



FOR RELEASE

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Labor Market Information

Rhode Island's Unemployment Rate Holds Steady in December The Number of Jobs Declines

Adelita S. Orefice, Director of the Rhode Island Department of Labor and Training, announced today that Rhode Island's seasonally adjusted unemployment rate for December showed no change from November's jobless rate of 5.2 percent.

	<u>Dec. 05</u>	<u>Nov. 05</u>	<u>Dec. 04</u>
Rhode Island	5.2%	5.2%	4.8%
United States	4.9%	5.0%	5.4%*

* Revised

The number of unemployed was also unchanged from November's level of 30,200. The number of employed Rhode Island residents increased by 400 over the month. A year ago, the jobless level was 26,700 and the unemployment rate stood at 4.8 percent. Nationally, the unemployment rate inched down a tenth of a percentage point to 4.9 percent. Compared to a year ago, the national jobless rate is down half a percentage point. Rhode Island's unemployment rate

for December remained above the national average for the sixth straight month.

Rhode Island Job Highlights

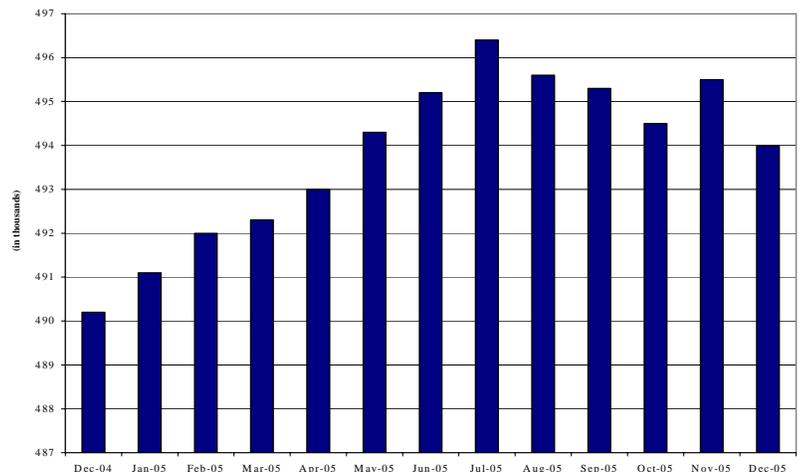
The Rhode Island job count (seasonally adjusted) decreased in December, following an increase in employment last month. There was an atypical adjustment of approximately 1,200 jobs related to student workers who started winter break earlier than usual this year and who are expected to fill those jobs again starting in January. Factoring out the atypical adjustment, Rhode Island lost 300 jobs in December bringing the December job count to 494,000. Over-the-month employment losses were reflected in Educational & Health Services (-1,200), Trade, Transportation & Utilities (-500), Government (-300), Manufacturing (-200), and Construction (-100). Monthly gains were noted in Professional & Business Services (+200), Leisure & Hospitality (+200), and Financial Activities (+100).

"In December, Rhode Island experienced an atypical seasonal occurrence related to 1,200 student workers at private colleges and universities who had already entered their winter break period during the data collection week," said Director Orefice. "These temporary job cuts occur every January and are not a cause for concern. We expect that the student workers will be reemployed when the next semester begins. Adjusting for this temporary blip in student employment, Rhode Island lost just 300 jobs in December. Despite these job losses, our unemployment rate remained steady at 5.2 percent."

As noted above, the decline in Educational & Health Services is attributable to a temporary drop of 1,200 student workers at local colleges and universities, who concluded their work experience earlier than normal this year. The drop in Trade, Transportation & Utilities is due to weaker than normal holiday hiring in the Retail Trade sector.

Employment in Rhode Island was up 3,800 (+0.8%) from the 490,200 jobs reported in December 2004. The largest employment growth noted during this period occurred in the Educational & Health Services (+2,600), Leisure & Hospitality (+1,900), Financial Activities (+1,300), and Professional & Business Services (+900) sectors, offsetting over-the-year losses in Manufacturing (-1,900) and Trade, Transportation & Utilities (-1,200).

Rhode Island Seasonally Adjusted Establishment Employment
December 2004 to December 2005



SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND

(in thousands)

	<u>Dec-05</u>	<u>Nov-05</u>	<u>Dec-04</u>	<u>Net Change From</u>	
				<u>Nov-05</u>	<u>Dec-04</u>
Total Non-Farm	494.0	495.5	490.2	-1.5	3.8
Construction	21.5	21.6	21.0	-0.1	0.5
Manufacturing	54.5	54.7	56.4	-0.2	-1.9
Trade, Transportation & Utilities	78.1	78.6	79.3	-0.5	-1.2
Financial Activities	35.7	35.6	34.4	0.1	1.3
Professional & Business Services	55.5	55.3	54.6	0.2	0.9
Educational & Health Services	96.3	97.5	93.7	-1.2	2.6
Leisure & Hospitality	52.5	52.3	50.6	0.2	1.9
Government	65.6	65.9	65.3	-0.3	0.3

Note: Data may not be additive due to the exclusion of certain industry sectors from the seasonal adjustment process.

Hours and Earnings

In December 2005, the \$13.33 average hourly wage earned by the Manufacturing sector's production workers represented a monthly gain of three cents per hour and an over-the-year gain of twenty-one cents per hour. Manufacturing employees worked an average of 38.2 hours per week in December, down 0.2 of an hour over the month and 0.7 of an hour since December 2004.

Note: Current month figures are preliminary; prior month and year are revised. Data may not be additive and is subject to revision.

The unemployment figures are based largely on a survey of households in Rhode Island and measure the unemployment status of people who live in the state.

The employment figures in the "Rhode Island Job Highlights" section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state.

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**Rhode Island Labor Market Information is available on our web site at www.dlt.ri.gov/lmi
The January labor force figures are scheduled to be released on Friday, February 24, 2006.**

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

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Governor Donald L. Carcieri



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