

VFDA Workforce Initiative

Summary: Vermont's heating fuel and heating service companies provide high-skill, high-demand jobs. There is significant need among Vermont's heating fuel and heating service companies for new employees. According to the UVM Center for Rural Studies more than 2/3 of fuel companies report that there is a lack of qualified applicants for heating technician jobs and more than half say there is a lack of qualified drivers. These jobs do not require a college degree but most pay over \$20 per hour with benefits.

While VFDA's Vermont Fuel Education Center is responsive to the needs of the heating service industry for certification seminars, most of our students that attend VFDA training and certification seminars are currently employed. Recruiting new heating industry workers is difficult. Adding to that challenge is the significant investment in on-the-job training by the employer.

VFDA seeks to expand opportunities beyond the classroom by placing qualified individuals in work settings where they can gain hands-on experience and put them on a path to obtain a license or certification.

The following outlines some of the programs VFDA is providing its member companies as we seek ways to partner with others to train the next generation of heating fuel and service employees.

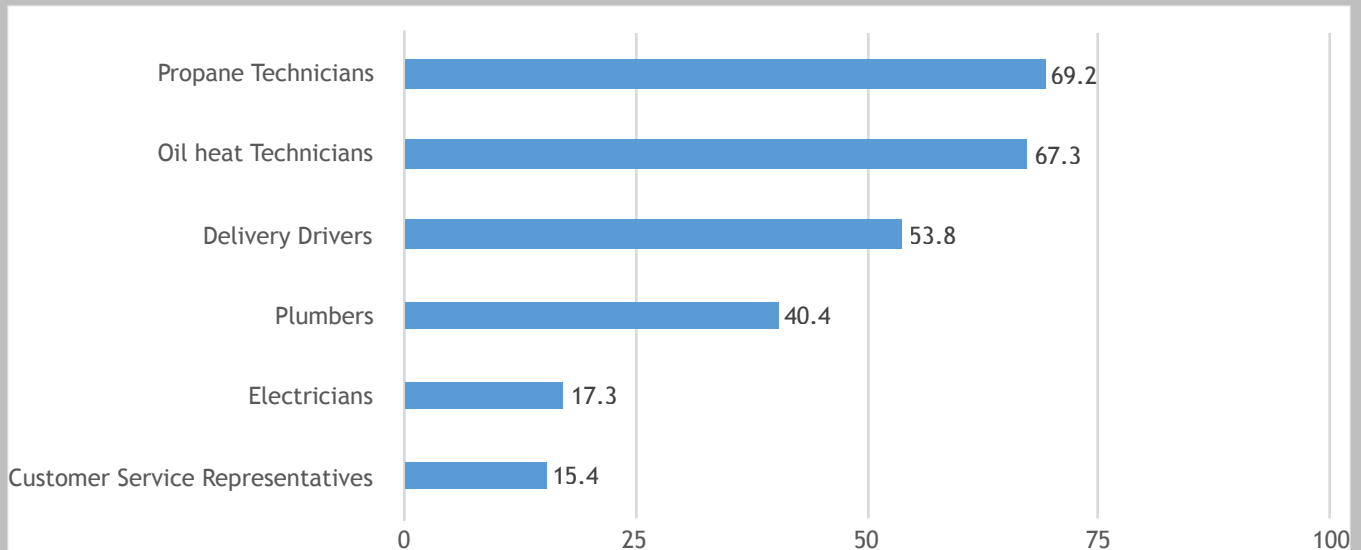


JOBS IN THE HEATING INDUSTRY IN HIGH DEMAND

Vermont Heating Fuel and Service Providers 2016 Industry Survey



According to the Center for Rural Studies, heating fuel companies that responded to the survey were asked about the positions for which there is a lack of qualified applicants. The biggest lack of qualified applicants is for propane and oil heat technicians (69.2% and 67.3% of respondents respectively), followed by delivery drivers (53.8%), plumbers (40.4%), electricians (17.3%), and customer service representatives (15.4%).



MOST JOBS IN HEATING INDUSTRY PAY OVER \$20 PER HOUR

Vermont Heating Fuel and Service Providers 2016 Industry Survey



According to the Center for Rural Studies, heating fuel companies that responded to the survey spent \$44.2 million in employee compensation in 2015. Employee compensation per business was an average of \$1.0 million and a median of \$660,986.

	Min	Max	Average	Median	Std Dev.
Delivery Driver	\$16.00	\$24.00	\$19.85	\$19.80	\$1.81
Service Technician	\$16.00	\$75.00	\$23.67	\$22.00	\$9.12
Service Manager	\$15.00	\$40.04	\$26.23	\$27.00	\$5.36
Dispatcher	\$15.00	\$32.00	\$21.45	\$20.05	\$5.14
Customer Service Representative	\$11.00	\$25.00	\$17.84	\$17.75	\$2.95
Sales Staff	\$13.00	\$50.00	\$28.13	\$27.15	\$10.58
Other ¹	\$15.00	\$43.76	\$25.38	\$21.90	\$9.74

¹Other include: Accounting/bookkeeper (2), apprentice (1), manager (3), plumber (2), utility worker (1)

MOST JOBS IN HEATING INDUSTRY COME WITH BENEFITS

Vermont Heating Fuel and Service Providers 2016 Industry Survey



In addition to offering a regionally competitive compensation, survey respondents offer a wide range of benefits. The five benefits that are most often offered are paid time off (94.2% of respondents), uniforms, gloves, and boots (86.5%), paid sick leave (80.8%), discount on products and services (71.2%), and health and other insurance (69.2%). Some businesses offer commissions for their employees including commissions to technicians for referrals (15.7%) and commissions to sales staff and to drivers for referrals (11.8%).

Benefits offered	Percent
Paid vacation time	94.2
Uniforms, gloves, boots, etc	86.5
Paid sick leave	80.8
Discount on products & services	71.2
Health insurance	69.2
Cell phone with private use allowed	55.8
Retirement plan	51.9
Disability insurance	44.2
Performance based bonuses	38.5
Company vehicle with private use allowed	36.5
Life insurance	34.6
Dental insurance	28.8
Vision insurance	21.2
Profit sharing	19.2
Other ¹	5.8

¹Other include: health club membership (1) and tuition reimbursement (1)

Current Training Programs The State of Vermont, Division of Fire Safety requires anyone that installs or services oil burning heating appliances to have a Vermont Oilheat Certificate of Fitness. Anyone working with propane must have a Vermont Propane Certificate of Fitness. Additionally, there are continuing education courses required for all oil and propane certificates, as well as Type S Plumbing & Electrical licenses.

VFDA's Fuel Education Center provides the seminars and testing required for certification of heating technicians. VFDA's classes allow heating technicians to update and maintain certificates and licenses required by the State of Vermont. We have approximately ten instructors that hold classes in more than a dozen training facilities across the state. As the designated state association for the National Oilheat Research Alliance, VFDA has access to training grants that make certification classes more affordable for heating fuel businesses in Vermont. However, the applied, hands-on nature of the heating industry requires training outside the classroom environment. These credentials require on-the-job training and verification by a supervisor.



Tech Center Partnerships VFDA partners with many of the regional tech centers to encourage more young people to consider a career as a heating technician or delivery driver. We have held classes at the Stafford Technical Center in Rutland, the North Country Career in Newport, the Hannaford Career Center in Middlebury, Vermont Tech in Randolph, and the Green Mountain Technology Center in Hyde Park. VFDA is also working with the Franklin-Grand Isle Workforce Investment Board, the Lyndon Institute, and the Hartford Area Career Technology Center on collaborative training projects. Our goal is to increase the number of Vermonters employed by the heating industry. While these collaborations are promising, they haven't delivered as many new employees as we had hoped.



Next Steps VFDA seeks to partner with the state of Vermont to increase this vital workforce. We are seeking opportunities to place qualified individuals with heating fuel and/or service companies for hands on training. These individuals may currently be unemployed, considering a career change, or graduating high school.

There may also be an opportunity to expand outreach to veterans returning home to Vermont. Many veterans have skills that transfer well to the heating industry, whether it is driving delivery trucks or working with heating equipment. The federal Work Opportunity Tax Credit (WOTC) and the Returning Heroes Tax Credit provides incentives of up to \$5,600 for hiring unemployed veterans and the Wounded Warriors Tax Credit doubles the existing Work Opportunity Tax Credit for long-term unemployed veterans with service-connected disabilities, to up to \$9,600 (military.com/hiring-veterans/resources). VFDA member Accuworx in Barre has hired three employees with this program. VFDA would like to augment the WOTC by working with local Veterans groups and the Vermont Department of Labor to identify veterans interested in pursuing a second career in the heating industry and matching them with Vermont employers.

