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Employment Bulletin

Rhode Island
Department of
Labor & Training

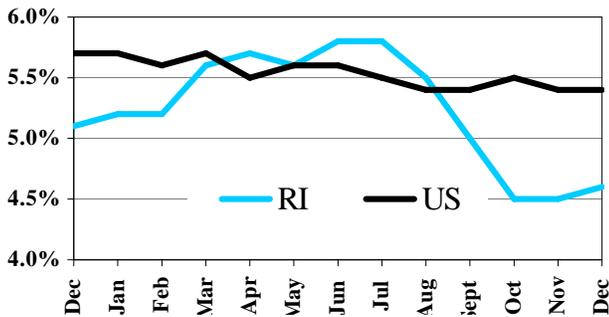
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Rhode Island's Unemployment Rate Shows Little Change in December

Rhode Island's seasonally adjusted unemployment rate for December was 4.6 percent, up 0.1 of a percentage point from November's revised estimate of 4.5 percent. The unemployment rate has remained relatively stable for the past three months. The number of unemployed Rhode Island residents edged up by 800 in December to 26,000. A year ago, the unemployment rate was 5.1 percent, and the number of unemployed stood at 29,300. Nationally, the unemployment rate held steady at 5.4 percent in December. The national unemployment rate has been either 5.4 or 5.5 percent in each month since July. Rhode Island's unemployment rate remained below the national average for the fourth straight month.

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



“The year ended on a positive note as the number of jobs in the state increased by 1,100 in December and our unemployment rate remained below the national average for the fourth straight month,” said DLT Director Adelita S. Orefice. “We are hopeful that this trend will continue in 2005.”

New Hire Reporting

The “National Directory of New Hires” is a reporting system which requires you, as an employer, to report information on your newly hired employees to a designated state agency within fourteen days of the date of hire (first date services are performed for pay). Section 15-24-2 of the RI General Laws requires that employers report all new and rehired employees to the Child Support Enforcement (CSE) Agency, the designated state agency in Rhode Island.

New hire reports are matched against current child support records at the state and national levels to locate absent parents. Under federal law this information is also available to Unemployment Insurance (UI) agencies.

One of the primary goals of the Department of Labor & Training in Rhode Island is fraud prevention and detection. By reporting new hires to the “New Hires Directory,” employers help us to achieve this goal. This keeps the Unemployment Insurance (UI) fund solvent and reduces the UI tax burden on employers.

New hire data is matched against our weekly UI payment record to detect claimants collecting UI benefits while employed. An immediate stop is placed on fraudulent claims to prevent further UI payments being authorized; resulting in fewer overpayments. The new hire data also contains an updated address file that aids the UI Overpayment unit within the Department of Labor & Training in the recovery of outstanding overpayments from individuals not currently collecting unemployment benefits. (Continued on Page 4)

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Dec 04	Nov 04	Dec 03	Dec 04	Nov 04	Dec 03
Civilian Labor Force	563.1	564.3	572.9	148,203	148,313	146,808
Resident Employment	537.1	539.1	543.6	140,156	140,293	138,409
Unemployment	26.0	25.2	29.3	8,047	8,020	8,399
Unemployment Rate	4.6%	4.5%	5.1%	5.4%	5.4%	5.7%

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Rhode Island Job Highlights

Rhode Island businesses added 1,100 jobs last month, bringing the December job count to 489,800 (seasonally adjusted). Over-the-month employment gains in Professional & Business Services (+800); Leisure & Hospitality (+400); Trade, Transportation & Utilities (+300); and Construction (+100) offset job losses reported in Government (-600) and Manufacturing (-200).

The more detailed unadjusted estimates, which traditionally report a small increase from November to December, were up by 200 (+0.04%) jobs over the month. The December job count stood at 496,000 (unadjusted), the highest December job count on record. The largest monthly gains were reported in Retail Trade (+1,000) and Professional & Business Services (+400), which combined to offset seasonal job losses in Construction (-500); Government (-500); and Arts, Entertainment & Recreation (-300).

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Dec 04	Nov 04	
Total Nonfarm	489.8	488.7	1.1
Construction	22.7	22.6	0.1
Manufacturing	57.5	57.7	-0.2
Trade, Transportation & Utilities	81.7	81.4	0.3
Professional & Business Services	49.6	48.8	0.8
Leisure and Hospitality	51.4	51.0	0.4
Government	66.0	66.6	-0.6

Seasonal hiring in Retail Trade resulted in an increase of 1,000 jobs, on par with the ten-year November to December average. The gain of 400 jobs in Professional & Business Services is partially attributable to short term hiring for the holiday season. Government reported a decrease of 500 employees this month, resulting from the loss of election workers hired for the November election and a slight decrease in public school employment.

Over the year, employment was up 4,100 (+0.8%) from the 491,900 jobs (unadjusted) reported in December 2003. The largest gains were noted in Accommodation & Food Services (+1,500); Educational Services (+1,100); Health Care & Social Assistance (+1,100); Construction (+800) and Retail Trade (+700). The largest private sector employment loss occurred in Manufacturing (-900). Government employment declined by 600 as a result of job losses in the Federal (-500) and State (-100) segments. Employment in Local Government remained even over the year.

Hours and Earnings

The \$13.11 average hourly wage earned by the Manufacturing sector's production workers in December 2004 represented a yearly gain of fourteen cents and a monthly gain of two cents per hour. In December 2004, Manufacturing employees worked an average of 40.7 hours per week, an increase of 1.0 hour over the month, but a decline of 0.2 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		
	Dec 04	Nov 04	Dec 03	Nov 04	Dec 03	Dec 04	Nov 04	Dec 03	Dec 04	Nov 04	Dec 03
Manufacturing	58.2	58.4	59.1	-200	-900	40.7	39.7	40.9	13.11	13.09	12.97
Durable Goods	37.6	37.6	38.2	0	-600	40.9	39.9	40.3	13.15	13.10	12.96
Fabricated Metal Product Mfg.	7.6	7.6	7.9	0	-300	37.8	38.7	39.7	11.70	11.73	11.58
Computer & Electronic Product Mfg.	4.9	4.8	5.2	100	-300	39.5	38.7	38.2	13.94	13.98	13.80
Transportation Equipment Mfg.	4.1	4.1	3.8	0	300	40.0	40.0	38.6	15.41	15.41	15.37
Miscellaneous Manufacturing	10.9	10.9	11.2	0	-300	39.2	38.3	38.1	10.91	10.93	10.75
Jewelry and Silverware	8.0	8.1	8.0	-100	0	38.3	38.7	39.1	10.22	10.24	10.06
Non-Durable Goods	20.6	20.8	20.9	-200	-300	40.5	39.5	42.0	13.03	13.08	12.98
Chemical Manufacturing	4.0	4.0	4.2	0	-200	41.7	40.9	40.1	15.25	15.30	15.50
Plastics & Rubber Products Mfg.	3.2	3.3	3.1	-100	100	42.0	41.1	41.0	14.54	14.60	14.70

Establishment Employment in Rhode Island*
Not Seasonally Adjusted

	Employment in Thousands			Net Change From	
	Dec 2004	Nov 2004	Dec 2003	Nov 2004	Dec 2003
Total Nonfarm	496.0	495.8	491.9	200	4,100
Goods Producing	81.3	82.0	81.4	-700	-100
Natural Resources & Mining	0.2	0.2	0.2	0	0
Construction	22.9	23.4	22.1	-500	800
Specialty Trade Contractors	14.8	15.2	14.4	-400	400
Manufacturing	58.2	58.4	59.1	-200	-900
Durable Goods	37.6	37.6	38.2	0	-600
Fabricated Metal Product Mfg.	7.6	7.6	7.9	0	-300
Computer & Electronic Product Mfg.	4.9	4.8	5.2	100	-300
Transportation Equipment Mfg.	4.1	4.1	3.8	0	300
Miscellaneous Manufacturing	10.9	10.9	11.2	0	-300
Jewelry & Silverware	8.0	8.1	8.0	-100	0
Non-Durable Goods	20.6	20.8	20.9	-200	-300
Chemical Manufacturing	4.0	4.0	4.2	0	-200
Plastics & Rubber Products Mfg.	3.2	3.3	3.1	-100	100
Service Providing	414.7	413.8	410.5	900	4,200
Wholesale Trade	16.4	16.5	16.4	-100	0
Retail Trade	56.5	55.5	55.8	1,000	700
Grocery Stores	6.7	6.7	6.7	0	0
Health & Personal Care Stores	5.4	5.4	5.7	0	-300
General Merchandise Stores	11.3	11.0	11.2	300	100
Department Stores	4.8	4.6	5.2	200	-400
Transportation, Warehousing & Utilities	11.7	11.6	11.8	100	-100
Transportation & Warehousing	10.7	10.6	10.6	100	100
Information	10.8	10.7	10.8	100	0
Publishing	3.6	3.5	3.3	100	300
Financial Activities (including Real Estate)	33.4	33.2	33.7	200	-300
Finance & Insurance	27.1	26.9	27.3	200	-200
Credit Intermediation & Related Activities	13.7	13.5	13.0	200	700
Insurance Carriers & Related Activities	10.0	10.1	10.7	-100	-700
Professional & Business Services	50.4	50.0	49.9	400	500
Professional & Technical Services	19.7	19.4	19.1	300	600
Administrative & Waste Services	23.2	22.9	23.0	300	200
Educational Services	22.1	22.2	21.0	-100	1,100
Colleges & Universities	14.2	14.4	13.2	-200	1,000
Health Care & Social Assistance	72.7	72.5	71.6	200	1,100
Ambulatory Health Care Services	21.5	21.4	20.7	100	800
Hospitals	22.9	22.9	22.4	0	500
Nursing & Residential Care Facilities	18.0	18.0	17.9	0	100
Social Assistance	10.3	10.2	10.6	100	-300
Arts, Entertainment & Recreation	6.4	6.7	6.4	-300	0
Accommodation & Food Services	43.3	43.3	41.8	0	1,500
Accommodation	4.0	4.2	3.7	-200	300
Food Services & Drinking Places	39.3	39.1	38.1	200	1,200
Other Services	23.5	23.6	23.2	-100	300
Government	67.5	68.0	68.1	-500	-600
Federal Government	9.7	9.7	10.2	0	-500
State Government	17.6	17.7	17.7	-100	-100
Local Government	40.2	40.6	40.2	-400	0

*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. To contact LMI, call (401) 462-8740 or e-mail lmi@dlt.state.ri.us.

Consumer Price Index for All Urban Consumers

				% Change
	Dec 04	Nov 04	Dec 03	Prev. Year
All Items	190.3	191.0	184.3	3.3%

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

New Hire Reporting

(Continued from Page 1)

The use of the new hire data allows DLT to detect improper payments much earlier in the payment process. The prevention and recovery of fraudulent overpayments by the Department of Labor & Training results in a direct infusion of monies into the UI fund, which helps to lower employer taxes

Employers can report new hires at: www.rinewhire.com

Women's Earnings in the Ocean State, 2003

According to the Current Population Survey (CPS), Rhode Island women earned 80.0 percent of their male counterparts in 2003. This was the second highest earnings ratio in New England and the fourteenth highest earnings ratio in the United States. Regionally, Vermont (82.4%) reported the smallest earnings differential between women and men, followed by Rhode Island (80.0%), Massachusetts (78.0%), Maine (76.9%), Connecticut (74.1%), and New Hampshire (72.1%). Nationwide, women earned 79.5 percent of what men did in 2003, slightly below the Rhode Island ratio.

During the past several years, the earnings gap between Ocean State men and women has shrunk. In 1998, the female-to-male earnings ratio stood at 71.2 percent. One year later, women in Rhode Island earned 76.5 percent of what men did. It remained around that level until 2002, when the ratio increased to 78.7 percent. During this period, Rhode Island women experienced a much faster growth in median weekly earnings (full-time wage and salary workers) than men did. In 1998, females earned \$455 weekly compared to \$638 earned by males. By 2003, women's median weekly earnings had increased 27.3 percent (+\$124), to \$579. In contrast, Ocean State males experienced just a 13.3 percent (+\$85) increase in median weekly earnings between 1998 and 2003.

In 2003, Rhode Island women (\$579) reported the third highest median weekly earnings total in New England and the twelfth highest total in the U.S. (tied with Michigan). Female wage and salary workers in Connecticut (\$666; tied with Maryland) and Massachusetts (\$665) led the region and the nation, while women in neighboring New Hampshire (\$572), Vermont (\$555), and Maine (\$505) trailed their Ocean State peers. Across the country, the median weekly earnings for women stood at \$552, nearly five percent less than the Rhode Island median.

For more information, visit the Labor Market Information web site at www.dlt.ri.gov/lmi/publications/womenearn.htm

City & Town Unadjusted Unemployment Rates for December

	2004	2003		2004	2003
Barrington	2.1	3.2	Newport	3.9	4.5
Bristol	3.6	4.7	North Kingstown	3.6	3.8
Burrillville	4.9	5.3	North Providence	4.0	4.6
Central Falls	6.4	7.3	North Smithfield	3.7	4.8
Charlestown	4.0	5.2	Pawtucket	5.2	6.2
Coventry	4.3	4.6	Portsmouth	2.7	3.4
Cranston	4.4	4.7	Providence	5.1	5.5
Cumberland	4.1	4.8	Richmond	2.4	2.8
East Greenwich	4.1	4.1	Scituate	4.9	4.6
East Providence	4.7	5.4	Smithfield	3.2	4.0
Exeter	4.7	4.2	South Kingstown	3.2	4.0
Foster	5.4	5.8	Tiverton	4.3	6.2
Glocester	3.7	4.1	Warren	4.3	4.6
Hopkinton	4.1	4.3	Warwick	4.1	4.3
Jamestown	3.0	3.1	West Greenwich	4.1	3.8
Johnston	4.6	5.0	West Warwick	5.4	5.3
Lincoln	3.0	4.3	Westerly	3.6	4.4
Little Compton	3.3	4.7	Woonsocket	5.6	6.4
Middletown	4.4	4.4			
Narragansett	2.8	2.9	State of R.I.	4.4	4.9
New Shoreham	17.5	17.6	United States	5.1	5.4

Unemployment Insurance Claims Activity

	Dec	Nov	Dec	% Change		Year to Date		
	2004	2004	2003	Dec 04	Nov 03	2004	2003	% Change
Initial Claims	11,097	6,318	12,195	75.6%	-9.0%	82,174	89,198	-7.9%
Number of Payments	47,462	46,116	59,760	2.9%	-20.6%	644,534	695,359	-7.3%
Amount of Payments (gross millions)	\$15.5	\$15.1	\$18.5	2.6%	-16.2%	\$203.6	\$209.2	-2.7%
Exhaustions (Final Payments)	1,284	1,297	1,614	-1.0%	-20.4%	16,151	18,255	-11.5%



Quarterly Census of RI Employment and Wages

Second Quarter Comparison 2003-2004



Rhode Island added 4,771 jobs to the local economy in the second quarter of 2004 when compared to the second quarter of 2003, a 1.0 percent increase. Private sector employment accounted for 5,258 (+1.3%) jobs, offsetting the 487 (-0.7%) positions lost in the Government sector. All three divisions of government, Federal (-215), State (-226) and Local (-46) government experienced job declines during this period. Thirteen industry sectors experienced job gains while seven industry sectors suffered employment losses.

The Administrative & Waste Services sector led all sectors in employment gains, adding 2,998 (+13.1%) jobs between the second quarter of 2003 and second quarter of 2004. The Administrative and Support Services sub-sector reported a sizable gain of 2,758 (+12.7%) workers, while Water Management and Remediation Services, the remaining sub-sector, added 240 positions. Health Care & Social Assistance (+1,439) added the second largest number of jobs between this period, with the Ambulatory Health Care Services (+456) sub-sector reporting the largest gains. Accommodation & Food Services (+1,056), Management of Companies & Enterprise (+796) and Education (+592) reported notable employment gains.

Health Care & Social Assistance (71,429) was the largest employment sector in the state and reported an all time high in average employment under the North American Industrial Classification System (NAICS), a coding system which began tabulating labor statistics in Rhode Island in 2001. Government (66,377) reported the second most number of employees, followed by Manufacturing (57,110), Retail Trade (52,299) and Accommodation & Food Services (43,264). The Mining (193) sector employed the least amount of workers.

The loss of jobs in the Manufacturing sector continues locally with the loss of 1,756 (-3.0%) jobs between second quarter of 2003 and second quarter of 2004. The Miscellaneous Manufacturing sub-sector reported a loss of 560 jobs, followed by Textile Mills (-471) and Textile Product Mills (-300). The Government sector lost 487 positions, the second largest employment drop during this period. Transportation & Warehousing (-218) and Wholesale Trade (-194) were the only other sectors to report a job decline in excess of a hundred.

A total of over \$4.3 billion in wages was paid during the second quarter of 2004, an increase of over \$185 million (+4.5%) from last year's second quarter total of \$4.1 billion. Private sector wages increased by \$151 million (+4.5%) which led to a \$20 increase in the average weekly wage of \$658 from \$638.

Overall, workers in the Management of Companies & Enterprise sector earned an average weekly wage of \$1,453, the highest paying wage among the twenty sectors. Utility (\$1,294) workers along with employees of the Information (\$1,126) and Professional, Scientific & Technical Services (\$1,022) sector, also earned wages in excess of a thousand dollars per week. Management of Companies & Enterprise also experienced the largest weekly wage increase of \$314 (+27.6%), followed by the Information (+\$194) sector. The Utilities (-\$138) sector was the only sector to report a decline in their average weekly wage. Quarterly bonuses and exercised stock options are included in the calculation and therefore may impact the average weekly wage.

	No. of Units	Second Quarter 2004				Average Employment	Total Wages	Taxable Wages	Contributions
		April	May	June	June				
Total	34,950	472,835	481,335	486,653	480,274	4,335,441,783	1,334,025,089	43,939,129	
Private	34,264	406,886	414,728	420,077	413,897	3,540,231,960	1,329,188,497	43,807,651	
State	109	17,716	17,537	17,662	17,638	203,251,466	11,523	1,668	
Local	430	38,172	39,159	38,981	38,771	445,907,612	4,780,551	129,810	
Federal	147	10,061	9,911	9,933	9,968	146,050,745	0	0	
Total Government	686	65,949	66,607	66,576	66,377	795,209,823	4,836,592	131,478	
Total UI Covered	34,803	462,774	471,424	476,720	470,306	4,189,391,038	1,334,025,089	43,939,129	