



COMMITTEE ON ECONOMIC DEVELOPMENT & AGRICULTURE

**DR. GARY MOLLOY
COMMISSIONER**

October 13, 2026

Good Morning, Honorable Senator Hubert L. Frederick, Chairman of the Committee on Economic Development and Agriculture; honorable members of the Committee; distinguished Senators; and the people of the Virgin Islands listening and viewing.

I am Dr. Gary A. Molloy, Commissioner of the Virgin Islands Department of Labor (VIDOL). Joining me are Assistant Commissioner Jean A. Forde and Assistant Commissioner and Legal Counsel Nesha Christian-Hendrickson. Thank you for the opportunity to address the Territory's employment conditions, workforce needs, and economic future.

Chairman Frederick, the central question is straightforward: As the Virgin Islands rebuilds its schools, hospitals, housing, utilities, businesses, and public infrastructure, will Virgin Islanders have the skills, opportunities, and support to participate fully in that work? Economic recovery creates the possibility of jobs. Workforce readiness turns that possibility into lasting careers. Our Department is not waiting for projects to begin before preparing residents. We are working now to connect employers, workers, educators, and training providers around the needs of our economy.

I will respond directly to the Committee's requests: employment and unemployment trends; labor-force participation; industry employment and wages; job vacancies and occupational shortages; the available pool of candidates; education, training, and experience; workforce demographics and barriers; and the different needs of St. Croix and St. Thomas–St. John. I will also explain what VIDOL is doing, what we can measure, and where more reliable information is still required.

1. Employment and unemployment: what the latest numbers tell us

Our preliminary August 2026 estimates indicate a Virgin Islands labor force of 38,214 people: 36,572 employed and 1,642 unemployed. That produces an unemployment rate of 4.3 percent. In everyday terms, the rate means that approximately four of every 100 people in the labor force were actively seeking work and were unemployed. It does not mean that everyone else of working age is employed. People who are not working and are not actively seeking employment are generally outside the labor force and are not counted in the unemployment rate.

Measure	August 2026	What it means
Labor force	38,214	Employed people plus unemployed people actively seeking work
Employed persons	36,572	Estimated people with employment
Unemployed persons	1,642	Estimated people without work who meet unemployment criteria
Unemployment rate	4.3%	Unemployed as a share of the labor force
Nonfarm payroll jobs	31,933	Employer payroll positions; a different measure from employed persons

The preliminary nonfarm payroll estimate was 31,933 jobs in August 2026, compared with 33,265 in August 2025, a difference of 1,332 jobs, or approximately 4.0 percent fewer. We should not overlook that decline or explain it away simply because unemployment is relatively low. Nor should we confuse payroll jobs with employed persons: one series counts positions on employer payrolls, while the other estimates people working. These August estimates are preliminary and, according to the VIBLS data on VIDOL's website, this data set are scheduled for updating on October 20, 2026.

The broader context matters. The Territory's population declined from 106,405 in the 2010 Census to 87,146 in 2020, approximately 18 percent. A smaller resident population can mean a smaller potential workforce. Therefore, we must ask not only whether unemployment is low, but whether enough residents are participating in the labor market, whether trained workers are remaining here, and whether employers can fill the positions they need.

2. Labor-force participation: the people not captured by the unemployment rate

Labor-force participation measures the share of the civilian working-age population that is either working or actively looking for work. This is different from the unemployment rate. It helps us understand whether residents are engaging in the formal labor market at all.

What we already know is that workforce participation can be affected by the availability of childcare, family caregiving, transportation, affordable housing, wages, disabilities, qualifications, and the timing and location of work. Our responsibility is to reduce barriers where we can,

coordinate with the agencies that control other supports, and ensure that residents can see a practical pathway into employment.

3. Area summary and area comparison: St. Croix and St. Thomas–St. John

The Committee has specifically asked for a district-level understanding of the economy. That is appropriate because the labor markets of St. Croix and St. Thomas–St. John share common challenges but are not identical. Employers recruit in different industries and locations, and workers face different commuting, housing, and training-access conditions. The Department must make decisions with those differences in mind rather than assuming that one Territory-wide number tells the entire story.

The August 2026 VIDOL Bureau of Labor Statistics release now permits a direct comparison of unemployment across the two legislative districts. Territory-wide, unemployment fell to 4.3 percent from a revised 4.6 percent in July 2026, a decline of 0.3 percentage points. Compared with August 2025, however, the rate increased from 4.0 percent to 4.3 percent, also a change of 0.3 percentage points. These figures remind us that improvement over one month does not necessarily mean improvement over an entire year.

On St. Croix, the August 2026 unemployment rate was reported at 5.5 percent, compared with 6.0 percent in July, a decline of 0.5 percentage points. For the combined St. Thomas–St. John district, the rate was 3.5 percent in August, compared with 3.6 percent in July, a decline of 0.1 percentage points. In simple terms, unemployment improved in both districts, but the St. Croix rate remained two percentage points higher than the St. Thomas–St. John rate. That difference is a reason to examine local job opportunities, occupational qualifications, transportation, and the availability of training on each island, not to assume that every unemployed resident faces the same circumstances.

The payroll picture adds another important layer. Territory-wide nonfarm wage-and-salary employment decreased by 44 jobs, or 0.14 percent, from July to August 2026, reaching 31,933 jobs. Both private-sector employment (down 0.03 percent) and public-sector employment (down 0.35 percent) edged downward. Over the year, payroll employment fell by 1,332 jobs, or 4.00 percent. These are establishment payroll jobs, not a count of unemployed people.

The monthly industry changes show both pressure and opportunity. From July to August, payroll employment declined in financial activities (2.01 percent), information (0.99 percent), manufacturing (0.57 percent), trade, transportation and utilities (0.36 percent), and professional and business services (0.30 percent). At the same time, employment rose in mining, logging and construction (0.75 percent), leisure and hospitality (0.67 percent), other services (0.60 percent), and private education and health services (0.44 percent). These are percentage changes within each industry, not shares of all jobs.

Looking across the full year, the greatest reported percentage declines were in information (22.34 percent) and leisure and hospitality (19.04 percent). Other annual declines occurred in financial activities (6.55 percent), professional and business services (3.18 percent), mining, logging and construction (3.15 percent), and other services (0.59 percent). In contrast, manufacturing grew 2.77 percent; trade, transportation and utilities grew 1.85 percent; government grew 0.96 percent; and private education and health services grew 0.15 percent. The distinction between monthly and annual trends is important: construction and hospitality gained jobs in August compared with July but remained below their August 2025 employment levels.

These trends reinforce the need for a practical workforce response. We work with employers in industries experiencing losses to understand whether changes reflect seasonal conditions, restructuring, or sustained demand weakness. At the same time, we must prepare residents for emerging opportunities in construction, healthcare, utilities, transportation, and related services. This is how the Department turns labor market information into targeted training, job matching, and employer outreach rather than simply publishing statistics.

The detailed August 2026 Current Employment Statistics table puts the changes in concrete terms. Total private employment was 21,470, down seven positions from July and 1,431 from August 2025. Goods-producing employment was 2,274, up ten over the month but down 43 over the year. Construction, mining, and natural resources together totaled 1,754, up 13 over the month but down 57 over the year. Manufacturing stood at 520, down three over the month but up 14 over the year. Trade, transportation, and utilities totaled 6,892, down 25 over the month but up 125 over the year. Wholesale trade added 26 jobs over the month, while retail trade lost 47. These mixed results reinforce that the Territory is experiencing both immediate pressures and pockets of expansion.

Our September 2026 career fairs also demonstrate direct engagement across the Territory: 25 employers and 166 career seekers on St. Croix; 27 employers and 166 career seekers on St. Thomas; and 12 employers and 15 career seekers on St. John. These are event participation figures, not unemployment totals or confirmed job placements. The next step is to connect those employer contacts to actual vacancies, interviews, training referrals, hires, and retention outcomes, and to publish comparable district data for labor-force participation, occupational wages, and registered candidates.

The preliminary September estimates and revised August estimates are scheduled for release October 20, 2026.

4. Jobs and vacancies: where opportunities are appearing

VIeWS data show approximately 15,652 employer-posted openings over a five-year period. Of those, 2,147, about 13.72 percent, were construction-related. The accompanying employment series cited average construction-and-mining payroll employment of approximately 2,326 over its referenced period. These figures show sustained employer interest in construction skills, but they do not mean that 15,652 jobs are open today or that every posting represents a unique position. A posting is an expression of demand, not proof of a hire.

Earlier departmental testimony identified administrative work, food preparation, repair, and building maintenance among important posting categories. Looking ahead, anticipated school and hospital reconstruction, housing, utilities, transportation, energy, and other infrastructure projects would require electricians, plumbers, HVAC technicians, welders, mechanics, equipment operators, supervisors, administrative professionals, and supporting service workers. These are planning priorities; precise future vacancies must be verified against funded projects and employers' actual hiring schedules.

Agriculture must be included in this discussion. A stronger agricultural economy requires not only growers but also skills in irrigation, equipment maintenance, food safety, processing, storage, distribution, transportation, entrepreneurship, and business operations. We work with agriculture-sector partners to translate those needs into documented occupational demand and training pathways, rather than assume a vacancy count that has not been measured.

The third-quarter 2025 Quarterly Census of Employment and Wages provides another perspective on existing private-sector activity. It reports 2,872 private establishments, average employment of 23,083, total quarterly wages of \$266,353,441, and an average weekly wage of \$888. Within construction, 209 private establishments employed an average of 1,717 workers and paid an average weekly wage of \$1,326. Retail trade averaged 2,422 workers at \$679 per week, while manufacturing averaged 275 workers at \$1,610 per week. These are historical industry averages, not current vacancies or the wages every worker earns.

5. Candidates, supply and demand: why a job opening does not always become a hire

Program Year 2025 Employment Services assisted 268 employers through 1,191 staff-assisted services. The team assisted 273 job seekers and recorded 798 staff referrals. VIEWS served 1,671 registered job seekers and generated 10,347 self-service job referrals. These are important service outputs and evidence of active employer and job-seeker engagement. But a referral is not the same as a confirmed job placement, and the same individual may receive more than one referral.

Program Year 2025 measure	Reported activity
Employers assisted	268
Staff-assisted employer services	1,191
Job seekers assisted by staff	273
Staff referrals	798
VIEWS registered job seekers served	1,671
VIEWS self-service job referrals	10,347

Consider a practical example from our April 23, 2026 testimony where a snapshot showed: 712 active job seekers were recorded, including 114 expressing an interest in construction, while 12 employers had posted 40 construction vacancies. That snapshot illustrates the challenge. Forty openings and 114 interested people do not automatically produce 40 hires. Employers may require specific licenses, experience, or availability. Applicants may need training, transportation, or wages that make the job practical.

Our response is to move beyond counting postings and referrals. We must verify the vacancy, identify its location and compensation, assess candidates' skills, offer appropriate short-term training or work-based learning, arrange referrals, and measure interviews, offers, hires, and

retention. That is the difference between operating a job board and managing an effective workforce system.

The long-term 2024–2034 projections also illustrate why replacement hiring matters. Construction and extraction occupations are projected to generate approximately 133 annual openings, including workers replacing those who transfer or leave an occupation, even though net employment is projected to increase by only 79 over ten years. Food preparation and serving is projected to have approximately 719 annual openings despite a projected net decline of 147 positions over the decade. An opening to replace a departing employee is still an opportunity for a job seeker; it is not necessarily a newly created job.

6. Education, training and experience: preparing residents before demand peaks

Through the Workforce Innovation and Opportunity Act (WIOA), VIDOL provides or coordinates career services, occupational skills training, on-the-job training, work experience, supportive services, and industry-recognized credentials for eligible participants. Wagner-Peyser Employment Services connects job seekers with employers; Reemployment Services and Eligibility Assessment helps eligible unemployment insurance claimants return to work; and the Jobs for Veterans State Grant supports veterans facing employment barriers.

The eligible training providers identified by the VI State Workforce Development Board include Caring Health Concierge, the Virgin Islands Department of Education (CTEC on STX and ROWSC on STT), MedCerts, VI Professional Charter Association, Nite Cap Media, US Career Institute, Peace of St. Croix, and UVI CELL.

The September 2026 Workforce Development report indicated that 49 customers began training across areas including practical nursing, phlebotomy, clinical medical assistance, electrical work, plumbing, HVAC, automotive repair, child development, and culinary skills. These are training starts, not 49 graduates or 49 hires. Our performance will ultimately be judged by completed training, credentials earned, jobs obtained, wages, and sustained employment.

We are also strengthening the connection between youth employment and longer-term career preparation. Summer work experiences can introduce young Virgin Islanders to the world of work, but they must be followed by career exploration, postsecondary education, apprenticeship, occupational training, or direct employment. The Youth & Apprenticeship and Workforce

Development Employment Services (ES) Teams are preparing follow-up and school-transition activities to understand where young people go next.

We design training with employers, not merely for employers. Before committing limited training dollars, we must know what occupation is needed, how many positions are likely, where the jobs are located, what credential is required, when hiring will occur, and what compensation is available. That approach protects public funds and gives trainees a clearer path to work.

For clarity, “mean wage” means average wage. The OEWS entry-level figure is the mean wage of the lower one-third of the wage distribution, while the experienced figure is the mean of the upper two-thirds; neither should be described as a guaranteed starting salary or a median wage. The 2025 all-occupations OEWS average of \$52,730 is not a district-specific wage. The Committee should also recognize that self-employed workers are excluded from OEWS estimates, a consideration for agriculture, trades, and small businesses.

The 2025 VIEWS Occupational Employment and Wage Statistics (OEWS) survey estimates 32,090 jobs across all listed occupations, with an entry-level annual wage estimate of \$28,240, an overall mean (average) annual wage of \$52,730, and an experienced-worker estimate of \$64,800. These are survey-based occupational estimates, not the same measure or reference year as the August 2026 CES payroll count. The occupational differences are significant: management averaged \$96,370 annually (2,680 estimated jobs); legal occupations \$98,110 (260); architecture and engineering \$81,820 (110); computer and mathematical \$72,450 (320); business and financial operations \$70,720 (1,890); education, training and library \$55,780 (2,130); and arts, design, entertainment, sports and media \$46,420 (290). The figures demonstrate both the value of specialized credentials and the need for pathways into occupations with stronger earning potential.

VIEWS occupational projections provide a useful planning tool, but their horizons tell different stories. The short-term 2025–2027 outlook projects construction and extraction employment increasing by 915 jobs (66.21 percent), food preparation and serving by 1,037 (25.67 percent), building and grounds maintenance by 223 (12.48 percent), and education-related occupations by 259 (11.65 percent). These projected gains suggest priorities for construction trades, hospitality, facilities management, and education support. The long-term 2024–2034 outlook, however, projects construction and extraction growing more modestly by 79 positions (5.09 percent) and food preparation and serving declining by 147 (3.44 percent). These different forecast horizons

should not be presented as contradictions: they are separate models and periods, and they show why workforce planning must be updated as projects progress.

7. Employment and wages: making employment worthwhile and sustainable

Chairman Frederick, wages matter because the existence of a job does not always mean a resident can afford to accept or keep it. Transportation, housing, childcare, and other living costs influence whether employment is sustainable. Under Act No. 9069, the Virgin Islands minimum wage rose to \$12 per hour effective April 24, 2026. Act No. 9069 also identifies scheduled increases to \$14 per hour on June 1, 2027, and \$15 per hour on June 1, 2028. At \$12 per hour, a person working 40 hours a week for 52 weeks would earn \$24,960 before taxes, assuming full-time work throughout the year.

Minimum wage is not the same as the average or median wage. A sound comparison requires the latest validated occupational wage tables, showing the occupation, reference year, district coverage where available, and whether the statistic is a mean or median. We compare compensation against employer requirements and practical barriers, while recognizing that businesses must also be able to operate sustainably. ViEWS Employment and Wages information can support that work.

ViEWS also offers staffing-pattern analysis, which connects industries to the occupations they use. For example, its 2024–2034 professional, scientific, and technical services staffing-pattern excerpt estimates 92 accountants and auditors in the base period and projects 122 in the future period. This is an occupational projection within one industry, not a count of currently advertised accounting jobs. Such analyses can help the Department and employers design training pathways for both frontline and professional roles.

8. Demographics: who is being reached, and who needs a pathway in?

The population decline between the 2010 and 2020 Censuses is an important warning about the size of our future labor pool. We also need to understand participation by age, education, experience, veteran status, disability, and other appropriate characteristics, using reliable data and protecting personal privacy.

Our policies must work for young people entering their first job, adults changing careers, veterans, individuals with disabilities, workers displaced by economic changes, and residents who wish to

return to the Territory. We do our best to make it easier for people to access training and employment without ignoring the obstacles that affect their ability to participate.

9. How the eight VIeWS labor-market views can inform policy

The Virgin Islands Electronic Workforce System is more than a place to post resumes. Its labor-market menu is organized around eight useful perspectives. Each helps answer a different public question:

VIeWS view	Question it helps us answer
Area Summary	What is happening in a selected local labor market?
Area Comparison	How does St. Croix compare with St. Thomas–St. John using the same reporting period?
Jobs	Which occupations and industries are recruiting?
Candidates	Who has registered for work and what skills or interests do they report?
Supply and Demand	Where do employer requirements and candidate availability fail to match?
Education, Training and Experience	What credentials and experience are needed, and where are preparation gaps?
Employment and Wages	What work is available, in which industries, and at what pay levels?
Demographics	Which groups are represented in the available data and where may access gaps exist?

10. What VIDOL has accomplished and what still requires work

VIDOL is already taking action. We are providing employer recruitment support, career counseling, referrals, training, apprenticeship and youth pathways, and direct outreach across the islands. We have advanced labor-market information and occupational projections, including the Workforce Information Database and VIeWS resources. In 2026, the Department also completed repayment of its federal Title XII unemployment insurance loan and launched an Unemployment

Insurance Employer Portal. An October 5 management report cited 134 employer registrations in that new portal, an early adoption indicator, not the total number of employers in the Territory.

These accomplishments are meaningful, but they are not the end of the work. We still need better district data, more verified job placements and retention outcomes, a larger pipeline of trained workers for high-demand occupations, closer alignment with major project schedules, and stronger coordination around transportation, childcare, and housing. We also must sustain program accountability, dependable information systems, and responsible grant management so that services reach the people they are intended to serve.

11. A practical workforce readiness agenda

First, we will work toward a quarterly district workforce dashboard, using consistent definitions for St. Croix and St. Thomas–St. John, with employment, unemployment, job postings, candidate supply, wages, and training outcomes. The public should be able to see where the opportunities are and how conditions are changing.

Second, we must ask major public and private project sponsors for forward-looking staffing plans by occupation, island, and anticipated hiring date. A project announcement is not the same as an active job vacancy. The earlier we know the likely demand, the earlier we can prepare local workers.

Third, we will continue strengthening demand-driven training, apprenticeships, work-based learning, and employer partnerships in construction, healthcare, energy, hospitality, transportation, agriculture, and related services. We should connect each training investment to realistic employment opportunities and measure completion, placement, earnings, and retention.

Fourth, we must collaborate with education, housing, transportation, childcare, economic development, and community partners. VIDOL cannot solve every workforce barrier alone, but it can bring labor-market evidence to the table and help coordinate practical responses.

Fifth, we must improve the connection between our young people and the jobs of tomorrow. That means earlier career exposure, stronger school-to-work transitions, accessible credentials, and meaningful opportunities for residents to build careers without leaving home.

We should translate occupational projections into specific training seats and employer commitments, while distinguishing near-term estimates from long-range trends. The 2025–2027 projections show construction and extraction rising from 1,382 to 2,297 positions, an increase of 915 or 66.21 percent; food preparation and serving rising from 4,039 to 5,076, an increase of 1,037 or 25.67 percent; and educational instruction and library occupations rising from 2,224 to 2,483, an increase of 259 or 11.65 percent. These are modeled forecasts, not confirmed vacancies or guaranteed jobs. VIDOL has to validate them against actual projects, employer hiring plans, and available training capacity.

Closing: turning recovery into opportunity

Chairman Frederick and members of the Committee, the Virgin Islands should not measure economic recovery only by the number of projects announced or the amount of money projected to be spent. We must also ask: How many Virgin Islanders are trained? How many are hired? What wages do they earn? How many remain employed? And are opportunities reaching both districts and the communities that need them most?

Our answer is to build a workforce system that is informed by evidence, responsive to employers, accessible to residents, and accountable for results. We will be candid about our challenges, precise about our data, and persistent in our actions. Our mission is to help every Virgin Islander who wants to work find a meaningful pathway to employment and advancement.

Guided by our vision to Protect, Improve, and Employ and our values of Customer Satisfaction, Integrity, Openness, and Accountability, we remain committed to One Vision. One Strategy. One U.S. Virgin Islands.

Thank you to the Committee, our dedicated VIDOL employees, our employers and training partners, and the people of the Virgin Islands. This concludes my testimony. My team and I are prepared to answer your questions.