



Donald L. Carcieri
Governor
Adelita S. Orefice
Director

Employment Bulletin

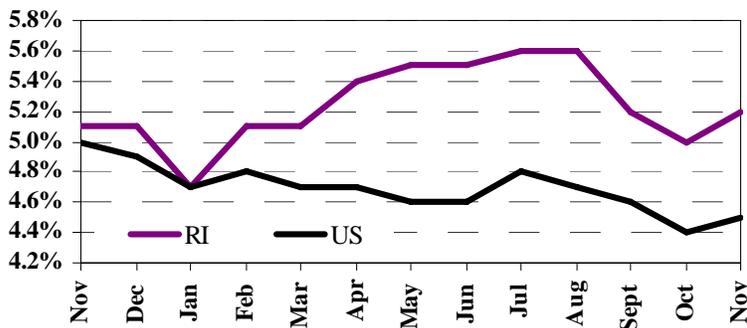
Rhode Island
Department of
Labor & Training
1511 Pontiac Ave.
Cranston, RI 02920
401-462-8740
www.dlt.ri.gov/lmi

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Rhode Island's Unemployment Rate Shows Little Change in November

Rhode Island's seasonally adjusted unemployment rate for November, estimated at 5.2 percent, showed little change over the month. The November jobless rate edged up 0.2 of a percentage point from October's rate of 5.0 percent. The number of unemployed Rhode Island residents increased by 1,400 over the month to 30,200 in November. A year ago, the jobless level was 29,300 and the unemployment rate stood at 5.1 percent. Nationally, the unemployment rate for November inched up 0.1 of a percentage point to 4.5 percent. Compared to a year ago, the national jobless rate is down half a percentage point. Rhode Island's unemployment rate for November remained above the national average.

RI & US Unemployment Rates
Seasonally Adjusted 2005 - 2006



Minimum Hourly Wages - New England & US as of January 1, 2007

Connecticut	\$7.65	New Hampshire	\$5.15
Maine	\$6.75	Rhode Island	\$7.40
Massachusetts	\$7.50	Vermont	\$7.53
Federal Minimum Wage		\$5.15	

UI & TDI Taxes to Decrease in 2007

The taxable wage base on which employers pay Unemployment Insurance taxes for their employees will drop to \$14,000 for the 2007 tax year. The taxable wage base dropped because the Employment Security fund balance grew by \$20.1 million during the year. As of September 30, 2006, the Employment Security Fund held \$189.1 million in reserves. According to the law, if the Employment Security Fund balance is more than \$175 million but less than \$225 million on September 30th the taxable wage base will be \$14,000 for the next calendar year.

While the wage base limits the amount of wages that are taxable, tax rates for individual employers will also vary according to their experience with the Unemployment Insurance system. These rates will range from a low of 1.69% to a high of 9.79% in 2007. Employers are notified of their individual 2007 tax rates in December. The new employer rate will be 2.41% in 2007.

The employee contribution rate for Temporary Disability Insurance (TDI) will be lowered to 1.3 percent in 2007, the result of a healthier reserve in the fund. The TDI fund had a balance of \$99.9 million as of September 30, 2006. This was an increase of almost \$8 million from the prior year.

The TDI taxable wage base will be \$52,100 in 2007, up \$1,500 from the 2006 base of \$50,600. The maximum TDI contribution will be \$677.30 next year, a reduction of \$31.10 from the maximum contribution of \$708.40 in 2006.

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Nov 06	Oct 06	Nov 05	Nov 06	Oct 06	Nov 05
Civilian Labor Force	578.0	578.2	574.1	152,381	151,998	150,183
Resident Employment	547.9	549.4	544.8	145,564	145,287	142,611
Unemployment	30.2	28.8	29.3	6,817	6,711	7,572
Unemployment Rate	5.2%	5.0%	5.1%	4.5%	4.4%	5.0%

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Rhode Island Job Count Holds Steady in November

Employment at Rhode Island businesses was unchanged last month, keeping the November job count at 493,900 (seasonally adjusted). Over-the-month job gains in Professional & Business Services (+400); Educational & Health Services (+400); Financial Activities (+300); and Government (+200) were partially offset by employment declines in the Leisure & Hospitality (-400); Other Services (-300); and Construction (-100) sectors.

“The number of jobs at Rhode Island businesses has remained stable over the last few months,” said DLT Director Adelita S. Orefice. “Overall, employers have been cautious about hiring as we enter the holiday season. Small gains in several sectors have been offset by similar cutbacks in other sectors.”

Employment gains in Professional & Business Services reflected additional hiring in Employment Services, while job growth in Educational & Health Services was attributed to additional workers at private colleges and universities. Financial Activities employment increased due to job gains in the banking industry. The addition of temporary election workers boosted Local Government employment in November. Job losses in Leisure & Hospitality were the result of employment declines in Food Services & Drinking Places.

Over the year, jobs were up 400 from the 493,500 jobs reported in November 2005. Annual employment growth occurred in the Financial Activities (+2,100); Professional & Business Services (+1,100); Educational & Health Services (+800); and Construction (+700) sectors, offsetting losses in Manufacturing (-1,500); Other Services (-900); Trade, Transportation & Utilities (-600); Government (-600); and Leisure & Hospitality (-400).

Hours and Earnings

In November 2006, the \$13.48 average hourly wage earned by the Manufacturing sector’s production workers represented a monthly loss of three cents per hour and an over-the-year gain of seventeen cents per hour. Manufacturing employees worked an average of 39.7 hours per week in November, up 0.4 of an hour over the month and 1.2 hours since November 2005.

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Nov 06	Oct 06	
Total Nonfarm	493.9	493.9	0.0
Construction	23.2	23.3	-0.1
Manufacturing	52.8	52.8	0.0
Trade, Transportation & Utilities	79.0	79.0	0.0
Financial Activities	37.2	36.9	0.3
Professional & Business Services	57.6	57.2	0.4
Educational & Health Services	97.6	97.2	0.4
Leisure & Hospitality	50.1	50.5	-0.4
Other Services	22.0	22.3	-0.3
Government	64.2	64.0	0.2

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From:			Weekly Hours			Hourly Earnings		
	Nov 06	Oct 06	Nov 05	Oct 06	Nov 05	Nov 06	Oct 06	Nov 05	Nov 06	Oct 06	Nov 05
Manufacturing	53.4	53.4	54.9	0	-1500	39.7	39.3	38.5	13.48	13.51	13.31
Durable Goods	35.6	35.7	36.1	-100	-500	38.4	38.8	39.0	13.46	13.45	13.30
Fabricated Metal Product Mfg.	7.9	7.9	7.7	0	200	39.9	39.9	39.6	12.20	12.16	11.71
Computer & Electronic Product Mfg.	4.7	4.6	4.7	100	0	40.6	40.0	42.0	14.73	14.58	14.16
Miscellaneous Manufacturing	9.6	9.6	10.5	0	-900	36.8	37.8	37.6	11.28	11.43	11.14
Jewelry & Silverware	6.7	6.6	7.3	100	-600	39.2	40.4	38.0	10.42	10.57	10.30
Non-Durable Goods	17.8	17.7	18.8	100	-1000	42.0	40.3	37.7	13.51	13.60	13.33
Chemical Manufacturing	4.3	4.3	4.2	0	100	37.4	38.6	41.7	15.80	15.64	15.40
Plastics & Rubber Products Mfg.	2.8	2.8	2.9	0	-100	42.5	40.1	40.2	14.49	14.51	14.76

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.

Characteristics of the Insured Unemployed

In November 2006, 36 percent of Rhode Island's unemployed workers were eligible to collect Unemployment Insurance (UI) benefits. These 9,737 "insured unemployed" accounted for 1.8 percent of the state's total employed (unadjusted). Nearly 29 percent (2,775) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

Twenty-six percent (2,529) of the people receiving UI benefits were between the ages of 35 and 44, while an additional 25 percent (2,421) 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, nearly 38 percent of all insured unemployed workers 60 years and older had been collecting UI benefits for at least fourteen weeks, whereas 20 percent of those under 22 years of age and 23 percent of 22 to 24 year olds were considered long-term unemployed.

In November, approximately 45 percent (4,401) of those collecting UI benefits had just a high school diploma. An additional 1,497 people (15.4%) had less than a high school diploma, while 18.5 percent (1,801) of the insured unemployed had at least a Bachelor's degree. Roughly 27 percent of insured unemployed workers with less than a high school diploma had been collecting UI benefits for a minimum of fourteen weeks, while 30 percent of those with at least a Bachelor's degree were also considered long-term unemployed.

On an industry basis, 17.5 percent (1,707) of the State's insured unemployed workers came from the Manufacturing sector. There were also 1,189 individuals with an attachment to the Construction sector, accounting for 12.2 percent of all insured unemployed workers. An additional 9.9 percent (965) of those collecting UI benefits in November had worked in the Retail Trade sector. Large numbers of insured unemployed were also reported in Health Care & Social Assistance (900), Administrative & Waste Services (851), Accommodation & Food Services (773) and Finance & Insurance (565).

Those previously employed in Office & Administrative occupations accounted for nearly 17 percent (1,620) of the State's insured unemployed. A large number of workers previously employed in Production (1,265), Construction & Extraction (653) and Sales & Related (624) occupations also collected UI benefits in November. Numerous occupational groups reported concentrations of long-term unemployment above the state average, including Community & Social Services (50.0%), Education, Training & Library (39.2%), Healthcare Practitioner & Technical (37.1%) and Production (36.4%).

Characteristics of the Insured Unemployed, November 2006

	Total	Long-Term	Percent Long-Term
Total	9,737	2,775	28.5%
Male	5,222	1,262	24.2%
Female	4,515	1,513	33.5%
Age	9,737	2,775	28.5%
Under 22	297	59	19.9%
22 - 24	534	125	23.4%
25 - 34	2,044	528	25.8%
35 - 44	2,529	694	27.4%
45 - 54	2,421	696	28.7%
55 - 59	817	261	31.9%
60 - 64	643	194	30.2%
65 or over	452	218	48.2%
Education	9,737	2,775	28.5%
Less than 9th Grade	460	121	26.3%
9th to 12th, no diploma	1,037	278	26.8%
High School Graduate	4,401	1,232	28.0%
Some College	1,776	510	28.7%
Bachelor's Degree	1,064	305	28.7%
Beyond Bachelor's	737	238	32.3%
Selected Industries	9,737	2,775	28.5%
Construction	1,189	138	11.6%
Manufacturing	1,707	656	38.4%
Wholesale Trade	380	89	23.4%
Retail Trade	965	306	31.7%
Transportation & Warehousing	224	51	22.8%
Information	175	86	49.1%
Finance & Insurance	565	228	40.4%
Real Estate	197	63	32.0%
Professional & Tech. Services	386	116	30.1%
Administrative & Waste Services	851	167	19.6%
Educational Services	323	140	43.3%
Health Care & Social Assistance	900	335	37.2%
Arts, Entertainment & Recreation	258	27	10.5%
Accommodation & Food Services	773	168	21.7%
Other Services	336	88	26.2%
Public Administration	78	26	33.3%
Selected Occupations	9,737	2,775	28.5%
Business & Financial Operations	337	116	34.4%
Computer & Mathematical	123	40	32.5%
Architecture & Engineering	101	28	27.7%
Life, Physical & Social Science	53	15	28.3%
Community & Social Services	108	54	50.0%
Legal	54	12	22.2%
Education, Training & Library	273	107	39.2%
Arts, Design, Ent., Sports & Media	164	59	36.0%
Healthcare Practitioner & Technical	143	53	37.1%
Healthcare Support	219	72	32.9%
Protective Service	86	28	32.6%
Food Preparation & Serving Related	594	119	20.0%
Bldg. & Grounds Cleaning & Maint.	285	34	11.9%
Personal Care & Service	133	33	24.8%
Sales & Related	624	181	29.0%
Office & Administrative Support	1,620	536	33.1%
Construction & Extraction	653	91	13.9%
Installation, Maintenance & Repair	416	116	27.9%
Production	1,265	460	36.4%
Transportation & Material Moving	568	156	27.5%

**Consumer Price Index for
All Urban Consumers**

				% Change
	Nov 06	Oct 06	Nov 05	Prev. Year
All Items	201.5	201.8	197.6	2.0%

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

Second Quarter Analysis

Rhode Island total employment averaged 484,442 in the second quarter of 2006, an increase of 2,026 (+0.4%) jobs from the second quarter of 2005. Private sector employment was responsible for 2,285 new positions, while the government sector as a whole lost 259 jobs. Government employment posted gains at the federal (+193) and state (+205) level, while local government reported a loss of 657 jobs.

Providence added 1,191 (+1.2%) private sector jobs between the second quarter of 2005 and second quarter of 2006, the largest employment gain among Rhode Island's thirty-nine cities and towns. Large employment gains within the capital city were noted in the Education & Health Services (+951), Professional & Business Services (+443) and the Information (+305) super-sectors.

Lincoln experienced the second largest employment increase, adding 844 (+6.7%) private sector jobs from the second quarter of 2005. The Trade, Transportation & Utilities and Financial Activities super-sectors added 414 and 192 jobs, respectively. Cumberland (+737), West Greenwich (+410) and Smithfield (+383) also reported notable employment gains during this period.

Private sector employees earned over \$3.8 billion in wages during the second quarter of 2006, an increase of \$178 million (+4.8%) from the second quarter of 2005. The average weekly wage in the private sector increased by \$29, from \$684 in the second quarter of 2005 to \$713 in the second quarter of 2006, a 4.2 percent increase.

Employees working in West Greenwich earned an average weekly wage of \$1,455 in the second quarter of 2006, the highest private sector weekly wage among all Rhode Island cities and towns. Portsmouth (\$859), Providence (\$843), Woonsocket (\$737) and Smithfield (\$728) also reported sizable weekly earnings.

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

	2006	2005		2006	2005
Barrington	3.6	3.4	Newport	4.4	4.6
Bristol	3.9	3.5	North Kingstown	3.6	3.3
Burrillville	4.4	3.8	North Providence	4.5	4.5
Central Falls	6.3	6.3	North Smithfield	4.9	3.3
Charlestown	4.4	4.5	Pawtucket	5.7	5.2
Coventry	4.1	4.4	Portsmouth	3.7	3.6
Cranston	4.7	4.7	Providence	5.7	5.7
Cumberland	4.2	3.6	Richmond	2.7	2.5
East Greenwich	4.4	3.9	Scituate	4.3	4.5
East Providence	5.0	4.6	Smithfield	3.9	4.0
Exeter	4.2	3.6	South Kingstown	3.9	3.6
Foster	4.7	4.5	Tiverton	4.9	4.2
Glocester	3.2	3.3	Warren	4.8	4.3
Hopkinton	4.0	4.0	Warwick	4.3	4.1
Jamestown	3.4	3.4	West Greenwich	3.0	2.9
Johnston	5.1	4.4	West Warwick	4.9	5.0
Lincoln	3.7	3.6	Westerly	4.3	3.9
Little Compton	3.9	3.9	Woonsocket	5.1	4.9
Middletown	4.2	4.1			
Narragansett	3.2	2.9	State of R.I.	4.6	4.5
New Shoreham	7.8	8.9	United States	4.3	4.8

**Top Ten Cities & Towns
by Average Employment
(Second Quarter 2006)**

<u>Municipality</u>	<u>Number of Establishments</u>	<u>Average Employment</u>
Providence	5,592	97,461
Warwick	3,309	48,985
Cranston	2,584	29,860
Pawtucket	1,565	24,581
East Providence	1,522	20,684
Woonsocket	860	13,651
Lincoln	781	13,487
Newport	1,256	12,957
North Kingstown	1,011	12,791
Smithfield	800	12,160

Unemployment Insurance Claims Activity

	Nov	Oct	Nov	% Change		Year to Date		
	2006	2006	2005	Oct 06	Nov 05	2006	2005	% Change
Initial Claims	5,751	4,654	5,556	23.6%	3.5%	66,422	66,958	-0.8%
Number of Payments	35,804	38,519	37,179	-7.0%	-3.7%	536,637	558,710	-4.0%
Amount of Payments (gross millions)	\$12.2	\$13.1	\$12.4	-6.9%	-1.6%	\$178.3	\$182.4	-2.2%
Exhaustions (Final Payments)	1,020	1,067	1,020	-4.4%	0.0%	12,800	13,708	-6.6%

R.I. DEPARTMENT OF LABOR AND TRAINING
2007 UI AND TDI QUICK REFERENCE
(Effective January 1, 2007)

	UNEMPLOYMENT INSURANCE	TEMPORARY DISABILITY INSURANCE
TAXABLE WAGE BASE	\$14,000	\$52,100
TAX SCHEDULES/TAX RATES Employment Security Job Development Assessment (JDA)	Schedule I: 1.90% to 10.0% 1.69% to 9.79% 0.21%	1.3% Deducted from Employee's Wages
NEW EMPLOYER RATE	2.41% (+0.21%JDA)	NONE (Employee Tax)
EMPLOYEE WAGE DEDUCTION	NONE (employer payroll tax)	1.3% of first \$52,100 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 \$7.40/hour.	\$8,880 in base period wages; or \$1,480 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 \$2,960.	
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	\$68 per week	\$69 per week
MAX. WEEKLY BENEFIT AMOUNT	\$492 per week	\$625 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	\$615 per week	\$843 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