



Rhode Island's Unemployment Rate Drops to 11.0 percent in May

- ◆ RI's seasonally adjusted unemployment rate for May was 11.0 percent, down two-tenths of a percentage point from April.
- ◆ RI's May unemployment rate down three-tenths of a percentage point from last May's figure of 11.3 percent.
- ◆ The national rate was 8.2 percent, up one-tenth of a percentage point from April and down eight-tenths of a percentage point from the previous year.
- ◆ In May 2012, Rhode Island had the 2nd highest unemployment rate in the nation, trailing Nevada (11.6%).
- ◆ The May 2012 unemployment rate increased in eighteen states, including Maine (+0.2) and Connecticut (+0.1). Fourteen states, including Massachusetts (-0.3) and Rhode Island (-0.2), saw their rates decrease, while eighteen states' rates, including New Hampshire and Vermont, were unchanged. In all, three states have unemployment rates in the double digits.
- ◆ Rates in other New England States for May 2012—Connecticut 7.8 percent, Maine 7.4 percent, Massachusetts 6.0 percent, New Hampshire 5.0 percent and Vermont 4.6 percent.
- ◆ The number of employed RI residents totaled 495,400 in May 2012, up 1,300 from the previous month. Between May 2011 and May 2012, the number of employed RI residents decreased by 4,800.
- ◆ Over the month, the number of unemployed Rhode Island residents decreased by 800 to 61,400 in May 2012. From May 2011 to May 2012, the number of unemployed residents decreased by 2,100.

New Maximum Weekly Benefit Rates UI & TDI

The Unemployment Insurance (UI) program, financed by an employer tax, provides benefits to eligible persons who are out of work through no fault of their own. Rhode Island's Temporary Disability Insurance (TDI) program, funded exclusively by Rhode Island-based workers, protects workers against wage loss resulting from a non-work related illness or injury.

Beginning July 1st the maximum weekly benefit rate for TDI will increase to \$736, while the maximum weekly benefit rate for UI will remain at \$566. The maximum weekly benefit rates are based on the average weekly wage of workers covered by the Employment Security Act. The 2011 average weekly wage for workers covered by the Act was \$864.81. Legislation passed in 2011 set the UI maximum rate at the greater of 57.5 percent of the average weekly wage or \$566. The TDI rate is set at 85 percent of the average weekly wage.

Individuals with dependents are eligible for additional benefits under each program. The maximum benefit rates for individuals with five dependents is \$707 for UI and \$993 for TDI for new claims effective after July 1, 2012.

Other legislative changes affecting the UI program that will take effect July 1st include reducing the average weekly benefit rate individuals can collect on their UI claim from 60 percent of their average weekly wage to 57 percent. In addition, calculation of the benefit amount will be based on the average of the two highest quarters of earnings instead of the highest quarter (benefit rate = 4.38% x average of 2 Highest Quarter wages). For individuals receiving severance pay, collection of UI will be delayed by the number of weeks of severance pay received, up to a maximum of 26 weeks. The weekly amount an individual must earn to overcome a disqualification for a Voluntary Quit, a Discharge for Misconduct or a Refusal of Suitable Work will change from 20

times the minimum hourly wage (\$148) to the individual's weekly benefit amount in each of eight weeks. Also, beginning in July the seven-day waiting period for TDI benefits will be eliminated. These changes will only impact new claims filed on or after July 1st.

Seasonally Adjusted Labor Force Statistics

(in thousands)

| | Rhode Island | | | United States | | |
|----------------------|--------------|--------|--------|---------------|---------|---------|
| | May 12 | Apr 12 | May 11 | May 12 | Apr 12 | May 11 |
| Civilian Labor Force | 556.8 | 556.3 | 563.7 | 155,007 | 154,365 | 153,700 |
| Resident Employment | 495.4 | 494.1 | 500.2 | 142,287 | 141,865 | 139,808 |
| Unemployment | 61.4 | 62.2 | 63.5 | 12,720 | 12,500 | 13,892 |
| Unemployment Rate | 11.0% | 11.2% | 11.3% | 8.2% | 8.1% | 9.0% |

Rhode Island Jobs Decrease by 200 in May

Estimated nonfarm payroll in Rhode Island totaled 458,100 in May, reflecting a loss of 200 jobs from the revised April employment estimate of 458,300. The loss of 600 jobs in the Construction sector represented the largest over-the-month decline, while a gain of 800 jobs in Accommodation & Food Services sector represented the largest over-the-month increase.

Job losses in Construction were linked to a lull in the typical hiring practices which normally occur during this time of year. Retail Trade employment dropped 500 over the month, as fewer than usual personnel were added to retail payrolls in May. Within the Health Care & Social Assistance sector, employment losses of 500 were largely due to reported declines in the ambulatory health services subsector.

A loss of 200 jobs was reported in the Professional & Business Services sector, while employment in the Educational Services, Financial Activities, Wholesale Trade and Mining & Logging sectors remained unchanged.

Offsetting the May job declines, a gain in Accommodation & Food Services (+800) jobs occurred as area hotels and motels, full-service and limited-service restaurants reported employment gains. Smaller but positive job gains were also reported in the Manufacturing (+200); Transportation & Utilities (+200); Information (+100); Arts, Entertainment & Recreation (+100); Government (+100); and Other Services (+100).

Over the year, total nonfarm employment decreased by 3,700. Job losses were reported in seven economic sectors, including Health Care & Social Assistance (-1,800), Retail Trade (-1,500), Other Services (-900), Government (-600), Accommodation & Food Services (-400), Arts, Entertainment & Recreation (-300), and Construction (-200).

Professional & Business Services employment posted the largest over-the-year increase in May, with a gain of 600 jobs, followed by Educational Services (+400), Wholesale Trade (+400), Manufacturing (+200), Information (+200), Financial Activities (+100) and Transportation & Utilities (+100).

| | Net Change From | | | | |
|----------------------------------|-----------------|--------------|--------------|-------------|-------------|
| | May-12 | Apr-12 | May-11 | Apr-12 | May-11 |
| Total Nonfarm | 458.1 | 458.3 | 461.8 | -0.2 | -3.7 |
| Natural Resources & Mining | 0.2 | 0.2 | 0.2 | 0.0 | 0.0 |
| Construction | 15.3 | 15.9 | 15.5 | -0.6 | -0.2 |
| Manufacturing | 40.9 | 40.7 | 40.7 | 0.2 | 0.2 |
| Wholesale Trade | 16.6 | 16.6 | 16.2 | 0.0 | 0.4 |
| Retail Trade | 45.6 | 46.1 | 47.1 | -0.5 | -1.5 |
| Transportation & Utilities | 10.8 | 10.6 | 10.7 | 0.2 | 0.1 |
| Information | 10.6 | 10.5 | 10.4 | 0.1 | 0.2 |
| Financial Activities | 30.8 | 30.8 | 30.7 | 0.0 | 0.1 |
| Professional & Business Services | 54.4 | 54.6 | 53.8 | -0.2 | 0.6 |
| Educational Services | 26.1 | 26.1 | 25.7 | 0.0 | 0.4 |
| Health Care & Social Assistance | 76.5 | 77.0 | 78.3 | -0.5 | -1.8 |
| Arts, Entertainment & Recreation | 7.2 | 7.1 | 7.5 | 0.1 | -0.3 |
| Accommodation & Food Services | 41.7 | 40.9 | 42.1 | 0.8 | -0.4 |
| Other Services | 21.3 | 21.2 | 22.2 | 0.1 | -0.9 |
| Government | 60.1 | 60.0 | 60.7 | 0.1 | -0.6 |

| | Employment | | | | |
|------------------------------------|----------------|-------------|-------------|------------------|-------------|
| | (in thousands) | | | Net Change From: | |
| | May 12 | Apr 12 | May 11 | Apr 12 | May 11 |
| Manufacturing | 40.8 | 40.7 | 40.6 | 100 | 200 |
| Durable Goods | 26.3 | 26.3 | 26.0 | 0 | 300 |
| Fabricated Metal Product Mfg. | 5.5 | 5.5 | 5.6 | 0 | -100 |
| Computer & Electronic Product Mfg. | 3.5 | 3.5 | 3.6 | 0 | -100 |
| Miscellaneous Manufacturing | 6.4 | 6.5 | 6.6 | -100 | -200 |
| Jewelry & Silverware | 4.0 | 4.1 | 4.2 | -100 | -200 |
| Non-Durable Goods | 14.5 | 14.4 | 14.6 | 100 | -100 |
| Chemical Manufacturing | 2.9 | 2.8 | 2.8 | 100 | 100 |

Employment in Mining & Logging remained unchanged over the year.

MANUFACTURING: In May 2012, production workers in the Manufacturing sector earned \$18.41 per hour. The average hourly production wage was up 27 cents from April 2012 and up \$2.71 from May 2011. Manufacturing employees worked an average of 39.9 hours per week in May, down one-tenth of an hour over the month and up seven-tenths of an hour from a year ago.

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.



Multiple Jobholders in Rhode Island

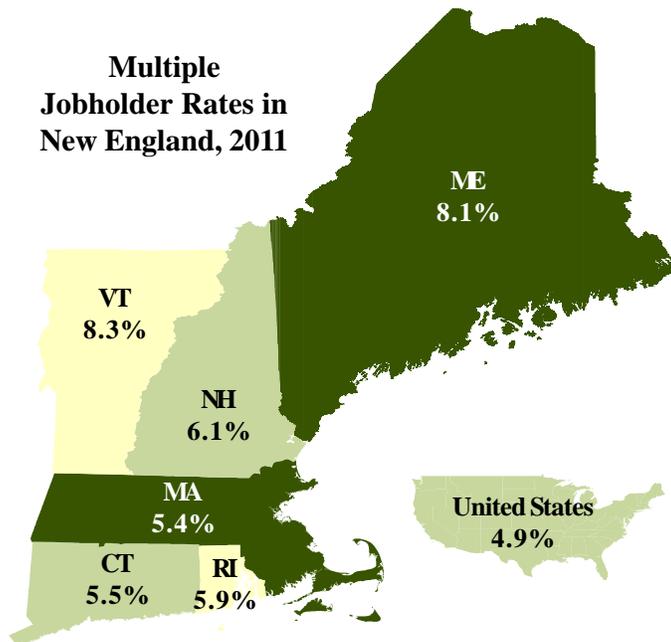
According to the Bureau of Labor Statistics' Current Population Survey, 5.9 percent of employed Rhode Islanders sixteen years and older held more than one job in 2011. This represented a 1.1 percentage point decrease from the state's 2010 rate, the fourth largest over-the-year decrease among states and Rhode Island's lowest level since 2004 (5.8%).

Nationally, 4.9 percent of jobholders had more than one job. Historical data show that Rhode Island's multiple jobholder rate consistently surpasses the United States average. In 1994, 6.0 percent of the nation's workers held two or more jobs, 0.8 percentage points less than in the Ocean State. This gap widened to 2.3 percentage points in 1999 and again in 2009. The gap now stands at 1.0 percentage point.

Since 1994, Rhode Island has ranked among the top half of states with the highest multiple jobholder rates. In 1994, the Ocean State ranked twentieth in the nation, rising to fourteenth place in 1999 and 2000. In these latter years, Rhode Island's percentage of multiple jobholders peaked, while the national rate began to fall. In 2011, the Ocean State reported the eighteenth highest multiple jobholder rate in the United States. The highest rates were reported in South Dakota (9.0%), North Dakota (9.0%), and Nebraska (8.6%) while Alabama (3.3%), Florida (3.4%) and South Carolina (3.6%) had the lowest percentages of multiple jobholders in the country.

Within New England, Rhode Island (5.9%) had the fourth highest multiple jobholder rate in 2011. Vermont's multiple jobholder rate of 8.3 percent remained the highest in the region, a distinction Vermont has held in all but one year since 1994. Maine (8.1%) reported the next highest multiple jobholder rate in the region, followed by New Hampshire (6.1%). Each of the six New England states reported multiple jobholder rates above the national average (4.9%).

Multiple Jobholder Rates in New England, 2011



Characteristics of the Insured Unemployed

A total of 13,245 individuals were eligible to collect "regular" Unemployment Insurance benefits in May 2012, down 1,159 (-8.0%) from the 14,404 collecting these benefits in May 2011. In addition, 10,595 individuals collected Emergency Unemployment Compensation and 1,865 collected Extended Benefits. In all, 44.6 percent of Rhode Island's unemployed workers were eligible to collect unemployment benefits in May.

Of the 13,245 individuals collecting "regular" Unemployment Insurance benefits, 34.5 percent faced long-term unemployment (defined as collecting unemployment insurance for fifteen weeks or more), down from 35.7 percent in May 2011.

On an industry basis, 15.2 percent (2,017) of the State's insured unemployed workers came from the Construction sector. There were also 1,790 individuals with an attachment to the Health Care & Social Assistance sector, accounting for 13.5 percent of all insured unemployed workers. An additional 11.5 percent (1,529) of those collecting UI benefits in May had worked in the Manufacturing sector. Large numbers of insured unemployed were also reported in Retail Trade (1,393), Administrative & Waste Services (1,317) and Accommodation & Food Services (1,066).

For more information, go to www.dlt.ri.gov/lmi/uiadmin/characteristics.htm.

Characteristics of the Insured Unemployed, May 2012

| | Total | Percent | |
|----------------------------------|---------------|--------------|--------------|
| | | Long-Term | Long-Term |
| Total | 13,245 | 4,570 | 34.5% |
| Male | 7,303 | 2,436 | 33.4% |
| Female | 5,942 | 2,134 | 35.9% |
| Selected Industries | 13,245 | 4,570 | 34.5% |
| Construction | 2,017 | 568 | 28.2% |
| Manufacturing | 1,529 | 531 | 34.7% |
| Wholesale Trade | 574 | 204 | 35.5% |
| Retail Trade | 1,393 | 504 | 36.2% |
| Transportation & Warehousing | 317 | 103 | 32.5% |
| Information | 229 | 87 | 38.0% |
| Finance & Insurance | 528 | 212 | 40.2% |
| Real Estate | 233 | 100 | 42.9% |
| Professional & Tech. Services | 751 | 223 | 29.7% |
| Administrative & Waste Services | 1,317 | 394 | 29.9% |
| Educational Services | 268 | 110 | 41.0% |
| Health Care & Social Assistance | 1,790 | 666 | 37.2% |
| Arts, Entertainment & Recreation | 194 | 89 | 45.9% |
| Accommodation & Food Services | 1,066 | 392 | 36.8% |
| Other Services | 540 | 209 | 38.7% |
| Public Administration | 115 | 47 | 40.9% |

Consumer Price Index for All Urban Consumers

| | | | | % Change |
|-----------|--------|--------|--------|------------|
| | May 12 | Apr 12 | May 11 | Prev. Year |
| All Items | 229.8 | 230.1 | 226.0 | 1.7% |

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

Employer Demand for Workers in Rhode Island

The *Conference Board Help Wanted OnLine* (HWOL) data series reported that there were 18,100 advertisements for Rhode Island based jobs this month, a decrease of 800 (-4.2%) from the April 2012 postings, and up 500 (+2.8%) from the advertised vacancies posted online in May 2011. There were an estimated 3.25 advertised vacancies for every 100 persons in Rhode Island's labor force.

Help Wanted OnLine Advertised Job Vacancies

| | May 12 | Apr 12 | May 11 |
|------------------------------|--------|--------|--------|
| RI Vacancies | 18,100 | 18,900 | 17,600 |
| <i>Labor Demand Rate *</i> | | | |
| Rhode Island | 3.25 | 3.40 | 3.13 |
| US | 3.05 | 3.08 | 2.84 |
| Connecticut | 3.23 | 3.24 | 3.22 |
| Massachusetts | 3.94 | 3.88 | 3.82 |
| Maine | 2.95 | 3.07 | 3.05 |
| New Hampshire | 3.41 | 3.51 | 3.31 |
| Vermont | 3.78 | 3.92 | 3.42 |
| <i>Supply/Demand Rate **</i> | | | |
| Rhode Island | 3.39 | 3.29 | 3.61 |
| US | 2.70 | 2.63 | 3.19 |

* Number of advertised vacancies per 100 persons in labor force

** Number of unemployed persons in state per advertised vacancy

Source: The Conference Board

City & Town Unadjusted Unemployment Rates for May

| | 2012 | 2011 | | 2012 | 2011 |
|-----------------|------|------|------------------|------|------|
| Barrington | 7.5 | 8.2 | Newport | 8.3 | 10.0 |
| Bristol | 8.8 | 10.0 | North Kingstown | 8.6 | 9.5 |
| Burrillville | 9.1 | 10.4 | North Providence | 10.2 | 11.2 |
| Central Falls | 13.8 | 15.0 | North Smithfield | 8.8 | 9.3 |
| Charlestown | 10.3 | 11.0 | Pawtucket | 12.8 | 13.2 |
| Coventry | 10.0 | 10.1 | Portsmouth | 8.1 | 9.9 |
| Cranston | 10.8 | 11.3 | Providence | 12.8 | 14.2 |
| Cumberland | 9.5 | 9.8 | Richmond | 7.5 | 7.4 |
| East Greenwich | 9.3 | 11.4 | Scituate | 9.7 | 9.5 |
| East Providence | 11.8 | 11.3 | Smithfield | 8.8 | 9.9 |
| Exeter | 9.2 | 9.5 | South Kingstown | 8.5 | 9.3 |
| Foster | 9.9 | 12.5 | Tiverton | 9.4 | 10.2 |
| Glocester | 8.3 | 9.3 | Warren | 10.2 | 11.5 |
| Hopkinton | 9.6 | 10.0 | Warwick | 9.6 | 10.1 |
| Jamestown | 7.0 | 8.0 | West Greenwich | 9.2 | 9.1 |
| Johnston | 11.0 | 12.2 | West Warwick | 11.4 | 12.8 |
| Lincoln | 9.3 | 9.1 | Westerly | 8.5 | 8.2 |
| Little Compton | 8.3 | 8.9 | Woonsocket | 12.2 | 13.0 |
| Middletown | 8.1 | 9.2 | | | |
| Narragansett | 6.6 | 7.4 | State of R.I. | 10.4 | 11.2 |
| New Shoreham | 15.3 | 14.6 | United States | 7.9 | 8.7 |

Nationally, there were an estimated 3.05 advertised vacancies for every 100 persons in labor force. Among the New England states, Massachusetts (3.94), Vermont (3.78) and New Hampshire (3.41) all had a higher vacancy rate than Rhode Island.

There were an estimated 3.39 unemployed Rhode Island residents for every advertised job in May, up from 3.29 unemployed residents estimated per April advertisements. Nationally, there were 2.70 unemployed persons for every job opening advertised in May, up from 2.63 in April.

Unemployment Insurance Claims Activity

| | May | Apr. | May | % Change | | Year-to-Date | | |
|--------------------------------------------|--------|--------|--------|----------|--------|--------------|---------------------|----------|
| | 2012 | 2012 | 2011 | Apr.12 | May11 | 2012 | 2011 | % Change |
| Regular Claims | | | | | | | | |
| Initial Claims | 6,122 | 7,722 | 5,699 | -20.7% | 7.4% | 39,714 | 39,412 | 0.8% |
| Number of Payments | 50,085 | 67,014 | 63,845 | -25.3% | -21.6% | 347,243 | 381,320 | -8.9% |
| Amount of Payments (gross millions) | \$18.7 | \$24.8 | \$23.2 | -24.6% | -19.4% | \$129.4 | \$140.3 | -7.8% |
| Exhaustions (Final Payments) | 1,898 | 2,538 | 2,595 | -25.2% | -26.9% | 10,855 | 12,198 | -11.0% |
| Emergency Unemployment Compensation | | | | | | 2012 | Since Program Began | |
| Initial Claims | 2,430 | 2,498 | 3,050 | -2.7% | -20.3% | 12,828 | 145,181 | |
| Number of Payments | 43,910 | 54,095 | 70,154 | -18.8% | -37.4% | 253,211 | 2,570,879 | |
| Amount of Payments (gross millions) | \$16.2 | \$19.8 | \$25.7 | -18.2% | -37.0% | \$92.9 | \$939.4 | |
| Extended Benefits | | | | | | 2012 | Since Program Began | |
| Initial Claims | 540 | 504 | 567 | 7.1% | -4.8% | 2,837 | 37,461 | |
| Number of Payments | 7,651 | 8,978 | 8,017 | -14.8% | -4.6% | 41,150 | 482,209 | |
| Amount of Payments (gross millions) | \$2.8 | \$3.3 | \$2.9 | -15.2% | -3.4% | \$15.0 | \$175.3 | |
| Exhaustions (Final Payments) | 942 | 439 | 895 | 114.6% | 5.3% | 2,698 | 24,027 | |

R.I. DEPARTMENT OF LABOR AND TRAINING
2012 UI AND TDI QUICK REFERENCE
(Effective July 1, 2012)

| | UNEMPLOYMENT INSURANCE | TEMPORARY DISABILITY INSURANCE |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| TAXABLE WAGE BASE For Employers with tax rates of 9.79% | \$19,600 \$21,100 | \$60,000 |
| TAX SCHEDULES/TAX RATES Employment Security Job Development Assessment (JDA) *(Includes 0.3% Interest Assessment) | Schedule I: 1.90% to 10.0% 1.69% to 9.79% 0.51%* | 1.2% Deducted from Employee's Wages |
| NEW EMPLOYER RATE | 2.64% (+0.51%JDA) | NONE (Employee Tax) |
| EMPLOYEE WAGE DEDUCTION | NONE (employer payroll tax) | 1.2% of first \$60,000 earned |
| WAITING PERIOD | 7 days - beginning on a Sunday | No waiting period as of 7/1/12. Must be unemployed for at least 7 days due to non-job related illness or injury . |
| 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 | 4.38% of average of 2 highest quarter wages in base period. | 4.62% of total high quarter wages in base period. |
| MIN. WEEKLY BENEFIT AMOUNT Based on minimum wage of \$7.40/hour | \$43 per week | \$69 per week |
| MAX. WEEKLY BENEFIT AMOUNT Based on 2011 average weekly wage of \$864.81. | \$566 per week Max of \$566 or 57.5% of AWW | \$736 per week |
| DEPENDENT'S ALLOWANCE | Greater of \$15 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 | \$707 per week | \$993 per week |