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Employment Bulletin

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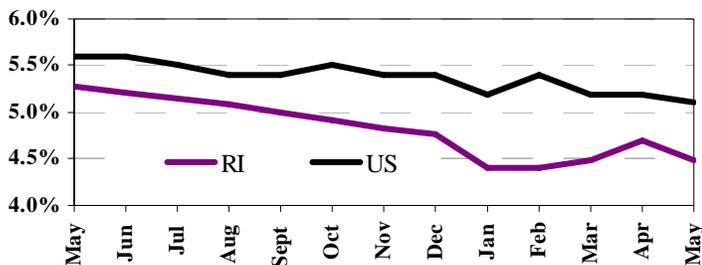
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www.dlt.ri.gov/lmi

The Rhode Island Job Count Increases for the Eighth Straight Month

Rhode Island's seasonally adjusted unemployment rate for May dipped to 4.5 percent, reflecting a drop of two-tenths of a percentage point from April. The number of employed Rhode Island residents climbed by 3,900 over the month, posting its fifth consecutive increase, while the number of unemployed fell by 700 in May to 25,900. A year ago, the unemployment rate was 5.3 percent, and the number of unemployed stood at 29,700. Nationally, the unemployment rate for May was essentially unchanged at 5.1 percent and was down from 5.6 percent a year earlier. Rhode Island's unemployment rate has remained below the national average since August 2001.

RI & US Unemployment Rates
Seasonally Adjusted 2004 - 2005



Mandatory Workplace Posters Available for Free

A number of state and federal laws require that posters covering a wide variety of employment topics be displayed in the workplace where employees can readily see them. The Department of Labor and Training would like to assure companies that these posters are available **FREE of CHARGE** from the agencies that require them. (Continued on Page 4)

New Maximum Weekly Benefit Rates for Unemployed Individuals

New maximum weekly benefit rates of \$477 for Unemployment Insurance, and \$607 for Temporary Disability Insurance, will be in effect for claimants whose Benefit Years begin on or after July 1, 2005.

These new rates reflect an increase of \$15 for Unemployment Insurance (UI) and \$19 for Temporary Disability Insurance (TDI). The previous maximum rates were \$462 for UI and \$588 for TDI. Individuals who established claims prior to July 1, 2005 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 starts once a new claim is filed.

The maximum rate for Unemployment Insurance benefits is set at 67 percent of the average weekly wage of workers covered by the Employment Security Act. The average weekly wage paid to workers covered by the Employment Security Act in calendar year 2004 was \$713.10. Sixty-seven percent of that average weekly wage is \$477.78. After rounding down to the next lower dollar amount, the new maximum for Unemployment Insurance will be \$477.

The maximum weekly benefit rate for Temporary Disability Insurance is set at 85 percent of the average weekly wage paid to workers covered by the Employment Security Act. Accordingly, the new maximum for Temporary Disability Insurance is \$607 (85 percent of \$713.10 rounded to the next highest dollar amount).

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	May 05	Apr 05	May 04	May 05	Apr 05	May 04
Civilian Labor Force	570.8	567.6	563.4	149,122	148,762	147,018
Resident Employment	544.9	541.0	533.6	141,475	141,099	138,846
Unemployment	25.9	26.6	29.7	7,647	7,663	8,172
Unemployment Rate	4.5%	4.7%	5.3%	5.1%	5.2%	5.6%

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Rhode Island Job Highlights

Jobs at Rhode Island businesses increased by 1,300 (+0.3%) last month, bringing the May job count to 494,300 (seasonally adjusted). Over-the-month gains in Leisure & Hospitality (+500); Professional & Business Services (+400); Educational & Health Services (+300); Financial Activities (+300); Construction (+300); and Government (+100) offset losses reported in Manufacturing (-500) and Trade, Transportation & Utilities (-400).

May's gain of 1,300 jobs marks the eighth consecutive month of employment gains and the largest increase since July 2004. Private sector employment showed continued growth as Professional & Business Services and Educational & Health Services each reported successive monthly job gains of eight and seven months, respectively. Leisure & Hospitality and Financial Activities each reported job gains in five of the last six months.

"The Rhode Island labor market added jobs for the eighth straight month, which is certainly good news for job seekers," announced Department of Labor and Training Director Adelita S. Orefice. "The positive jobs report was accompanied by an increase in the number of working Rhode Islanders and a decline in our unemployment rate."

Over the year, employment was up 5,800 (+1.2%) from the 488,500 jobs reported in May 2004. The largest over-the-year gains were noted in Educational & Health Services (+2,900); Professional & Business Services (+2,700); Leisure & Hospitality (+2,300); Financial Activities (+1,000); and Construction (+900). Manufacturing (-2,400) and Trade, Transportation & Utilities (-1,200) were the only two sectors to report yearly declines. Government employment increased by 200 jobs over the year.

Hours and Earnings

In May 2005, the \$13.01 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 loss of five cents per hour. Manufacturing employees worked an average of 38.9 hours a week in May, up 0.5 of an hour over the month, but down 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		
	<u>May 05</u>	<u>Apr 05</u>	<u>May 04</u>	<u>Apr 05</u>	<u>May 04</u>	<u>May 05</u>	<u>Apr 05</u>	<u>May 04</u>	<u>May 05</u>	<u>Apr 05</u>	<u>May 04</u>
Manufacturing	55.1	55.5	57.2	-400	-2100	38.9	38.4	39.1	13.01	13.04	13.06
Durable Goods	36.4	36.6	37.5	-200	-1100	39.4	38.9	39.0	12.92	13.00	13.06
Fabricated Metal Product Mfg.	7.5	7.6	8.0	-100	-500	40.1	39.1	39.3	11.70	11.78	11.70
Computer & Electronic Product Mfg.	4.8	4.9	5.2	-100	-400	38.4	39.4	37.5	13.98	13.98	13.75
Miscellaneous Manufacturing	10.3	10.3	10.7	0	-400	37.8	37.6	37.2	11.00	11.00	10.83
Jewelry and Silverware	7.4	7.4	7.7	0	-300	36.8	37.0	38.2	10.27	10.32	10.17
Non-Durable Goods	18.7	18.9	19.7	-200	-1000	38.1	37.4	39.3	13.19	13.12	13.05
Chemical Manufacturing	4.2	4.2	4.3	0	-100	39.5	40.3	39.8	15.47	15.41	15.36
Plastics & Rubber Products Mfg.	3.0	3.0	3.1	0	-100	40.2	38.4	40.9	14.70	14.74	14.66

The employment figures in the "Rhode Island Job Highlights" 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 May 2005, approximately 45 percent of Rhode Island's unemployed workers were eligible to collect unemployment insurance benefits. Numbering 10,456 people, these "insured unemployed" accounted for 2.1 percent of the state's establishment employment (unadjusted). More than 34 percent (3,586) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

Roughly 27 percent (2,797) of the people receiving unemployment insurance benefits were between the ages of 35 and 44, while an additional 24 percent (2,480) 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, 45 percent of all insured unemployed workers 60 years and older had been collecting benefits for at least fourteen weeks, whereas 26 percent of those under 22 years of age and 27 percent of 22 to 24 year olds were considered long-term unemployed.

In May, approximately 47 percent (4,940) of those collecting unemployment insurance benefits had just a high school diploma. An additional 1,701 people (16.3%) had less than a high school diploma, while 6.9 percent (719) of the insured unemployed had at least a bachelor's degree. Similar rates of long-term unemployment were noted among all educational levels. For instance, roughly one-third of insured unemployed workers with a bachelor's degree or higher had been collecting benefits for a minimum of fourteen weeks, while 36 percent of those without a high school diploma were considered long-term unemployed as well.

On an industry basis, 22 percent (2,331) of the state's insured unemployed workers came from the Manufacturing sector. There were also 1,305 individuals with an attachment to the Construction sector, a number that has declined with the approach of warmer weather. Nearly 10 percent (1,022) of those collecting unemployment insurance benefits in May had worked in the Retail Trade sector. Large numbers of insured unemployed were also reported in Administrative & Waste Services (924), Health Care & Social Assistance (872), and Accommodation & Food Services (698).

More than 16 percent of the state's insured unemployed previously worked in Office & Administrative Support occupations, accounting for 1,702 people. A large number of workers previously employed in Production (1,382) and Management (1,156) occupations also collected unemployment insurance benefits in May. Numerous occupational groups reported concentrations of long-term unemployment above the state average, including Construction & Extraction (42.9%), Installation, Maintenance & Repair (42.5%), Building & Grounds Cleaning & Maintenance (42.5%), and Food Preparation & Serving Related (41.1%).

Characteristics of the Insured Unemployed, May 2005

	Total	Long-Term	Percent Long-Term
Total	10,456	3,586	34.3%
Male	5,640	2,028	36.0%
Female	4,816	1,558	32.4%
Age	10,456	3,586	34.3%
Under 22	271	71	26.2%
22 - 24	551	149	27.0%
25 - 34	2,304	786	34.1%
35 - 44	2,797	981	35.1%
45 - 54	2,480	795	32.1%
55 - 59	960	317	33.0%
60 - 64	614	240	39.1%
65 or over	479	247	51.6%
Education	10,456	3,586	34.3%
Less than 9th Grade	559	190	34.0%
9th to 12th, no diploma	1,142	422	37.0%
High School Graduate	4,940	1,713	34.7%
Some College	2,829	926	32.7%
Bachelor's Degree	517	166	32.1%
Beyond Bachelor's	202	68	33.7%
Selected Industries	10,456	3,586	34.3%
Construction	1,305	492	37.7%
Manufacturing	2,331	740	31.7%
Wholesale Trade	372	133	35.8%
Retail Trade	1,022	355	34.7%
Transportation & Warehousing	228	73	32.0%
Information	154	50	32.5%
Finance & Insurance	596	250	41.9%
Real Estate	206	68	33.0%
Professional & Tech. Services	492	133	27.0%
Administrative & Waste Services	924	274	29.7%
Educational Services	111	38	34.2%
Health Care & Social Assistance	872	280	32.1%
Arts, Entertainment & Recreation	198	90	45.5%
Accommodation & Food Services	698	285	40.8%
Other Services	365	127	34.8%
Public Administration	68	31	45.6%
Selected Occupations	10,456	3,586	34.3%
Business & Financial Operations	349	104	29.8%
Computer & Mathematical	115	35	30.4%
Architecture & Engineering	166	59	35.5%
Life, Physical & Social Science	44	10	22.7%
Community & Social Services	104	31	29.8%
Legal	43	11	25.6%
Education, Training & Library	138	46	33.3%
Arts, Design, Ent., Sports & Media	193	63	32.6%
Healthcare Practitioner & Technical	174	44	25.3%
Healthcare Support	196	48	24.5%
Protective Service	66	25	37.9%
Food Preparation & Serving Related	489	201	41.1%
Bldg. & Grounds Cleaning & Maint.	273	116	42.5%
Personal Care & Service	97	22	22.7%
Sales & Related	631	208	33.0%
Office & Administrative Support	1,702	573	33.7%
Construction & Extraction	706	303	42.9%
Installation, Maintenance & Repair	374	159	42.5%
Production	1,382	420	30.4%
Transportation & Material Moving	820	298	36.3%

Consumer Price Index for All Urban Consumers

				% Change
	May 05	Apr 05	May 04	Prev. Year
All Items	194.4	194.6	189.1	2.8%

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

2004 Annual Average Wages

Rhode Island's private sector workers earned an annual average wage of \$35,959 in 2004, an increase of \$1,099 (+3.2%) from the \$34,860 earned in 2003. Annual average wage gains were reported in nearly all economic sectors with the largest occurring in the Agriculture, Forestry, Fishing & Hunting (16.5%) and Information (12.3%) sectors. Only four sectors, Management of Companies & Enterprises (-6.5%), Utilities (-5.8%), Arts, Entertainment & Recreation (-2.4%) and Mining (-2.3%) reported decreases in the annual average wages paid to their workers.

The highest annual average wages were paid in Management of Companies & Enterprises (\$78,384) and Utilities (\$66,146) followed by the Information (\$59,236), Finance & Insurance (\$56,514) and Professional & Technical Services (\$53,985) sectors. In all, ten sectors paid wages above the private sector annual average wage of \$35,959.

The lowest annual average wages were reported in the Accommodation & Food Services (\$14,473) and Arts, Entertainment & Recreation (\$20,063) sectors, reflecting the seasonal and part-time nature of these businesses. Other industrial sectors paying lower-than-average wages included Other Services (\$23,352), Administrative & Waste Services (\$24,155) and Retail Trade (\$24,484).

For more information concerning industry wages, visit the Quarterly Census of Employment and Wage site at:

www.dlt.ri.gov/lmi/es202.htm

City & Town Unadjusted Unemployment Rates for May

	2005	2004		2005	2004
Barrington	2.8	3.7	Newport	3.5	4.5
Bristol	3.4	4.4	North Kingstown	3.5	4.2
Burrillville	4.1	4.6	North Providence	4.2	5.4
Central Falls	6.2	7.8	North Smithfield	3.4	4.5
Charlestown	3.2	4.4	Pawtucket	5.1	6.5
Coventry	3.5	4.7	Portsmouth	3.2	3.7
Cranston	4.4	5.5	Providence	5.3	6.4
Cumberland	3.5	4.7	Richmond	2.1	3.2
East Greenwich	3.5	5.2	Scituate	3.7	5.2
East Providence	4.3	5.4	Smithfield	3.5	4.6
Exeter	3.7	3.8	South Kingstown	3.1	4.1
Foster	3.7	5.4	Tiverton	3.9	4.9
Glocester	2.9	3.5	Warren	3.4	5.1
Hopkinton	3.4	4.4	Warwick	3.8	4.9
Jamestown	3.0	3.8	West Greenwich	3.1	4.2
Johnston	4.4	6.2	West Warwick	4.6	5.6
Lincoln	3.5	4.2	Westerly	3.4	3.7
Little Compton	3.2	3.9	Woonsocket	4.7	6.0
Middletown	3.1	4.3			
Narragansett	2.6	3.6	State of R.I.	4.1	5.2
New Shoreham	6.0	6.9	United States	4.9	5.3

Mandatory Workplace Posters Available for Free

(Continued from Page 1)

Despite this, some companies advertise and sell these posters. Our Department has received questions and concerns from employers who have been targeted by the for-profit poster companies.

The Department of Labor and Training provides posters to the public containing information on Minimum Wage, Prevailing Wage, Unemployment Benefits, Employment & Training Services, TDI Benefits, RI Parental & Family Medical Leave Act, Workers' Compensation Act, and the Right-to-Know Act. These posters are **Free of Charge** and are available in English and Spanish through the Department of Labor and Training, Labor Standards Unit (401) 462-8550 or they may be downloaded from the LMI web site at:

www.dlt.ri.gov/lmi/business/post.htm

Unemployment Insurance Claims Activity

	May	Apr	May	% Change		Year to Date		
	2005	2005	2004	Apr 05	May 04	2005	2004	% Change
Initial Claims	4,402	6,723	4,542	-34.5%	-3.1%	34,092	35,943	-5.1%
Number of Payments	46,904	51,366	43,263	-8.7%	8.4%	303,275	311,445	-2.6%
Amount of Payments (gross millions)	\$15.4	\$16.8	\$13.8	-8.3%	11.6%	\$100.5	\$98.5	2.0%
Exhaustions (Final Payments)	1,510	1,555	1,357	-2.9%	11.3%	5,653	6,103	-7.4%

R.I. DEPARTMENT OF LABOR AND TRAINING
2005 UI AND TDI QUICK REFERENCE
(Effective July 3, 2005)

	UNEMPLOYMENT INSURANCE	TEMPORARY DISABILITY INSURANCE
TAXABLE WAGE BASE	\$16,000	\$49,000
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	2.04% (+0.21%JDA)	NONE (Employee Tax)
EMPLOYEE WAGE DEDUCTION	NONE (employer payroll tax)	1.4% of first \$49,000 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