

Vermont Legislative Joint Fiscal Office

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ISSUE BRIEF

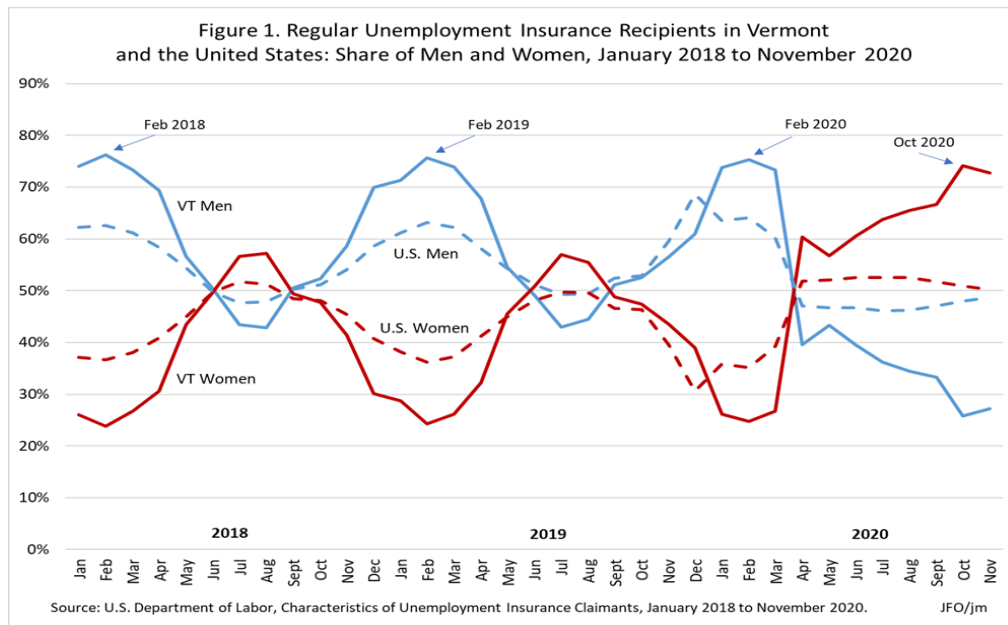
Updated on January 20, 2021
Prepared by Joyce Manchester

Updated Addendum to the Issue Brief of January 6, 2021: “Vermont’s Unemployment Insurance Recipients: Relatively High Proportions of Women, Older People, and Food and Lodging Employees”

The Issue Brief released by the Joint Fiscal Office on January 6, 2021 noted that in November 2020, more than 73 percent of the 10,400 Vermonters receiving regular Unemployment Insurance (UI) benefits were women.¹ That proportion was much higher than the nationwide share of 50 percent.

Several issues related to the Issue Brief have been raised since its release. This Addendum addresses some of those issues with additional information. Items 3 through 7 are new updates.

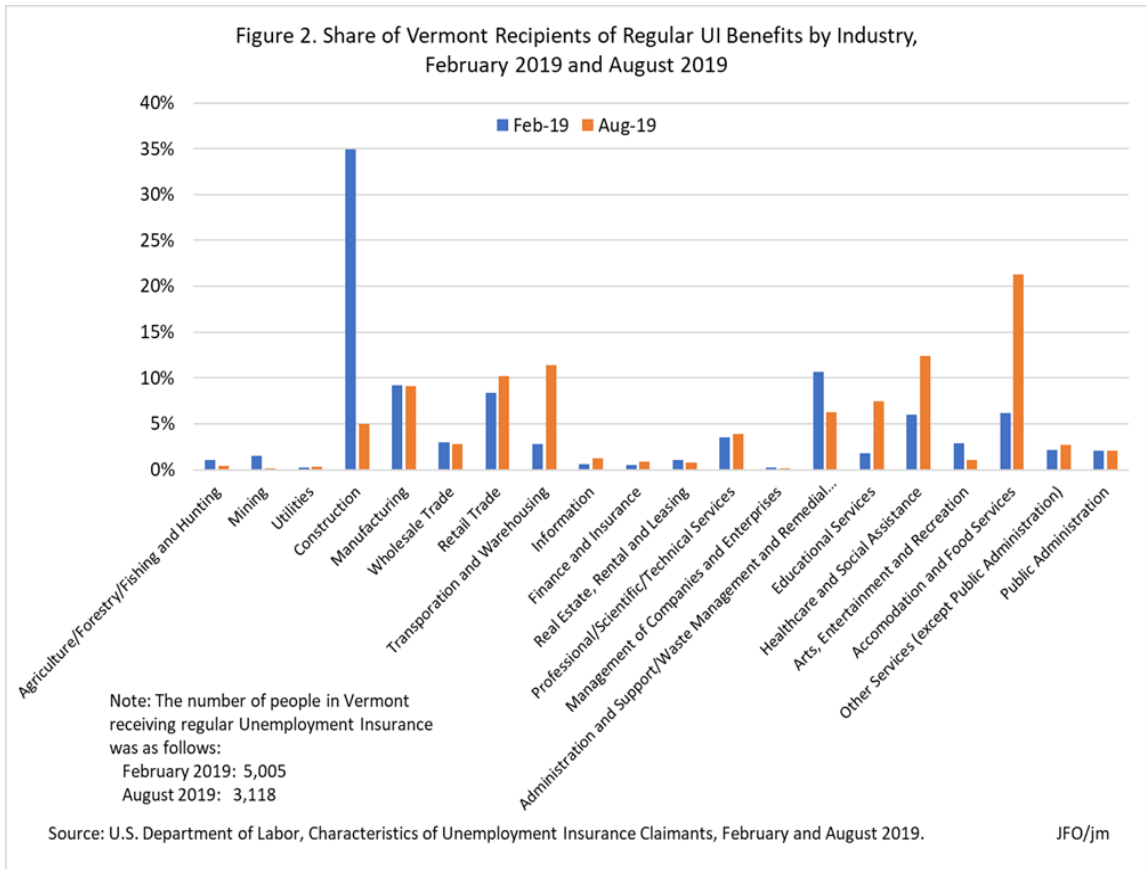
1. To better understand the context of the surprisingly large share of women among regular UI recipients in Vermont, JFO looked at the shares of men and women receiving those benefits during the period from January 2018 through November 2020. In both 2018 and 2019, men comprised a larger share of regular UI recipients during the winter months, generally October through May (see Figure 1). Women comprised a larger share only during the summer months of July and August. That pattern changed in 2020 during the COVID-19 recession, however. The share of regular UI recipients who were women was at least 55 percent and as large as 74 percent from April 2020 to November 2020.



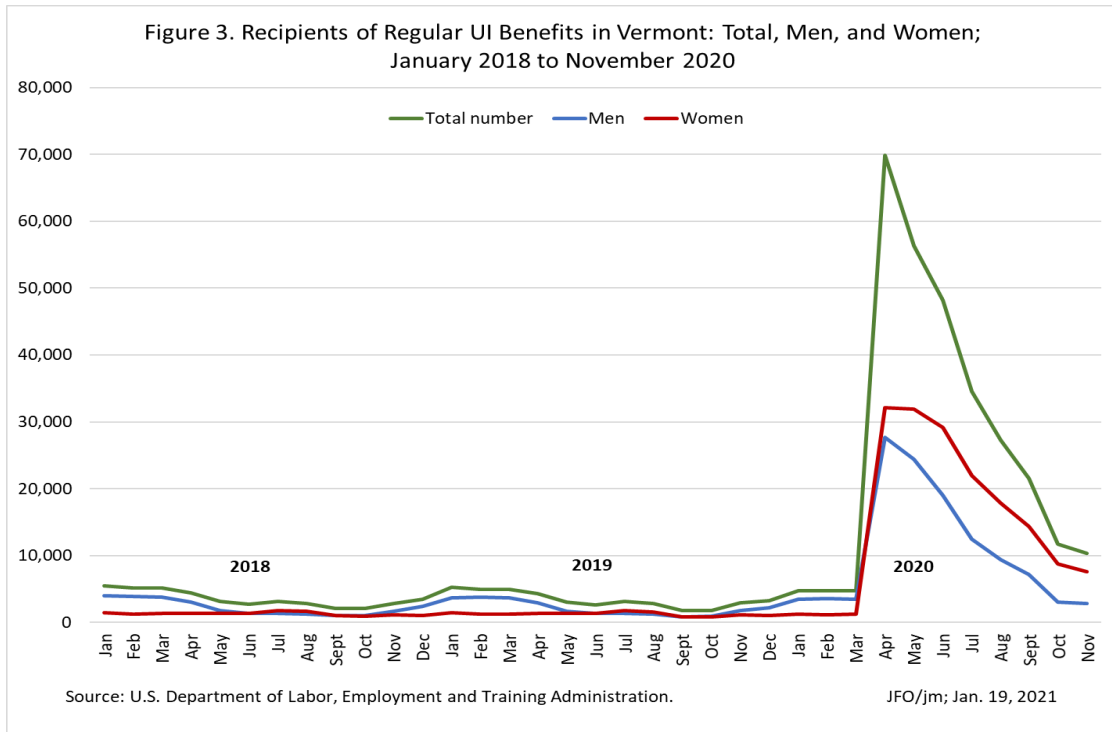
¹ See https://ljfo.vermont.gov/assets/Publications/Issue-Briefs/1263dff53e/Women_and_older_workers_higher_share_on_UI_dec2020.pdf

- Examining the shares of regular UI recipients by industry helps to explain the substantial increase in the proportion of women receiving regular UI benefits. In 2018 and 2019, workers from the construction industry made up about one-third of regular UI recipients during the “deep winter” months, but that share dropped to less than 10 percent during the summer months. In 2019, for example, construction workers were 35 percent of those receiving regular UI benefits in February, but that share dropped to just 5 percent in August 2019 (see Figure 2). Those patterns were completely disrupted during the COVID-19 recession in 2020. In August through November, the largest shares by industry were from the Accommodations and Food Services sector (between 26 percent and 34 percent) and the Healthcare and Social Services sector and Retail sector (both between 11 percent and 13 percent).

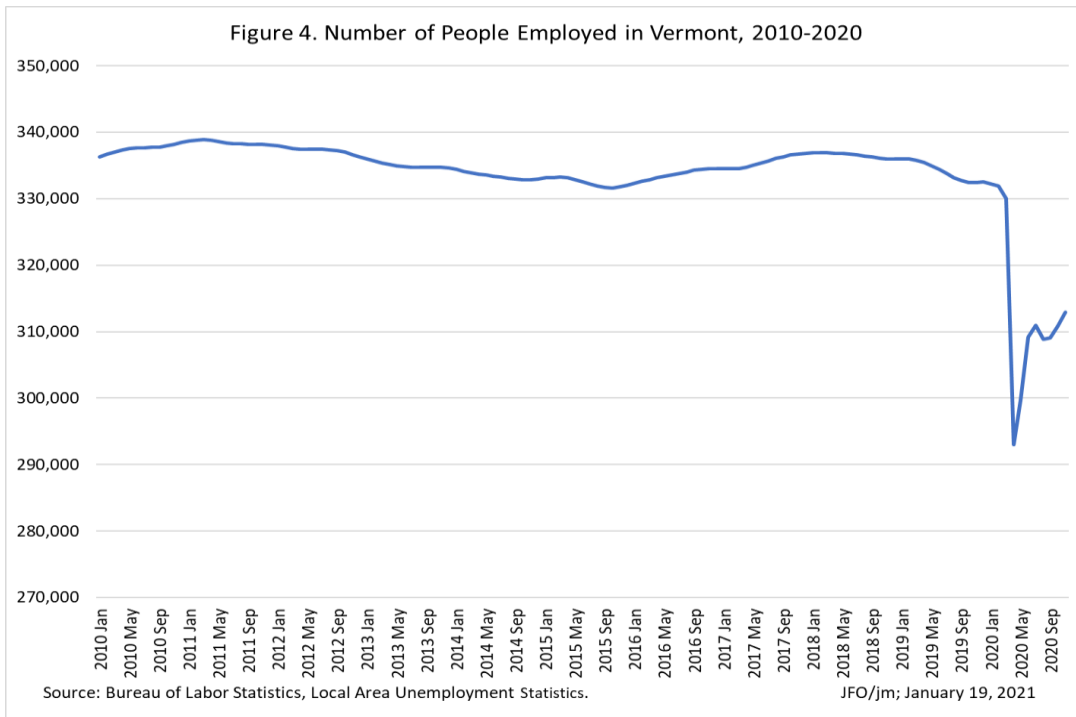
Of course, other reasons help to explain the large share of women receiving regular UI benefits in Vermont. They may need to care for children or other family members affected by the pandemic, or they may hold jobs that do not allow them to work from home.



- The numbers of recipients of regular Unemployment Insurance benefits, both in total and the split between men and women, have changed notably over the last three years (see Figure 3).

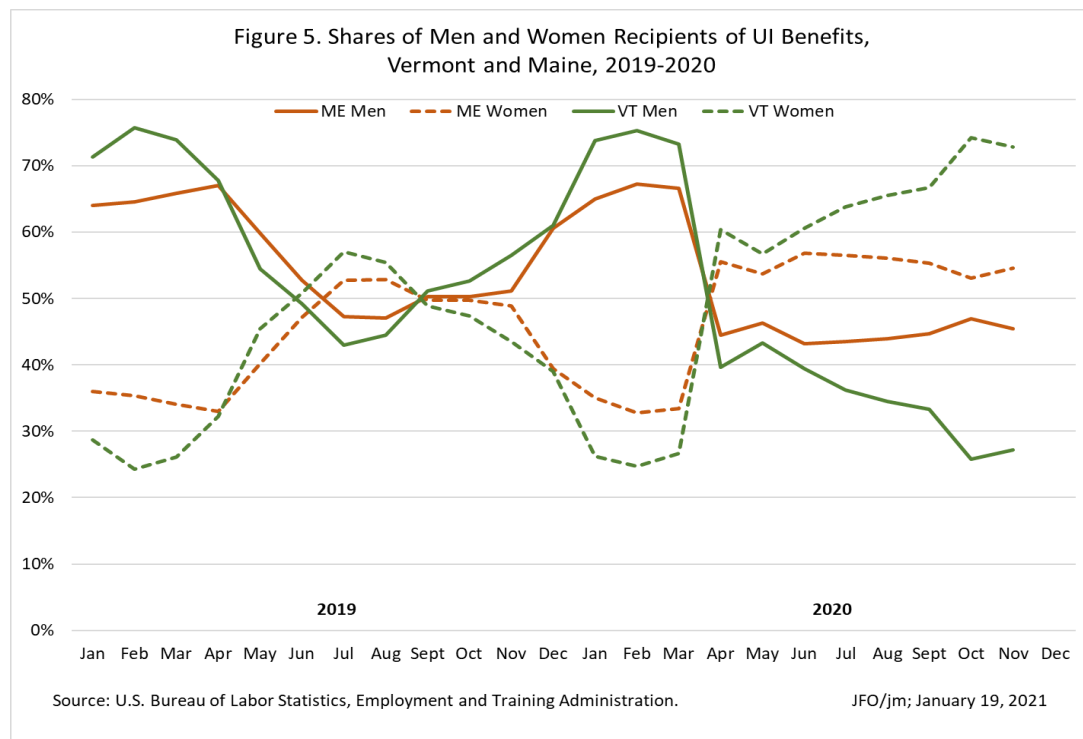


- The number of people employed in Vermont has fallen considerably over the past year. In November 2019, 332,418 people were employed in Vermont. In November 2020, the number of people employed had dropped to 312,954, meaning that about 19,500 people were no longer working (see Figure 4). We have not seen published statistics identifying the split between men and women.



Another measure of the strength of the labor market comes from data on jobs in Vermont. In November 2019, Vermont had 315,400 nonfarm wage and salary jobs. From February 2020 to April 2020, Vermont lost 68,200 nonfarm jobs. Since April 2020, the state has recovered 42,400 nonfarm jobs. Looking at the 12-month change, 27,200 fewer jobs existed in Vermont in November 2020 than in November 2019.

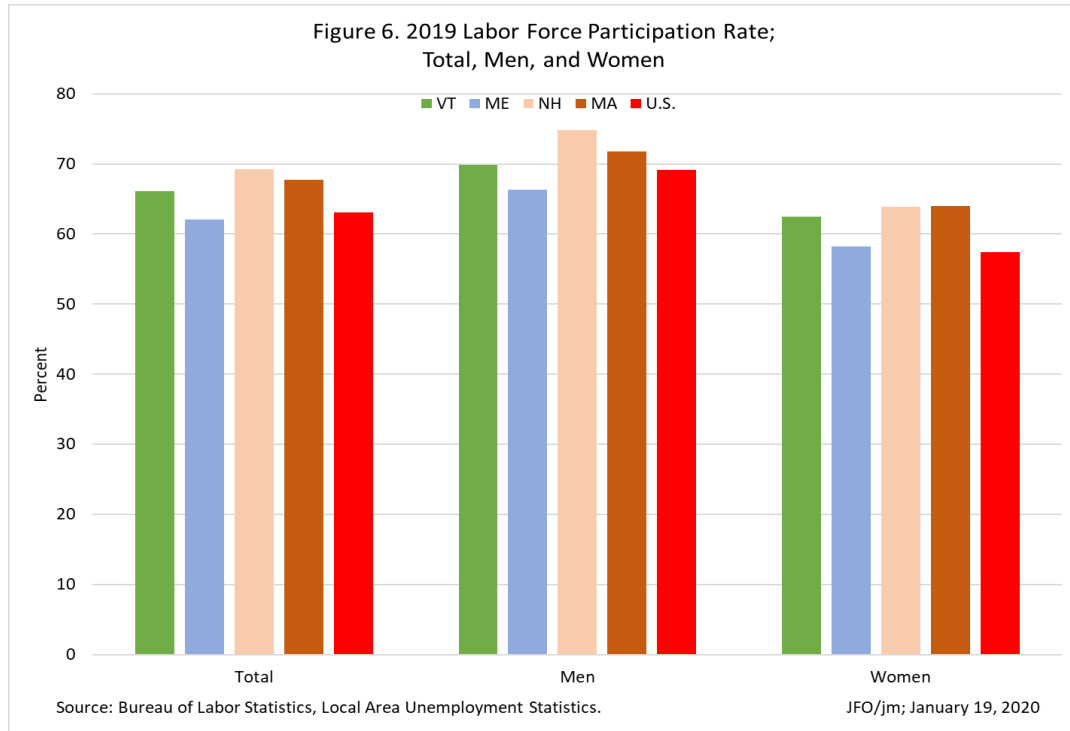
- Because both Maine and Vermont have controlled the spread of COVID-19 relatively well and have a similar demographic structure, it is interesting to look at the share of women among Maine UI recipients. The cyclical shares of men and women receiving UI benefits followed similar patterns in both 2019 and 2020 (see Figure 5). But the swings in Vermont were larger, and the share of women receiving benefits in October and November 2020 was much larger in Vermont (73 percent) than in Maine (55 percent). A scan of women's share of UI recipients in the U.S. states in October 2020 shows that only four states other than Vermont and Maine had shares of 55 percent or more (Connecticut, Mississippi, New Hampshire, and Rhode Island). The highest share among those four states was 56.3 percent in Mississippi.



- In 2019, Vermont's total labor force participation rate of 66.1 percent was somewhat higher than the U.S. rate of 63.1 percent (see Figure 6).² New Hampshire at 69.3 percent and Massachusetts at 67.7 percent had higher rates of total labor force participation than both Vermont and the U.S., but Maine at 62.1 percent did not.

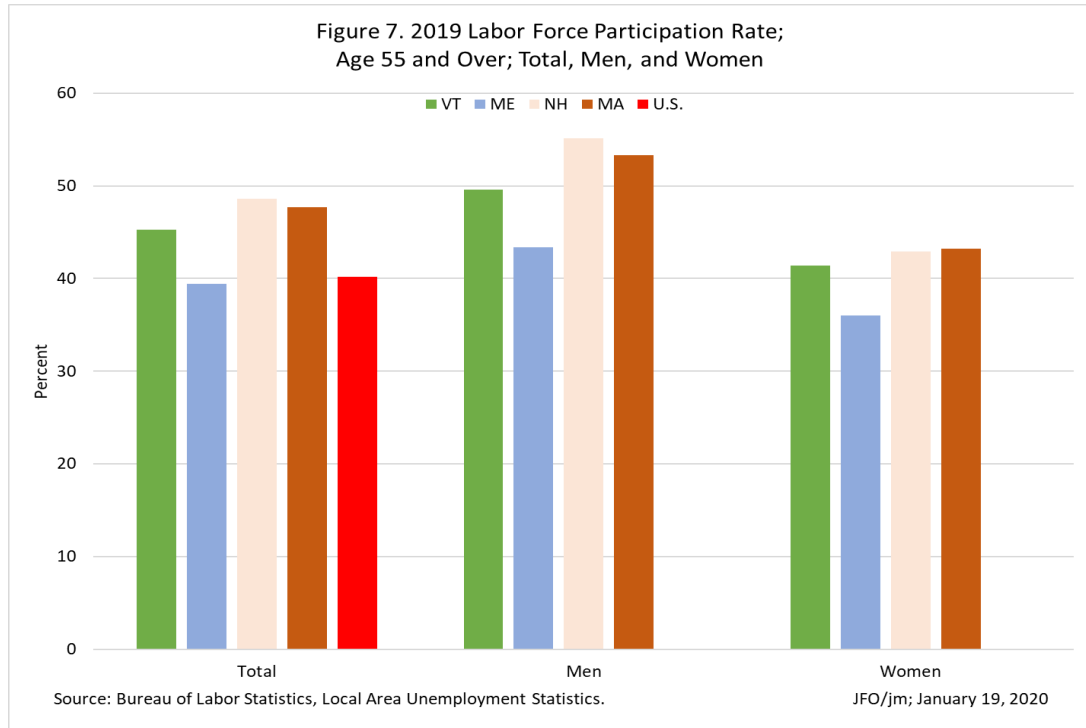
² The labor force participation rate is the percentage of the civilian noninstitutional population 16 years and older that is working or actively looking for work.

The labor force participation rate of women in Vermont of 62.5 percent in 2019 was noticeably higher than in the U.S. where it was 57.4 percent. Again, New Hampshire at 63.9 percent and Massachusetts at 64.0 percent had higher rates for women than Vermont and the U.S. Maine's rate for women was 58.2 percent, somewhat lower than Vermont's rate but a bit above the U.S. rate.



The labor force participation rate for people age 55 and over in Vermont at 45.3 percent was higher than in the U.S. overall where it was 40.2 percent (see Figure 7). Vermont's rate for older people was higher than in Maine where it was 39.4 percent but lower than rates in New Hampshire (48.6 percent) and Massachusetts (47.7 percent).

Labor force participation rates for Vermonters age 55 and over for men (49.6 percent) and women (41.4 percent) again were higher than the rates in Maine (43.4 percent and 36.0 percent). Vermont's rates were lower than in New Hampshire (55.1 percent and 42.9 percent) and Massachusetts (53.3 percent and 43.2 percent). The comparable U.S. rates for men and women age 55 and over were not readily available.



7. For an estimate of the number of unemployed Vermonters in September 2020, including those who were counted as officially unemployed as well as those who were not looking for work and therefore counted as having dropped out of the labor force, see the JFO Issue Brief, “Unemployment in Vermont and the Covid-19 Pandemic: Conflicting Statistics Result in Loss of Federal Benefits,” https://ljfo.vermont.gov/assets/Publications/Issue-Briefs/f4b1968c6f/Issue_Brief_Covid_Unempl_Rate_Merged_21nov.pdf.