

## Labor force falls, minimum wage to climb...18 cents

Vermont's labor force shrank for the fourth straight month in November, hitting its lowest point since May 2002. In fact, the labor force has declined steadily since the Great Recession. Last month it was down to 343,104 workers—a drop of more than 18,000 from its peak in 2009.

LATEST BLS DATA - DECEMBER 20, 2019			
	NOV 2019	OCT 2019	NOV 2018
Labor Force	343,104	344,373	345,551
Employment	335,298	336,657	336,520
Unemployment	7,806	7,716	9,031
Unemployment Rate	2.3%	2.2%	2.6%

Source: U.S. Bureau of Labor Statistics

### Yearly pay raise

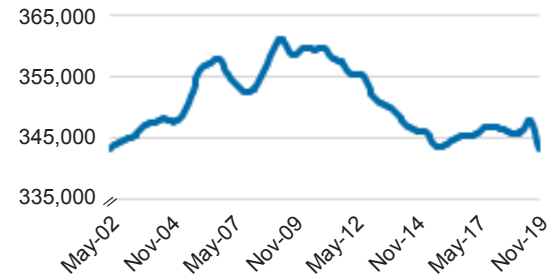
More than 16,000 Vermonters will get a raise on New Year's Day, when the minimum wage goes up. The rise, to \$10.96, is the annual inflation adjustment required by state law—for 2020, it's 1.7 percent, or 18 cents. That leaves minimum-wage workers short of the current livable wage: \$13.34, as calculated by the Legislative Joint Fiscal Office. The livable wage is the hourly amount needed to cover half of a basic needs budget for a two-person household.

### Uneven progress

The economy grew in Addison and Lamoille counties at more than twice the state's average rate of the last five years. Gross state product (GSP), the total of Vermont's goods and services, grew at an average annual rate of 0.9 percent from 2013 to 2018, adjusted for inflation. The U.S. Bureau of Economic Analysis (BEA) started publishing county-level economic information last year, based on a few years of data. This month it released county GSP data for 2001 through 2018 and plans annual updates each December.

### Vermont's workforce is the smallest since 2002

Labor force by month, May 2002-November 2019



Data source: Vermont Department of Labor  
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### Vermont minimum wage increase

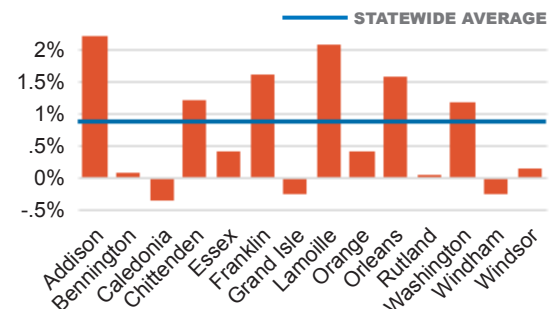
Share of workforce directly benefitting: **5.2%**  
 Type of increase: **inflation adjustment**  
 New minimum wage as of Jan. 1, 2020: **\$10.96**  
 Amount of increase: **\$0.18**  
 Total workers directly benefitting: **16,200**  
 Total increase in annual wages: **\$3,932,000**  
 Average increase in annual earnings\*: **\$240**

\*year-round workers

Source: Economic Policy Institute  
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### Addison and Lamoille saw the best 5-year growth

Real average annual GSP growth by Vermont county, 2013-2018



Data source: U.S. Bureau of Economic Analysis  
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