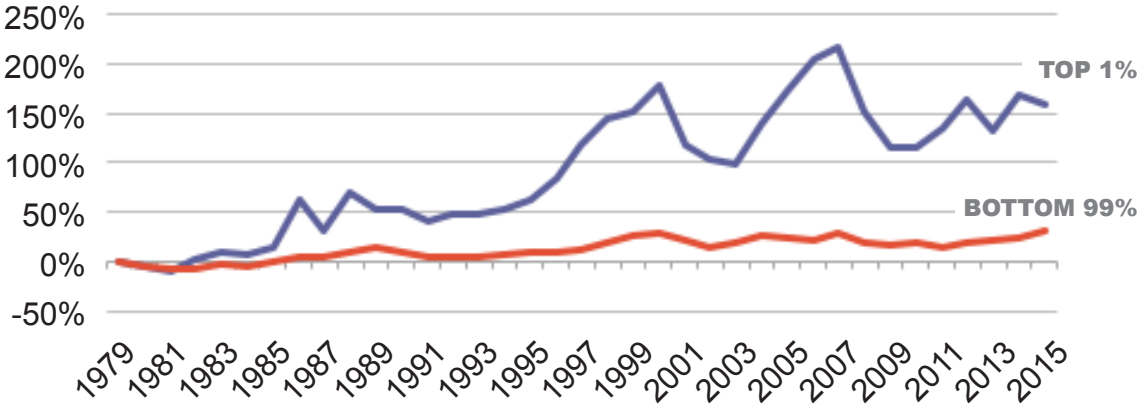
INCOME INEQUALITY

Income distribution is one indication of how economic growth is being shared across a population. When a small group receives a disproportionate share of the income, it leaves less for everyone else. And research has showed that the concentration of income at the top hurts middle-income families.* The analysis of income distribution is based on Internal Revenue Service data.

*Jeffrey P. Thompson and Elias Leight, "Do Rising Top Income Shares Affect the Incomes or Earnings of Low and Middle-Income Families?" (Washington: Federal Reserve Board, 2012).

Incomes of the top 1 percent increased more than everyone else's

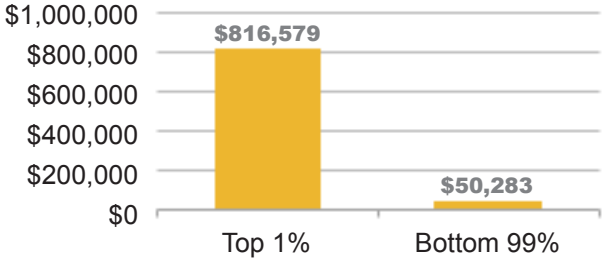
Cumulative change in income, top 1% and bottom 99%, 1979-2015



Data source: Estelle Sommeiller and Mark Price, "The New Gilded Age: Income Inequality in the U.S. by State" (Washington: Economic Policy Institute, 2018).

Vermont's top 1% averaged 16 times the income of the other 99%

Average income, top 1% and bottom 99%, 2015

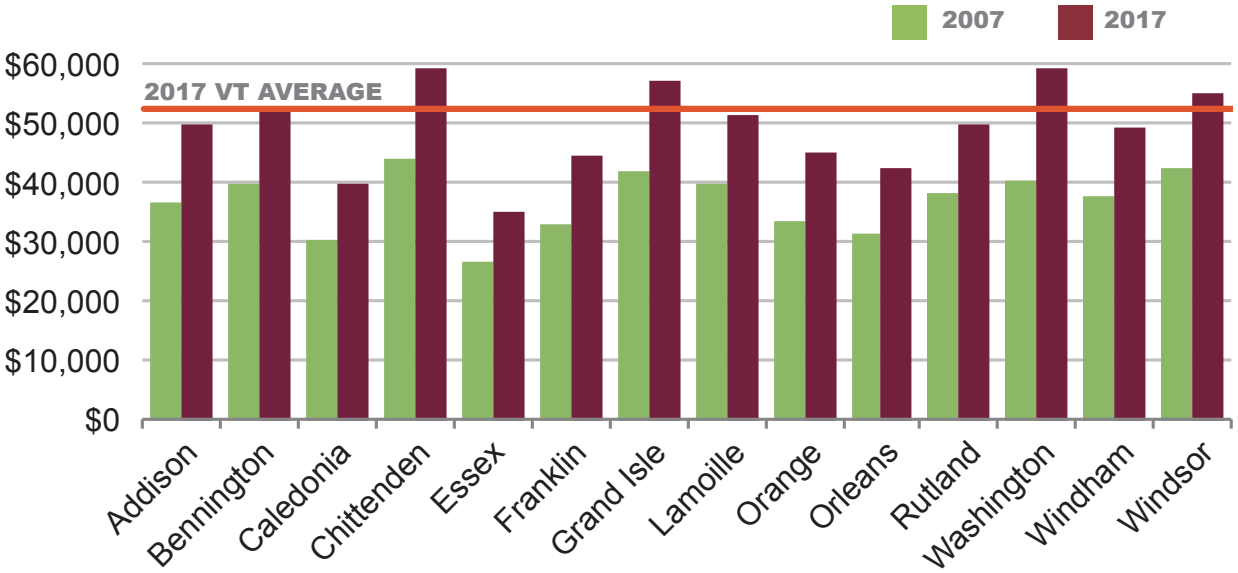


Data source: Sommeiller and Price, "The New Gilded Age."

The Great Depression of 1929 was followed by more than 40 years of fairer income distribution. By the mid-1970s nearly 93 percent of Vermont income went to the bottom 99 percent of taxpayers and just over 7 percent to the wealthiest 1 percent—half their share during the Depression era. But Vermont's economy, like the rest of the states', grew more top heavy after the 1970s. By the mid-2000s Vermont's top 1 percent were receiving as much as 17 percent of the income, and after the Great Recession, from 2010 to 2015, their average income grew twice as fast as everyone else's. In 2015, the top 1 percent claimed $2.7 billion of Vermont's total adjusted gross income of $19 billion.

Personal income remained below average in most counties

Personal income per person, by county, 2007 and 2017



Data source: U.S. Bureau of Economic Analysis

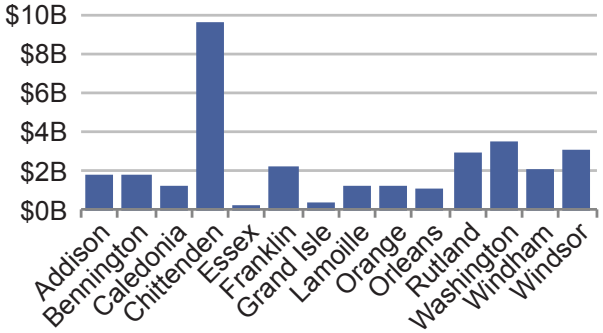
PERSONAL INCOME BY COUNTY

Total personal income is the statewide sum of all the income individuals receive in a year, including wages, Social Security, public assistance, and employer retirement contributions. It does not include capital gains. Personal income per capita is the average amount of income per person if the income were evenly distributed. Total personal income by county shows geographical differences in this measure.

In 2017 personal income in Vermont totaled more than $32 billion. As the county with the most workers, Chittenden County contributed the most: nearly $10 billion, or 30 percent of the state total. Chittenden also had the biggest growth in total personal income from 2007 to 2017, due in part to increased population. Per capita growth was highest in Washington County (46 percent) and lowest in Lamoille County (30 percent). In all but four counties average per capita personal income was below the state average in 2017. Vermont's average personal income per person exceeded the U.S. average by about 1 percent, and the state ranked fourth in per capita personal income growth for the decade.

Chittenden County accounted for 29% of Vermont income

Personal income, by county, 2017



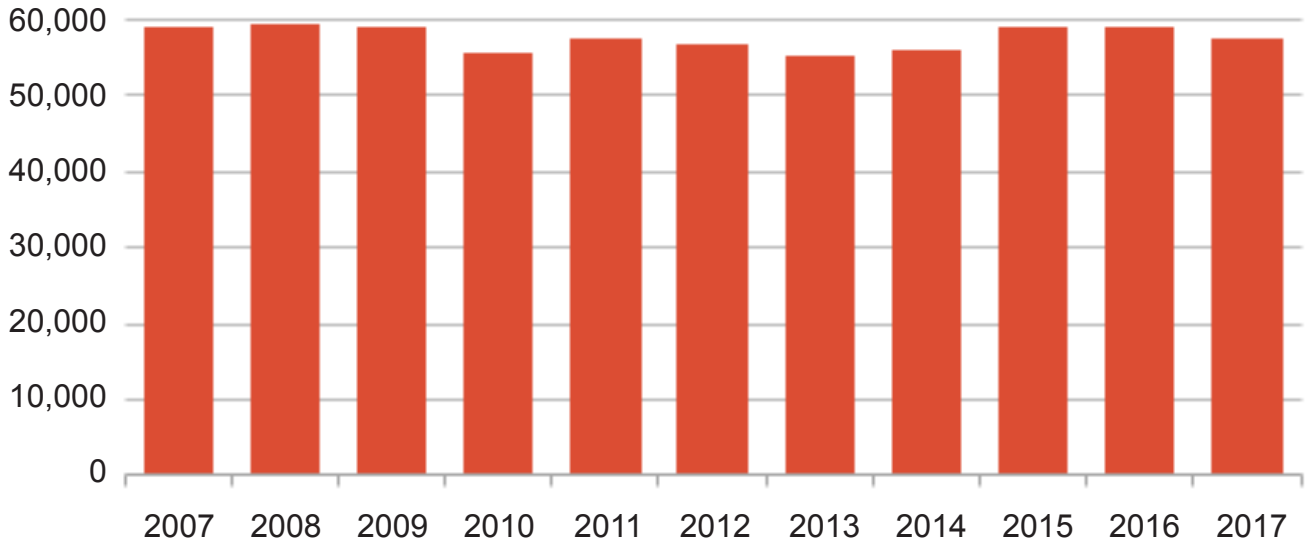
Data source: U.S. Bureau of Economic Analysis

MEDIAN HOUSEHOLD INCOME

Median household income is the middle amount of annual income—half of Vermont households receive more than the median and half receive less. Household income includes the income of all household members over the age of 15.

The median Vermont household would have had $6,443 more in 2017 if incomes had kept pace with the economy after the recession

Vermonters' incomes fell in 2017 Vermont median household income, adjusted for inflation, 2007-2017

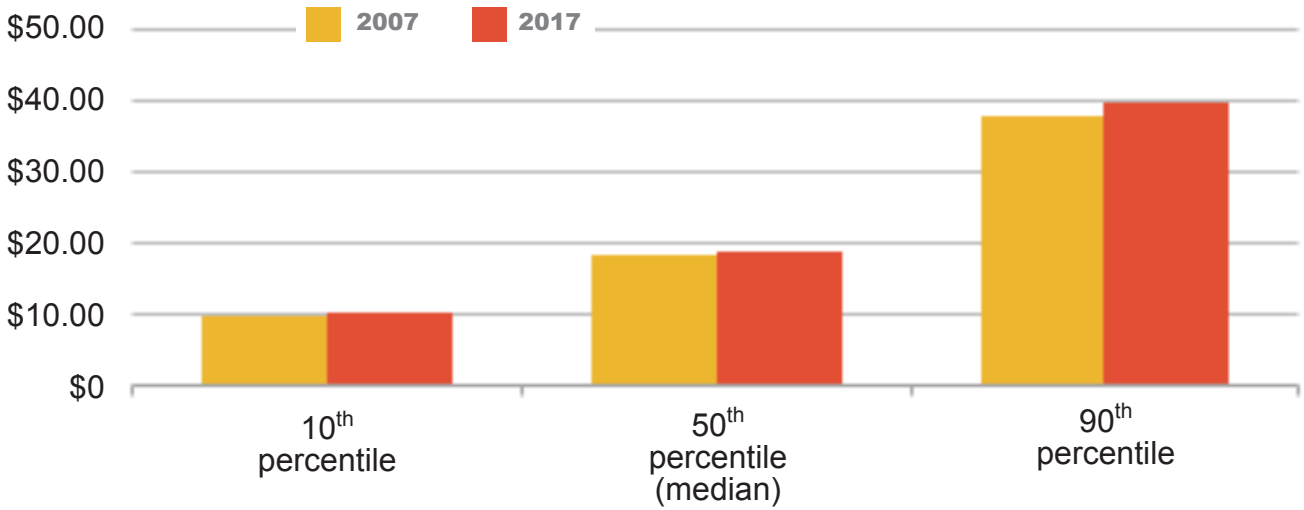


Data source: U.S. Census Bureau, 2007-2017 American Community Survey 1-yr estimates

Vermont was one of only 10 states where the median household income dropped last year, and unlike the U.S. as a whole and 30 other states, it saw 2017 median household income fall below that of 2007. If incomes had kept pace with the economy since 2007—even at Vermont's relatively slow rate of growth—median household income would have been almost $6,500 higher last year.

Vermonters' real wages barely budged in a decade

Hourly wage by selected decile, adjusted for inflation, 2007 and 2017



Source: Economic Policy Institute analysis of Current Population Survey data

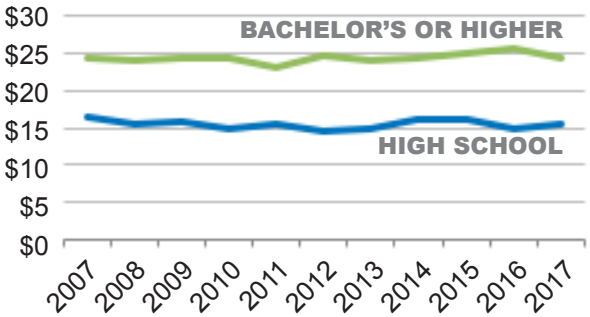
HOURLY WAGE BY PERCENTILE

Hourly wage by percentile shows the share of workers making above or below that wage. At the 10th percentile, 10 percent of workers make less than that amount per hour and 90 percent make more. Each year the U.S. Census publishes hourly wages for selected percentiles. Tracking these levels over time indicates which workers are seeing their wages rise or fall.

Across all demographics, real wages have languished for a decade in Vermont and the U.S. overall. This is true among low- and high-wage earners, women and men, and at all education levels. Workers at the 90th percentile have seen more growth over the last 40 years than workers earning less, and women's wages have grown faster than men's, although women still earn less on average. A college education has not improved wages in the last decade; in fact, workers with college degrees have seen a slight decline in earnings.

Pay languished for all education levels

Median hourly wage, by education level, adjusted for inflation, 2007-2017



Source: Economic Policy Institute analysis of Current Population Survey data

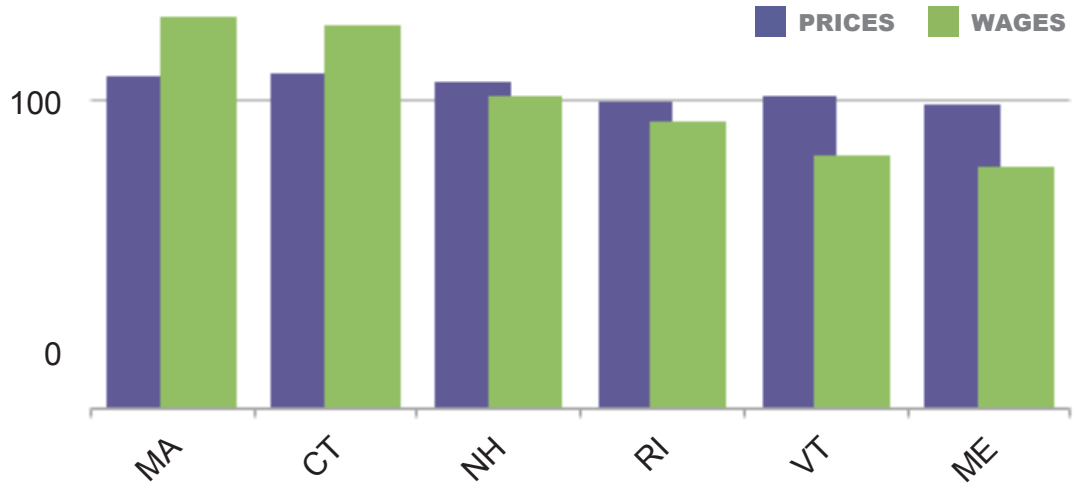
PART 2 • FAMILY ECONOMIC SECURITY

PRICES AND WAGE GAP

The U.S. Bureau of Economic Analysis gathers price data for a variety of items and creates a parity index that shows state and regional prices in relation to average national prices. The U.S. Bureau of Labor Statistics collects wage data from employers and publishes average annual wages for the U.S. and individual states. Its wage index is a ratio of state wages to the national wage, where the national average equals 100. Viewed together, these two figures show the gap between prices and wages.

Vermont's prices were average, but wages were low

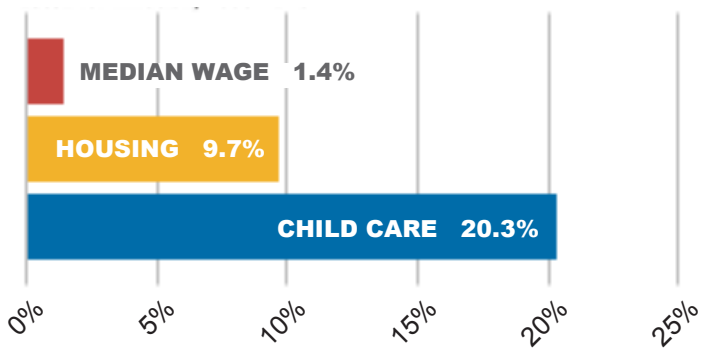
Index of New England wages and prices, U.S. = 100, 2016



Data sources: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics

Wage growth lagged behind costs

Growth in median wage, housing and child care costs,* adjusted for inflation, 2006-2016



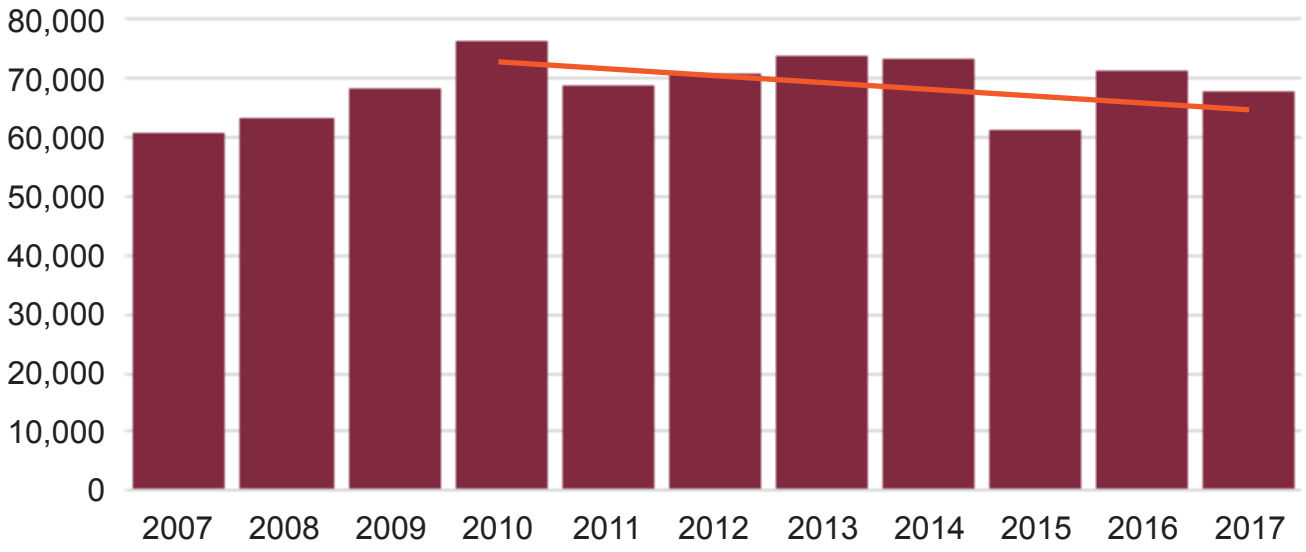
*The housing cost is for rural housing for a single person; the child care cost is a weighted average of the cost of care in all counties except Chittenden.

Data sources: Joint Fiscal Office; Economic Policy Institute analysis of Current Population Survey data

Affordability has become a buzzword in recent years, and there appears to be a feeling, if not quite a consensus, that it's a problem in Vermont. But affordability is a coin with two sides: costs and wages. Vermont prices for typical consumer goods are not much different—just 1.6 percent higher—from the prices for the same basket of goods on average nationally. Vermont's average annual wage, however, is about 82 percent of the average national wage. Furthermore, over the last 15 years Vermont's median wage has increased by less than half, while housing costs have nearly doubled and child care fees have grown by almost $5,000 per year. Lower costs would help make Vermont more affordable. But raising wages would be more effective and more equitable.

Nearly 70,000 Vermonters lived in poverty in 2017

Average number of Vermonters below the federal poverty threshold, 2007-2017, with post-recession trendline



Data source: U.S. Census Bureau, 2007-2017 American Community Survey 1-yr. estimates

From 2016 to 2017 overall poverty decreased from 11.9 percent to 11.3 percent, meaning 3,400 fewer Vermonters lived below the poverty level. Yet in 2017 the poverty rate exceeded the rate in 2007, before the recession; more than 67,000 were poor in 2017. While the rate goes up and down with economic trends, poverty has remained a persistent problem in Vermont for decades. Since 1980 poverty in Vermont has hovered around 10 percent and has never fallen much below 8 percent.

STATE POVERTY RATE

The poverty rate is the share of the population with income below the federal poverty threshold, determined by family size. The thresholds were established in 1963 and are updated each year. While the official measure has some limitations, over time it indicates changes in the share of Vermonters who are considered poor and which groups experience more poverty than others.

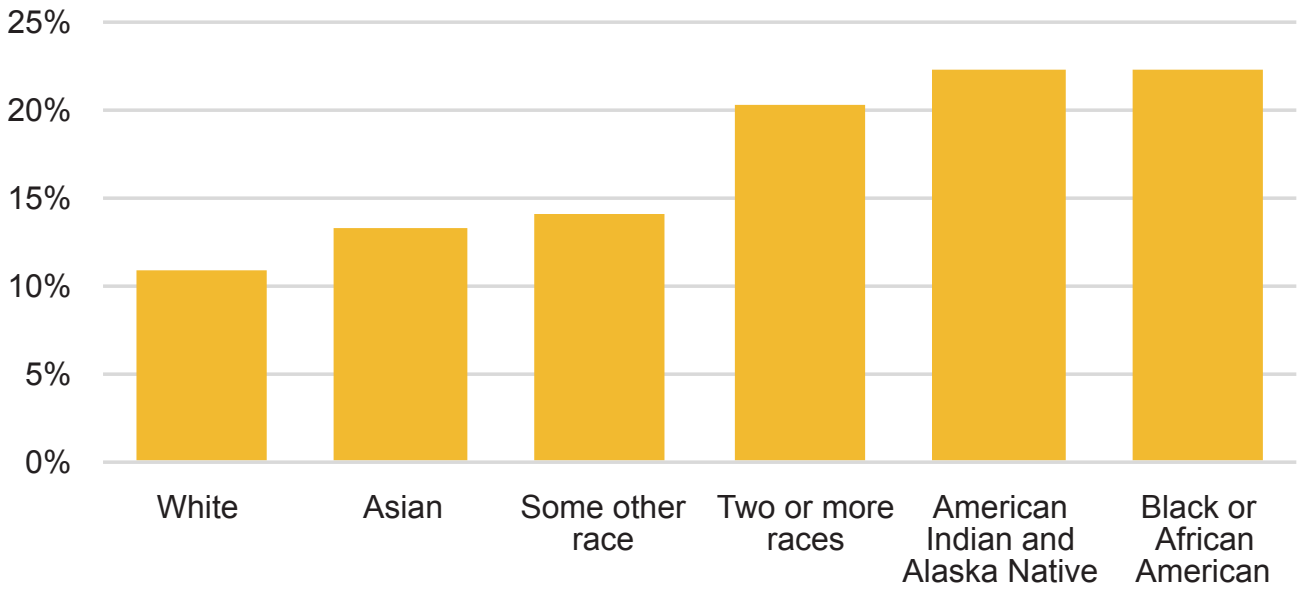
Official poverty thresholds, 2017

Family size	Poverty threshold
One person:	$12,488
Under age 65	$12,752
Age 65+	$11,756
Two people:	
Under age 65	$16,493
Age 65+	$14,828
Three people	$19,515
Four people	$25,094

POVERTY RATE BY RACE

The U.S. Census tracks poverty by many demographics, including race. Because the number of Vermonters of color is relatively small, five-year estimates—based on surveys collected over five years and therefore representing a larger population sample—provide a more reliable picture of the differences. The Census began providing five-year estimates in 2009.

Vermonters of color experienced higher rates of poverty Poverty rate by race, 2017

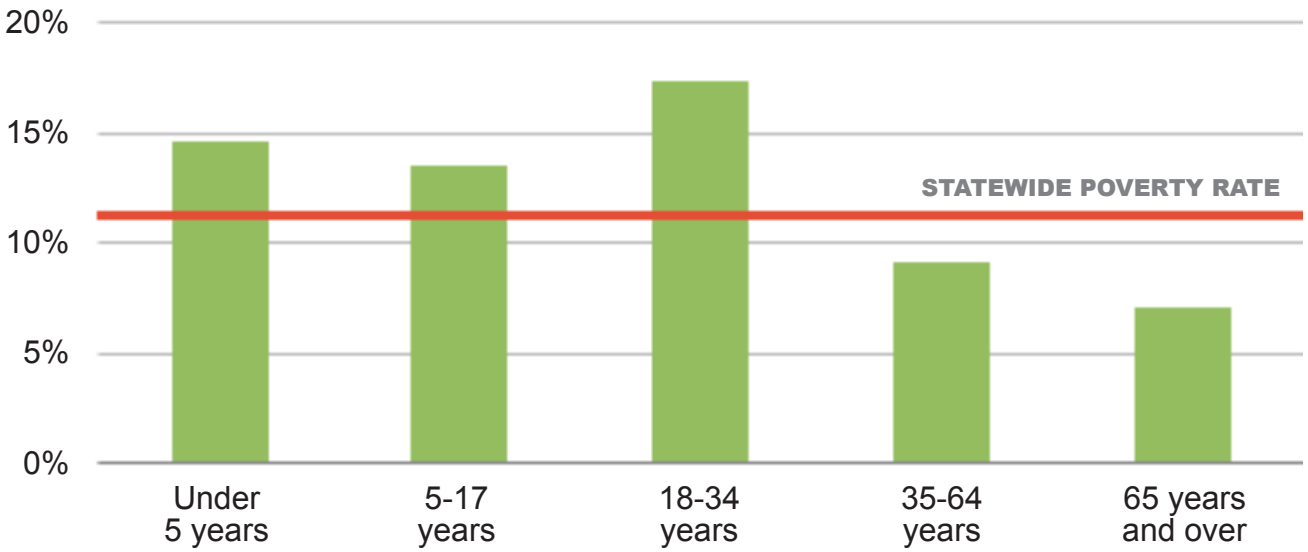


Data source: U.S. Census Bureau, 2013-2017 American Community Survey 5-yr. estimates

Vermonters of color were more likely to experience poverty in 2017, and that has held true for a decade. Since reliable tracking began, in 2009, Black and American Indian Vermonters have suffered the highest levels of poverty, more than double the rate of white Vermonters. People identifying as two or more races had the highest levels of extreme poverty, defined as living on less than half the poverty threshold.

Children and young Vermonters were poorest

Poverty rate by age, 2017



Data source: U.S. Census Bureau, 2017 American Community Survey 1-yr. estimates

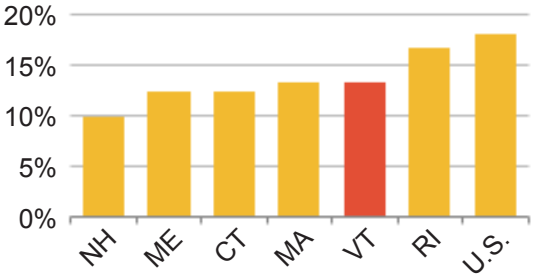
POVERTY RATE BY AGE

The poverty rate is the share of the population living below the federal poverty threshold, determined by family size. The U.S. Census Bureau tracks the poverty rate by many demographics, including age.

Over 15,000 Vermont children lived in poverty in 2017, more than half of them with single mothers. Children under 5 are more likely to live in poverty than the average Vermonter, and the lack of affordable child care may diminish their parents' earning potential. But Vermonters between 18 and 34 had the highest rate of poverty, with more than one in six officially poor—a higher rate than in the U.S. as a whole and the highest in New England. The slow growth in the job market during and after the Great Recession may have contributed to the economic status of these young adults.

Vermont's child poverty rate is higher than its neighbors'

Child poverty rate, New England states and U.S., 2017



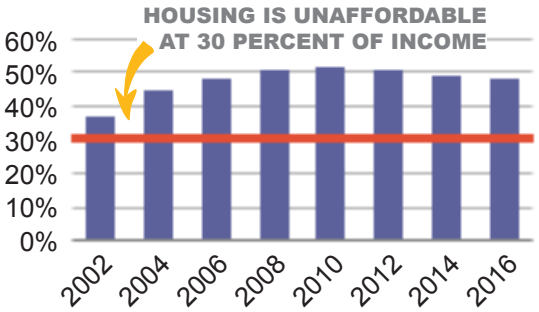
Data source: U.S. Census Bureau, 2017 American Community Survey 1-yr. estimates

HOUSING AFFORDABILITY

Housing affordability is the percentage of income that households spend on housing. According to the U.S. Department of Housing and Urban Development, housing costing more than 30 percent of household income is unaffordable.

Housing takes a huge bite of minimum wage

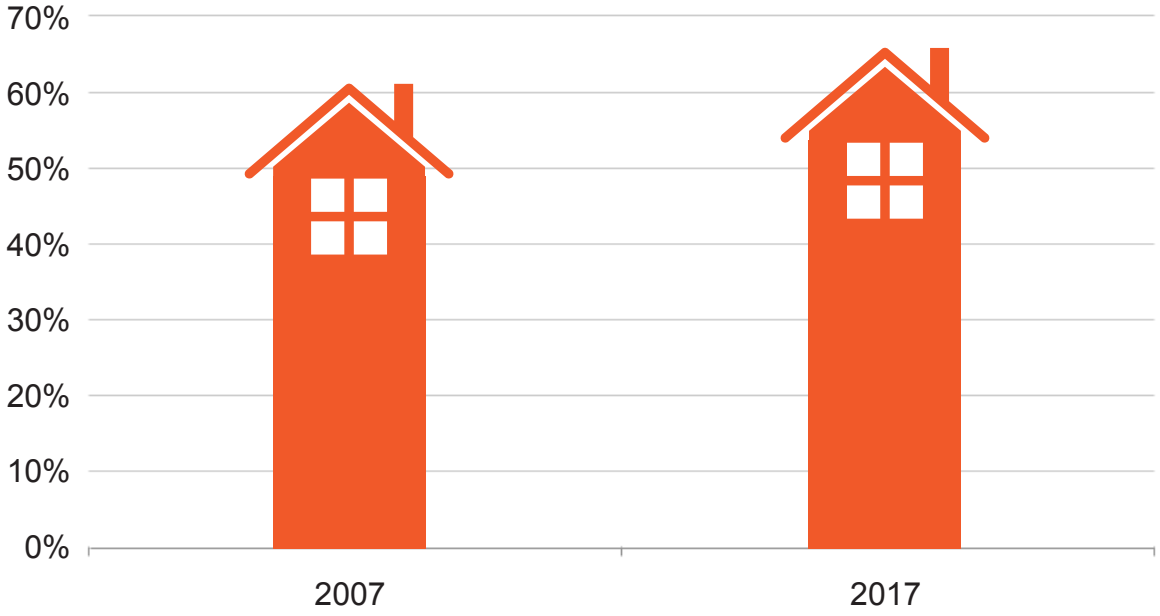
Share of full-time minimum wage income required for rural housing for a single person, 2002-2016



Data sources: Vermont Department of Labor; U.S. Department of Housing and Urban Development

Low- and middle-income Vermonters find it harder to afford housing

Percentage of households with incomes under $50,000 whose housing costs exceed 30% of income, 2007 and 2017

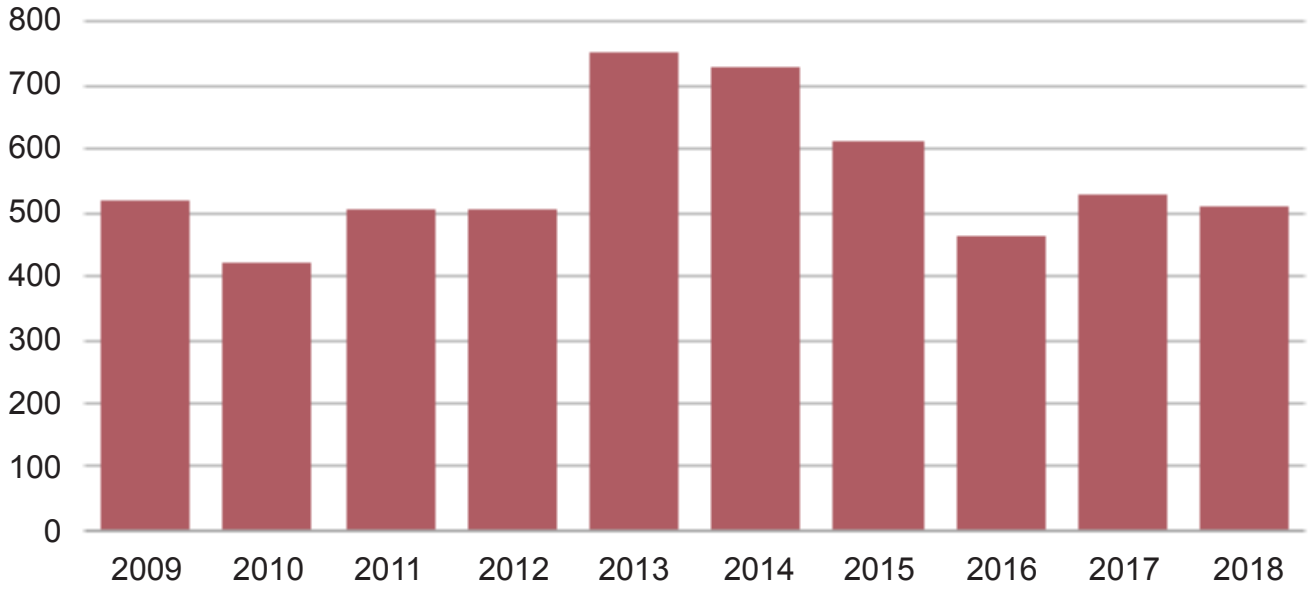


Data source: U.S. Census Bureau, 2007 and 2017 American Community Survey 1-yr. estimates

Nearly two-thirds of Vermont households with incomes under $50,000 paid more than 30 percent of their income toward housing in 2017, an increase since 2007. This increase was driven by the rise in the share of renter households in unaffordable housing: Over 70 percent of these households are cost-burdened, compared with 60 percent of owner-occupied households. Growth in rental costs and stagnant wages are both to blame for this situation, which is particularly dire for minimum-wage workers.

For Vermont families with children, homelessness has fallen in recent years

Point-in-time count of people in homeless families with children, 2009-2018



Data sources: Vermont Coalition to End Homelessness; Chittenden County Homeless Alliance

The ups and downs in the number of homeless Vermont families with children suggest the effects of federal policy since the recession. The 2009 American Recovery and Reinvestment Act (ARRA) increased investment in permanent affordable housing and housing retention services. This helped families avoid the traumatic experience of homelessness. Likewise, the peak in 2013 may be a result of ARRA's sunset that year. Discouragingly, the number of people in homeless families with children was the same in 2018 as it had been a decade earlier.

POINT-IN-TIME HOMELESS COUNT

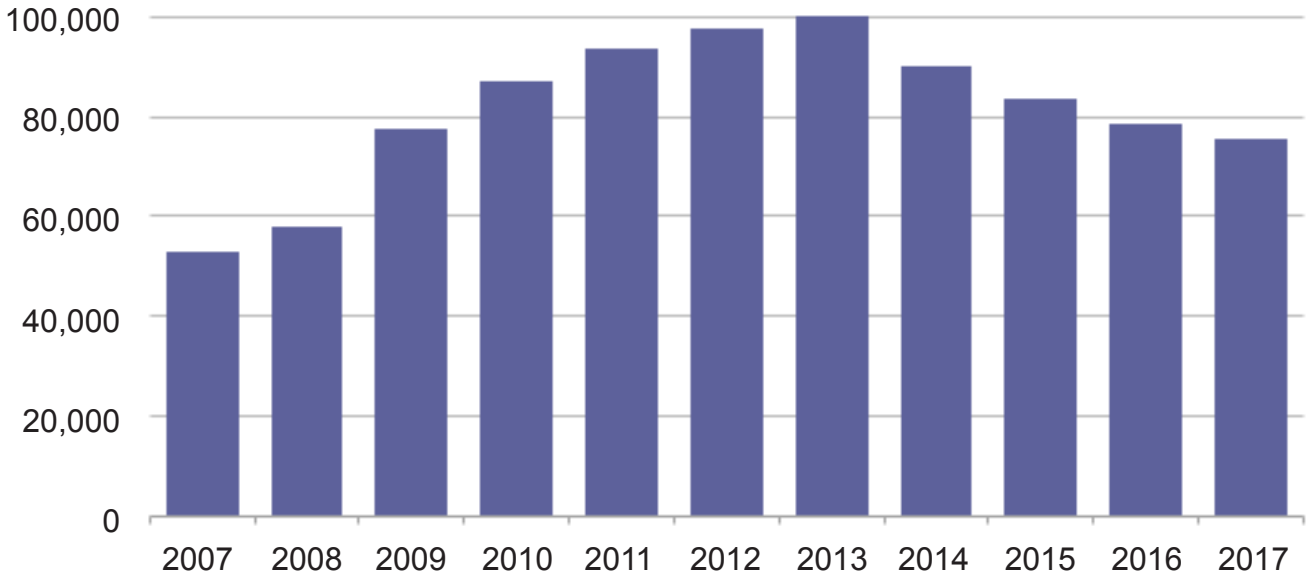
The point-in-time homeless count is a measure of homelessness based on a census taken each year on a single night in January. Vermont housing organizations conduct the survey using methods established by the U.S. Department of Housing and Urban Development.

3SQUARESVT PARTICIPATION

3SquaresVT participation is the number of individuals who receive benefits through the federal Supplemental Nutrition Assistance Program (SNAP), called 3SquaresVT in Vermont. The program provides food assistance to Vermonters with incomes up to 185 percent of federal poverty guidelines.

Vermonters continued to rely on food aid

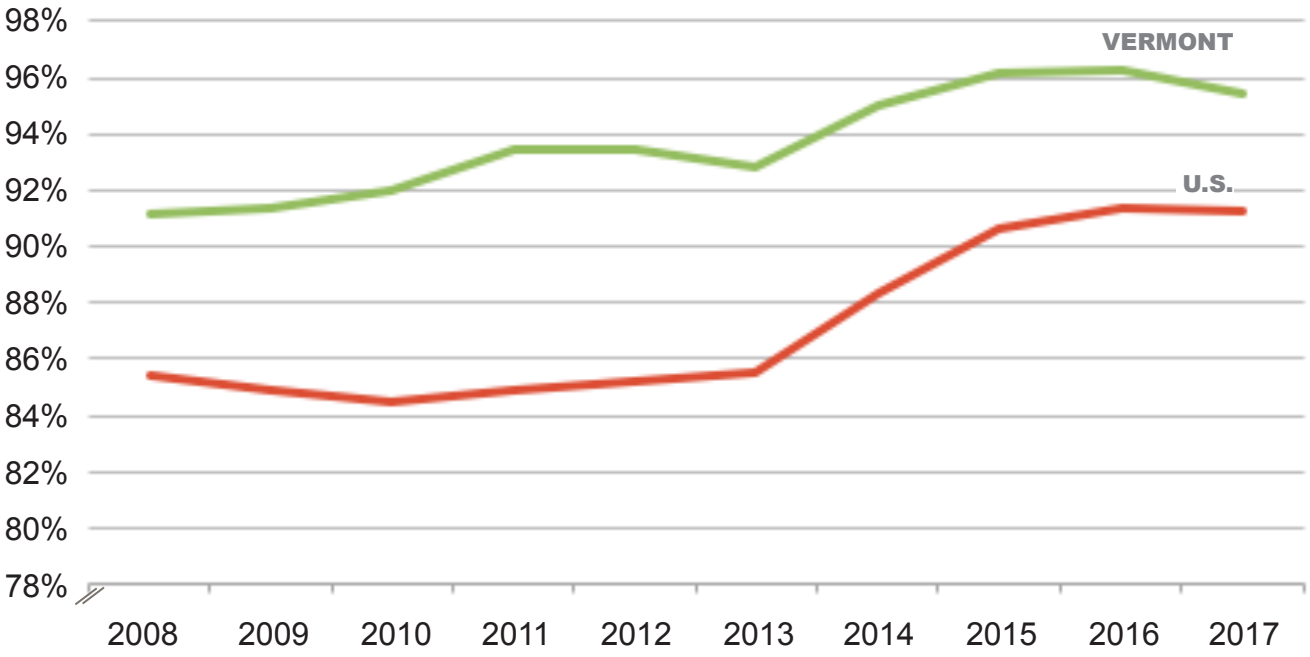
3SquaresVT recipients, annual average, 2007-2017



Data source: Vermont Department for Children and Families

Nearly 23,000 more Vermonters needed food assistance in 2017 than in 2007. That was below the peak reached in 2013, but still nearly 50 percent higher than the number of Vermonters who couldn't afford food prior to the recession. Eligibility was expanded and the monthly benefit raised temporarily during and after the Great Recession, accounting for some of the initial increase.

5,000 fewer Vermonters had health insurance in 2017 than in 2016 Percent of population with health insurance, 2008-2017



Data source: U.S. Census Bureau, 2017 American Community Survey 1-yr. estimates

HEALTH INSURANCE COVERAGE

Health insurance coverage is the percentage of the population with either publicly funded or private health insurance or both. The U.S. Census has been tracking coverage since 2008.

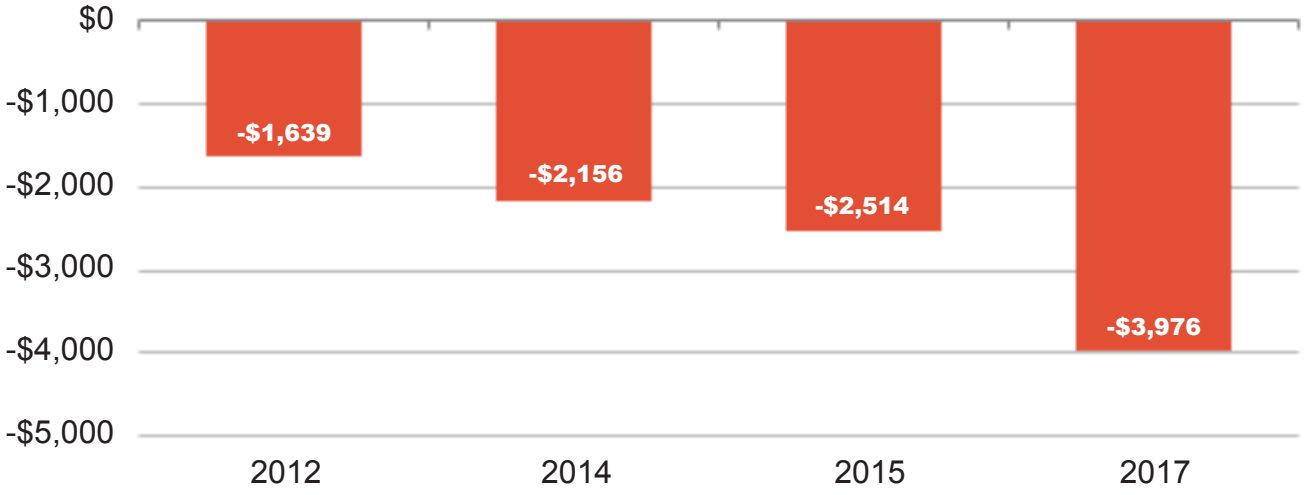
The share of Vermont residents with health insurance declined in 2017. More than 28,000 Vermonters now lack coverage. Of those, over 91 percent are adults between 19 and 64 years old, and 55 percent are male. Vermont has consistently enjoyed one of the highest rates of health insurance coverage in the country, but disruption and uncertainty at the federal level may be affecting Vermont's private health insurance market. Since 2010 the share of Vermonters with public coverage has steadily increased, while the share with private insurance has dropped.

ACCESS TO CHILD CARE

Access to child care is measured as the percentage of child care facilities low-income families can afford with state subsidies. Vermont's Child Care Financial Assistance Program (CCFAP) pays subsidies based on a quality-rating system.* The U.S. Department of Health and Human Services recommends that assistance be sufficient to allow low-income families access to 75 percent of the child care market.

Vermont's child care assistance fell short of parents' needs

Gap between federally recommended annual child care subsidy and assistance Vermont offers to parents using high-quality providers (4-star and 5-star rated), 2012-2017



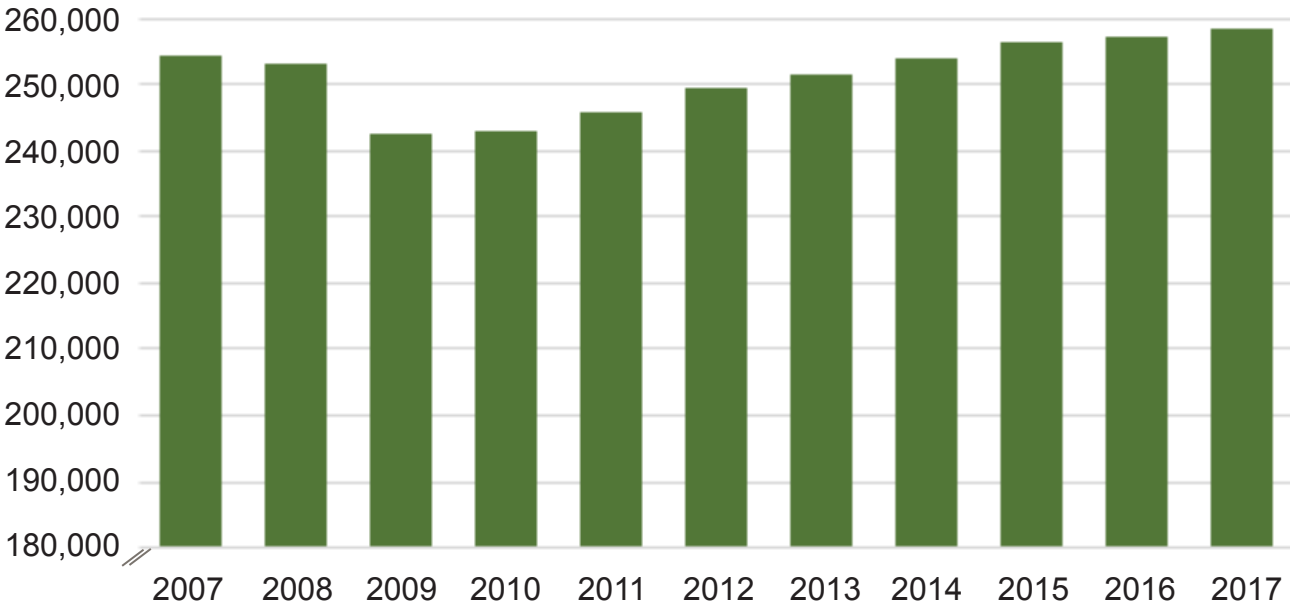
Data source: Vermont Department for Children and Families

** The Vermont Department for Children and Families uses the Step Ahead Recognition System (STARS) for recognizing and improving quality in regulated child care programs. Providers can earn up to five stars. The more stars a provider has, the higher the state payment.*

The Child Care Financial Assistance Program provides payments on qualifying parents' behalf to child care providers, with amounts based on the quality rating of the provider. Vermont committed to meeting the U.S. guidelines of providing sufficient subsidies to allow parents access to 75 percent of the child care market. But the state has been moving away from that target. In 2017 parents could access less than 20 percent of the market, even at the highest level of subsidy. The gap between the target level and the actual state assistance payment has more than doubled since 2012, to nearly $4,000 per year.

Private sector jobs increased in Vermont

Private sector jobs, annual average, 2007-2017



Data source: Vermont Department of Labor

PRIVATE SECTOR JOBS

The number of private sector jobs is collected through a survey of businesses conducted by the U.S. Bureau of Labor Statistics with the Vermont Department of Labor.

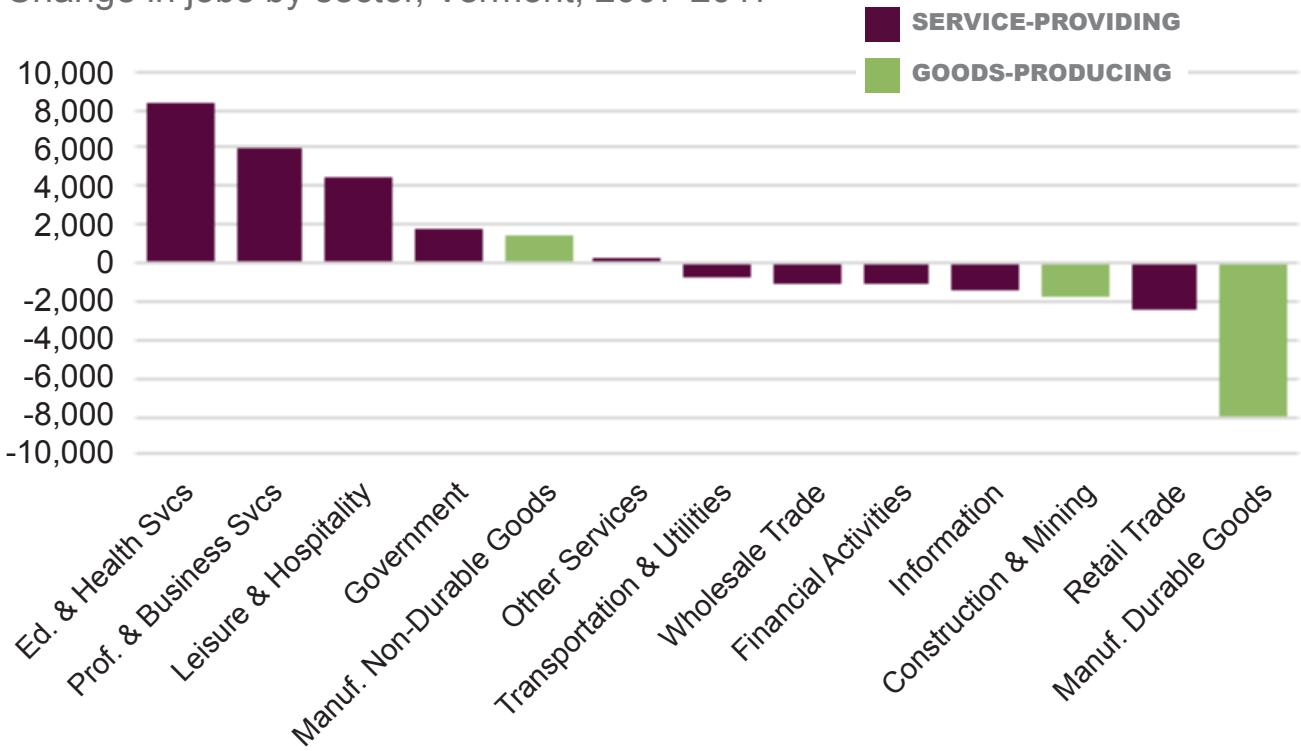
The number of private sector jobs grew from 2016 to 2017, continuing the upward trend starting in 2009 and surpassing the pre-recession number. Vermont has seen an increase of 3,900 private sector jobs since 2007; by comparison, that increase numbered 20,800 from 1997 to 2007. But since the recession Vermont's growth rate has underperformed the national average: The state ranks 44th in job growth.

JOBS BY INDUSTRY SECTOR

The U.S. Bureau of Labor Statistics works with the Vermont Department of Labor to track the number of nonfarm payroll jobs by industry sector. The data are provided by employers.

The shift to a service economy continued

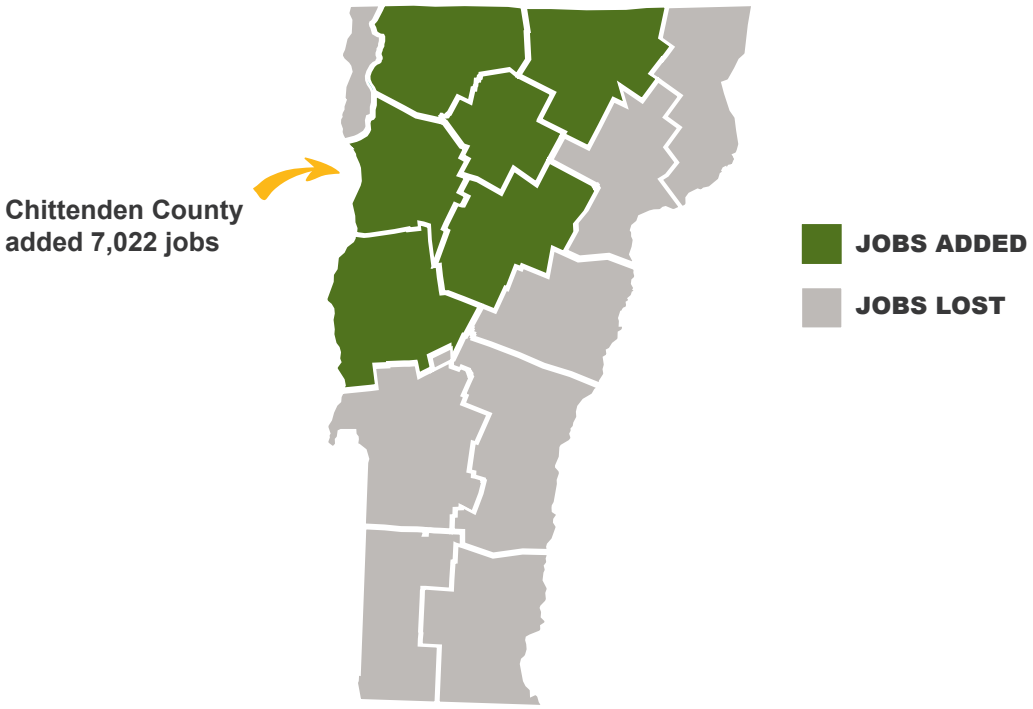
Change in jobs by sector, Vermont, 2007-2017



Data source: Vermont Department of Labor

Job growth since 2007 in Vermont has occurred primarily in service-providing industries, while jobs have declined in goods-producing industries. Education and Health Services, the industry with the largest increase, includes jobs in higher education, technical schools, and training programs, as well as in hospitals, nursing homes, and social assistance settings; it does not include public school teachers. Over 95 percent of growth in the Education and Health Services industry was due to an increase in health care and social assistance jobs, while half of the growth in Professional and Business Services can be attributed to an increase in administrative and waste services jobs.

Six northwestern counties accounted for all job growth Change in jobs by county, 2007-2017



Data source: U.S. Bureau of Labor Statistics

Chittenden County employers accounted for a third of the 310,000 jobs in Vermont in 2017, as well as more than half of the approximately 13,000 new jobs created since the recession. Five other counties, all in the northwestern part of the state, added jobs too, while the remaining eight counties have fewer jobs than in 2007.

JOBS BY COUNTY

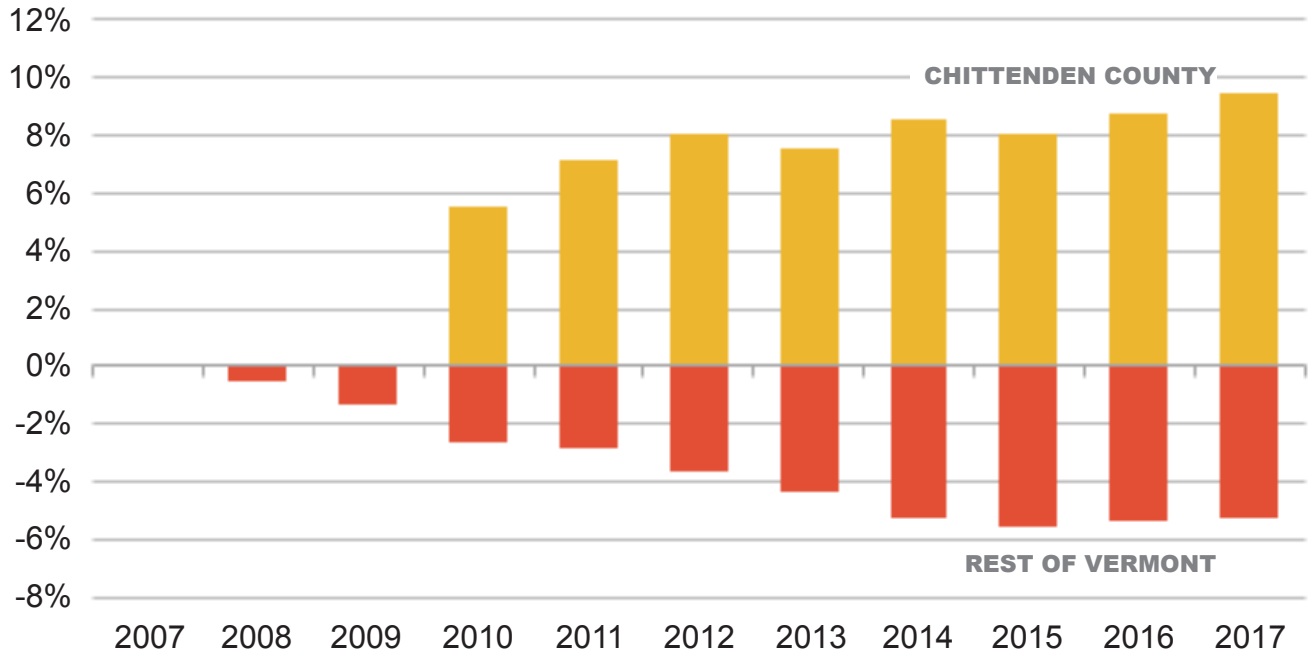
The Quarterly Census of Employment and Wages (QCEW) publishes a count every three months of jobs and wages reported by employers covered by federal unemployment insurance laws. The data reflect jobs located in each county.

COUNTY EMPLOYMENT

County employment is the number of people working, including farmworkers and those who are self-employed, by county of residence. County level data reveal regional differences within the state.

Employment growth in Chittenden County outshined the rest of the state

Cumulative change in annual employment in Chittenden County and the rest of the state, 2007-2017

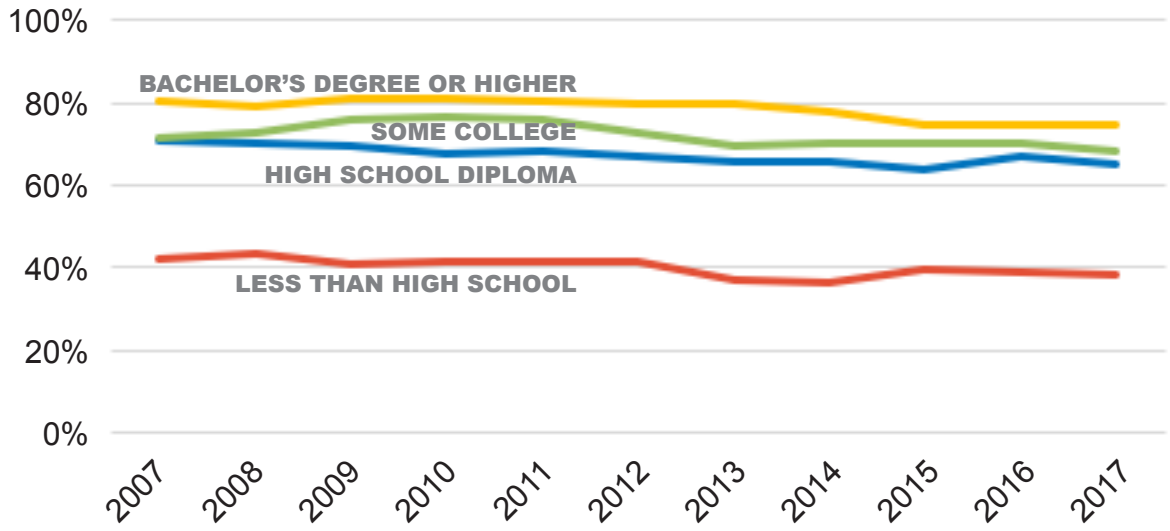


Data source: Vermont Department of Labor

Nearly 28 percent of people working in Vermont reside in Chittenden County. That share increased from 2007 to 2017, as employment grew in the county by 8,100. Franklin also added more than 1,700 workers and Washington 355. But the remaining 11 counties netted losses: a total of more than 15,000 workers in the wake of the recession.

Workforce participation has declined this decade regardless of education

Labor force participation rate by level of education, 2007-2017



Source: Economic Policy Institute analysis of Current Population Survey data

Across all education levels, labor force participation was lower in 2017 than in 2007. Historically, labor force participation among Vermonters with more education has exceeded that for the less educated. At just below 345,000, the number of Vermonters working or available to work has remained fairly consistent for three years, after five years of decline from 2009 to 2015. Vermont is one of only 12 states where the labor force remains below pre-recession levels.

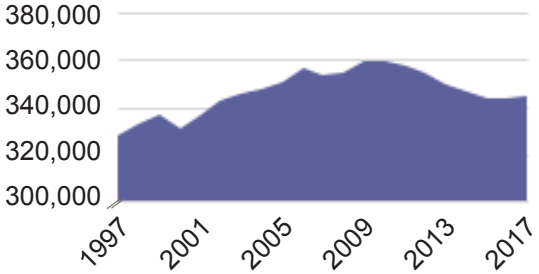
NOTE: A previous version of this report stated, "Vermont is one of only 10 states where the labor force remains below pre-recession levels." It was corrected on 01/08/19.

LABOR FORCE

The labor force is a count of people age 16 and over available to work. It includes people employed—payroll workers as well as self-employed—and those officially unemployed, which means they're out of work and actively looking for a job. Labor force participation varies across demographics such as age, gender, and education level.

Vermont's labor force remained below its 2009 peak

Annual average labor force, 1997-2017

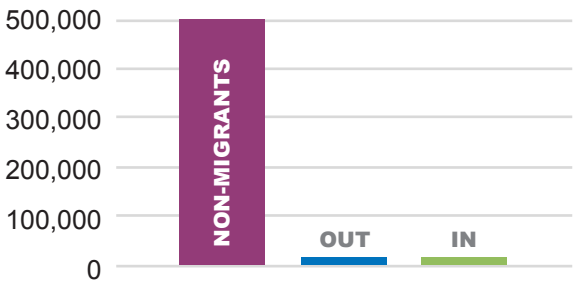


Data source: Vermont Department of Labor

MIGRATION BY NUMBER

Migration data show the flow of people and personal income into and out of Vermont. The IRS tracks tax return addresses each year and publishes aggregate data by state on the number of filers moving in and moving out, their dependents, and their adjusted gross income.

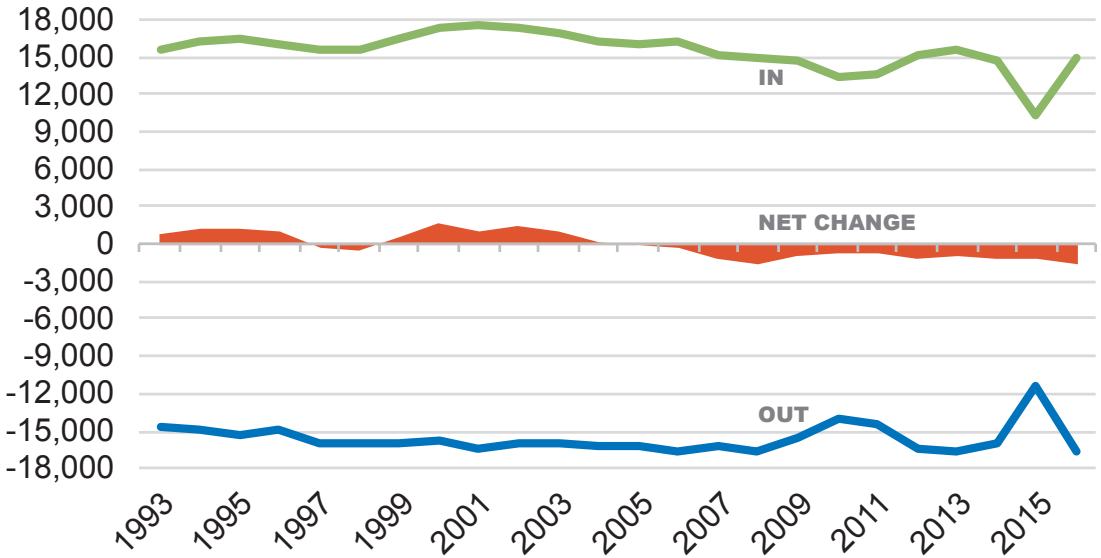
Most Vermonters stay put Annual movement of people* in Vermont, 2016



Data source: IRS Statistics of Income

* Exemptions claimed on personal income tax returns are used as a proxy for number of people.

After the mid-2000s Vermonters leaving slightly outnumbered new arrivals People* migrating to and from Vermont and net change, 1993-2016

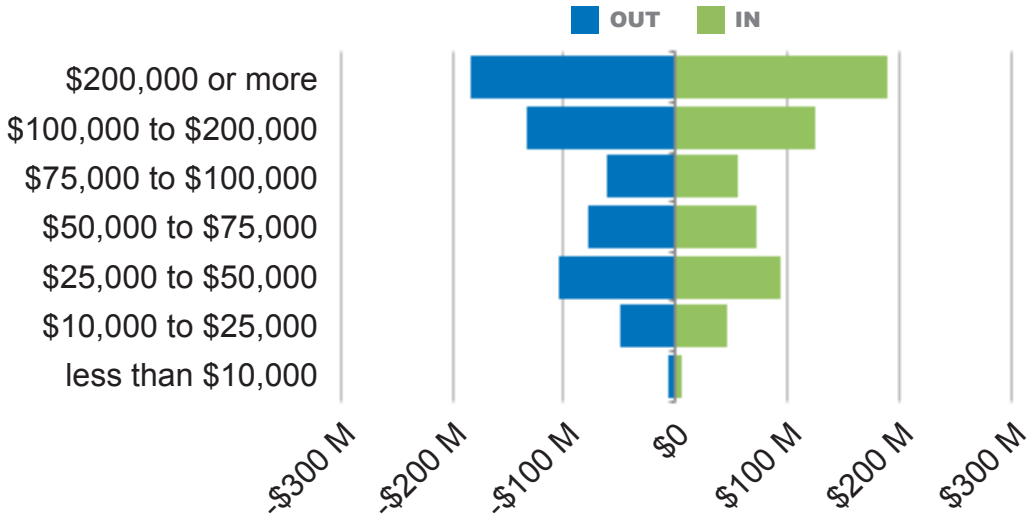


Data source: IRS Statistics of Income

For more than 20 years roughly 15,000 to 16,000 people migrated in and out of Vermont each year (the sharp drop in 2015 appears to be a data collection anomaly rather than a real change). Until the mid-2000s the flow of people generally produced a net gain. However, since 2005 people leaving the state have outnumbered newcomers. Movement in and out of the state slowed after the recession, but the outward flow has increased slightly in recent years. Overall the net changes have been small.

Wealthy Vermonters who left were replaced by newcomers with like incomes

Adjusted gross income of federal tax filers who moved in and out of Vermont, by income group, 2016



Data source: IRS Statistics of Income

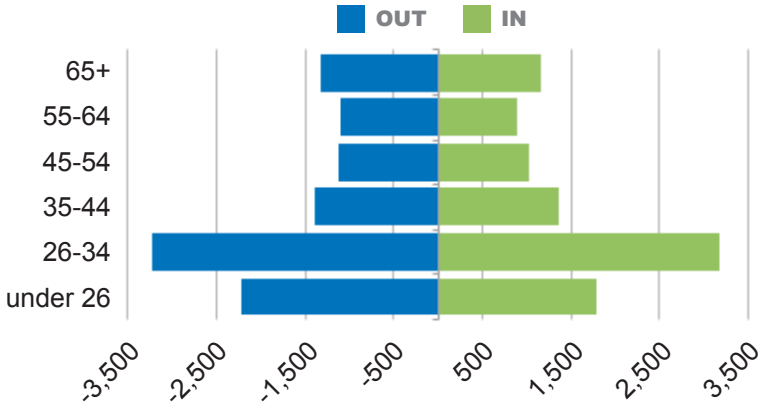
Whether grouped by age or income, the numbers of people coming to or leaving Vermont are fairly well balanced. In 2016 slightly more tax filers in each age group left the state than came from away—a net loss of about 1,700 filers. Vermont was one of 46 states where more than half of the filers who moved away in 2016 were under 35, but that group constituted a smaller share of the state's leavers than in most states. In terms of reported income, filers coming and going were about equally matched.

MIGRATION BY AGE AND INCOME

In recent years, the IRS has provided details about the tax filers they track moving from state to state. Information is now available about the age of the primary filer and the adjusted gross income of the individual or couple filing the return.

In most age groups, slightly more moved out than in

Number of federal tax filers who moved in and out of Vermont, by age group, 2016



Data source: IRS Statistics of Income

Glossary

Adjusted for inflation Dollar amounts are adjusted for inflation to reflect their equivalent value over time. For example, $1 in 1977, adjusted for inflation, would be worth $3.55 in 2016. Amounts are adjusted for inflation in this report by using the Consumer Price Index-Urban-Research Series (CPI-U-RS). The exception is the gross state product, which is adjusted based on the quantity index from the U.S. Bureau of Economic Analysis.

Average annual growth rate In this report the average annual growth rate is the compound annual growth rate, defined as the proportional growth rate from year to year. This measure smooths annual changes over a specified number of years as if the growth had proceeded steadily each year over that time period.

Decile One of 10 equal groups into which a population is divided based on a particular variable.

Employment In this report, employment refers to the total number of people working, including farmworkers and the self-employed, as reported in a monthly survey of households by the U.S. Bureau of Labor Statistics. Other BLS reports use employment to refer to jobs. The number of jobs will not match the number of people working because one worker can have more than one job, and also because self-employment and most farm labor are not counted as payroll jobs.

Family A group of two or more people who reside together and are related by birth, marriage, or adoption.

Great Recession The most recent recession, which began in December 2007 and ended in June 2009.

Gross state product (GSP) The state's portion of gross domestic product (GDP), the nation's output and perhaps the most commonly recognized economic measure. Gross state product represents the total value of goods and services produced by the state.

Health insurance coverage For reporting purposes, the U.S. Census broadly classifies health insurance coverage as private or public. Private health insurance is a plan provided through an employer or union, a plan purchased by an individual from a private company, or TRICARE or other private military health care. Public coverage includes the federal programs Medicare, Medicaid, and VA Health Care; the Children's

Health Insurance Program (CHIP); and local medical programs for indigents in the Pacific Islands. People who had no reported health coverage or those whose only health coverage was Indian Health Service (this program is included only in the American Community Survey) were considered uninsured. People can have more than one type of insurance.

Household All the people who occupy a housing unit as their usual place of residence.

Income Income numbers in this report come from two sources, as noted on each page: adjusted gross income as reported to the IRS and household income as reported to the U.S. Census Bureau.

Jobs Jobs numbers in this report come from two sources, as noted on each page: nonfarm payroll jobs reported in a monthly survey of employers by the U.S. Bureau of Labor Statistics; and the count by the Quarterly Census of Employment and Wages (QCEW), reported by employers covered by federal unemployment laws. The QCEW includes some farm work.

Labor force The number of people employed plus the number of unemployed, as measured by U-3.

Median In statistics, the middle value of a set of numbers or data points—half the figures fall below the median and half above. For example, median income is the point at which one half of incomes are greater and the other half are smaller.

Nominal Not adjusted for inflation.

Per capita Per person.

Percentile One-one-hundredth of a population, used to express the distribution of wages, wealth, test scores, or other data. For example, if you score in the 25th percentile on an exam, 25 percent of test takers got a score below yours and 75 percent got a better score.

Personal income Income received by persons from all sources. It includes income received from participation in production as well as from government and business transfer payments, but it does not include capital gains. Total personal income is a major economic indicator.

Poverty A measure defined by the set of money income thresholds, varying by family size and composition and updated annually by the U.S. Census, which are used to determine the poverty rate. The Census thresholds are close but not identical to the poverty guidelines established by the U.S. Department of Health and Human Services on which eligibility for aid programs is based.

Progressive tax A tax in which the rate increases as income increases.

Quintile One of five equal groups into which a population is divided based on a particular variable.

Race The U.S. Census includes six racial categories: White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander, and Some Other Race. Respondents self-identify and may choose more than one category.

Real When used as a modifier for economic terms such as growth or income, real means adjusted for inflation.

Recession A significant decline in activity across the economy, lasting longer than a few months. The technical indicator of a recession is two consecutive quarters (six months) of negative economic growth as measured by a country's gross domestic product (GDP).

Regressive tax A tax in which the rate decreases as income increases.

Self-employed People who work for profit or fees in their own business, profession, trade, or farm. Only the unincorporated self-employed are included in this category.

Unemployed The U.S. Bureau of Labor Statistics has six categories for people who are out of work, U-1 to U-6. The official unemployment rate estimated each month is based on the number of people classified as U-3, which includes people who actively sought work in the prior four weeks and have been unemployed for 15 weeks or longer (U-1) or recently lost jobs or completed temporary jobs (U-2). Also tracked by the BLS but not included in the official, U-3, count of the unemployed are people who have gotten discouraged from looking for work and part-time employees who would like to work more hours. These workers are included in U-6.

State of Working VERMONT 2018

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State of Working Vermont 2018 was created in conjunction with the Economic Policy Institute in Washington D.C. and was funded in part by the Annie E. Casey Foundation. We thank them for their support but acknowledge that the findings presented in this report are those of the Public Assets Institute and do not necessarily reflect the opinions of either partner.