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October’s Unemployment Rate Falls to Lowest Level Since January as Number of Working Rhode Islanders Continues to Grow

Adelita S. Orefice, Director of the Rhode Island Department of Labor and Training, announced today that Rhode Island’s seasonally adjusted unemployment rate for October dropped 0.2 of a percentage point from September to 5.0 percent, the lowest jobless rate since January. In addition, the number of Rhode Island residents who were employed continued to grow, hitting a new record-high of 549,400 in October, while the number of unemployed Rhode Island residents declined by 1,400 over the month to 28,800. A year ago, the jobless level was 29,100 and the unemployment rate stood at 5.1 percent. Nationally, the unemployment rate for October dipped to 4.4 percent, down from 4.6 percent in September and 4.9 percent a year ago. Rhode Island’s unemployment rate for October remained above the national average.

	<u>Oct. 06</u>	<u>Sep. 06</u>	<u>Oct. 05</u>
Rhode Island	5.0%	5.2%	5.1%*
United States	4.4%	4.6%	4.9%*
* Revised			

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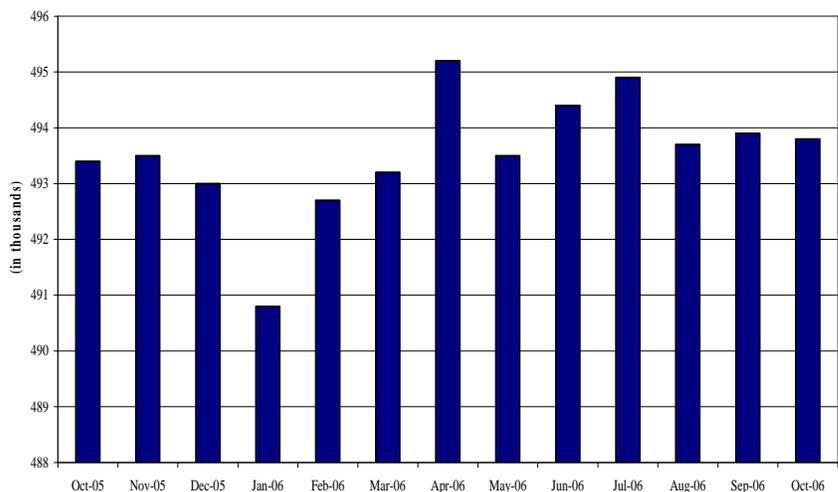
Employment at Rhode Island businesses declined slightly (-100) last month, bringing the October job count to 493,800 (seasonally adjusted). Over-the-month job gains in Educational & Health Services (+800); Professional & Business Services (+500); Financial Activities (+100); and Construction (+100) were offset by employment declines in the Government (-800); Other Services (-300); Leisure & Hospitality (-200); and Manufacturing (-200) sectors.

“The drop in our unemployment rate for the second straight month combined with a new record-high resident employment level is certainly encouraging news. The increase of 700 private sector jobs over the month demonstrates that Rhode Island is continuing to build momentum in creating new jobs,” said Director Orefice.

Employment gains in Educational & Health Services reflected additional hiring and the return of student workers to private colleges and universities. Job growth in Professional & Business Services can be partially attributed to gains in Employment Services, while job losses in Government are the result of employment declines at the local level.

Over the year, jobs were up 400 (+0.08%) from the 493,400 jobs reported in October 2005. Annual employment growth occurred in the Financial Activities (+2,300); Professional & Business Services (+1,300); Construction (+700); and Educational & Health Services (+600) sectors, offsetting losses in Leisure & Hospitality (-100); Other Services (-500); Trade, Transportation & Utilities (-700); Government (-900); and Manufacturing (-1,700).

Rhode Island Seasonally Adjusted Establishment Employment
October 2005 to October 2006



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SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND

(in thousands)

	<u>Oct-06</u>	<u>Sep-06</u>	<u>Oct-05</u>	Net Change From	
				<u>Sep-06</u>	<u>Oct-05</u>
Total Non-Farm	493.8	493.9	493.4	-0.1	0.4
Construction	23.2	23.1	22.5	0.1	0.7
Manufacturing	52.8	53.0	54.5	-0.2	-1.7
Trade, Transportation & Utilities	79.1	79.1	79.8	0.0	-0.7
Financial Activities	37.0	36.9	34.7	0.1	2.3
Professional & Business Services	57.3	56.8	56.0	0.5	1.3
Educational & Health Services	97.2	96.4	96.6	0.8	0.6
Leisure & Hospitality	50.4	50.6	50.5	-0.2	-0.1
Other Services	22.3	22.6	22.8	-0.3	-0.5
Government	63.8	64.6	64.7	-0.8	-0.9

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

Hours and Earnings

In October 2006, the \$13.55 average hourly wage earned by the Manufacturing sector's production workers represented a monthly gain of ten cents per hour and an over-the-year gain of thirty-one cents per hour. Manufacturing employees worked an average of 39.2 hours per week in October, up 0.1 of an hour over the month and 0.5 of an hour since October 2005.

Note: Current month figures are preliminary; prior month and year are revised. Data may not be additive and are 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 establishment employment figures 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 November labor force figures are scheduled to be released on Friday, December 22, 2006.**

Equal Opportunity Employer/Program

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

TDD (401) 462-8006

