



Rhode Island Department of Labor and Training

MEDIA ADVISORY



**Embargoed until
Friday, September 19, 2008**

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Unemployment Rate Rises to 8.5 Percent

	<u>Aug. 08</u>	<u>July 08</u>	<u>Aug. 07</u>
RI Unemployment Rate	8.5%	7.8%	5.1%
US Unemployment Rate	6.1%	5.7%	4.7%
RI Job Count (<i>in thousands</i>)	479.6	480.8	492.4

Highlights:

- The August RI jobless rate climbed to 8.5 percent, the highest point since January 1993.
- The number of unemployed RI residents reached 48,800 last month, the state's highest jobless level on record.

The RI Department of Labor and Training announced today that the state's seasonally adjusted unemployment rate continued to trend upward in August, climbing to 8.5 percent, its highest level since January 1993 (8.5%).

The national jobless rate rose 0.4 of a percentage over the same period to reach a nearly five-year high of 6.1 percent in August.

In Rhode Island, the August 2008 monthly job count totaled 479,600, a decline of 1,200 from July's revised employment level of 480,800. August marks the eighth straight month of job losses for both Rhode Island and the United States.

In August, the number of unemployed Rhode Island residents—those residents who classify themselves as available for and actively seeking employment—increased by 4,300 to reach 48,800, the state's highest jobless level on record. On a year-over-year comparison, the number of unemployed residents increased 19,600 from August 2007 to August 2008.

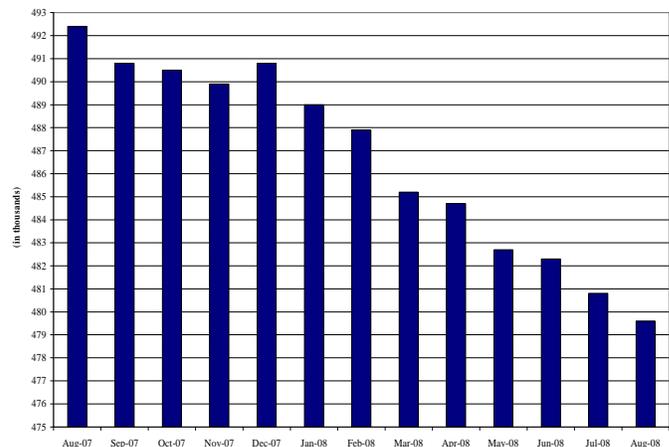
On a related note, the number of employed RI residents totaled 522,200 in August 2008, reflecting a drop of 6,800 from the previous month. On a year-over-year basis, the number of employed RI residents fell 23,600 between August 2007 and August 2008.

Over the month, the Manufacturing sector and the Financial Activities sector reported the largest losses of 400 each. The loss in Manufacturing jobs can be attributed to declines in both the durable and the nondurable goods segments, while those in Financial Services can be attributed to reductions in banking, finance companies and insurance companies. Also in August, Professional & Business Services lost 300 workers, while Wholesale Trade and in the Accommodation & Food Services reported job cutbacks of 200 each. Retail Trade; Arts, Entertainment & Recreation; and Other Services sectors each lost 100 jobs.

The Transportation & Utilities sector and the Health Care & Social Assistance sector each reported an increase of 200 workers, while the Construction sector and the Educational Services sector reported gains of 100 each.

(Continued)

Rhode Island Seasonally Adjusted Establishment Employment
August 2007 to August 2008





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From August 2007 to August 2008, RI jobs declined 12,800, a 2.6 percent decrease. The largest annual employment losses occurred in the Manufacturing (-3,100), Professional & Business Services (-1,900), Retail Trade (-1,800), Government (-1,800), Financial Activities (-1,500), and Other Services (-1,000) sectors. Smaller losses were noted in Construction (-700);

Wholesale Trade (-600); Arts, Entertainment & Recreation (-400); Accommodation & Food Services (-400); Transportation & Utilities (-300); and Natural Resources & Mining (-100).

Information and Educational Services each reported an over-the-year increase of 400 jobs. Employment in Health Care & Social Assistance remained unchanged from August 2007 to August 2008.

In August 2008, production workers in the Manufacturing sector earned \$13.91 per hour. The average hourly production wage was up two cents from July but declined by three cents from a year ago August.

Manufacturing employees worked an average of 38.4 hours per week in August, up five-tenths of an hour over the month but down 1.1 hours since August 2007.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND

(in thousands)

	Aug-08	Jul-08	Aug-07	Net Change From	
				Jul-08	Aug-07
Total Nonfarm	479.6	480.8	492.4	-1.2	-12.8
Natural Resources & Mining	0.2	0.2	0.3	0.0	-0.1
Construction	21.0	20.9	21.7	0.1	-0.7
Manufacturing	47.6	48.0	50.7	-0.4	-3.1
Wholesale Trade*	16.6	16.8	17.2	-0.2	-0.6
Retail Trade	49.8	49.9	51.6	-0.1	-1.8
Transportation & Utilities	10.8	10.6	11.1	0.2	-0.3
Information	10.9	10.9	10.5	0.0	0.4
Financial Activities	33.0	33.4	34.5	-0.4	-1.5
Professional & Business Services	53.9	54.2	55.8	-0.3	-1.9
Educational Services	23.8	23.7	23.4	0.1	0.4
Health Care & Social Assistance	76.3	76.1	76.3	0.2	0.0
Arts, Entertainment & Recreation	7.6	7.7	8.0	-0.1	-0.4
Accommodation & Food Services	42.7	42.9	43.1	-0.2	-0.4
Other Services	22.1	22.2	23.1	-0.1	-1.0
Government	63.3	63.3	65.1	0.0	-1.8

* State Calculated Estimate

Note: Current month figures are preliminary; prior month and year are revised. 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 September labor force figures are scheduled to be released on Friday, October 17, 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.

Equal Opportunity Employer

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

