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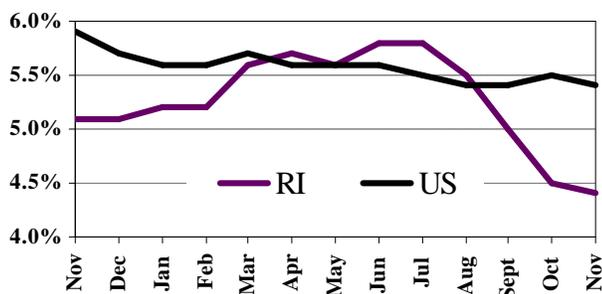
# Employment Bulletin

Rhode Island  
Department of  
Labor & Training  
◆  
December 2004  
◆  
[www.dlt.ri.gov/lmi](http://www.dlt.ri.gov/lmi)

## Rhode Island's Unemployment Rate Continues Downward Trend in November

Rhode Island's seasonally adjusted unemployment rate for November was 4.4 percent, down 0.1 of a percentage point from October. The November unemployment rate is the lowest since January 2001. The number of unemployed Rhode Island residents declined by 400 in November to 25,100. A year ago, the unemployment rate was 5.1 percent, and the number of unemployed stood at 29,100. Nationally, the unemployment rate also inched down 0.1 of a percentage point to 5.4 percent in November. Rhode Island's unemployment rate remained below the national average for the third straight month.

**RI & US Unemployment Rates  
Seasonally Adjusted 2003 - 2004**



“This month’s 400 job increase, while modest, is encouraging,” said DLT Director Adelita S. Orefice. “Our unemployment rate continues to improve as the number of unemployed Rhode Island residents fell for the fifth straight month.”

## 2005 Unemployment Insurance Tax Schedule

Rhode Island employers will pay Unemployment Insurance taxes according to Tax Schedule I during 2005 – the same tax schedule in effect for 2004. Depending on their experience with layoffs, employer tax rates will range from 1.69% to 9.79%. The wage base on which Employment Security taxes will be paid during the 2005 tax year will be \$16,000 (up from \$14,000 in 2004).

The payroll tax for new employers - those who have not been covered by the Employment Security Act for three full years as of September 30, 2004 - will be 2.04% in 2005. The new employer rate for 2004 is 1.79%. Rhode Island employers will be notified of their individual 2005 tax rates by the end of December.

Rhode Island workers collected a total of \$203.8 million in regular unemployment benefits during the twelve months ending September 30, 2004. Over the same period, Unemployment Insurance taxes paid by employers coupled with payments from self-insured employers and interest earned by the Employment Security Fund totaled \$174.8 million. Employment Security Fund reserves that are used to pay benefits to the unemployed totaled \$190.5 million as of September 30, 2004. Since Employment Security (ES) Fund reserves declined by \$31.0 million for the year ending September 30, 2004, the Reserve Ratio of 1.51% remained well below the 2.75% needed to move to a lower tax schedule. The Reserve Ratio compares the level of reserves in the ES Fund on September 30<sup>th</sup> to the total payroll for the past year.

The above employer tax rates do not include the Job Development Assessment of 0.21% that is paid by all taxable employers.

## Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Nov 04	Oct 04	Nov 03	Nov 04	Oct 04	Nov 03
Civilian Labor Force	564.4	565.5	573.4	148,289	147,850	147,187
Resident Employment	539.3	540.0	544.3	140,261	139,778	138,533
Unemployment	25.1	25.5	29.1	8,027	8,072	8,653
Unemployment Rate	4.4%	4.5%	5.1%	5.4%	5.5%	5.9%

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## Rhode Island Job Highlights

Rhode Island businesses added 400 jobs last month, bringing the November job count to 489,200 (seasonally adjusted). Over-the-month employment gains in Trade, Transportation & Utilities (+400); Construction (+200); Government (+200) and Leisure & Hospitality (+100) offset a 300 job loss reported in Professional & Business Services. Manufacturing employment showed no change.

The more detailed unadjusted estimates, which traditionally increase from October to November, were up by 900 (+0.2%) over the month. The November job count stood at 496,300 (unadjusted), the highest November job count on record. The largest monthly gains were reported in Retail Trade (+1,500); Government (+600) and Educational Services (+400), which combined to offset seasonal losses reported in Arts, Entertainment & Recreation (-600) and Accommodation & Food Services (-500) and Professional & Business Services (-500).

### Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Nov 04	Oct 04	
Total Nonfarm	489.2	488.8	0.4
Construction	22.6	22.4	0.2
Manufacturing	57.9	57.9	0.0
Trade, Transportation & Utilities	81.5	81.1	0.4
Professional & Business Services	48.9	49.2	-0.3
Leisure and Hospitality	51.1	51.0	0.1
Government	66.7	66.5	0.2

Seasonal hiring in Retail Trade resulted in 1,500 new jobs, slightly higher than the average October to November (+1,200) increase and the largest October to November gain reported in three years. The decrease of 500 in Accommodation & Food Services, which usually drops this time of year, was much smaller than expected.

Over the year, employment was up 4,400 (+0.9%) from the 491,900 jobs (unadjusted) reported in November 2003. The largest gains were noted in Health Care & Social Assistance (+1,300); Accommodation & Food Services (+1,300); Educational Services (+1,100); Construction (+800) and Retail Trade (+800). The largest private sector employment losses occurred in Financial Activities (-600) and Manufacturing (-600). Government employment increased by just 100, as job gains on the Local level (+500) offset losses in the Federal (-200) and State (-200) segments.

The \$13.09 average hourly wage earned by the Manufacturing sector's production workers in November 2004 represented a yearly gain of eight cents and a monthly gain of seven cents per hour. In November 2004, Manufacturing employees worked an average of 39.7 hours per week, an increase of 0.4 of an hour over the month, but a decline of 0.4 of an hour from last year.

### Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From			Weekly Hours			Hourly Earnings		
	Nov 04	Oct 04	Nov 03	Oct 04	Nov 03	Nov 04	Oct 04	Nov 03	Nov 04	Oct 04	Nov 03
<b>Manufacturing</b>	58.6	58.5	59.2	100	-600	39.7	39.3	40.1	13.09	13.02	13.01
<b>Durable Goods</b>	37.7	37.7	38.3	0	-600	39.8	39.0	39.6	13.10	13.04	13.02
Fabricated Metal Product Mfg.	7.6	7.7	7.9	-100	-300	38.7	38.0	41.2	11.73	11.69	11.64
Computer & Electronic Product Mfg.	4.8	5.0	5.1	-200	-300	38.7	38.6	37.5	13.98	13.94	13.73
Transportation Equipment Mfg.	4.1	4.0	3.9	100	200	40.0	40.0	39.5	15.41	15.41	15.31
Miscellaneous Manufacturing	11.0	10.9	11.2	100	-200	38.3	37.6	38.6	10.93	10.88	10.70
Jewelry and Silverware	8.1	8.0	8.0	100	100	38.7	38.4	40.0	10.24	10.20	10.12
<b>Non-Durable Goods</b>	20.9	20.8	20.9	100	0	39.5	39.8	41.0	13.08	13.00	13.00
Chemical Manufacturing	4.0	4.0	4.2	0	-200	41.0	41.8	39.7	15.30	15.26	15.55
Plastics & Rubber Products Mfg.	3.3	3.2	3.1	100	200	41.1	42.0	40.0	14.60	14.58	14.76

**Establishment Employment in Rhode Island\***  
**Not Seasonally Adjusted**

	Employment in Thousands			Net Change From	
	Nov 2004	Oct 2004	Nov 2003	Oct 2004	Nov 2003
<b>Total Nonfarm</b>	<b>496.3</b>	<b>495.4</b>	<b>491.9</b>	<b>900</b>	<b>4,400</b>
<b>Goods Producing</b>	<b>82.2</b>	<b>82.2</b>	<b>82.0</b>	<b>0</b>	<b>200</b>
Natural Resources & Mining	0.2	0.2	0.2	0	0
Construction	23.4	23.5	22.6	-100	800
Specialty Trade Contractors	15.1	15.3	14.7	-200	400
Manufacturing	58.6	58.5	59.2	100	-600
Durable Goods	37.7	37.7	38.3	0	-600
Fabricated Metal Product Mfg.	7.6	7.7	7.9	-100	-300
Computer & Electronic Product Mfg.	4.8	5.0	5.1	-200	-300
Transportation Equipment Mfg.	4.1	4.0	3.9	100	200
Miscellaneous Manufacturing	11.0	10.9	11.2	100	-200
Jewelry & Silverware	8.1	8.0	8.0	100	100
Non-Durable Goods	20.9	20.8	20.9	100	0
Chemical Manufacturing	4.0	4.0	4.2	0	-200
Plastics & Rubber Products Mfg.	3.3	3.2	3.1	100	200
<b>Service Providing</b>	<b>414.1</b>	<b>413.2</b>	<b>409.9</b>	<b>900</b>	<b>4,200</b>
Wholesale Trade	16.4	16.4	16.4	0	0
Retail Trade	55.7	54.2	54.9	1,500	800
Grocery Stores	6.8	6.8	6.7	0	100
Health & Personal Care Stores	5.4	5.4	5.6	0	-200
General Merchandise Stores	11.0	10.3	10.9	700	100
Department Stores	4.6	4.1	5.0	500	-400
Transportation, Warehousing & Utilities	11.6	11.7	11.9	-100	-300
Transportation & Warehousing	10.6	10.7	10.7	-100	-100
Information	10.7	10.7	10.7	0	0
Publishing	3.5	3.4	3.2	100	300
Financial Activities (including Real Estate)	33.2	33.2	33.8	0	-600
Finance & Insurance	26.9	26.8	27.4	100	-500
Credit Intermediation & Related Activities	13.5	13.3	12.8	200	700
Insurance Carriers & Related Activities	10.0	10.3	10.9	-300	-900
Professional & Business Services	50.1	50.6	50.3	-500	-200
Professional & Technical Services	19.4	19.5	18.8	-100	600
Administrative & Waste Services	22.9	23.3	23.7	-400	-800
Educational Services	22.1	21.7	21.0	400	1,100
Colleges & Universities	14.3	14.0	13.2	300	1,100
Health Care & Social Assistance	72.5	72.4	71.2	100	1,300
Ambulatory Health Care Services	21.3	21.2	20.6	100	700
Hospitals	22.9	22.9	22.4	0	500
Nursing & Residential Care Facilities	18.0	18.1	17.7	-100	300
Social Assistance	10.3	10.2	10.5	100	-200
Arts, Entertainment & Recreation	6.7	7.3	6.6	-600	100
Accommodation & Food Services	43.4	43.9	42.1	-500	1,300
Accommodation	4.2	4.6	4.0	-400	200
Food Services & Drinking Places	39.2	39.3	38.1	-100	1,100
Other Services	23.6	23.6	23.0	0	600
Government	68.1	67.5	68.0	600	100
Federal Government	9.8	9.8	10.0	0	-200
State Government	17.7	17.8	17.9	-100	-200
Local Government	40.6	39.9	40.1	700	500

\*Current month figures are preliminary; prior month and year are revised. Totals may not add due to rounding.

Labor Force statistics are compiled by Labor Market Information, in cooperation with the Bureau of Labor Statistics, U.S. Dept. of Labor.

Visit the Labor Market Information (LMI) web site at [www.dlt.ri.gov/lmi](http://www.dlt.ri.gov/lmi). To contact LMI, call (401) 462-8740 or e-mail [lmi@dlt.state.ri.us](mailto:lmi@dlt.state.ri.us).

## Consumer Price Index for All Urban Consumers

				% Change
	Nov 04	Oct 04	Nov 03	Prev. Year
All Items	191.0	190.9	184.5	3.5%

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

### New LMI Publication Now Available! A Year in Review, 2003 - Community-level Analysis

More than 3,600 private sector jobs were added throughout the Ocean State in 2003, a 0.9 percent increase. The largest gains occurred in Cranston (+1,371), West Greenwich (+729), West Warwick (+676), Warwick (+630), and Middletown (+537). Notable increases in private sector employment were also reported in Coventry (+419), Lincoln (+406), Smithfield (+346), and Cumberland (+315).

On a percentage basis, total private sector employment in West Greenwich jumped by 28.6 percent in 2003, well-ahead of all other Rhode Island communities. The second highest growth rate in employment during this period occurred in Charlestown (+9.5%), followed by Scituate (+9.4%), West Warwick (+8.7%), and Exeter (+7.9%). Several communities reported job growth of less than one percent, including Woonsocket (+0.8%), Portsmouth (+0.7%), Narragansett (+0.3%), and Richmond (+0.2%).

In 2003, one-third of the state's 39 communities reported a decline in private sector employment levels. Triple-digit job losses were reported in Pawtucket (-381), Providence (-271), Central Falls (-246), and East Providence (-214), much of it attributed to the continued loss of Manufacturing jobs. Other cities and towns reporting over-the-year job losses included East Greenwich (-93), North Smithfield (-89), Newport (-72), Burrillville (-68), and Johnston (-65). On a percentage basis, Central Falls (-8.5%), Foster (-4.6%), Hopkinton (-3.0%), Burrillville (-2.9%), and North Smithfield (-2.3%) experienced the largest employment declines between 2002 and 2003.

The annual average wage paid to Rhode Island's private sector workforce was \$34,859 in 2003. This represented a 4.9 percent (+\$1,633) increase over the state's 2002 average wage of \$33,226. By a wide margin, workers in West Greenwich (\$75,893) received the highest annual average private sector wage in 2003, followed by Portsmouth (\$44,512), Providence (\$40,352), and Lincoln (\$37,454). On the other hand, twenty-nine communities reported an annual average wage below the statewide average. The lowest wages were in Foster (\$21,251), Little Compton (\$23,500), and Narragansett (\$23,588). In the case of Narragansett, a high concentration of part-time, low-wage jobs in the Accommodation & Food Services and Retail Trade industry sectors drove this low average.

Between 2002 and 2003, private sector workers in 8 communities saw their annual average wages grow at a rate faster than in the state as a whole, including Woonsocket (+8.5%), Providence (+7.7%), and West Greenwich (+7.4%), Richmond (+7.1%), and Portsmouth (+7.0%). During this period, workers in five towns saw their annual average wages decline, with the largest percentage declines in Jamestown (-4.4%), Burrillville (-3.8%), and New Shoreham (-1.7%).

For more city and town employment and wage data, please download LMI's newest publication, *A Year in Review, 2003*. This report is available in Adobe PDF format at: [www.dlt.ri.gov/lmi/publications/community.htm](http://www.dlt.ri.gov/lmi/publications/community.htm).

## City & Town Unadjusted Unemployment Rates for November

	2004	2003		2004	2003
Barrington	2.2	3.2	Newport	3.1	3.6
Bristol	3.2	3.9	North Kingstown	3.1	3.7
Burrillville	4.1	4.6	North Providence	3.6	4.3
Central Falls	5.4	7.2	North Smithfield	3.2	4.3
Charlestown	3.1	3.9	Pawtucket	4.5	6.1
Coventry	3.6	4.3	Portsmouth	2.3	2.9
Cranston	3.9	4.5	Providence	4.6	5.4
Cumberland	3.5	4.4	Richmond	2.0	2.1
East Greenwich	3.5	3.7	Scituate	3.6	4.2
East Providence	4.3	4.8	Smithfield	2.8	3.3
Exeter	3.8	4.0	South Kingstown	2.9	3.5
Foster	4.5	4.0	Tiverton	3.9	5.1
Glocester	3.0	3.4	Warren	3.9	4.0
Hopkinton	2.9	3.4	Warwick	3.8	4.0
Jamestown	2.5	2.8	West Greenwich	3.5	3.4
Johnston	4.1	4.6	West Warwick	4.9	4.6
Lincoln	3.0	4.0	Westerly	3.1	3.6
Little Compton	2.9	3.5	Woonsocket	5.1	6.2
Middletown	3.7	3.9			
Narragansett	2.3	2.9	State of R.I.	3.8	4.5
New Shoreham	11.8	11.6	United States	5.2	5.6

## Unemployment Insurance Claims Activity

	Nov	Oct	Nov	% Change		Year to Date		
	2004	2004	2003	Nov 04	Oct 03	2004	2003	% Change
Initial Claims	6,318	4,830	5,531	30.8%	14.2%	71,077	77,003	-7.7%
Number of Payments	46,116	35,635	39,617	29.4%	16.4%	597,072	635,599	-6.1%
Amount of Payments (gross millions)	\$15.1	\$11.7	\$12.3	29.1%	22.8%	\$188.1	\$190.7	-1.4%
Exhaustions (Final Payments)	1,297	1,004	1,241	29.2%	4.5%	14,867	16,641	-10.7%

**R.I. DEPARTMENT OF LABOR AND TRAINING**  
**2005 UI AND TDI QUICK REFERENCE**  
(Effective January 1, 2005)

	<b>UNEMPLOYMENT INSURANCE</b>	<b>TEMPORARY DISABILITY INSURANCE</b>
<b>TAXABLE WAGE BASE</b>	\$16,000	\$49,000
<b>TAX SCHEDULES/TAX RATES</b> Employment Security Job Development Assessment (JDA)	Schedule I: 1.90% to 10.0% 1.69% to 9.79% 0.21%	1.4% Deducted from Employee's Wages
<b>NEW EMPLOYER RATE</b>	2.04% (+0.21% JDA)	NONE (Employee Tax)
<b>EMPLOYEE WAGE DEDUCTION</b>	NONE (employer payroll tax)	1.4% of first \$49,000 earned
<b>WAITING PERIOD</b>	7 days	7 days (paid retroactively if customer out for 28 consecutive days or more)
<b>BASE PERIOD</b>	The first four of the last five completed calendar quarters prior to claim; or last 4 completed quarters if needed to meet minimum earnings requirement.	
<b>ELIGIBILITY - MONETARY</b> Based on a Minimum Wage of \$6.75/hour.	\$8,100 in base period wages; or \$1,350 in one of the base period quarters and total base period wages of at least 1.5 times the highest quarter earnings, and total base period earnings of at least \$2,700.	
<b>ELIGIBILITY - NONMONETARY</b>	Worked for a subject employer and unemployed through no fault.	Worked for a subject employer and have medically certified disability.
<b>WEEKLY BENEFIT RATE</b>	4.62% of total high quarter wages in base period.	
<b>MIN. WEEKLY BENEFIT AMOUNT</b>	\$62 per week	\$63 per week
<b>MAX. WEEKLY BENEFIT AMOUNT</b>	\$462 per week	\$588 per week
<b>DEPENDENT'S ALLOWANCE</b>	Greater of \$10 or 5% of weekly benefit rate (up to 5 depts.)	Greater of \$10 or 7% of weekly benefit rate (up to 5 depts.)
<b>MAX. WEEKLY BENEFIT AMOUNT WITH MAX. 5 DEPENDENTS</b>	\$577 per week	\$793 per week
<b>MAXIMUM DURATION</b>	26 weeks	30 weeks
<b>REASONS FOR DENIAL OF BENEFITS</b>	Quit without good cause; fired for misconduct; refusal of suitable work; labor dispute (except lock-out); insufficient earnings in base period.	No medical certification; insufficient earnings in the base period. Receipt of unemployment or workers' compensation benefits.
<b>BENEFIT APPLICATIONS</b>	Call (401) 243-9100 to file.	Call (401) 462-8420 for application

**A Product of the Labor Market Information Unit**