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Employment Bulletin

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Rhode Island's Unemployment Rate Rises in July

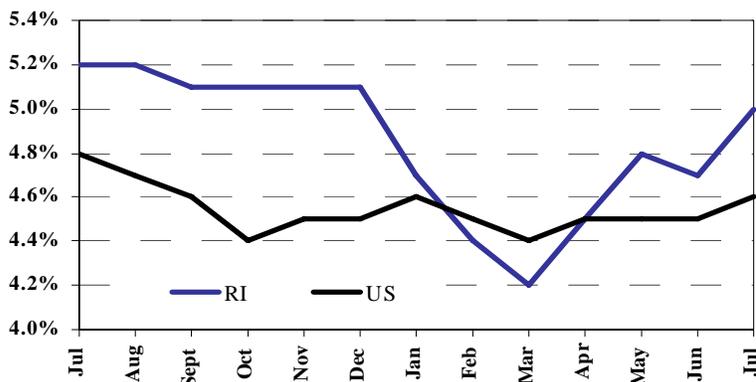
- ◆ Rhode Island's seasonally adjusted unemployment rate increased 0.3 of a percentage point from 4.7% in June to 5.0 % in July.
- ◆ Compared to last July, the seasonally adjusted unemployment rate is down 0.2 of a percentage point.
- ◆ Rhode Island's unemployment rate is 0.4 of a percentage point above the national average, which rose from 4.5% in June to 4.6% in July.
- ◆ The number of unemployed residents climbed by 1,900 over the month, increasing from 27,000 in June to 28,900 in July; however, it remained below last year's level of 29,800.
- ◆ The number of employed Rhode Island residents fell by 6,600 over the month to 545,500 in July 2007 and was down 2,700 from July 2006.

Employment by Size of Firm March 2007

The Rhode Island economy is characterized by a large number of small companies employing a small number of workers. As of March 2007, there were 33,044 private businesses in the state employing 408,124 workers. Nearly half the employers (48.2%) in the state have between one and four employees, however, they employ just 7.6% of the workforce. The largest employers, those with 1,000 or more employees, numbered 35 and employed 17.3% of Rhode Island's private sector workforce.

- ◆ Smaller employers, those with less than twenty employees, represented 89.7% of all employers in the state and employed approximately one quarter (25.5%) of the workforce.
- ◆ Mid-sized companies (20 to 99 workers) employed 27.8% of the private sector employment and accounted for 8.5% of the firms.
- ◆ There are just 575 (1.7%) firms in the state employing 100 or more workers. Together, they employee nearly half (46.7%) of the state's private sector employees.

RI & US Unemployment Rates
Seasonally Adjusted 2006-2007



The highest concentration of small firms is found in the Agriculture, Forestry, Fishing and Hunting (98.2%) sector, followed by Other Services (95.9%), Construction (95.7%) and Professional & Technical Services (94.8). Of the 575 firms in the state employing 100 or more workers, more than half were concentrated in Health Care & Social Assistance (143), Manufacturing (98), and Retail Trade (67).

For more information, see label page and/or visit www.dlt.ri.gov/lmi/es202/size.htm

Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Jul 07	Jun 07	Jul 06	Jul 07	Jun 07	Jul 06
Civilian Labor Force	574.5	579.1	578.0	153,231	153,072	151,558
Resident Employment	545.5	552.1	548.2	146,110	146,140	144,330
Unemployment	28.9	27.0	29.8	7,121	6,933	7,228
Unemployment Rate	5.0%	4.7%	5.2%	4.6%	4.5%	4.8%

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Rhode Island's Job Count Continues to Trend Upward

The number of seasonally adjusted, total non-farm jobs in the state reached 499,400 in July, up 200 jobs from the previous month. From June to July of this year, an employment gain of 500 was noted in the Manufacturing sector. Additional gains of 300 in Financial Activities, 200 in Health Care & Social Assistance and 100 in the Information sectors were also observed.

“July represents the six straight month of job growth in Rhode Island,” said Director of Labor and Training Adelita Orefice. “In fact, of the last twelve months, ten have registered measurable job growth in the Ocean State.”

The increase in Manufacturing employment was reflected in both Durable Goods and Non-Durable Goods. Growth in the Financial Activities sector was driven by increases in insurance carriers, real estate companies and mortgage companies. The Health Care & Social Assistance sector reported employment increases in hospitals and residential care facilities.

The month's gains were partially offset by job losses of 200 each in the Construction, Accommodation & Food Services, and Government sectors; and losses of 100 each in Wholesale Trade, Retail Trade, and Arts, Entertainment & Recreation.

From July 2006 to July 2007, RI jobs grew 6,600, a 1.3% increase. The largest annual employment gains occurred in the Professional & Business Services (+2,400); Construction (+1,400); Health Care & Social Assistance (+1,300); Financial Activities (+1,100) and Arts, Entertainment & Recreation (+800) sectors. Manufacturing employment experienced the largest over-the-year loss (-1,600), followed by small declines in Wholesale Trade (-300), and Government (-300).

Hours and Earnings

In July 2007, production workers in the Manufacturing sector earned \$13.96 per hour. The average hourly production wage was up 4 cents per hour from June and up 58 cents per hour from a year ago. Manufacturing employees worked an average of 38.4 hours per week in July, down 0.9 of an hour over the month and down 0.5 of an hour since July 2006.

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net
	Jul-07	Jun-07	Change
Total Nonfarm	499.4	499.2	0.2
Natural Resources & Mining	0.3	0.3	0.0
Construction	24.3	24.5	-0.2
Manufacturing	51.4	50.9	0.5
Wholesale Trade*	16.6	16.7	-0.1
Retail Trade	52.1	52.2	-0.1
Transportation & Utilities	11.2	11.2	0.0
Information	11.1	11.0	0.1
Financial Activities	36.1	35.8	0.3
Professional & Business Services	58.6	58.6	0.0
Educational Services	23.2	23.2	0.0
Health Care & Social Assistance	75.9	75.7	0.2
Arts, Entertainment & Recreation	8.5	8.6	-0.1
Accommodation & Food Services	42.5	42.7	-0.2
Other Services	23.1	23.1	0.0
Government	64.5	64.7	-0.2

* State Calculated Estimate

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From			Weekly Hours			Hourly Earnings		
	Jul 07	Jun 07	Jul 06	Jun 07	Jul 06	Jul 07	Jun 07	Jul 06	Jul 07	Jun 07	Jul 06
Manufacturing	48.8	51.3	50.8	-2500	-2000	38.4	39.3	38.9	\$13.96	\$13.92	\$13.38
Durable Goods	31.8	33.4	33.0	-1600	-1200	37.2	38.5	38.0	\$13.98	\$13.87	\$13.39
Fabricated Metal Product Mfg.	6.8	7.1	7.2	-300	-400	39.6	40.3	40.8	\$12.83	\$12.47	\$11.70
Computer & Electronic Product Mfg.	4.9	4.8	4.7	100	200	36.0	35.3	38.1	\$14.29	\$14.57	\$14.63
Miscellaneous Manufacturing	8.7	9.3	9.1	-600	-400	34.1	33.9	37.6	\$11.87	\$11.86	\$11.30
Jewelry & Silverware	6.2	6.7	6.3	-500	-100	37.2	37.3	40.0	\$10.56	\$10.51	\$10.48
Non-Durable Goods	17.0	17.9	17.8	-900	-800	40.6	40.8	40.3	\$13.92	\$14.00	\$13.36
Chemical Manufacturing	4.3	4.3	4.6	0	-300	38.9	38.1	41.7	\$16.13	\$16.22	\$15.61
Plastics & Rubber Products Mfg.	2.7	2.7	2.8	0	-100	44.4	44.4	41.0	\$14.41	\$14.44	\$14.44

The employment figures in this section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Not seasonally adjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm.

Current month's figures are preliminary and subject to change.



Professional, Scientific and Technical Services

The Professional, Scientific and Technical Services sector includes establishments engaged in performing services that require a high degree of expertise and training. In Rhode Island, this sector is dominated by businesses offering Legal Services; Accounting & Payroll Services; Computer Services; and Architectural & Engineering Services to both businesses and individuals.

In 2006, the nearly 4,000 Rhode Island employers classified in this sector employed an average of 21,449 workers and paid wages in excess of \$1.3 billion. Wages averaged \$64,142 in 2006, well above the private sector average of \$38,732.

The Professional, Scientific and Technical Services sector is expected to add nearly 5,000 jobs during the 2004-2014 projection period. This represents a 25 percent increase, which is more than twice the 10.7 percent employment increase projected for the state.

Professional occupations typically found in this sector include Lawyers, Veterinarians, Accountants, Computer Programmers, Graphic Designers, Engineers and Architects. The minimum educational requirement for these occupations is a Bachelor's

Degree. Other occupations common to this sector which require less formal training include Executive Secretaries and Administrative Assistants; Paralegals and Legal Assistants; Legal Secretaries; Veterinary Technologists and Technicians; and Drafters. Executive Secretaries and Administrative Assistants generally acquire necessary skills on-the-job while the other occupations in the group generally require vocational training or associate degrees.

Professional, Scientific and Technical Services

	Number of Units	Average Employment	Total Wages	Average Wage
Total	3,957	21,449	\$1,375,786,799	\$64,142
Legal Services	879	4,202	\$230,631,046	\$54,886
Accounting & Bookkeeping Services	486	3,325	\$142,398,061	\$42,826
Architectural & Engineering Services	508	3,421	\$194,855,114	\$56,959
Specialized Design Services	162	475	\$22,396,948	\$47,151
Computer Systems Design & Related Services	721	4,569	\$499,424,604	\$109,307
Management & Technical Consulting Services	625	1,903	\$117,346,497	\$61,664
Scientific Research & Development Services	118	923	\$61,820,893	\$66,978
Advertising & Related Services	230	1,019	\$55,313,304	\$54,282
Other Professional & Technical Services	231	1,614	\$51,600,332	\$31,970

Characteristics of the Insured Unemployed

In July 2007, 46 percent of Rhode Island's unemployed workers were eligible to collect Unemployment Insurance (UI) benefits. Numbering 14,679 people, these "insured unemployed" accounted for 2.7 percent of the state's total employed (unadjusted). Nearly 23 percent (3,299) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

On an industry basis, 14.8 percent (2,177) of the State's insured unemployed workers came from the Manufacturing sector. There were also 1,709 individuals with an attachment to the Accommodation & Food Services sector, accounting for 11.6 percent of all insured unemployed workers. An additional 9.8 percent (1,433) of those collecting UI benefits in July had worked in the Health Care & Social Assistance sector. Large numbers of insured unemployed were also reported in Transportation & Warehousing (1,341), Construction (1,262) and Retail Trade (1,183). For more information, go to www.dlt.ri.gov/lmi/uiadmin/characteristics.htm.

Characteristics of the Insured Unemployed, July 2007

	Total	Long-Term	Percent Long-Term
Total	14,679	3,299	22.5%
Male	6,375	1,782	28.0%
Female	8,304	1,517	18.3%
Selected Industries	14,679	3,299	22.5%
Construction	1,262	381	30.2%
Manufacturing	2,177	673	30.9%
Wholesale Trade	459	139	30.3%
Retail Trade	1,183	401	33.9%
Transportation & Warehousing	1,341	61	4.5%
Information	165	43	26.1%
Finance & Insurance	913	271	29.7%
Real Estate	232	49	21.1%
Professional & Tech. Services	606	152	25.1%
Administrative & Waste Services	1,055	215	20.4%
Educational Services	748	52	7.0%
Health Care & Social Assistance	1,433	368	25.7%
Arts, Entertainment & Recreation	192	50	26.0%
Accommodation & Food Services	1,709	170	9.9%
Other Services	448	133	29.7%
Public Administration	276	39	14.1%

**Consumer Price Index for
All Urban Consumers**

				% Change
	Jul 07	Jun 07	Jul 06	Prev. Year
All Items	208.3	208.4	203.5	2.4%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

2006 City/Town Analysis

Rhode Island private employment averaged 417,706 in 2006, an increase of 2,799 (+0.7%) jobs from 2005.

Twenty of the state's thirty-nine cities and towns experienced job growth, while nineteen municipalities reported private employment declines.

Providence gained 883 (+0.9%) private sector jobs between 2005 and 2006, the largest gain among all Rhode Island communities. The Educational Services sector added 585 (+5.7%) private sector workers, followed by the Construction (+275) and Health Care & Social Assistance (+251) sectors.

The private sector job count in Cumberland increased by 687 (+8.5%) between 2005 and 2006. Over three hundred of these job gains were in the Wholesale Trade sector and can be credited to better information obtained through department surveys. Other job gains within the town were noted in the Professional & Technical Services (+117) and Construction (+83) sectors.

Lincoln (+604), Smithfield (+445) and West Greenwich (+344) also experienced significant job gains during this period. West Greenwich increased its workforce by 8.7%, the largest annual employment gain on a percentage basis.

Pawtucket lost 446 (-1.8%) private sector jobs between 2005 and 2006, the largest employment decline among all cities and towns. Manufacturing employment decreased by 370 followed by the Information sector which lost 366 employees. Nearly three hundred jobs in the Information sector were lost due the closing of a greeting card company.

Warren (-218), West Warwick (-175), North Providence (-167) and Central Falls (-149) also reported significant employment declines in the private sector, with Central Falls (-6.2%) experiencing the largest employment decline on a percentage basis.

The 2006 average annual wage in the private sector increased by \$1,668 (+4.5%) to \$38,732, when compared to the \$37,064 earned in 2005. Thirty-seven cities and towns reported an annual wage increase in contrast to two cities and towns that experienced an annual wage decline. Westerly and Hopkinton were the only two communities to report a wage decline between 2005 and 2006, with losses of \$1,845 and \$759, respectively.

**City & Town
Unadjusted Unemployment Rates for July**

	2007	2006		2007	2006
Barrington	4.1	4.1	Newport	4.2	4.5
Bristol	4.9	5.0	North Kingstown	4.0	4.2
Burrillville	5.2	5.1	North Providence	5.9	5.6
Central Falls	7.2	7.3	North Smithfield	5.1	4.9
Charlestown	5.7	5.4	Pawtucket	6.4	6.4
Coventry	5.3	5.0	Portsmouth	3.7	4.0
Cranston	5.5	5.5	Providence	7.2	7.3
Cumberland	4.8	4.9	Richmond	3.2	3.7
East Greenwich	4.9	4.8	Scituate	5.4	5.5
East Providence	5.7	5.5	Smithfield	5.1	5.4
Exeter	5.0	4.7	South Kingstown	4.7	4.8
Foster	6.3	5.7	Tiverton	5.5	5.4
Glocester	4.4	4.4	Warren	5.2	5.5
Hopkinton	5.0	4.9	Warwick	5.0	5.1
Jamestown	3.7	3.5	West Greenwich	5.5	5.3
Johnston	5.9	5.6	West Warwick	5.6	5.5
Lincoln	4.9	4.7	Westerly	4.6	4.5
Little Compton	4.0	3.6	Woonsocket	5.8	5.7
Middletown	4.3	4.5			
Narragansett	3.4	3.4	State of R.I.	5.0	5.2
New Shoreham	2.0	2.2	United States	4.9	5.0

**Top Ten Municipalities by
Average Employment - 2006**

Providence	97,598
Warwick	48,798
Cranston	29,804
Pawtucket	24,310
East Providence	20,906
Woonsocket	13,561
Lincoln	13,378
North Kingstown	12,788
Newport	12,754
Smithfield	12,253

Unemployment Insurance Claims Activity

	Jul 2007	Jun 2007	Jul 2006	% Change		Year to Date		
				Jun 07	Jul 06	2007	2006	% Change
Initial Claims	7,323	7,509	5,647	-2.5%	29.7%	50,240	46,825	7.3%
Number of Payments	60,378	40,491	53,911	49.1%	12.0%	405,193	377,862	7.2%
Amount of Payments (gross millions)	\$20.2	\$13.9	\$16.8	45.3%	20.2%	\$140.3	\$125.7	11.6%
Exhaustions (Final Payments)	1,359	1,042	1,287	30.4%	5.6%	9,067	8,824	2.8%

Rhode Island Private Covered Employers
Size Class by Industry
March 2007

Major Industry	Firms/ Employees	Total Private	NUMBER OF EMPLOYEES									
			0	1-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1000+
TOTAL	# of Firms	33,044	5,821	15,926	4,870	3,035	2,096	721	405	103	32	35
	# of Employees	408,124	0	30,994	32,019	40,976	63,487	50,017	62,694	34,669	22,675	70,593
Agriculture, Forestry, Fishing & Hunting	# of Firms	163	58	74	17	11	2	1				
	# of Employees	541	0	155	108	156	69	*				
Mining	# of Firms	23	3	8	4	5	2	1				
	# of Employees	221	0	17	31	68	51	*				
Utilities	# of Firms	24	5	8	1	5	3	1			1	
	# of Employees	1,202	0	14	*	73	78	*			*	
Construction	# of Firms	4,297	1,198	2,077	539	298	137	29	17	2		
	# of Employees	20,434	0	4,063	3,548	3,969	3,983	1,824	2,493	554		
Manufacturing	# of Firms	2,019	186	671	366	294	275	129	70	20	4	4
	# of Employees	52,615	0	1,527	2,468	4,038	8,629	9,339	11,092	6,810	2,420	6,292
Wholesale Trade	# of Firms	2,982	545	1,741	313	187	141	40	14	1		
	# of Employees	16,705	0	2,848	2,034	2,488	4,263	2,703	2,000	*		
Retail Trade	# of Firms	3,351	404	1,554	602	378	255	91	45	13	4	5
	# of Employees	50,945	0	3,436	3,979	5,116	7,808	6,275	6,771	4,536	2,504	10,520
Transportation & Warehousing	# of Firms	720	159	333	82	68	49	16	10	1	1	1
	# of Employees	8,406	0	599	529	899	1,541	1,119	1,425	*	*	*
Information	# of Firms	547	124	272	49	42	30	14	10	3	2	1
	# of Employees	8,475	0	427	337	561	908	972	1,471	988	1,572	*
Finance & Insurance	# of Firms	1,409	205	746	195	124	73	28	19	9	5	5
	# of Employees	31,186	0	1,422	1,262	1,632	2,156	2,012	3,209	2,957	3,553	12,983
Real Estate & Rental & Leasing	# of Firms	1,133	192	665	144	68	41	15	7	1		
	# of Employees	6,728	0	1,270	921	935	1,295	911	1,025	*		
Professional & Technical Services	# of Firms	3,901	717	2,252	478	253	142	39	17	2		1
	# of Employees	21,607	0	4,032	3,076	3,381	4,009	2,625	2,800	657		*
Management of Companies	# of Firms	145	20	78	16	12	11	4	1	1	1	1
	# of Employees	5,058	0	118	100	171	324	244	*	*	*	*
Administrative & Waste Services	# of Firms	2,295	773	898	268	140	125	43	35	11	1	1
	# of Employees	22,928	0	1,722	1,732	1,953	3,913	3,047	5,471	3,393	*	*
Educational Services	# of Firms	455	82	186	46	31	67	22	12	2	2	5
	# of Employees	18,803	0	339	307	432	2,042	1,593	1,745	730	1,238	10,377
Health Care & Social Assistance	# of Firms	2,551	127	963	607	374	224	113	100	26	9	8
	# of Employees	76,666	0	2,136	4,040	4,985	6,979	8,021	15,362	8,654	6,700	19,789
Arts, Entertainment, Recreation	# of Firms	551	125	203	96	66	37	17	5	1		1
	# of Employees	6,390	0	412	628	884	1,155	1,144	752	*		*
Accommodation & Food Services	# of Firms	2,519	371	710	474	443	380	96	33	9	1	2
	# of Employees	40,242	0	1,695	3,206	6,131	11,219	6,527	5,361	3,426	*	2,054
Other services, (except Public)	# of Firms	3,355	387	2,054	545	233	102	22	10	1	1	
	# of Employees	18,136	0	4,138	3,526	3,072	3,065	1,487	1,589	*	*	
Unclassified Establishments	# of Firms	604	140	433	28	3						
	# of Employees	836	0	624	180	32						

* Data not available due to the possibility of identification with an individual employer.