



Rhode Island Department of Labor and Training

MEDIA ADVISORY



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	<u>Jan. 08</u>	<u>Dec. 07</u>	<u>Jan. 07</u>
RI Unemployment Rate	5.7%	5.2%	4.9%
US Unemployment Rate	4.9%	5.0%	4.6%
RI Job Count (<i>in thousands</i>)	489.1	490.8	496.3

Highlights:

- RI's seasonally adjusted unemployment rate, which had been trending upward through 2007, reached 5.7 percent in January 2008.
- The number of unemployed RI residents in January increased 2,600 from the previous month.

RI's Job Count Declines in January; Unemployment Rate Climbs

The RI Department of Labor and Training announced today that Rhode Island's monthly job count declined by 1,700 in January 2008, reducing the number of jobs to 489,100. This represents the lowest job count since June 2004 (488,100).

Additionally, the state's seasonally adjusted unemployment rate in January 2008 rose 0.5 of a percentage point to 5.7 percent from the December 2007

revised jobless rate of 5.2 percent. This marks the highest RI unemployment rate since December 1995. The national unemployment rate inched down 0.1 of a percentage point last month to 4.9 percent.

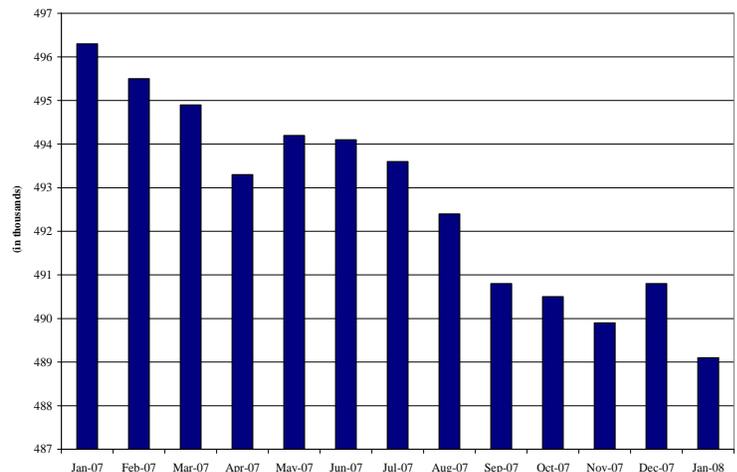
In January 2008, the number of unemployed Rhode Island residents—those residents who classify themselves as available for and actively seeking employment—increased to 32,800, a jump of 2,600 from December 2007 and a year-over-year increase of 4,300 from the previous January. This figure represents the highest level of unemployed RI residents since February 1995.

On a related note, the number of employed RI residents totaled 541,800 in January 2008, representing a decline of 4,600 over the previous month. On a year-over-year basis, the number of employed RI residents dropped 7,900 between January 2007 and January 2008.

From December of 2007 to January of 2008, employment losses were reported in the Construction (-600), Professional & Business Services (-500), Financial Activities (-400), and Manufacturing (-300) sectors. Smaller losses of 200 each were noted in the Wholesale Trade; Transportation & Utilities; and Arts, Entertainment & Recreation sectors. Losses of 100 each were noted in the Mining, Retail Trade, and Other Services sectors.

Note: Data for 2007 have been revised.

Rhode Island Seasonally Adjusted Establishment Employment
January 2007 to January 2008



Job losses in the Construction sector are largely the result of reductions among Specialty Trade Contractors. Within the Professional & Business Services sector, most of the job loss is attributed to declines in Administrative & Waste Services employment.

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The month's employment decreases were partially offset by job gains of 500 in the Educational Services and 400 in the Health Care & Social Assistance sectors, along with a gain of 100 jobs in the Information sector. Employment remained unchanged in both the Accommodation & Food Services and Government sectors.

From January 2007 to January 2008, RI jobs declined 7,200, a 1.5 percent decrease. The largest annual employment losses in Rhode Island occurred in the Manufacturing (-2,500), Construction (-2,300), Professional & Business Services (-2,100) and Financial Activities (-1,400) sectors. Smaller losses were noted in Retail Trade (-500), Wholesale Trade (-400) and Transportation & Utilities (-300).

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND

(in thousands)

	Jan-08	Dec-07	Jan-07	Net Change From	
				Dec-07	Jan-07
Total Nonfarm	489.1	490.8	496.3	-1.7	-7.2
Natural Resources & Mining	0.2	0.3	0.2	-0.1	0.0
Construction	21.1	21.7	23.4	-0.6	-2.3
Manufacturing	49.3	49.6	51.8	-0.3	-2.5
Wholesale Trade*	16.8	17.0	17.2	-0.2	-0.4
Retail Trade	51.4	51.5	51.9	-0.1	-0.5
Transportation & Utilities	10.8	11.0	11.1	-0.2	-0.3
Information	10.9	10.8	10.5	0.1	0.4
Financial Activities	34.1	34.5	35.5	-0.4	-1.4
Professional & Business Services	55.1	55.6	57.2	-0.5	-2.1
Educational Services	24.2	23.7	22.7	0.5	1.5
Health Care & Social Assistance	76.4	76.0	75.7	0.4	0.7
Arts, Entertainment & Recreation	7.9	8.1	8.0	-0.2	-0.1
Accommodation & Food Services	43.3	43.3	43.2	0.0	0.1
Other Services	23.1	23.2	23.2	-0.1	-0.1
Government	64.5	64.5	64.7	0.0	-0.2

* State Calculated Estimate

Educational Services employment experienced the largest over-the-year gain (+1,500). Other gains were noted in Health Care & Social Assistance (+700), Information (+400) and Accommodation & Food Services (+100).

In January 2008, production workers in the Manufacturing sector earned \$13.98 per hour. The average hourly production wage was unchanged from December and up 52 cents per hour from a year ago. Manufacturing employees worked an average of 38.7 hours per week in January, down 0.7 of an hour over the month and 0.6 of an hour since January 2007.

Note: With the release of the January estimates, the seasonally adjusted jobs and unemployment data have been revised back to 2003. This process resulted in a 5,400 downward revision in average annual employment in 2007.

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 establishment employment figures are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Rhode Island Labor Market Information is available at www.dlt.ri.gov/lmi. The February labor force figures are scheduled to be released on Friday, March 21, 2008.

About the RI Department of Labor and Training

The RI Department of Labor and Training offers employment services, educational services and economic opportunity to both individuals and employers. DLT protects Rhode Island's workforce by enforcing labor laws, prevailing wage rates and workplace health and safety standards. The department also provides temporary income support to unemployed and temporarily disabled workers. For more information on the programs and services available to all Rhode Islanders, please call the RI Department of Labor and Training at (401) 462-8000 or visit the web site at www.dlt.ri.gov.

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Auxiliary aids and services are available upon request to individuals with disabilities / TDD (401) 462-8006

