

VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM

POTENTIAL LOST OPPORTUNITIES

Despite the program successes illustrated on the following pages, 46% of the VEGI incentives and 60% of the job growth is concentrated in Chittenden County. The proposed changes seek greater equity in the distribution of the incentives.

Also, we have recently been in contact with several companies planning growth or looking at Vermont who might create new jobs. Some of these projects could be lost opportunities and lost new jobs without the proposed changes,

- An upstate New York based value-add food company is planning to insource production, which is currently contracted out. Wherever they locate the production, they will also relocate their main office and warehousing. The majority of the new production jobs pay just below the current wage threshold. Without the changes, we have no chance at this recruitment and expansion.
- An existing military manufacturer is contemplating growth to access new non-military markets. Enough of the potential new jobs could fall below the current wage threshold to make the incentive amount too low to consider Vermont for this growth.
- A major manufacturer in central Vermont has plans to grow and several places to locate that growth. Starting wages are below the wage threshold, but when the value of benefits are added in they are well above. Without the wage threshold change and the value-add VEGI proposal, these new jobs, which pay very well after a training period, will be created elsewhere.
- A Quebec value-add food company is considering Vermont and New York for an expansion into the US market. There is no chance this recruitment will occur in Vermont without the changes.
- An existing Vermont high-tech company is considering expansion and moving to New Hampshire. Without the changes, the VEGI incentive we can offer will not convince them to stay and grow in Vermont.
- A year-round green vegetable growing start-up considering Brattleboro, New York, and Massachusetts will create 35 new jobs. Enough of the new jobs are below the current wage threshold to make the potential incentive too low to make Vermont competitive the project.

**POTENTIAL TOTAL NEW JOB CREATION OPPORTUNITY LOSS:
230 FULL-TIME JOBS**