



# Employment Labor Market Information Bulletin

Volume 13, No. 6

June 2001

## Rhode Island's Unemployment Rate Edges Up to 4.5 Percent in May

### The Unemployment Rate

Rhode Island's seasonally adjusted unemployment rate continued to trend upward as it increased 0.1 of a percentage point over the month to 4.5 percent in May. This is the third straight increase in the unemployment figure. A year ago, the State unemployment rate was 4.3 percent. The number of unemployed Rhode Islanders rose by 400 in May. Nationally, the unemployment rate for May inched down 0.1 of a percentage point to 4.4 percent. Rhode Island's unemployment rate topped the comparable national average for the first time since August 2000. The number of unemployed residents was up 1,500 from May 2000 to May 2001.

"While the unemployment rate showed little change from April to May, its performance over the past several months reflects the slower pace of economic activity in Rhode Island," said DLT Director Dr. Lee H. Arnold. "We are seeing the impact of recent layoffs in our over-the-year job growth, which has declined in recent months."

### Rhode Island Job Highlights (Over the Year, Unadjusted Figures)

In May, 481,900 workers were employed in Rhode Island, an increase of just 800 jobs over the year. This is the smallest annual gain since August 1996. The slowdown in annual growth is attributed, in part, to the loss of over 2,000 Federal workers hired for the 2000 Census. Trade and Services continued to post annual increases in employment, but the over-the-year gains are smaller than those previously reported. Contract Construction recorded a substantial over-the-year gain.

Nearly all industry components in the Trade sector experienced annual growth with the exception of General Merchandise (-100) and Building and Garden Supply (-100) stores. Within the Trade sector, the largest gains occurred among Automotive Dealers, Restaurants and Wholesale-Nondurable Goods, each reporting a net increase of 400 jobs. Employment in Health Services was up by 1,300 over the year, accounting for more than three-quarters of the increase reported in the Services sector. Contract Construction payrolls were up 1,600 mostly due to hiring among Special Trade Contractors. Employment gains were also evident in Finance, Insurance & Real Estate (+400) and Transportation & Public Utilities (+100). Government employment was down by 1,900 over the year, due mainly to the loss of 2,200 Federal workers hired for the 2000 Census. The Manufacturing sector posted an annual decline of 2,900 jobs. The largest factory cutbacks occurred in Jewelry/Silverware (-700), Fabricated Metals (-600), Textiles (-600, partially due to a layoff at Elizabeth Webbing) and Instruments (-500). (Continued on Page 4)

## New Maximum Weekly Benefit Rates for UI and TDI

New Maximum weekly benefit rates of \$415 for Unemployment Insurance (UI) and \$527 for Temporary Disability Insurance (TDI) will be in effect for individuals whose benefit year begins on or after July 1, 2001, announced Dr. Lee H. Arnold, Director of the Department of Labor and Training.

The new rates reflect an increase of \$18 for UI and \$23 for TDI.

The previous maximum rates were \$397 for UI and \$504 for TDI. Individuals who established claims prior to July 1, 2001 will continue to be paid at their present rate for the duration of their Benefit Year. A Benefit Year is the 52-week period that begins once a new claim is filed.

Maximum Benefit Rates 2001	
UI	- \$415
TDI	- \$527

The maximum weekly benefit rates are based on the average weekly wage of workers covered by the Employment Security Act. The 2000 average weekly wage for workers covered by the Employment Security Act was \$619.99. The UI rate is set at 67 percent of the average weekly wage and the TDI rate is set at 85 percent of the average weekly wage.

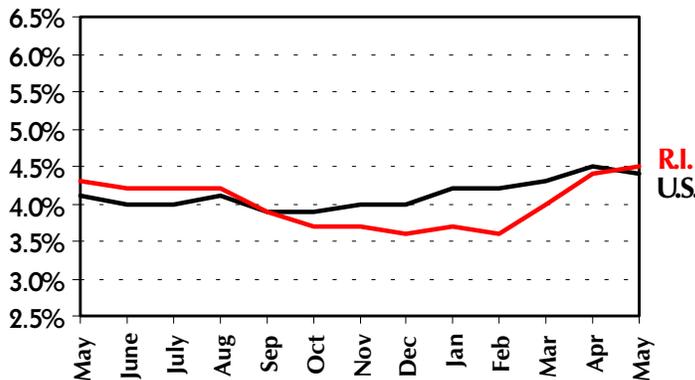
## Rhode Island Labor Force Statistics\* (in thousands)

	Unadjusted			Seasonally Adjusted		
	May 01	Apr 01	May 00	May 01	Apr 01	May 00
Civilian Labor Force	505.1	506.0	497.1	511.8	513.8	503.6
Resident Employment	484.2	486.1	477.8	488.6	491.0	481.9
Unemployment	20.9	19.9	19.3	23.2	22.8	21.7
Unemployment Rate	4.1%	3.9%	3.9%	4.5%	4.4%	4.3%

## United States Labor Force Statistics (in thousands)

	Unadjusted			Seasonally Adjusted		
	May 01	Apr 01	May 00	May 01	Apr 01	May 00
Civilian Labor Force	141,048	141,073	140,395	141,272	141,757	140,573
Resident Employment	135,202	135,122	134,961	135,103	135,354	134,843
Unemployment	5,846	5,951	5,435	6,169	6,402	5,730
Unemployment Rate	4.1%	4.2%	3.9%	4.4%	4.5%	4.1%

## Rhode Island & United States Unemployment Rates Seasonally Adjusted 2000 - 2001



## City & Town Unadjusted Unemployment Rates

	May 01	May 00
Barrington	2.1	2.6
Bristol	2.7	3.2
Burrillville	3.8	3.5
Central Falls	8.3	6.2
Charlestown	3.9	4.1
Coventry	3.3	3.5
Cranston	3.9	4.0
Cumberland	4.2	2.9
East Greenwich	3.9	3.4
East Providence	4.4	4.7
Exeter	2.6	2.7
Foster	3.9	3.9
Glocester	2.6	2.6
Hopkinton	2.6	2.5
Jamestown	2.7	3.2
Johnston	4.4	4.3
Lincoln	3.9	3.8
Little Compton	2.0	2.8
Middletown	3.0	3.0
Narragansett	2.0	1.8
New Shoreham	8.7	6.4
Newport	3.0	3.5
North Kingstown	2.7	2.8
North Providence	3.7	3.7
North Smithfield	2.5	2.7
Pawtucket	6.0	4.7
Portsmouth	2.5	2.9
Providence	6.5	5.4
Richmond	1.4	1.5
Scituate	3.7	4.0
Smithfield	3.1	3.8
South Kingstown	2.5	2.7
Tiverton	3.3	3.3
Warren	3.0	3.8
Warwick	3.4	3.4
West Greenwich	2.8	3.7
West Warwick	4.2	4.2
Westerly	2.7	3.5
Woonsocket	5.1	4.2
State of R.I.	4.1	3.9

## Unemployment Insurance Claims Activity

	May	Apr	May	% Change		Year to Date		
	2001	2001	2000	Apr 01	May 00	2001	2000	% Change
Initial Claims	6,221	8,373	5,227	-25.7%	19.0%	41,790	37,447	11.6%
Number of Payments	46,537	53,968	43,817	-13.8%	6.2%	280,890	271,026	3.6%
Amount of Payments (gross millions)	\$12.9	\$14.9	\$10.7	-13.3%	20.3%	\$78.8	\$67.2	17.3%
Exhaustions (Final Payments)	1,153	1,266	1,267	-8.9%	-9.0%	5,483	5,625	-2.5%
E.S. Fund Balance (millions)	\$301.5	\$259.6	\$283.1	16.1%	6.5%			

\*Current month figures are PRELIMINARY, prior month & 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.

For additional information, comments or suggestions, contact

Labor Market Information, Phone (401)462-8740, Fax: (401)462-8766, [www.dlt.state.ri.us/lmi](http://www.dlt.state.ri.us/lmi)

## What's New on the LMI Web Site?

### Rhode Island Employer Handbook

The Handbook is a guide for employers. It explains the rights and responsibilities of employers whose workers are covered by the Rhode Island Employment Security, Temporary Disability Insurance and Workers' Compensation Act. It is meant to help those who are responsible for personnel and payroll records. The publication has recently been updated to reflect the phone numbers and addresses of the Divisions at the new location of the RI Department of Labor and Training.

Check out the latest version of the Handbook on the LMI Web Site:

[www.dlt.state.ri.us/lmi](http://www.dlt.state.ri.us/lmi)

then click on "LMI Products" and scroll down to Rhode Island Employer Handbook.

## Total Establishment Employment in Rhode Island\*\*

	Employment (in thousands)			Net Change From	
	May 01	Apr 01	May 00	Apr 01	May 00
<b>TOTAL EMPLOYMENT</b>	<b>481.9</b>	<b>477.0</b>	<b>481.1</b>	<b>4900</b>	<b>800</b>
<b>GOODS PRODUCING</b>	<b>90.5</b>	<b>89.9</b>	<b>91.8</b>	<b>600</b>	<b>-1300</b>
Contract Construction	20.2	18.5	18.6	1700	1600
Manufacturing	70.3	71.4	73.2	-1100	-2900
<b>SERVICE PRODUCING</b>	<b>391.4</b>	<b>387.1</b>	<b>389.3</b>	<b>4300</b>	<b>2100</b>
Trans. & Public Utilities	17.2	16.9	17.1	300	100
Trade (Wholesale & Retail)	110.4	108.6	108.6	1800	1800
Wholesale	21.0	20.9	20.6	100	400
Durables♦	13.1	13.1	13.1	-----	-----
Nondurables♦	7.9	7.8	7.5	100	400
Retail	89.4	87.7	88.0	1700	1400
Building & Garden Supplies♦	2.3	2.3	2.4	-----	-100
General Merchandise	7.4	7.2	7.5	200	-100
Food Stores♦	16.2	16.1	16.0	100	200
Automotive Dealers	7.7	7.6	7.3	100	400
Apparel & Accessory Stores	4.5	4.6	4.3	-100	200
Furn., Home Furn., & Equipt.♦	3.0	3.0	2.7	-----	300
Eating and Drinking Places	32.6	31.3	32.2	1300	400
Miscellaneous Retail	15.8	15.7	15.6	100	200
Finance, Insurance & Real Estate	30.6	30.4	30.2	200	400
Depository Institutions	8.9	8.9	8.8	-----	100
Services	167.6	166.1	165.9	1500	1700
Hotels & Other Lodging♦	4.3	3.9	4.3	400	-----
Business Services	29.6	28.9	29.6	700	-----
Auto & Misc. Repair♦	5.5	5.4	5.3	100	200
Amusement & Recreation	6.2	5.7	6.0	500	200
Health Services	52.5	52.7	51.2	-200	1300
Educational Services	18.9	19.3	19.3	-400	-400
Social Services	16.0	15.9	16.0	100	-----
Government	65.6	65.1	67.5	500	-1900
Federal	10.4	10.4	12.6	-----	-2200
State	18.4	18.3	18.6	100	-200
Local	36.8	36.4	36.3	400	500
Education♦	24.2	24.0	23.7	200	500
Non Education♦	12.6	12.4	12.6	200	-----

♦ Publication of these industries is not approved by the Bureau of Labor Statistics (BLS)

## Establishment Employment, Hours and Earnings in Manufacturing Industries in Rhode Island

	EMPLOYMENT (in thousands)					PRODUCTION-WORKER AVERAGES					
	Net Change					Weekly Hours			Hourly Earnings		
	May 01	Apr 01	May 00	Apr 01	May 00	May 01	Apr 01	May 00	May 01	Apr 01	May 00
<b>MANUFACTURING</b>	<b>70.3</b>	<b>71.4</b>	<b>73.2</b>	<b>-1100</b>	<b>-2900</b>	<b>40.1</b>	<b>39.7</b>	<b>40.4</b>	<b>12.19</b>	<b>12.16</b>	<b>12.16</b>
<b>DURABLE MFG.</b>	<b>46.4</b>	<b>47.0</b>	<b>48.1</b>	<b>-600</b>	<b>-1700</b>	<b>40.0</b>	<b>39.8</b>	<b>40.0</b>	<b>12.02</b>	<b>11.96</b>	<b>11.97</b>
Lumber/Furniture	2.7	2.7	2.8	-----	-100	40.5	40.8	41.6	11.71	11.37	12.03
Stone-Clay-Glass	0.8	0.8	1.0	-----	-200	40.7	40.5	41.9	13.89	13.89	13.84
Primary Metals	3.7	3.9	4.0	-200	-300	40.8	40.0	40.5	12.91	12.86	12.72
Fabricated Metals	8.2	8.2	8.8	-----	-600	38.8	38.8	38.4	11.28	11.31	11.30
Nonelectrical Mach.	4.3	4.2	4.4	100	-100	40.6	40.1	40.2	13.61	13.60	13.55
Electrical Mach.	5.9	6.0	5.6	-100	300	40.0	39.6	41.9	11.60	11.57	11.58
Trans. Equipment	3.6	3.6	3.3	-----	300	41.1	40.2	41.3	14.42	14.41	14.39
Instruments	5.2	5.3	5.7	-100	-500	40.2	39.4	40.7	12.77	12.76	12.63
Jewelry-Silverware	8.8	9.1	9.5	-300	-700	39.7	40.4	39.0	10.53	10.53	10.46
Miscellaneous Mfg.	3.2	3.2	3.0	-----	200	40.5	40.0	39.1	11.63	11.64	11.45
<b>NONDURABLE MFG.</b>	<b>23.9</b>	<b>24.4</b>	<b>25.1</b>	<b>-500</b>	<b>-1200</b>	<b>40.4</b>	<b>39.4</b>	<b>41.2</b>	<b>12.52</b>	<b>12.55</b>	<b>12.52</b>
Food Beverage	2.6	2.7	2.7	-100	-100	41.4	40.6	41.8	11.46	11.40	11.50
Textiles	6.0	6.2	6.6	-200	-600	41.1	39.9	40.6	10.86	10.87	10.70
Apparel	0.8	0.8	0.8	-----	-----	39.6	40.1	42.7	9.32	9.35	9.28
Paper Products	1.9	2.0	2.0	-100	-100	39.5	38.2	40.6	12.07	12.06	12.07
Printing-Publishing	5.0	5.1	5.4	-100	-400	39.6	38.4	40.3	16.65	16.62	16.51
Chemical Products	2.3	2.3	2.2	-----	100	41.9	40.8	40.9	14.06	13.93	13.77
Rubber Products	0.4	0.5	0.5	-100	-100	38.2	39.3	42.1	12.97	12.99	12.97
Plastics Products	4.5	4.5	4.4	-----	100	39.3	38.8	43.1	13.19	13.16	13.33
Leather Products	0.4	0.3	0.5	100	-100	39.8	38.8	41.4	8.38	8.38	8.31

\*\* Current month figures are PRELIMINARY, prior month & year are REVISED. Totals may not add due to rounding. Farmers, Self-employed, Domestic & Armed Services personnel are excluded from Establishment Employment figures.

## An Explanation of the Consumer Price Index

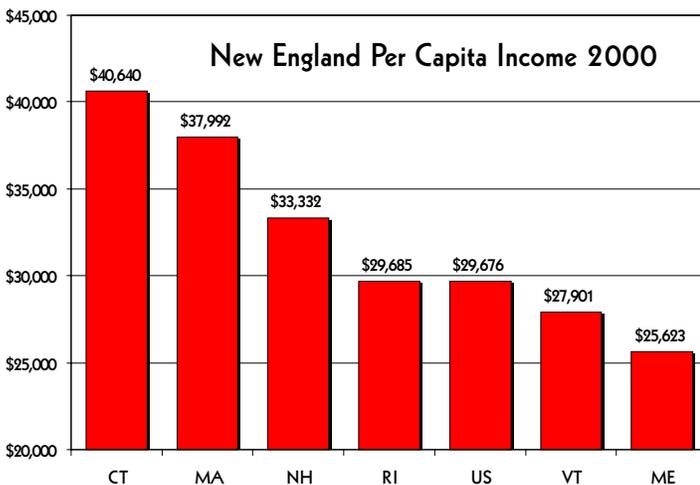
The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, transportation, medical care, and other goods and services that people buy for day-to-day living. The U.S. Dept. of Labor, Bureau of Labor Statistics produces the CPI every month. It is used as an indicator of inflation, a deflator of other economic series, and as an escalator for income payments. You can access CPI data on the BLS Webpage at [www.bls.gov/cpihome.htm](http://www.bls.gov/cpihome.htm).

The CPI represents the US city average and is not seasonally adjusted. It is calculated for two population groups only, All Urban Consumers (CPI-U), which we publish monthly, and Urban Wage Earners and Clerical Workers (CPI-W). The CPI-U represents roughly 87% of the total U.S. population and is based on the expenditures of all families living in urban areas. The CPI-W is a subset of the CPI-U, representing roughly 32% of the population, and is based on expenditure of urban families who meet additional criteria related to employment; more than one-half the family's income has to be earned from clerical/hourly wage occupations. There is no separate Consumer Price Index for Rhode Island or any area within the state.

## 2000 Per Capita Personal Income

Per capita personal income equals total personal income divided by the total population. The 2000 per capita personal income estimates are based on the April 1, 2000 decennial Census. According to the data, per capita personal income in Rhode Island stood at \$29,685 in 2000, 16<sup>th</sup> highest of all 50 states. In comparison, the national per capita income figure was slightly lower - \$29,676. Connecticut, at \$40,640, had the highest per capita income in the country while Mississippi, at \$20,993, had the lowest.

Revised estimated for 1991 - 1999 are not available because the Census Bureau has not yet developed state population estimates for the intercensal years consistent with the 2000 Census counts.



## Consumer Price Index for All Urban Consumers

	May 01	Apr 01	May 00	% Change Prev. Year
All Items	177.7	176.9	171.5	3.6%

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

## Rhode Island's Unemployment Rate Edges Up to 4.5 Percent in May

(Continued from Page 1)

### Rhode Island Job Highlights (Over the Month, Unadjusted Figures)

The number of jobs in Rhode Island rose by 4,900 over the month mostly due to increases in Services and Trade along with seasonal growth in Contract Construction.

**Trade** – The addition of 1,300 jobs reported in Restaurant employment, coupled with smaller gains among other retail industry components, resulted in a net increase of 1,800 jobs in Trade. Apparel and Accessory stores declined by 100, the only Trade segment to report a decrease from April to May.

**Contract Construction** – Employment in Contract Construction was up 1,700 over the month as the warmer weather continued to bolster outdoor construction activity. Special Trade Contractors (+1,100), General Building Construction (+400), and Heavy Construction (+200) all reported monthly increases.

**Services** – The Services sector added 1,500 jobs in May. Seasonal increases reported in Amusement & Recreation (+500) and Hotels & Other Lodging (+400) along with the gains reported in Business Services (+700) accounted for most of the increase. Education Services was down 400 due to decreased employment among the state's private universities.

**Government** – Government recorded a net gain of 500 jobs from April to May. Local Government added 400 jobs over the month and State government added 100. Federal employment remained even.

**Manufacturing** – Employment in the factory sector was down by 1,100 jobs. Durable Goods manufacturers reported a combined loss of 600 jobs and Nondurable Goods manufacturing was down 500 jobs. Small gains were reported in Leather Products and Nonelectrical Machinery.