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Employment Bulletin

Rhode Island
Department of
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www.dlt.ri.gov/lmi

Public Law Changes for 2005

In July 2005, the RI General Assembly amended several of the State's Labor Laws. Following is a synopsis of these amendments:

The Privacy Protection Act prevents employers from secretly recording audio or video of employees in restrooms, locker rooms or changing rooms. It also subjects violating employers to damages, awards, attorney's fees, costs and injunctive relief. It provides for the protection of an employee's privacy and the necessary tools to insure an employee's right to privacy.

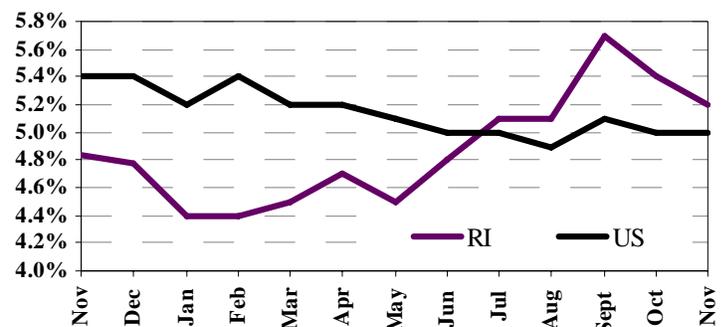
The amendment eliminating obsolete language in the Employment of Women and Children Act provides for better enforcement authority. This amendment increases fines for violations of laws on Employment of Women and Children in the workplace.

Chapter 5-23, formally entitled "Sunday Business" has been changed and is now called "Holiday Business." Other amendments to this law now allow retail establishments to remain open on Sundays during their normal working hours. Retail establishments remain unable to open on a holiday unless their city or town grants them a holiday license. However, no license shall be issued for December 25 or Thanksgiving Day of any year except to: Pharmacies, provided that no drug or controlled substance requiring a prescription shall be dispensed or sold unless a licensed pharmacist-in-charge is available on the premises; retail establishments which principally sell food products and which employ fewer than six employees per shift at any one location; retail establishments engaged principally in the sale of cut flowers, floral products, plants, shrubs, trees, fertilizers, seeds, bulbs and garden accessories; retail establishments principally engaged in the sale and/or rental of video cassette tapes; and retail establishments engaged in the preparation/sale of bakery products.

Rhode Island's Unemployment Rate Declines in November

Rhode Island's seasonally adjusted unemployment rate for November slipped to 5.2 percent. The November jobless rate is down 0.2 of a percentage point from October's rate of 5.4 percent. This reflects a decline of 1,100 in the number of unemployed persons (estimated at 30,200). At the same time, the number of employed residents climbed by 4,700. A year ago, the jobless level was 27,200 and the unemployment rate stood at 4.8 percent. Nationally, the unemployment rate for November was unchanged at 5.0 percent. Compared to a year ago, the national jobless rate is down 0.4 of a percentage point. Rhode Island's unemployment rate for November remained above the national average for the fifth straight month.

RI & US Unemployment Rates
Seasonally Adjusted 2004 - 2005



Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Nov 05	Oct 05	Nov 04	Nov 05	Oct 05	Nov 04
Civilian Labor Force	580.3	576.7	561.0	150,176	150,079	148,313
Resident Employment	550.1	545.4	533.8	142,594	142,646	140,293
Unemployment	30.2	31.3	27.2	7,582	7,433	8,020
Unemployment Rate	5.2%	5.4%	4.8%	5.0%	5.0%	5.4%

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The Number of Jobs Increases

The Rhode Island job count (seasonally adjusted) increased in November, following three consecutive months of employment declines. Businesses in the state reported a gain of 900 (+0.2%) jobs, bringing the November job count to 495,400. Over-the-month employment increases were reflected in Educational & Health Services (+300), Government (+300), Financial Activities (+200), Professional & Business Services (+200), Leisure & Hospitality (+200), Construction (+100), and Manufacturing (+100). A monthly loss was noted in Trade, Transportation & Utilities (-100).

“The Rhode Island economy received a dose of pre-holiday cheer as our unemployment rate fell to 5.2 percent, the number of employed Rhode Island residents increased, and the job count rose over the month,” said DLT Director Adelita S. Orefice. “Although this is encouraging news for all Rhode Islanders, I am even more satisfied that the general trend in job growth continues to be positive. While job growth numbers will vary from month to month, and there will be inevitable bumps in the road, I am pleased that Rhode Island continues to grow jobs not just this month, but over the long-term.”

Nationally, payroll employment showed strong growth in November, reflecting a seasonally adjusted increase of 215,000 (+0.2%) from October. Job gains were reported in all eight economic sectors with the largest gains occurring in Construction, Educational & Health Services, Leisure & Hospitality, Professional & Business Services and Trade, Transportation & Utilities.

Employment in Rhode Island was up 6,100 (+1.2%) from the 489,300 jobs reported in November 2004. Over-the-year employment growth was concentrated in Educational & Health Services (+3,900), Leisure & Hospitality (+1,900), Financial Activities (+1,500), Professional & Business Services (+900) and Construction (+700). Manufacturing (-1,900), showed the largest loss from last November followed by Trade, Transportation & Utilities (-800) and Government (-200).

Hours and Earnings

In November 2005, the \$13.30 average hourly wage earned by the Manufacturing sector’s production workers represented a monthly gain of seven cents per hour and an over-the-year gain of twenty-two cents per hour. Manufacturing employees worked an average of 38.0 hours per week in November, down 0.6 of an hour over the month and 0.8 of an hour since November 2004.

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Nov 05	Oct 05	
Total Nonfarm	495.4	494.5	0.9
Construction	21.6	21.5	0.1
Manufacturing	54.7	54.6	0.1
Trade, Transportation & Utilities	78.6	78.7	-0.1
Financial Activities	35.5	35.3	0.2
Professional & Business Services	55.3	55.1	0.2
Educational & Health Services	97.4	97.1	0.3
Leisure and Hospitality	52.3	52.1	0.2
Government	65.9	65.6	0.3

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment			Production Worker Averages							
	(in thousands)		Net Change From:	Weekly Hours			Hourly Earnings				
	Nov 05	Oct 05		Nov 04	Oct 05	Nov 04	Nov 05	Oct 05	Nov 04		
Manufacturing	55.3	55.1	57.2	200	-1900	38.0	38.6	38.8	13.30	13.23	13.08
Durable Goods	36.9	36.7	37.6	200	-700	38.2	39.1	39.2	13.30	13.22	13.09
Fabricated Metal Product Mfg.	7.6	7.6	8.0	0	-400	39.0	40.0	38.0	11.71	11.64	11.81
Computer & Electronic Product Mfg.	4.8	4.7	4.9	100	-100	40.0	39.3	38.6	14.18	14.23	13.93
Miscellaneous Manufacturing	10.2	10.1	11.0	100	-800	37.6	36.7	37.8	11.13	11.06	10.92
Jewelry and Silverware	7.3	7.3	7.9	0	-600	37.6	37.0	38.2	10.29	10.22	10.25
Non-Durable Goods	18.4	18.4	19.6	0	-1200	37.5	37.6	38.2	13.30	13.24	13.05
Chemical Manufacturing	4.1	4.1	4.2	0	-100	41.7	40.7	42.1	15.40	15.48	15.31
Plastics & Rubber Products Mfg.	3.0	3.0	3.1	0	-100	39.1	39.6	40.4	14.75	14.69	14.57

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. Unadjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm. Current month’s figures are preliminary and subject to change.

Characteristics of the Insured Unemployed

In November 2005, approximately 37 percent of Rhode Island's unemployed workers were eligible to collect unemployment insurance benefits. Numbering 9,606 people, these "insured unemployed" accounted for 1.9 percent of the state's establishment employment (unadjusted). Nearly 28 percent (2,672) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

Nearly 27 percent (2,558) of the people receiving unemployment insurance benefits were between the ages of 35 and 44, while an additional 24 percent (2,335) were 45 to 54 years old. Concentrations of long-term unemployment were highest among workers over 60 years of age, due in part to the difficulties workers face in finding new jobs as they grow older. For example, 40 percent of all insured unemployed workers 60 years and older had been collecting benefits for at least fourteen weeks, whereas 22 percent of those under 22 years of age and 25 percent of 22 to 24 year olds were considered long-term unemployed.

In November, approximately 46 percent (4,438) of those collecting unemployment insurance benefits had just a high school diploma. An additional 1,392 people (14.5%) had less than a high school diploma, while 16.1 percent (1,546) of the insured unemployed had at least a bachelor's degree. The highest rates of long-term unemployment were noted among those with college degrees. For instance, roughly 30 percent of insured unemployed workers with at least a Bachelor's degree had been collecting benefits for a minimum of fourteen weeks, while 26 percent of those with less than a high school diploma were considered long-term unemployed.

On an industry basis, 19.2 percent (1,840) of the state's insured unemployed workers came from the Manufacturing sector. There were also 950 individuals with an attachment to the Retail Trade sector, accounting for 9.9 percent of all insured unemployed workers. Nearly 10 percent (935) of those collecting unemployment insurance benefits in November had worked in the Construction sector. Large numbers of insured unemployed were also reported in Administrative & Waste Services (879), Health Care & Social Assistance (870) and Accommodation & Food Services (842).

Those previously employed in Office & Administrative Support occupations accounted for 16 percent (1,534) of the state's insured unemployed. A large number of workers previously employed in Production (1,217), Transportation & Material Moving (664) and Food Preparation & Serving Related (594) occupations also collected unemployment insurance benefits in November. Numerous occupational groups reported concentrations of long-term unemployment above the state average, including Protective Service (47.3%), Education, Training & Library (45.5%), Personal Care & Service (40.8%), Healthcare Support (35.0%) and Business & Financial Operations (34.9%).

Characteristics of the Insured Unemployed, November 2005

	Total	Long-Term	Percent Long-Term
Total	9,606	2,672	27.8%
Male	5,070	1,229	24.2%
Female	4,536	1,443	31.8%
Age	9,606	2,672	27.8%
Under 22	288	63	21.9%
22 - 24	510	128	25.1%
25 - 34	2,035	513	25.2%
35 - 44	2,558	665	26.0%
45 - 54	2,335	657	28.1%
55 - 59	832	227	27.3%
60 - 64	583	209	35.8%
65 or over	465	210	45.2%
Education	9,606	2,672	27.8%
Less than 9th Grade	408	103	25.2%
9th to 12th, no diploma	984	257	26.1%
High School Graduate	4,438	1,203	27.1%
Some College	1,986	596	30.0%
Bachelor's Degree	1,206	354	29.4%
Beyond Bachelor's	340	105	30.9%
Selected Industries	9,606	2,672	27.8%
Construction	935	120	12.8%
Manufacturing	1,840	560	30.4%
Wholesale Trade	411	126	30.7%
Retail Trade	950	315	33.2%
Transportation & Warehousing	233	52	22.3%
Information	144	52	36.1%
Finance & Insurance	564	218	38.7%
Real Estate	155	39	25.2%
Professional & Tech. Services	372	120	32.3%
Administrative & Waste Services	879	199	22.6%
Educational Services	244	99	40.6%
Health Care & Social Assistance	870	315	36.2%
Arts, Entertainment & Recreation	220	35	15.9%
Accommodation & Food Services	842	151	17.9%
Other Services	405	132	32.6%
Public Administration	113	40	35.4%
Selected Occupations	9,606	2,672	27.8%
Business & Financial Operations	315	110	34.9%
Computer & Mathematical	130	35	26.9%
Architecture & Engineering	100	24	24.0%
Life, Physical & Social Science	51	11	21.6%
Community & Social Services	98	31	31.6%
Legal	33	11	33.3%
Education, Training & Library	266	121	45.5%
Arts, Design, Ent., Sports & Media	161	44	27.3%
Healthcare Practitioner & Technical	176	50	28.4%
Healthcare Support	217	76	35.0%
Protective Service	110	52	47.3%
Food Preparation & Serving Related	594	98	16.5%
Bldg. & Grounds Cleaning & Maint.	266	62	23.3%
Personal Care & Service	103	42	40.8%
Sales & Related	558	169	30.3%
Office & Administrative Support	1,534	523	34.1%
Construction & Extraction	538	99	18.4%
Installation, Maintenance & Repair	375	118	31.5%
Production	1,217	335	27.5%
Transportation & Material Moving	664	165	24.8%

Consumer Price Index for All Urban Consumers

	Nov 05	Oct 05	Nov 04	% Change Prev. Year
All Items	197.6	199.2	191.0	3.5%

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

City & Town Employment Analysis

Rhode Island total employment averaged 482,416 in the second quarter of 2005, an increase of 2,142 (+0.4%) jobs when compared to the second quarter of 2004. Private sector employment added 3,768 workers and accounted for all of the job growth, while the Government sector lost 1,626 positions. Government employment at the State level declined by 821, followed by Local (-594) and Federal (-211) government.

The City of Warwick added 845 private sector jobs in the second quarter of 2005, representing the largest employment growth of all cities and towns when compared to the second quarter of 2004. The Health Care & Social Assistance and Management of Companies & Enterprises sectors were the catalyst in the growth, adding 423 and 405 jobs, respectively. Retail Trade (+272) and Finance & Insurance (+217) also posted gains, while the Manufacturing sector reported a loss of 534 jobs.

The workforce in North Kingstown increased by over 6 percent, adding 767 private sector jobs in the second quarter of 2005 when compared to the same quarter a year ago. Manufacturing (+277), Wholesale Trade (+128) and Accommodation & Food Services (+112) posted the largest job gains during this period. South Kingstown (+620), East Providence (+497) and Woonsocket (+479) complete the top five cities and towns in employment gains between the second quarter of 2004 and second quarter of 2005.

The City of Providence suffered the largest employment decline among all Rhode Island cities and towns in the second quarter of 2005 when compared to the second quarter of 2004, losing 1,005 private sector jobs. Significant job losses were noted in the Finance & Insurance (-555) and Administrative & Waste Services (-376) sectors. Pawtucket (-942), Central Falls (-199) and Richmond (-111) also experienced job declines in excess of one hundred.

Employees working in West Greenwich earned an average weekly wage of \$1,288 in the second quarter of 2005, the largest wage of its kind among all Rhode Island cities and towns. Westerly (\$826) and Woonsocket (\$813) also reported sizable weekly earnings. Quarterly bonuses and exercised stock options are included in the calculation and therefore may impact the average weekly wage.

City & Town Unadjusted Unemployment Rates for November

	2005	2004		2005	2004
Barrington	3.4	2.9	Newport	4.5	3.9
Bristol	3.9	3.5	North Kingstown	3.1	3.3
Burrillville	3.8	3.7	North Providence	4.6	3.9
Central Falls	6.3	5.8	North Smithfield	3.4	3.3
Charlestown	4.4	3.2	Pawtucket	5.2	4.8
Coventry	4.4	3.7	Portsmouth	3.5	3.1
Cranston	4.7	4.2	Providence	5.7	5.1
Cumberland	3.6	3.6	Richmond	2.5	2.5
East Greenwich	4.0	3.9	Scituate	4.6	3.6
East Providence	4.6	4.5	Smithfield	4.1	3.4
Exeter	3.7	3.5	South Kingstown	3.7	3.3
Foster	4.5	4.2	Tiverton	4.2	4.0
Glocester	3.4	2.9	Warren	4.4	4.1
Hopkinton	4.0	3.4	Warwick	4.0	3.9
Jamestown	3.3	3.0	West Greenwich	3.0	3.7
Johnston	4.4	4.3	West Warwick	4.9	4.7
Lincoln	3.6	3.3	Westerly	3.8	3.3
Little Compton	4.0	3.4	Woonsocket	4.9	4.9
Middletown	4.0	3.9			
Narragansett	2.9	2.9	State of R.I.	4.4	4.1
New Shoreham	8.8	7.9	United States	4.8	5.2

Unemployment Insurance Claims Activity

	Nov	Oct	Nov	% Change		Year to Date		
	2005	2005	2004	Oct 05	Nov 04	2005	2004	% Change
Initial Claims	5,556	4,966	6,318	11.9%	-12.1%	66,958	71,077	-5.8%
Number of Payments	37,179	37,597	46,116	-1.1%	-19.4%	558,710	597,072	-6.4%
Amount of Payments (gross millions)	\$12.4	\$12.5	\$15.1	-0.8%	-17.9%	\$182.5	\$188.2	-3.0%
Exhaustions (Final Payments)	1,020	1,135	1,297	-10.1%	-21.4%	13,708	14,867	-7.8%

R.I. DEPARTMENT OF LABOR AND TRAINING
2006 UI AND TDI QUICK REFERENCE
(Effective January 1, 2006)

	UNEMPLOYMENT INSURANCE	TEMPORARY DISABILITY INSURANCE
TAXABLE WAGE BASE	\$16,000	\$50,600
TAX SCHEDULES/TAX RATES 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
NEW EMPLOYER RATE	2.34% (+0.21%JDA)	NONE (Employee Tax)
EMPLOYEE WAGE DEDUCTION	NONE (employer payroll tax)	1.4% of first \$50,600 earned
WAITING PERIOD	7 days	7 days (paid retroactively if customer out for 28 consecutive days or more)
BASE PERIOD	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.	
ELIGIBILITY - MONETARY 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.	
ELIGIBILITY - NONMONETARY	Worked for a subject employer and unemployed through no fault.	Worked for a subject employer and have medically certified disability.
WEEKLY BENEFIT RATE	4.62% of total high quarter wages in base period.	
MIN. WEEKLY BENEFIT AMOUNT	\$62 per week	\$63 per week
MAX. WEEKLY BENEFIT AMOUNT	\$477 per week	\$607 per week
DEPENDENT'S ALLOWANCE	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.)
MAX. WEEKLY BENEFIT AMOUNT WITH MAX. 5 DEPENDENTS	\$596 per week	\$819 per week
MAXIMUM DURATION	26 weeks	30 weeks
REASONS FOR DENIAL OF BENEFITS	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.
BENEFIT APPLICATIONS	Call (401) 243-9100 to file.	Call (401) 462-8420 for application
MINIMUM WAGE	\$6.75 per hour effective January 1, 2004	
AVERAGE WAGE	\$713.09 per week, \$37081 per year	