



FOR RELEASE
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**Rhode Island’s Unemployment Rate is Virtually Unchanged in August
 Job Count Declines**

Rhode Island’s seasonally adjusted unemployment rate for August was 5.2 percent. The August jobless rate showed little change (+0.1 of a percentage point) from July and from August of last year. The number of unemployed residents edged up 300 over the month to 29,500 in August. Compared to a year ago, the jobless level is up 900. The over-the-month increase in the number of unemployed, along with a rise in the number of employed residents (+2,500), accounted for a gain of 2,900 in the labor force. Nationally, the unemployment rate for August inched down 0.1 of a percentage point to 4.9 percent. A year ago, the US rate was 5.4 percent. Rhode Island’s unemployment rate for August remained above the national average for the second straight month.

	<u>Aug. 05</u>	<u>Jul. 05</u>	<u>Aug. 04</u>
Rhode Island	5.2%	5.1%	5.1%*
United States	4.9%	5.0%	5.4%

* Revised

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Rhode Island Job Highlights

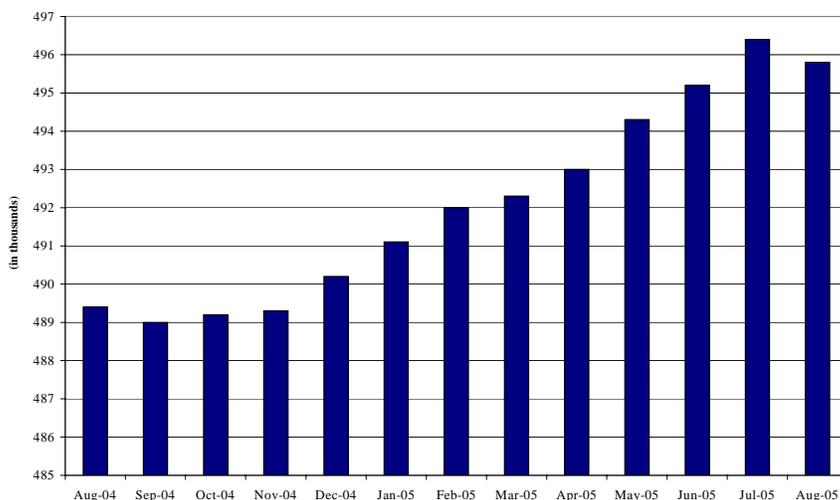
The Rhode Island job count (seasonally adjusted) decreased in August, following ten successive months of increased employment. Businesses in the state reported a decline of 600 jobs, bringing the August job count to 495,800 (seasonally adjusted). Over-the-month employment losses were reflected in Manufacturing (-300); Government (-300); Leisure & Hospitality (-200); and Trade, Transportation & Utilities (-100). Construction (+300); Professional & Business Services (+300); and Educational & Health Services (+200) experienced monthly gains. Financial Activities remained even over the month.

“The number of jobs in Rhode Island declined slightly in August. While we don’t expect to see employment increases every month, the overall trend has been very encouraging – ten out of eleven months of job gains,” said DLT Director Adelita S. Orefice. “This month’s decline follows a gain of 7,400 jobs over the past ten months. Overall, we’re still on the right track.”

Although employment experienced a slight drop in August, non-farm employment in the state is up by 4,700 (+1.0%) jobs since January 2005. During this eight-month period, the Leisure & Hospitality (+1,600), Educational & Health Services (+1,600), Construction (+700), and Professional & Business Services (+700) sectors reported the largest employment gains, while job losses were noted in Manufacturing (-1,500).

Employment was up 6,400 (+1.3%) from the 489,400 jobs reported in August 2004. The largest employment growth noted during this period occurred in the Educational & Health Services (+2,700), Leisure & Hospitality (+2,200), Financial Activities (+1,300) and Professional & Business Services (+1,300) sectors, offsetting over-the-year losses in Manufacturing (-2,100) and Trade, Transportation & Utilities (-700). Since last August, Government employment has remained stable.

Rhode Island Seasonally Adjusted Establishment Employment
 August 2004 to August 2005



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SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND

(in thousands)

	<u>Aug-05</u>	<u>Jul-05</u>	<u>Aug-04</u>	Net Change From	
				<u>Jul-05</u>	<u>Aug-04</u>
Total Non-Farm	495.8	496.4	489.4	-0.6	6.4
Construction	21.5	21.2	20.6	0.3	0.9
Manufacturing	54.8	55.1	56.9	-0.3	-2.1
Trade, Transportation & Utilities	79.0	79.1	79.7	-0.1	-0.7
Financial Activities	35.5	35.5	34.2	0.0	1.3
Professional & Business Services	55.6	55.3	54.3	0.3	1.3
Educational & Health Services	95.8	95.6	93.1	0.2	2.7
Leisure & Hospitality	52.4	52.6	50.2	-0.2	2.2
Government	65.9	66.2	65.9	-0.3	0.0

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

Hours and Earnings

In August 2005, the \$13.12 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 eight cents per hour. Manufacturing employees worked an average of 38.4 hours per week in August, down 0.2 of an hour over the month and 0.5 of an hour since August 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.

- 30 -

**Rhode Island Labor Market Information is available on our web site at www.dlt.ri.gov/lmi
The September labor force figures are scheduled to be released on Friday, October 21, 2005.**

Equal Opportunity Employer/Program

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

TDD (401) 462-8006

