

Introduction

2020 was an extraordinary year. The global COVID-19 pandemic led to disruptions to daily life in virtually every part of the world. It also led to steep declines in economic output and employment across the globe. Vermont was, of course, not immune to these declines. After steep declines in the spring of 2020 the state experienced an uneven recovery over the remaining months of the year. A prior edition of Kevin's Corner (available at www.vtlmi.info or by clicking [here](#)) focused specifically on the early differential impact of the pandemic by industry.

In this edition we use recently-benchmarked statewide data from December 2019 and December 2020 to look at annual changes in employment by industry. In our next edition we will review annual changes to the labor force by county.

Sources

Data for this edition comes from Current Employment Statistics (CES), a program of the Vermont Department of Labor's Labor Market Information Division in cooperation with our federal partners at the United States Bureau of Labor Statistics. CES provides a monthly estimate of total nonfarm payroll employment for Vermont and the Burlington –Metropolitan NECTA. It also estimates employment by industry. All estimates used here are seasonally adjusted unless otherwise noted. Estimates are derived from a survey of approximately 1,200 Vermont firms representing 2,500 establishments across all industries each month.

Statewide Total Nonfarm Payroll Employment Changes

Over the year, Total nonfarm payroll fell by 28,700 jobs or 9.1%. This marks the largest over-the-year decline in the history of the series back to 1990 on both a numerical and percentage basis. The series history starts in January 1990 but that year shows a decline of 3.2%

(-8,400 jobs) from January to December. That would make it the second largest decline in the series.

The largest increases came in 1994 (+3.2% or 8,300 jobs) and 1999 (+3.1% or 8,800 jobs). Over the history of the series annual increases in Total nonfarm employment have averaged +0.5% or +1,100. Those averages are impacted dramatically by the pandemic year. Removing 2020 from the calculation produces an annual average increase of 0.8% or +2,204 jobs. See Table 1 for a review of the largest annual change.

Table 1: Largest % changes to payroll employment, 1990 – Present

Year	Change	% Change
2020	-28,700	-9.1%
1990*	-8,400	-3.2%
1994	+8,300	+3.2%
1999	+8,800	+3.1%
2009	-8,100	-2.7%
1993	+6,700	+2.6%
2000	+7,100	+2.4%

*Jan – Dec. Series started in January 1990.

Statewide Changes in Employment by Industry

Total Private employment fell by 23,300 (-9.0%) over the year while Government employment fell 5,400 or -9.6%. As we discussed in an earlier edition of Kevin's Corner, the impact of the pandemic varied dramatically across industries. Some industries saw very steep declines while others were left unscathed.

The steepest over-the-year declines were in Leisure and Hospitality where employment fell 12,300 (-34.0%). The declines were similar in both components of Leisure & Hospitality, with a 34.1% (-1,500)



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decline in Arts, Entertainment & Recreation and a 34.0% (-10,800) decline in Accommodation & Food Services. Other industries with declines larger than 10% include: Mining and Logging (-12.5% or 100 jobs); Local Government (-12.0% or -3,600); Wholesale Trade (-10.9% or -1,000); and Other Services (-10.8% or -1,100).

The only industry that gained employment over the year was Professional, Scientific & Technical Services. Over the year it added 400 jobs or 2.6%. Federal Government employment remained flat with 7,100 jobs in both December 2019 and December 2020. Other industries where employment declines were small include Transportation, Warehousing, & Utilities (-1.2% or 100 jobs); Finance & Insurance (-2.2% or 200 jobs); and Non-Durable Manufacturing (-3.4% or 400 jobs). See Table 2 for a list of employment changes by industry.

Burlington NECTA Total Nonfarm Payroll Employment Changes

The Burlington New England City and Town Area includes most (but not all) of the towns in Chittenden, Franklin and Grand Isle counties along with a couple adjacent communities. This region was responsible for most statewide employment growth in the decade prior to 2020; accounting for 76.4% of employment growth between the employment trough in 2009 and December of 2019.

Between December 2019 and December 2020 employment declined by 8.2% or 10,400 jobs, almost four times the largest previous losses which occurred in 2009 (-2.3% or -2,600 jobs). The largest growth in the Burlington NECTA occurred in the years 1999 (+5,100 jobs, 4.8%) and 2000 (+3,700 jobs, 3.3%).

Table 2: Changes in Employment by Industry, 2020

Industry	Dec 2020 Estimate	QTY Change	QTY % Change
Total Nonfarm	286.1	-28.7	-9.1%
Total Private	235.4	-23.3	-9.0%
Goods Producing	43.9	-2.3	-5.0%
Mining, Logging, Construction	15.2	-0.8	-5.0%
Mining & Logging	0.7	-0.1	-12.5%
Construction	14.5	-0.7	-4.6%
Manufacturing	28.7	-1.5	-5.0%
Durable Goods	17.4	-1.1	-5.9%
Non-Durable Goods	11.3	-0.4	-3.4%
Service-Providing	242.2	-26.4	-9.8%
Private Service Providing	191.5	-21	-9.9%
Trade, Transportation & Utilities	51.1	-2.8	-5.2%
Wholesale Trade	8.2	-1.0	-10.9%
Retail Trade	34.7	-1.7	-4.7%
Transport, Warehousing, Utilities	8.2	-0.1	-1.2%
Information	3.9	-0.4	-9.3%
Financial Activities	11.8	-0.5	-4.1%
Finance & Insurance	9	-0.2	-2.2%
Real Estate, Rental & Leasing	2.8	-0.3	-9.7%
Professional & Business Services	29.6	-0.3	-1.0%
Prof'l, Scientific & Technical Svcs	15.7	0.4	2.6%
Administrative & Waste Mgmt Svcs	11.8	-0.6	-4.8%
Education & Health Services	62.1	-3.6	-5.5%
Educational Services	12	-1.3	-9.8%
Health Care & Social Assistance	50.1	-2.3	-4.4%
Leisure & Hospitality	23.9	-12.3	-34.0%
Arts, Entertainment & Rec	2.9	-1.5	-34.1%
Accommodation & Food Services	21	-10.8	-34.0%
Other Services	9.1	-1.1	-10.8%
Government	50.7	-5.4	-9.6%
Federal Government	7.1	0.0	0.0%
State Government	17.1	-1.8	-9.5%
Local Government	26.5	-3.6	-12.0%

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the grantee and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.