



FOR RELEASE
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Labor Market Information

Rhode Island's Unemployment Rate Improved in January

Adelita S. Orefice, Director of the Rhode Island Department of Labor and Training, announced today that Rhode Island's seasonally adjusted unemployment rate for January was 4.7 percent, the lowest since November 2001. The January jobless rate is down 0.4 of a percentage point from December's revised rate of 5.1 percent. The number of employed Rhode Island residents grew by 2,300 over the month to an all-time high, while the number of unemployed fell by 2,200 to 27,200. A year ago January, the jobless level was 28,300 and the unemployment rate stood at 5.0 percent. Nationally, the unemployment rate for January declined 0.2 of a percentage point to 4.7 percent. Compared to a year ago, the national

	Jan. 06	Dec. 05	Jan. 05
Rhode Island	4.7%	5.1%*	5.0%*
United States	4.7%	4.9%	5.2%*

* Revised

jobless rate is down half a percentage point. Rhode Island's unemployment rate for January was tied with the national average.

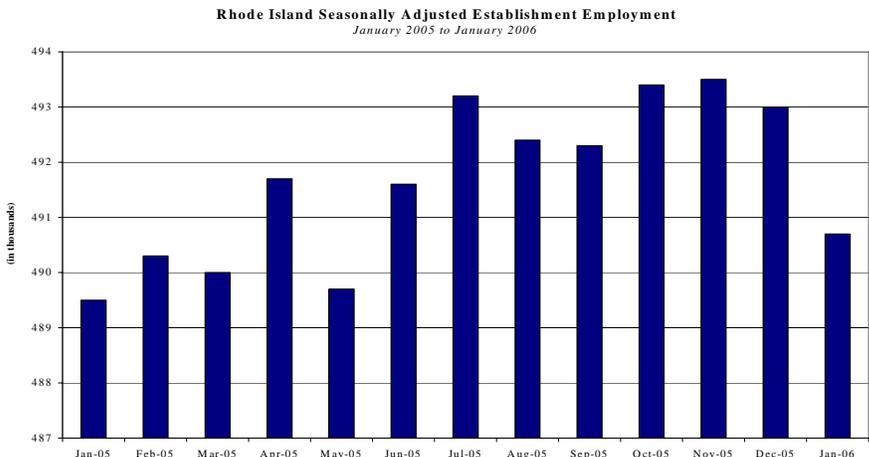
"Our unemployment rate dropped to its lowest level in more than four years, and the number of Rhode Island residents working reached a record high in January," said Director Orefice. "While we did see a drop in the number of jobs at Rhode Island businesses last month, we believe this a 'bump in the road.' We expect that the job situation will improve over the next few months."

Rhode Island Job Highlights

The Rhode Island job count (seasonally adjusted) was down 2,300 (0.5%) in January, the second consecutive month to show a decrease in employment, bringing the January job total to 490,700. Over-the-month employment losses were reflected in Educational & Health Services (-700), Leisure & Hospitality (-600), Trade, Transportation & Utilities (-300), Other Services (-300), Manufacturing (-200), and Financial Activities (-100). A monthly gain of 100 jobs was noted in Professional & Business Services. Construction and Government remained unchanged over the month.

Educational & Health Services lost 700 workers, reflecting a drop in both sectors. The decline in Education is primarily attributed to additional student workers breaking for the winter recess. A larger-than-usual drop in the state's health and social assistance facilities contributed to the decline in Health Services. The drop in Leisure & Hospitality is due to cutbacks in hotels and restaurant employment.

Employment in Rhode Island was up 1,200 (+0.2%) from the 489,500 jobs reported in January 2005. The largest employment growth noted during this period occurred in the Educational & Health Services (+1,800), Professional & Business Services (+1,800), Construction (+1,200), and Financial Activities (+1,100) sectors, offsetting over-the-year losses in Manufacturing (-2,300), Trade, Transportation & Utilities (-900), Other Services (-800), Leisure & Hospitality (-600), and Government (-200).



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SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND
(in thousands)

	<u>Jan-06</u>	<u>Dec-05</u>	<u>Jan-05</u>	Net Change From	
				<u>Dec-05</u>	<u>Jan-05</u>
Total Non-Farm	490.7	493.0	489.5	-2.3	1.2
Construction	22.6	22.6	21.4	0.0	1.2
Manufacturing	53.9	54.1	56.2	-0.2	-2.3
Trade, Transportation & Utilities	79.2	79.5	80.1	-0.3	-0.9
Financial Activities	35.1	35.2	34.0	-0.1	1.1
Professional & Business Services	56.2	56.1	54.4	0.1	1.8
Educational & Health Services	95.5	96.2	93.7	-0.7	1.8
Leisure & Hospitality	49.9	50.5	50.5	-0.6	-0.6
Other Services	22.6	22.9	23.4	-0.3	-0.8
Government	64.8	64.8	65.0	0.0	-0.2

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

Hours and Earnings

In January 2006, the \$13.31 average hourly wage earned by the Manufacturing sector's production workers represented a monthly gain of one cent per hour and an over-the-year gain of twenty-six cents per hour. Manufacturing employees worked an average of 38.1 hours per week in January, up 0.2 of an hour over the month and also 0.2 of an hour since January 2005.

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.

With the release of the January data, the historical labor force series (resident civilian labor force, employment, unemployment, unemployment rate) has been revised due to the incorporation of updated population controls and revised seasonal adjustment factors in the modeling procedure. The seasonally adjusted jobs figures for 2004-2005 reflect changes due to the annual benchmark revision process.

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

Equal Opportunity Employer/Program

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

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