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Rhode Island Department of Labor and Training

Employment Labor Market Information Bulletin



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Acting Director

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Rhode Island's Unemployment Rate Holds Steady in February

Rhode Island's seasonally adjusted unemployment rate for February was 5.2 percent, unchanged from January. The number of unemployed Rhode Island residents declined by 500 in February to an estimated 29,100. A year ago, the unemployment rate was 5.5 percent and the jobless level stood at 31,200. The national jobless figure for February, which held steady at 5.6 percent, was down from the year earlier figure of 5.9 percent. Rhode Island's unemployment rate has remained below the national average for thirty-one straight months.

"Rhode Island's job market gained some ground in February," said DLT Acting Director Marvin D. Perry. "The number of jobs in the state rose for the third straight month. However, despite this good news, we are still not generating enough jobs to support the number of people who want to work."

Rhode Island Job Highlights

Rhode Island employment increased for the third consecutive month as businesses in the state reported a gain of 1,300 jobs (seasonally adjusted), bringing the February job count to 488,500. Over-the-month employment gains were reflected in Manufacturing (+700), Trade, Transportation & Utilities (+500), Professional & Business Services (+500), Construction (+300) and Government (+100). Leisure & Hospitality employment remained unchanged over the month. (Continued on Page 4)

Job Gains in Health Care & Social Assistance Top All Industry Sectors

Health Care & Social Assistance establishments added more jobs between 2002 and 2003 than any other industry sector in Rhode Island. Based on the newly revised data supplied by the state's Current Employment Statistics (CES) program, the state benefited from the addition of 1,600 jobs due to gains in Ambulatory Health Care Services, Hospitals, Nursing & Residential Care Facilities, and Social Assistance employment. This increase surpassed job growth in all other industry sectors, including Construction (+1,400), Accommodation & Food Services (+1,100), and Educational Services (+800).

Overall, in 2003, the Health Care & Social Assistance industry sector reported a 2.3 percent increase in annual average establishment employment. This growth rate was greater than that reported in several other sectors of the economy, including Financial Activities (+2.1%), Professional, Scientific, & Technical Services (+1.1%), and Government (+0.6%). Moreover, it was 1.4 percentage points greater than the total nonfarm establishment employment (+0.9%) growth reported during this period.

In 2003, Rhode Island's Health Care & Social Assistance businesses combined to report an annual average establishment employment level of 70,400 jobs. The industry sector remained the largest employer in the Ocean State, surpassing the total number of jobs reported in Government (66,500), Manufacturing (58,900), Retail Trade (53,100), (Continued on Page 4)

Thank You!

The Labor Market Information unit extends its thanks to all those employers who participate in our many statistical programs, including the Occupational Employment Statistics (OES) program, the Occupational Safety & Health (OSH) Survey, the Current Employment Statistics (CES) program, and the Mass Layoffs Statistics (MLS) program.

Whether your establishment is small or large, every response is essential to develop accurate and useful labor market statistics. If you have received a survey form and have questions regarding your participation, or would like more information about any of LMI's programs, please call (401) 462-8740 or visit us on the web at www.dlt.ri.gov/lmi.

Rhode Island Labor Force Statistics*

(in thousands)

	Seasonally Adjusted			Unadjusted		
	Feb 04	Jan 04	Feb 03	Feb 04	Jan 04	Feb 03
Civilian Labor Force	563.2	568.7	569.7	563.8	565.4	570.0
Resident Employment	534.1	539.1	538.5	528.8	530.5	532.7
Unemployment	29.1	29.6	31.2	35.0	34.9	37.2
Unemployment Rate	5.2%	5.2%	5.5%	6.2%	6.2%	6.5%

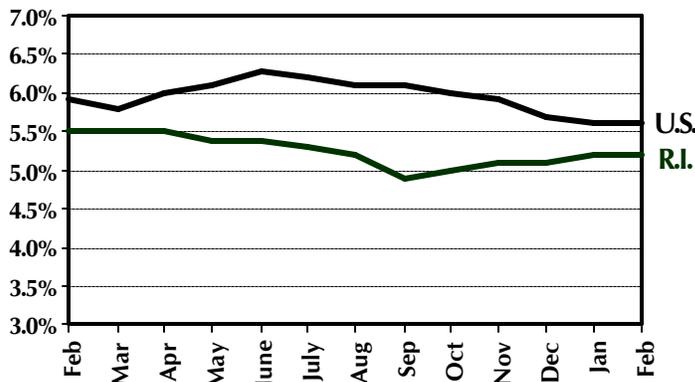
United States Labor Force Statistics

(in thousands)

	Seasonally Adjusted			Unadjusted		
	Feb 04	Jan 04	Feb 03	Feb 04	Jan 04	Feb 03
Civilian Labor Force	146,471	146,863	145,898	146,154	146,068	145,693
Resident Employment	138,301	138,566	137,318	137,384	136,924	136,433
Unemployment	8,170	8,297	8,581	8,770	9,144	9,260
Unemployment Rate	5.6%	5.6%	5.9%	6.0%	6.3%	6.4%

Rhode Island & United States Unemployment Rates

Seasonally Adjusted 2003-2004



City & Town Unadjusted Unemployment Rates

	Feb 04	Feb 03**
Barrington	3.1	3.4
Bristol	6.0	6.7
Burrillville	6.6	7.4
Central Falls	8.8	9.8
Charlestown	7.6	7.6
Coventry	5.9	6.3
Cranston	5.8	5.8
Cumberland	6.1	6.0
East Greenwich	5.1	5.7
East Providence	6.7	7.1
Exeter	7.5	7.4
Foster	8.5	7.9
Glocester	5.7	6.2
Hopkinton	6.1	5.1
Jamestown	5.2	5.6
Johnston	7.1	7.2
Lincoln	5.6	6.2
Little Compton	6.1	6.4
Middletown	6.1	6.5
Narragansett	4.4	4.3
New Shoreham	18.2	18.2
Newport	6.5	6.9
North Kingstown	5.0	4.9
North Providence	5.7	6.3
North Smithfield	5.9	6.8
Pawtucket	7.4	7.1
Portsmouth	4.7	4.8
Providence	6.4	7.2
Richmond	4.3	3.7
Scituate	7.0	7.8
Smithfield	5.1	5.4
South Kingstown	5.7	5.9
Tiverton	7.6	7.4
Warren	6.6	6.9
Warwick	5.3	5.9
West Greenwich	5.9	5.9
West Warwick	7.3	7.9
Westerly	6.0	5.4
Woonsocket	7.6	8.1
State of R.I.	6.2	6.5

** Revised

Unemployment Insurance Claims Activity

	Feb	Jan	Feb	% Change		Year to Date		
	2004	2004	2003	Jan 04	Feb 03	2004	2003	% Change
Initial Claims	7,669	10,690	8,334	-28.3%	-8.0%	18,359	21,510	-14.6%
Number of Payments	69,763	66,169	72,971	5.4%	-4.4%	135,932	144,961	-6.2%
Amount of Payments (gross millions)	\$22.1	\$20.5	\$22.3	7.5%	-0.9%	\$42.6	\$43.8	-2.8%
Exhaustions (Final Payments)	1,333	1,409	1,380	-5.4%	-3.4%	2,742	2,824	-2.9%
E.S. Fund Balance (millions)	\$179.2	\$189.1	\$226.6	-5.2%	-20.9%			

Rhode Island labor market information is available on the web at www.dlt.ri.gov/lmi. If you find that the LMI web site meets your need for labor market information and you would like to be removed from the mailing list for this publication, please call LMI at (401) 462-8740 or e-mail us at lmi@dlt.state.ri.us.

*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.

Total Nonfarm Employment in Rhode Island* February 2004

Sectors reflect the recent conversion from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS).
Not all industries previously classified under a particular SIC are classified in a similarly titled NAICS sector.

	Employment in Thousands			Net Change From	
	Feb 2004	Jan 2004	Feb 2003	Jan 2004	Feb 2003
Total Nonfarm	478.6	476.3	469.9	2,300	8,700
Goods Producing	78.6	78.3	76.3	300	2,300
Natural Resources & Mining	0.1	0.1	0.1	0	0
Construction	19.9	20.2	16.6	-300	3,300
Specialty Trade Contractors	13.0	13.3	10.8	-300	2,200
Manufacturing	58.6	58.0	59.6	600	-1,000
Durable Goods	37.7	37.4	39.0	300	-1,300
Fabricated Metal Product Mfg.	7.9	7.8	8.5	100	-600
Computer & Electronic Product Mfg.	5.0	5.0	5.2	0	-200
Transportation Equipment Mfg.	3.8	3.9	3.7	-100	100
Miscellaneous Manufacturing	10.9	10.7	11.5	200	-600
Jewelry & Silverware	7.7	7.6	8.2	100	-500
Non-Durable Goods	20.9	20.6	20.6	300	300
Chemical Manufacturing	4.2	4.3	3.9	-100	300
Plastics & Rubber Products Mfg.	3.2	3.1	3.1	100	100
Service Providing	400.0	398.0	393.6	2,000	6,400
Wholesale Trade	16.3	16.2	16.2	100	100
Retail Trade	52.0	52.8	51.5	-800	500
Grocery Stores	6.7	6.7	6.2	0	500
Health & Personal Care Stores	5.6	5.7	5.7	-100	-100
General Merchandise Stores	9.8	10.2	10.2	-400	-400
Department Stores	4.1	4.3	4.5	-200	-400
* Transportation, Warehousing & Utilities	11.4	11.6	10.8	-200	600
Transportation & Warehousing	10.3	10.4	9.6	-100	700
Information	10.8	10.7	11.1	100	-300
Publishing	3.3	3.3	3.3	0	0
** Financial Activities (including Real Estate)	33.1	33.4	33.2	-300	-100
Finance & Insurance	26.8	27.1	27.1	-300	-300
Credit Intermediation & Related Activities	12.9	12.9	12.3	0	600
Insurance Carriers & Related Activities	10.4	10.6	11.0	-200	-600
Professional & Technical Services	19.0	18.9	19.0	100	0
Administrative & Waste Services	20.8	20.8	20.1	0	700
Educational Services	21.0	18.7	22.0	2,300	-1,000
Colleges & Universities	13.2	11.0	15.2	2,200	-2,000
Health Care & Social Assistance	71.5	71.3	69.6	200	1,900
Ambulatory Health Care Services	20.8	20.6	20.0	200	800
Hospitals	22.4	22.4	22.1	0	300
Nursing & Residential Care Facilities	17.9	17.9	17.5	0	400
Social Assistance	10.4	10.4	10.0	0	400
Arts, Entertainment & Recreation	5.5	5.4	5.6	100	-100
Accommodation & Food Services	40.6	40.2	37.8	400	2,800
Accommodation	3.4	3.4	3.3	0	100
Food Services & Drinking Places	37.2	36.8	34.5	400	2,700
Other Services	22.9	23.0	22.2	-100	700
Government	67.4	67.3	67.1	100	300
Federal Government	9.9	10.1	10.1	-200	-200
State Government	17.6	17.5	18.0	100	-400
Local Government	39.9	39.7	39.0	200	900
Local Education	26.7	26.4	25.9	300	800
Local Non-Ed	13.2	13.3	13.1	-100	100

* Utilities are not broken out separately

** Real Estate & Rentals is not broken out separately

Some subcategories are not additive.

Current month figures are preliminary and subject to revision.

Rhode Island's Unemployment Rate Holds Steady in February

(Continued from Page 1)

Our unadjusted estimates show the number of jobs at Rhode Island businesses stood at 478,600, the highest February employment level on record. The job count was up by 2,300 (+0.5%) in February, which is the largest January-February increase in three years. Employment gains were reported in a majority of the state's economic sectors, with the largest growth in Educational Services (+2,300). These job gains offset losses in Retail Trade (-800), Construction (-300), Financial Activities (-300), Transportation, Warehousing, & Utilities (-200) and Other Services (-100).

The over-the-month increase in Educational Services is attributed to the reopening of the state's private colleges and universities following the semester break. Manufacturing gains were due to increased employment among both Durable Goods and Non-Durable Goods employers. Declines in Retail Trade employment were largely attributed to continued employment reductions in General Merchandise stores, while job losses in Financial Activities were due to reduced employment in banking and insurance companies.

Over the year, employment (unadjusted) was up 8,700 (+1.9%) from the 469,900 jobs (revised) reported in February 2003. The largest over-the-year gains were noted in Construction (+3,300), Accommodation & Food Services (+2,800) and Health Care & Social Assistance (+1,900). The largest employment losses occurred in Manufacturing (-1,000), Educational Services (-1,000) and Information (-300). Government employment increased by 300 over the year, as job gains on the Local level (+900) overshadowed losses in the Federal (-200) and State (-400) segments.

Consumer Price Index for All Urban Consumers

				% Change
	Feb 04	Jan 04	Feb 03	Prev. Year
All Items	186.2	185.2	183.1	1.7%

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

Job Gains in Health Care & Social Assistance Top All Industry Sectors

(Continued from Page 1)

Accommodation & Food Services (42,000), and Financial Activities (33,600). By 2003, Health Care & Social Assistance industries accounted for 14.6 percent of total nonfarm establishment employment and 16.9 percent of private sector nonfarm establishment employment.

Since 1992, Health Care & Social Assistance establishments have added an estimated 14,900 jobs to the local economy. This represents the largest increase in jobs of any industry sector, surpassing establishment employment growth in Accommodation & Food Services (+13,100), Financial Activities (+9,200), Construction (+8,500), and Retail Trade (+7,000). On a percentage basis, the industry sector's annual average establishment employment grew by 26.8 percent between 1992 and 2003. Several industry sectors, including Educational Services (+21.7%), Transportation, Warehousing & Utilities (+16.5%), and Retail Trade (+15.1%), reported significantly lower growth rates in establishment employment during this period. Meanwhile, total nonfarm establishment employment grew by just 13.9 percent, nearly 13 percentage points less than job growth in the Health Care & Social Assistance industry sector.

Manufacturing Employment in Rhode Island, Not Seasonally Adjusted February 2004

	Employment					Production Worker Averages					
	(in thousands)			Net Change From:		Weekly Hours			Hourly Earnings		
	Feb 04	Jan 04	Feb 03	Jan 04	Feb 03	Feb 04	Jan 04	Feb 03	Feb 04	Jan 04	Feb 03
Manufacturing	58.6	58.0	59.6	600	-1000	39.5	39.5	38.4	12.98	12.95	12.78
Durable Goods	37.7	37.4	39.0	300	-1300	38.7	39.3	38.5	12.96	12.96	12.78
Fabricated Metal Product Mfg.	7.9	7.8	8.5	100	-600	39.3	39.6	38.2	11.58	11.54	11.41
Computer & Electronic Product Mfg.	5.0	5.0	5.2	0	-200	36.7	36.5	42.9	13.82	13.75	13.73
Transportation Equipment Mfg.	3.8	3.9	3.7	-100	100	38.7	39.0	41.5	15.39	15.40	15.46
Miscellaneous Manufacturing	10.9	10.7	11.5	200	-600	37.3	37.0	37.4	10.74	10.77	10.47
Jewelry and Silverware	7.7	7.6	8.2	100	-500	38.2	37.5	37.5	10.06	10.10	9.87
Non-Durable Goods	20.9	20.6	20.6	300	300	40.7	39.8	38.3	13.00	12.93	12.77
Chemical Manufacturing	4.2	4.3	3.9	-100	300	40.1	40.4	41.4	15.40	15.45	15.55
Plastics & Rubber Products Mfg.	3.2	3.1	3.1	100	100	42.0	41.1	38.8	14.70	14.74	14.48



Quarterly Census of RI Employment and Wages *City and Town Third Quarter Comparison 2002-2003*



Rhode Island total employment averaged 473,756 in the third quarter of 2003, an increase of 6,010 (+1.3%) jobs when compared to the third quarter of 2002. Private sector employment increased by 4,987 positions while Government added 1,023 positions.

The City of Cranston added 1,506 (+5.3%) private sector jobs between the third quarter of 2002 and third quarter 2003, the most of any Rhode Island's thirty-nine cities and towns. Retail Trade (+551) and Accommodation & Food Services (+298) led the way in employment growth. The Manufacturing sector (5,126), which employs the most workers within the city, lost 619 jobs during this period.

West Greenwich experienced the second largest employment growth numerically, adding 947 jobs to the local economy. The Manufacturing (+544) and Construction (+213) sectors accounted for nearly 80% of the job growth. The surge in manufacturing employment has allowed it to become the largest employment sector (1,192) within the town, replacing Professional & Technical Services (1,030).

West Warwick (+637), Middletown (+533) and Lincoln (+512) round out the top five cities and towns in employment growth. On a percentage basis, West Greenwich (+37.3%), led the way, followed by Charlestown (+14.2%), Scituate (+10.0%), West Warwick (+8.2%) and Exeter (+7.1).

Between the third quarter 2002 and third quarter 2003, 1,220 jobs were lost in the City of Providence (-1.3%). The Capital City's Manufacturing sector lost over 10% (-1,040) of its employment during this period. Employment gains in Health Care & Social Assistance (+927) and Construction (+299) helped offset other significant losses that occurred in the city's Finance & Insurance (-964) and Administrative Support & Waste Management (-668) sectors.

Pawtucket (-461), North Smithfield (-157), and Central Falls (-121) were the only other communities to suffer losses in excess of a hundred jobs. Central Falls (-4.3%), Hopkinton (-4.2%) and North Smithfield (-4.1%) experienced the largest employment decline on a percentage basis, with Hopkinton losing 52 jobs.

Though Providence lost the most jobs of any city and town between third quarter 2002 and third quarter 2003, private sector wages increased in excess of \$33 million, a 3.8 percent increase. Health Care & Social Assistance (+15.3 million), Management of Companies & Enterprise (+9.8 million), Construction (+5.6 million) and Educational Services (+5.2 million) fueled the wage surge, with Management of Companies & Enterprise increasing its total wages by 47.3 percent.

The Manufacturing and Construction boom in West Greenwich has led to a \$22.9 million wage increase, an impressive 46.7 percent gain in private sector wages from third quarter 2002.