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Employment Bulletin

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Rhode Island's Unemployment Rate Rises to 12.7 Percent

- ◆ RI's seasonally adjusted unemployment rate for July was 12.7 percent, increasing three-tenths of a percentage point from the June rate of 12.4 percent.
- ◆ RI's July unemployment rate is up 4.8 percentage points from last year's figure of 7.9 percent.
- ◆ The national rate decreased one-tenth of a percentage point to 9.4 percent. Rhode Island has the 2nd highest unemployment rate in the nation, trailing Michigan (15.0%).
- ◆ The unemployment rate increased in 26 states - including Massachusetts (+0.2). Vermont (-0.5), Maine (-0.2) and Connecticut (-0.1), along with fourteen other states, saw its rate decrease (New Hampshire was unchanged). In all, fifteen states have unemployment rates in the double digits, with three states having a rate of 12.0 percent or higher.
- ◆ Rates in other New England States – Massachusetts 8.8 percent, Maine 8.4 percent, Connecticut 7.8 percent, Vermont 6.8 percent, New Hampshire 6.8 percent.
- ◆ The number of employed RI residents totaled 500,800 in July 2009, reflecting an increase of 1,700 from the previous month. Between July 2008 and July 2009, the number of employed RI residents fell by 22,100.
- ◆ In July, the number of unemployed Rhode Island residents increased by 1,900 to reach 72,800, the state's highest jobless level on record. From July 2008 to July 2009, the number of unemployed residents increased by 27,700.

Rhode Island Job Vacancies Spring 2009

The Department of Labor and Training's 2009 Job Vacancy Survey indicated that there were an estimated 5,948 job vacancies between May and June 2009. This translated to a job vacancy rate of 1.5 percent or one and a half job openings for every one hundred jobs filled. In comparison, there were 8,912 job vacancies reported during the same period in 2008; reflecting a vacancy rate of 2.2 percent. In 2006, the year prior to the start of the state's current economic downturn, there were nearly 11,000 vacancies reported during this period reflecting a vacancy rate of 2.7 percent.

Most economic sectors reported fewer job vacancies this year than in spring 2008 including the state's five largest employment sectors. As in past surveys, Health Care & Social Assistance, the state's largest employment sector, reported the greatest number of job vacancies estimated at 1,484 for spring 2009, down considerably from the 2,122 (-30.1%) job vacancies reported last year and less than half the number (3,480) reported in 2006. Job vacancies for the Accommodation & Food Services sector were estimated at 1,328, down from 1,809 (-26.6%) last year and 2,001 (-33.6%) in 2006. Estimated vacancies for the Retail Trade (576) and Finance & Insurance sectors (197) were both down over 60 percent from the numbers estimated for 2008. The most significant decline was noted in the Manufacturing sector which had just 64 job vacancies in spring 2006, compared to 485 in 2008 and 965 in 2006.

The decrease in the number of job openings was accompanied by a decrease in the "quality" of openings reflected by increases in the percentages of part-time vacancies and those without benefits. Part-time job vacancies accounted for nearly half (49.6%) of the 2009 vacant positions up from 46.2 percent in 2008 and 44.2 percent in 2006. Less than half the vacancies provided benefits such as Health Insurance (45.1%), vacation pay (40.8%) or retirement/pension plans (40.7%) and less than a third provided sick leave (33.1%) or tuition reimbursement (21.7%). On the positive side, the median wage range for job vacancies increase to \$13.59 to \$15.69 per hour, a gain of 6.0 percent from 2008.

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Jul 09	Jun 09	Jul 08	Jul 09	Jun 09	Jul 08
Civilian Labor Force	573.6	569.9	568.1	154,504	154,926	154,506
Resident Employment	500.8	499.1	522.9	140,041	140,196	145,596
Unemployment	72.8	70.9	45.1	14,462	14,729	8,910
Unemployment Rate	12.7%	12.4%	7.9%	9.4%	9.5%	5.8%

Rhode Island Jobs Increase by 900 in July

The Rhode Island count of total nonfarm employment in July totaled 463,900, an increase of 900 jobs from June's revised employment figure of 463,000. This marks the first over-the-month job gain in the state since January 2008.

The largest employment increases were noted in the Construction and Manufacturing sectors, with each reporting a gain of 500 jobs. Increased employment among specialty trade contractors was largely responsible for the employment boost in the Construction sector, with both the residential and nonresidential adding jobs over the month. The increase in Manufacturing sector employment was due in large part to a decline in the number of seasonal layoffs that normally occur at Rhode Island manufacturing plants during July.

Employment gains between June and July were also reported in Professional & Business Services (+300), Financial Activities (+200), Transportation & Utilities (+200), Accommodation & Food Services (+200) and Retail Trade (+100). Employment remained unchanged in Arts, Entertainment & Recreation and Natural Resources & Mining.

The Health Care & Social Assistance and Government sectors each lost 300 jobs over the month. Losses in Health Care & Social Assistance employment can be attributed in part to reduced customer demand for routine or elective services; the majority of Government losses occurred on the municipal level. Other sectors experiencing job loss include Information (-200), Educational Services (-100), Wholesale Trade (-100) and Other Services (-100).

Between July 2008 and July 2009, job declines were reported in nearly all economic sectors, resulting in an overall loss of 17,500 (-3.6%) jobs during this period. Manufacturing (-4,500), Professional & Business Services (-2,500), Retail Trade (-2,500), Construction (-2,300) and Government (-2,300) reported the most significant annual employment declines. Smaller over-the-year losses were noted in Wholesale Trade (-900), Other Services (-700), Financial Activities (-700), Information (-600), Arts,

Entertainment & Recreation (-500), Transportation & Utilities (-400), Health Care & Social Assistance (-100) and Natural Resources & Mining (-100).

Accommodation & Food Services (+500) and Educational Services (+100) were the only two sectors to add jobs over the year.

MANUFACTURING: In July 2009, production workers in the Manufacturing sector earned \$14.48 per hour. The average hourly production wage was up forty-two cents from June 2009 and up fifty-nine cents from July 2008. Manufacturing employees worked an average of 36.3 hours per week in July, down an hour and six-tenths over the month, and down an hour and a half over the year.

	Net Change From				
	Jul-09	Jun-09	Jul-08	Jun-09	Jul-08
Total Nonfarm	463.9	463.0	481.4	0.9	-17.5
Natural Resources & Mining	0.2	0.2	0.3	0.0	-0.1
Construction	18.3	17.8	20.6	0.5	-2.3
Manufacturing	43.5	43.0	48.0	0.5	-4.5
Wholesale Trade	16.0	16.1	16.9	-0.1	-0.9
Retail Trade	47.2	47.1	49.7	0.1	-2.5
Transportation & Utilities	10.6	10.4	11.0	0.2	-0.4
Information	9.8	10.0	10.4	-0.2	-0.6
Financial Activities	32.7	32.5	33.4	0.2	-0.7
Professional & Business Services	52.4	52.1	54.9	0.3	-2.5
Educational Services	23.4	23.5	23.3	-0.1	0.1
Health Care & Social Assistance	76.1	76.4	76.2	-0.3	-0.1
Arts, Entertainment & Recreation	7.5	7.5	8.0	0.0	-0.5
Accommodation & Food Services	42.8	42.6	42.3	0.2	0.5
Other Services	22.1	22.2	22.8	-0.1	-0.7
Government	61.3	61.6	63.6	-0.3	-2.3

	Employment				
	(in thousands)			Net Change From:	
	Jul 09	Jun 09	Jul 08	Jun 09	Jul 08
Manufacturing	41.5	43.2	46.0	-1700	-4,500
Durable Goods	26.6	28.0	29.8	-1400	-3,200
Fabricated Metal Product Mfg.	5.7	6.0	6.2	-300	-500
Computer & Electronic Product Mfg.	4.1	4.1	4.2	0	-100
Miscellaneous Manufacturing	7.2	7.7	7.9	-500	-700
Jewelry & Silverware	4.6	5.1	5.0	-500	-400
Non-Durable Goods	14.9	15.2	16.2	-300	-1,300
Chemical Manufacturing	3.6	3.6	3.8	0	-200

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. With the release of the January estimates, the seasonally adjusted jobs and unemployment data have been revised back to 2004. Current month's figures are preliminary and subject to change.



Employment by Size of Firm March 2009

The Rhode Island economy is characterized by a large number of small companies employing a small number of workers. In March 2009, there were 32,372 private businesses in the state employing 379,362 workers. Nearly half the employers (47.9%) in the state have between one and four employees; however, they employ just 7.8% of the workforce. The largest employers, those with 1,000 or more employees, numbered 31 and employed 17.5% of Rhode Island's private sector workforce.

Smaller employers, those with less than 20 employees, represented 90.6% of all employers in the state and employed approximately one quarter (25.8%) of the workforce. Mid-sized companies (20 to 99 workers) employed 26.5% of the private sector employment and accounted for 7.8% of the firms. There are just 541 (1.7%) firms in the state employing 100 or more workers. Together, they employ nearly half (47.7%) of the state's private sector employees.

The highest concentration of smaller employers is found in the Agriculture, Forestry, Fishing & Hunting (97.6%) sector, followed by Construction (96.8%), Other Services (96.4%), and Professional & Technical Services (95.0%). The Manufacturing sector had the smallest percentage of small firms (77.2%), followed by Utilities (77.8%), Educational Services (80.0%) and Accommodation & Food Services (80.0%).

The state's largest firms (1,000 or more employees) are found in the Health Care & Social Assistance (8), Private Education (5), Finance & Insurance (5), Retail Trade (4) and Manufacturing (3) sectors.

For more information visit www.dlt.ri.gov/lmi/es202/size.htm.

Private Sector Employment March 2009				
Size Class	Employers		Employment	
	Number	Percent	Number	Percent
Total:	32,372	100.0%	379,362	100.0%
Zero	6,490	20.0%	0	0.0%
1-4	15,501	47.9%	29,464	7.8%
5-9	4,491	13.9%	29,537	7.8%
10-19	2,847	8.8%	38,603	10.2%
20-49	1,864	5.8%	56,420	14.9%
50-99	638	2.0%	44,052	11.6%
100-249	386	1.2%	59,292	15.6%
250-499	88	0.3%	29,742	7.8%
500-999	36	0.1%	25,941	6.8%
1000+	31	0.1%	66,311	17.5%

Characteristics of the Insured Unemployed

A total of 24,515 individuals were eligible to collect "regular" Unemployment Insurance benefits in July 2009, up 8,605 (+54.1%) from the 15,910 collecting these benefits in July 2008. In addition, 10,817 individuals collected Emergency Unemployment Compensation and 3,338 collected Extended Benefits. In all, 51.8 percent of Rhode Island's unemployed workers were eligible to collect unemployment benefits in July.

Of the 24,515 individuals collecting "regular" Unemployment Insurance benefits, nearly 33.1 percent faced long-term unemployment (defined as collecting unemployment insurance for fifteen weeks or more), up from 24.5 percent in July 2008.

On an industry basis, 20.5 percent (5,027) of the State's insured unemployed workers came from the Manufacturing sector. There were also 2,542 individuals with an attachment to the Construction sector, accounting for 10.4 percent of all insured unemployed workers. An additional 8.8 percent (2,148) of those collecting UI benefits in July had worked in the Accommodation & Food Services sector. Large numbers of insured unemployed were also reported in Administrative & Waste Services (2,071), Health Care & Social Assistance (1,979) and Retail Trade (1,876). For more information, go to www.dlt.ri.gov/lmi/uiadmin/characteristics.htm.

Characteristics of the Insured Unemployed, July 2009			
	<i>Total</i>	<i>Long-Term</i>	<i>Percent Long-Term</i>
Total	24,515	8,121	33.1%
Male	12,049	4,380	36.4%
Female	12,466	3,741	30.0%
Selected Industries	24,515	8,121	33.1%
Construction	2,542	881	34.7%
Manufacturing	5,027	2,103	41.8%
Wholesale Trade	1,109	488	44.0%
Retail Trade	1,876	800	42.6%
Transportation & Warehousing	1,769	194	11.0%
Information	558	279	50.0%
Finance & Insurance	1,023	481	47.0%
Real Estate	455	189	41.5%
Professional & Tech. Services	1,204	405	33.6%
Administrative & Waste Services	2,071	673	32.5%
Educational Services	804	74	9.2%
Health Care & Social Assistance	1,979	630	31.8%
Arts, Entertainment & Recreation	323	101	31.3%
Accommodation & Food Services	2,148	327	15.2%
Other Services	699	253	36.2%
Public Administration	318	39	12.3%

Consumer Price Index for All Urban Consumers

				% Change
	Jul 09	Jun 09	Jul 08	Prev. Year
All Items	215.4	215.7	220.0	-2.1%

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

2008 Annual Average Wages

Wages for Rhode Island's private sector workers averaged \$41,099 in 2008, an increase of \$1,272, or 3.1 percent, from the \$39,827 earned in 2007. In 2007, private sector wages increased 2.8 percent, the smallest annual percentage increase since 1994 (2.3%).

Annual average wage gains were reported in 14 of the 19 economic sectors, with the largest occurring in the Finance & Insurance (+10.2%), Management of Companies & Enterprises (+7.5%), Utilities (+7.5%); Administrative and Waste Services (+4.3%); Educational Services (+4.2%) and Construction (+4.0%) sectors.

The five industry sectors to report an annual wage decline between 2007 and 2008 include the Mining (-3.3%); Real Estate and Rental and Leasing (-1.2%); Agriculture, Forestry, Fishing & Hunting (-1.1%); Transportation and Warehousing (-0.5%); and Information (-0.3%) sectors.

The highest annual average wages were paid in Management of Companies & Enterprises (\$104,254) followed by the Utilities (\$78,823) Finance & Insurance (\$67,767), Professional and Technical Services (\$61,681), Wholesale Trade (\$60,207) and Information (\$57,412) sectors.

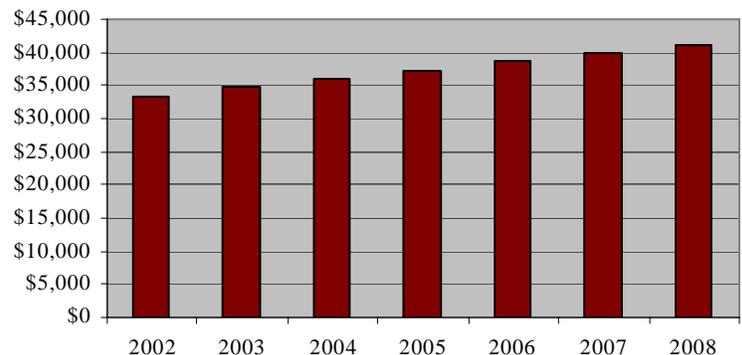
The Accommodation & Food Services (\$15,734) and Arts, Entertainment & Recreation (\$23,198) sectors reported the lowest annual average wages reflecting the seasonal and part-time nature of these businesses. Other industry sectors paying lower-than-average wages included Other Services (\$26,140); Agriculture, Forestry, Fishing & Hunting (\$26,129); and Retail Trade (\$26,493).

For more information concerning industry wages, visit the Quarterly Census of Employment and Wages web site at: www.dlt.ri.gov/lmi/es202.htm.

City & Town Unadjusted Unemployment Rates for July

	2009		2008		
	2009	2008	2009	2008	
Barrington	9.9	5.7	Newport	10.1	6.1
Bristol	12.0	7.2	North Kingstown	10.0	6.5
Burrillville	13.2	7.4	North Providence	12.6	8.6
Central Falls	16.9	11.3	North Smithfield	12.5	7.2
Charlestown	12.0	8.3	Pawtucket	15.6	9.9
Coventry	12.4	7.8	Portsmouth	9.6	5.8
Cranston	13.0	8.2	Providence	15.9	10.3
Cumberland	11.9	7.3	Richmond	8.2	5.3
East Greenwich	11.1	7.4	Scituate	14.1	8.4
East Providence	13.4	8.3	Smithfield	12.4	7.9
Exeter	10.4	7.1	South Kingstown	10.4	6.9
Foster	13.5	7.7	Tiverton	13.0	8.1
Glocester	10.8	6.4	Warren	12.7	8.0
Hopkinton	11.9	8.0	Warwick	12.0	7.5
Jamestown	7.6	5.5	West Greenwich	12.2	7.3
Johnston	13.4	8.7	West Warwick	13.5	8.4
Lincoln	12.6	7.4	Westerly	10.2	7.5
Little Compton	11.3	5.9	Woonsocket	15.2	9.7
Middletown	9.3	6.1			
Narragansett	7.3	4.8	State of R.I.	12.9	8.2
New Shoreham	4.3	2.7	United States	9.7	6.0

Annual Average Wages - Private Sector 2002 - 2008



Unemployment Insurance Claims Activity

	July	June	July	% Change		Year to Date		
	2009	2009	2008	June 09	July 08	2009	2008	% Change
Regular Claims								
Initial Claims	10,934	9,144	7,529	19.6%	45.2%	77,166	56,593	36.4%
Number of Payments	92,350	102,242	62,623	-9.7%	47.5%	733,029	466,471	57.1%
Amount of Payments (gross millions)	\$33.6	\$38.0	\$21.4	-11.6%	57.2%	\$271.6	\$167.2	62.4%
Exhaustions (Final Payments)	3,162	3,572	1,552	-11.5%	103.7%	20,499	11,532	77.8%
Emergency Unemployment Compensation						2009	Since Program Began	
Initial Claims	4,084	3,780	6,351	8.0%	-35.7%	22,022	40,174	
Number of Payments	47,087	54,164	15,718	-13.1%	199.6%	324,837	485,729	
Amount of Payments (gross millions)	\$17.1	\$19.3	\$5.5	-11.4%	210.4%	\$115.1	\$171.3	
Extended Benefits						2009	Since Program Began	
Initial Claims	843	1,012	n/a	-16.7%	n/a	4,030	7,473	
Number of Payments	13,811	17,102	n/a	-19.2%	n/a	49,038	66,302	
Amount of Payments (gross millions)	\$4.9	\$6.1	n/a	-18.6%	n/a	\$17.1	\$23.2	

Spring 2009 Job Vacancy Summary

Private Sector Jobs

	<u>2009</u>	<u>2008</u>	<u>2006</u>
Total Vacancies	5,948	8,912	10,949
Health Care & Social Assistance	1,484	2,122	3,480
Accommodation & Food Services	1,328	1,809	2,001
Other Services	613	117	195
Retail Trade	576	1,770	1,347
Administrative & Waste Services	432	172	200
Management of Companies & Enterprises	429	256	147
Transportation & Warehousing	218	103	285
Educational Services	209	320	352
Professional, Scientific & Technical Services	200	165	332
Finance & Insurance	197	551	584
Construction	121	78	193
Manufacturing	64	485	965
Wholesale Trade	45	298	251
Arts, Entertainment & Recreation	32	342	351
Job Vacancy Rate (vacancies per 100 filled jobs)	1.5%	2.2%	2.7%
Full-Time Positions	50.4%	53.8%	55.8%
Part-Time Positions	49.6%	46.2%	44.2%
Permanent Positions	82.1%	78.4%	87.0%
Temporary/Seasonal Positions	17.9%	21.6%	13.0%
Median Hourly Wage Range	\$13.59 to \$15.69	\$12.81 to \$14.67	\$11.00 to \$12.00
Vacancies with Health Insurance	45.1%	62.0%	63.9%
Vacancies with Paid Sick Leave	33.1%	51.9%	52.9%
Vacancies with Paid Vacation	40.8%	59.8%	65.4%
Vacancies with Tuition Reimbursement	21.7%	30.9%	40.2%
Vacancies with Retirement /Pension Plan	40.7%	52.0%	60.9%
Vacancies with No Benefits Offered	43.9%	32.6%	27.2%