Lincoln Almond
Governor

Rhode Island Department of Labor and Training

Employment Bulletin

Labor Market Information

Dr. Lee H. Arnold
Director

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Rhode Island Unemployment Rate Up Slightly but Remains below National Average

The Unemployment Rate

Rhode Island's seasonally adjusted unemployment rate showed little change over the month inching up 0.1 of a percentage point in May to 4.7 percent. The April unemployment rate was revised upward to 4.6 percent. The unemployment rate for the nation fell to 5.8 percent in May from a nearly eight-year high of 6.0 percent in April. Rhode Island's unemployment rate remained well below the national average for the tenth straight month. The number of unemployed Rhode Island residents edged up by 500 over the month to 23,500. A year ago May, the unemployment rate was 4.7 percent, while the unemployment level stood at 23,900.

"While the worst of the recession is over and the recovery is underway, Rhode Island's economy continues to fare better than the nation," said DLT Director Dr. Lee H. Arnold. "Our unemployment rate remained well below the national average for the tenth month in a row and the number of jobs in the state increased by 3,500 over the year." (Continued on Page 4)

Worksharing It's Employer Friendly

A recent legislative initiative has responded to the needs of Rhode Island employers and employees. The General Assembly this year passed legislation submitted by the Department of Labor & Training to allow an additional 26 weeks of duration on "Workshare." An employee of an approved Workshare company may now collect up to 52 weeks of partial Unemployment Insurance benefits while on the program.

Workshare is a Rhode Island Department of Labor & Training sponsored program that provides employers with an alternative to the often-agonizing prospect of laying off workers when business declines. This program allows a business to reduce the hours and wages of a particular group of employees, while at the same time allowing those participating to receive partial Unemployment Insurance benefits to supplement lost wages. In essence, Workshare provides employers with the opportunity to retain skilled workers and allows workers to maintain their jobs. (Continued on Page 4)

New Maximum Weekly Benefit Rates for UI and TDI

New Maximum weekly benefit rates of $427 for Unemployment Insurance (UI) and $543 for Temporary Disability Insurance (TDI) will be in effect for individuals whose benefit year begins on or after July 1, 2002, announced Dr. Lee. H Arnold, Director of the Department of Labor and Training.

The new rates reflect an increase of $12 for UI and $16 for TDI. The previous maximum rates were $415 for UI and $527 for TDI. Individuals who established claims prior to July 1, 2002 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 2002

UI - $427
TDI - $543

The maximum weekly benefit rates are based on the average weekly wage of workers covered by the Employment Security Act. The 2001 average weekly wage for workers covered by the Employment Security Act was $637.98. The UI rate is set at 67 percent of the average weekly wage rounded to the next lower dollar amount and the TDI rate is set at 85 percent of the average weekly wage rounded to the next highest dollar amount.

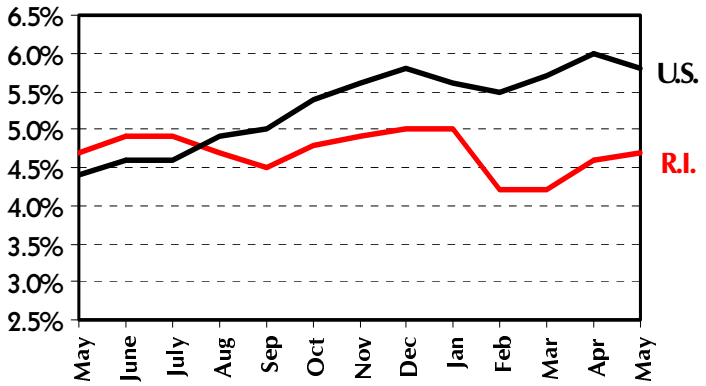
Rhode Island Labor Force Statistics*
(in thousands)

	Seasonally Adjusted			Unadjusted		
	May 02	Apr 02	May 01	May 02	Apr 02	May 01
Civilian Labor Force	506.0	505.0	503.7	499.8	498.2	497.5
Resident Employment	482.5	482.0	479.8	478.2	477.6	475.5
Unemployment	23.5	23.0	23.9	21.7	20.5	22.0
Unemployment Rate	4.7%	4.6%	4.7%	4.3%	4.1%	4.4%

United States Labor Force Statistics
(in thousands)

	Seasonally Adjusted			Unadjusted		
	May 02	Apr 02	May 01	May 02	Apr 02	May 01
Civilian Labor Force	142,769	142,570	141,445	142,253	141,886	141,048
Resident Employment	134,417	133,976	135,235	134,365	133,740	135,202
Unemployment	8,351	8,594	6,210	7,888	8,146	5,846
Unemployment Rate	5.8%	6.0%	4.4%	5.5%	5.7%	4.1%

Rhode Island & United States Unemployment Rates
Seasonally Adjusted 2001 - 2002



City & Town
Unadjusted Unemployment Rates

	May 02	May 01
Barrington	2.8	2.3
Bristol	3.4	3.0
Burrillville	4.6	4.0
Central Falls	7.8	9.0
Charlestown	4.8	4.4
Coventry	4.4	3.6
Cranston	4.2	4.2
Cumberland	4.0	4.3
East Greenwich	4.5	4.3
East Providence	4.6	4.6
Exeter	3.7	3.1
Foster	4.2	4.2
Glocester	3.1	2.9
Hopkinton	1.9	3.0
Jamestown	3.0	3.0
Johnston	4.6	4.4
Lincoln	4.3	4.2
Little Compton	2.8	2.2
Middletown	3.8	3.2
Narragansett	1.9	2.3
New Shoreham	6.3	9.7
Newport	3.2	3.4
North Kingstown	3.4	3.0
North Providence	3.9	3.9
North Smithfield	2.7	2.5
Pawtucket	5.8	6.3
Portsmouth	3.4	2.8
Providence	5.9	6.8
Richmond	2.7	1.6
Scituate	4.0	3.9
Smithfield	3.7	3.3
South Kingstown	3.0	2.7
Tiverton	3.9	3.6
Warren	3.7	3.3
Warwick	3.8	3.7
West Greenwich	4.4	2.9
West Warwick	4.5	4.7
Westerly	2.2	2.9
Woonsocket	5.4	5.6
State of R.I.	4.3	4.4

Unemployment Insurance Claims Activity

	May 2002	Apr 2002	May 2001	% Change Apr 02	% Change May 01	Year to Date 2002	Year to Date 2001	Year to Date % Change
Initial Claims	5,642	8,085	6,221	-30.2%	-9.3%	37,290	41,790	-10.8%
Number of Payments	51,165	71,033	46,537	-28.0%	9.9%	339,386	280,890	20.8%
Amount of Payments (gross millions)	$15.4	$21.1	$12.9	-26.7%	19.5%	$101.5	$78.8	28.8%
Exhaustions (Final Payments)	1,658	2,123	1,153	-21.9%	43.8%	8,023	5,483	46.3%
E.S. Fund Balance (millions)	$288.7	$247.2	$301.5	16.8%	-4.3%			

*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.
For additional information, comments or suggestions, contact
Labor Market Information, Phone (401)462-8740, Fax: (401)462-8766, www.dlt.state.ri.us/lmi

A Special Thank You

To all employers who took the time to respond to our Employment Bulletin Survey, we'd like to express our gratitude. We work diligently to provide you with the information you need. Without your feedback, this task would be impossible. We will continue to improve the quality of information provided in the Employment Bulletin. Once again, thank you for your time and effort.

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What's New on the LMI Web Site?

Census 2000 Income Data

Median Household, Median Family, and Per Capita Income data for Rhode Island cities and towns are now available on the LMI web site. To view or download this latest release from Census 2000, go to:

www.dlt.state.ri.us/lmi/ricensus.html

Select City/Town Income from Census 2000.

Total Establishment Employment in Rhode Island**

	Employment (in thousands)			Net Change From	
	May 02	Apr 02	May 01	Apr 02	May 01
TOTAL EMPLOYMENT	486.5	481.2	483.0	5300	3500
GOODS PRODUCING	86.6	85.8	89.9	800	-3300
Contract Construction	18.5	17.9	19.0	600	-500
Manufacturing	68.1	67.9	70.9	200	-2800
SERVICE PRODUCING	399.9	395.4	393.1	4500	6800
Trans. & Public Utilites	16.7 ★	16.7 ★	17.3	-----	-600
Trade (Wholesale & Retail)	108.9	106.5	107.4	2400	1500
Wholesale	18.6	18.6	18.9	-----	-300
Durables◆	11.5	11.5	11.7	-----	-200
Nondurables◆	7.2	7.1	7.2	100	-----
Retail	90.3	87.9	88.5	2400	1800
Building & Garden Supplies◆	2.7	2.7	2.4	-----	300
General Merchandise	6.3	6.3	6.6	-----	-300
Food Stores◆	15.3	15.1	15.3	200	-----
Automotive Dealers	7.9	7.8	7.8	100	100
Apparel & Accessory Stores	4.5	4.4	4.3	100	200
Furn., Home Furn., & Equipt.◆	3.0	3.0	2.7	-----	300
Eating and Drinking Places	34.3	32.5	33.2	1800	1100
Miscellaneous Retail	16.2	16.2	16.1	-----	100
Finance, Insurance & Real Estate	33.5	33.4	32.0	100	1500
Depository Institutions	9.7	9.6	9.1	100	600
Services	174.6	173.2	170.9	1400	3700
Hotels & Other Lodging◆	5.0	4.6	4.4	400	600
Business Services	25.3	25.0	27.6	300	-2300
Auto & Misc. Repair◆	5.7	5.6	5.5	100	200
Amusement & Recreation	6.5	6.0	6.3	500	200
Health Services	53.6	53.4	52.1	200	1500
Educational Services	19.7	20.2	20.0	-500	-300
Social Services	16.7	16.7	16.2	-----	500
Government	66.2	65.6	65.5	600	700
Federal	10.2	10.2	10.3	-----	-100
State	18.6	18.4	18.4	200	200
Local	37.4	37.0	36.8	400	600
Education◆	24.9	24.8	24.3	100	600
Non Education◆	12.5	12.2	12.5	300	-----

★Labor Dispute ◆ 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 02	Apr 02	May 01	Apr 02	May 01	May 02	Apr 02	May 01	May 02	Apr 02	May 01
MANUFACTURING	68.1	67.9	70.9	200	-2800	40.0	40.2	40.2	12.29	12.29	12.19
DURABLE MFG.	44.5	44.6	47.1	-100	-2600	39.9	40.4	40.2	12.05	12.08	12.00
Primary Metals	3.1	3.1	3.7	-----	-600	39.6	40.7	40.6	12.95	12.96	12.90
Fabricated Metals	7.9	7.7	8.1	200	-200	39.1	39.5	38.6	11.67	11.70	11.29
Nonelectrical Machinery	3.6	3.7	4.2	-100	-600	40.5	41.9	40.5	13.70	13.71	13.61
Electrical Machinery	5.0	5.0	5.5	-----	-500	40.5	40.0	40.0	11.50	11.51	11.64
Trans. Equipment	4.0	4.0	3.7	-----	300	40.0	40.5	41.9	14.44	14.46	14.42
Instruments	5.2	5.2	5.3	-----	-100	39.7	39.3	40.5	12.79	12.80	12.77
Miscellaneous Mfg.	12.2	12.2	12.9	-----	-700	40.2	40.6	40.1	10.73	10.72	10.72
Jewelry, Incl. Costume	9.1	9.2	9.8	-100	-700	40.2	40.7	40.0	10.50	10.48	10.53
All Other Durables	3.5	3.7	3.7	-200	-200	40.1	41.4	41.3	12.42	12.43	12.26
NONDURABLE MFG.	23.6	23.3	23.8	300	-200	40.2	39.8	40.2	12.74	12.70	12.56
Textiles	5.3	5.3	5.6	-----	-300	40.4	40.1	41.0	10.90	10.91	10.89
Printing-Publishing	5.4	5.3	5.2	100	200	39.5	39.4	39.5	16.63	16.62	16.65
Rubber & Plastic Products	4.4	4.4	4.6	-----	-200	38.9	38.5	39.2	13.25	13.27	13.17
All Other Nondurables	8.5	8.3	8.4	200	100	41.0	40.4	40.5	11.74	11.74	11.73

**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.

Rhode Island Unemployment Rate Up Slightly but Remains below National Average

(Continued from Page 1)

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

Jobs at Rhode Island businesses were up 3,500 (0.7%) over the year, the largest annual gain experienced in thirteen months. In May 2002, 486,500 workers were employed in Rhode Island compared to the 483,000 reported last year. Employment increases in Services (+3,700), Finance, Insurance & Real Estate (+1,500), Trade (+1,500) and Government (+700) offset declines in Contract Construction (-500), Transportation & Public Utilities (-600) and Manufacturing (-2,800).

Within the Services sector, a 2,300 job loss in Business Services was offset by increases in other sector components, the largest occurring in the "Other Services" category (+3,300). This designation includes Engineering Services, Accounting Services, Membership Organizations, Landscape Services and unclassified employers. Substantial increases were also reported in Health Services (+1,500), Social Services (+500) and Hotels (+600). Most of the industry components in the Trade sector experienced over-the-year job growth with the exception of General Merchandise (-300) and Food Stores (no change). Within the Trade sector, the largest gains were posted in Restaurants (+1,100), Building and Garden Supplies (+300) and Home Furnishings (+300). Job losses were noted in nearly all Manufacturing industries with the largest occurring in Jewelry/ Silverware (-700), Primary Metals (-600), Nonelectrical Machinery (-600) and Electrical Machinery (-500). Transportation Equipment and Printing and Publishing reported over-the-year gains of 300 and 200, respectively.

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

The number of jobs in Rhode Island rose by 5,300 over the month mostly due to seasonal growth in Services, Retail Trade and Contract Construction.

Trade – The addition of 1,800 jobs reported in Restaurant employment, coupled with smaller gains among other retail industry components, resulted in an increase of 2,400 jobs in Retail Trade, while Wholesale Trade employment remained even over the month.

Services – The Services sector added 1,400 jobs in May. Seasonal increases reported in Amusement & Recreation (+500) and Hotels & Other Lodging (+400) along with the gains reported in Business Services (+300) accounted for most of the increase. Education Services was down 500 due to decreased employment among the state's private universities.

Consumer Price Index for All Urban Consumers

	May 02	Apr 02	May 01	% Change Prev. Year
All Items	179.8	179.8	177.7	1.2%

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

Contract Construction – Employment in Contract Construction was up 600 over the month as the warmer weather continued to bolster outdoor construction activity.

Government – Government reported a gain of 600 jobs from April to May. Local Government added 400 jobs over the month and State Government added 200. Federal employment remained even.

Manufacturing – Employment in the factory sector was up 200 jobs in May, marking the third straight monthly increase. Gains in Nondurable Goods (+300) and Fabricated Metals (+200) offset minor losses in other industry components.

Worksharing It's Employer Friendly

(Continued from Page 1)

These are just some of the advantages of Worksharing:

- ★ Reduces hiring and retraining costs when business improves.
- ★ Employees avoid financial and emotional hardships usually associated with layoffs.
- ★ May improve employee morale.
- ★ Employers can retain skilled workers.

Worksharing could be a viable alternative for companies considering layoffs. This program is available to any private employer with two or more employees.

Please contact Bill Brock in our Administrative Unemployment Insurance Office at 462-8405 or bbrock@dlt.state.ri.us for details. If you wish, arrangements can be made to conduct an informational session at your workplace. Put Workshare to work for you!