



Employment Labor Market Information Bulletin

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November 2000

Rhode Island's Unemployment Rate Hit an Eleven-Year Low in October

The seasonally adjusted unemployment rate for October dropped to 3.3 percent, its lowest level since February 1989. In October 1999, the unemployment rate was 4.0 percent. The number of unemployed Rhode Island residents declined by 3,700 over the year. The number of jobs in Rhode Island rose by 4,700 between October 1999 and October 2000.

The Unemployment Rate

Rhode Island's jobless level of 3.3 percent in October was down 0.5 of a percentage point from September's figure of 3.8 percent. This reflected a reduction of 2,500 in the number of unemployed. Nationally, the unemployment rate for October was unchanged from September's level of 3.9 percent. Rhode Island's unemployment figure was below the US average for the second straight month and the eighth time in ten months.

"Unemployment is the lowest it has been in more than a decade. This month's 3.3 percent unemployment rate underscores the positive economic climate in Rhode Island," said Director Dr. Lee H. Arnold. (Continued on Page 4)

Season's Greetings to All

Dr. Lee H. Arnold, Director, and the staff of the Department of Labor and Training take this opportunity to wish a happy holiday season to the RI employer community and to all readers of the Employment Bulletin.

A special word of thanks is extended to those employers who assist the Department by providing essential employment information each month. Key indicators, such as industry employment levels, weekly production hours, and workers' earnings become the basis for both state and national reports and statistics prepared and published by the Department.

In the upcoming new year, we will continue to publish accurate and timely data every month to assist users of the Employment Bulletin in making informed economic decisions and planning for future employment needs.



*We wish you all a happy, healthy,
and joyous holiday season.*

2001 Taxable Wage Bases for UI & TDI

The Department of Labor and Training has determined the 2001 taxable wage bases for the Unemployment Insurance (UI) and Temporary Disability Insurance (TDI) programs.

The wage base, on which Unemployment Insurance taxes will be paid during the tax year that begins January 1, 2001, will remain at \$12,000. The taxable wage base is tied to the level of reserves in the Employment Security Fund. According to the law, if the Employment Security Fund balance is more than \$225 million on September 30th the taxable wage base will be \$12,000 for the next calendar year. As of September 30, 2000, there was \$293.4 million in reserves to pay benefits. While the wage base limits the amount of wages taxable, individual tax rates for employers will vary according to their experience with the Unemployment Insurance system. Employers will be notified of their 2001 tax rates in December.

The TDI taxable wage base will be \$42,000 in 2001, an increase of \$1,400 over the 2000 wage base of \$40,600. The employee contribution rate for TDI will remain at 1.4 percent in 2001. The increase in the taxable wage base is attributable to the increase in the TDI maximum weekly benefit rate.

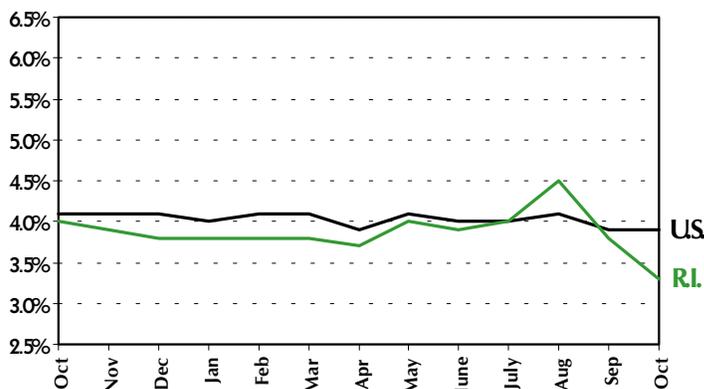
Rhode Island Labor Force Statistics* (in thousands)

| | Unadjusted | | | Seasonally Adjusted | | |
|----------------------|------------|---------|--------|---------------------|---------|--------|
| | Oct 00 | Sept 00 | Oct 99 | Oct 00 | Sept 00 | Oct 99 |
| Civilian Labor Force | 506.9 | 507.2 | 508.3 | 504.2 | 504.0 | 505.8 |
| Resident Employment | 489.6 | 487.4 | 487.5 | 487.7 | 485.0 | 485.6 |
| Unemployment | 17.3 | 19.8 | 20.7 | 16.5 | 19.0 | 20.2 |
| Unemployment Rate | 3.4% | 3.9% | 4.1% | 3.3% | 3.8% | 4.0% |

United States Labor Force Statistics (in thousands)

| | Unadjusted | | | Seasonally Adjusted | | |
|----------------------|------------|---------|---------|---------------------|---------|---------|
| | Oct 00 | Sept 00 | Oct 99 | Oct 00 | Sept 00 | Oct 99 |
| Civilian Labor Force | 140,893 | 140,357 | 139,761 | 140,918 | 140,639 | 139,697 |
| Resident Employment | 135,771 | 135,033 | 134,390 | 135,422 | 135,161 | 133,940 |
| Unemployment | 5,122 | 5,324 | 5,372 | 5,496 | 5,477 | 5,757 |
| Unemployment Rate | 3.6% | 3.8% | 3.8% | 3.9% | 3.9% | 4.1% |

Rhode Island & United States Unemployment Rates Seasonally Adjusted 1999-2000



City & Town Unadjusted Unemployment Rates

| | Oct 00 | Oct 99 |
|------------------|--------|--------|
| Barrington | 2.1 | 2.8 |
| Bristol | 3.3 | 3.2 |
| Burrillville | 2.7 | 3.9 |
| Central Falls | 5.4 | 5.3 |
| Charlestown | 3.2 | 3.9 |
| Coventry | 3.6 | 3.9 |
| Cranston | 3.6 | 4.2 |
| Cumberland | 2.6 | 3.1 |
| East Greenwich | 3.0 | 4.3 |
| East Providence | 3.7 | 4.5 |
| Exeter | 2.7 | 3.3 |
| Foster | 3.9 | 4.3 |
| Glocester | 2.2 | 3.0 |
| Hopkinton | 1.8 | 3.0 |
| Jamestown | 2.3 | 3.6 |
| Johnston | 4.0 | 4.4 |
| Lincoln | 3.0 | 4.1 |
| Little Compton | 1.7 | 2.4 |
| Middletown | 2.8 | 3.2 |
| Narragansett | 1.8 | 2.3 |
| New Shoreham | 1.6 | 3.7 |
| Newport | 2.8 | 3.8 |
| North Kingstown | 2.8 | 3.3 |
| North Providence | 3.3 | 4.3 |
| North Smithfield | 1.9 | 3.4 |
| Pawtucket | 3.7 | 4.3 |
| Portsmouth | 2.6 | 2.8 |
| Providence | 4.8 | 5.4 |
| Richmond | 1.6 | 2.0 |
| Scituate | 3.1 | 4.1 |
| Smithfield | 3.2 | 3.8 |
| South Kingstown | 2.5 | 3.6 |
| Tiverton | 2.9 | 3.5 |
| Warren | 3.3 | 3.6 |
| Warwick | 3.2 | 3.7 |
| West Greenwich | 3.0 | 3.3 |
| West Warwick | 3.9 | 4.9 |
| Westerly | 2.1 | 3.0 |
| Woonsocket | 3.9 | 5.0 |
| State of R.I. | 3.4 | 4.1 |

Unemployment Insurance Claims Activity

| | Oct | Sept | Oct | % Change | | Year to Date | | |
|-------------------------------------|---------|---------|---------|----------|--------|--------------|---------|----------|
| | 2000 | 2000 | 1999 | Sept 00 | Oct 99 | 2000 | 1999 | % Change |
| Initial Claims | 5,203 | 4,007 | 4,331 | 29.8% | 20.1% | 66,740 | 74,693 | -10.6% |
| Number of Payments | 34,188 | 31,597 | 31,764 | 8.2% | 7.6% | 468,268 | 501,222 | -6.6% |
| Amount of Payments (gross millions) | \$8.5 | \$7.6 | \$7.8 | 12.3% | 10.0% | \$113.6 | \$116.5 | -2.5% |
| Exhaustions (Final Payments) | 1,002 | 883 | 936 | 13.5% | 7.1% | 10,678 | 11,403 | -6.4% |
| E.S. Fund Balance (millions) | \$288.0 | \$293.4 | \$256.3 | -1.8% | 12.4% | | | |

*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

**ATTENTION EMPLOYERS
DO YOU HIRE INDEPENDENT
CONTRACTORS IN YOUR BUSINESS?**

If you do, please be aware that effective January 1, 2001:

* The Rhode Island Workers' Compensation Law requires Independent Contractors to file a Notice of Designation as an Independent Contractor with the Director of the Department of Labor and Training.

This designation form declares that the individual is not eligible for nor entitled to workers' compensation benefits in accordance with the Workers' Compensation Act of the State of Rhode Island for injuries sustained while working as an Independent Contractor. A form must be filed naming each hiring entity the Independent Contractor works for.

* Entities hiring Independent Contractors should request a copy of the Designation Notice or proof of workers' compensation insurance coverage.

* An employer that forces an employee to sign this Designation Notice or misrepresents an employee's employment status to avoid workers' compensation insurance coverage or premium may be subject to criminal prosecution.

To obtain the necessary forms, please call the Rhode Island Department of Labor and Training at (401) 462-8100.

Total Establishment Employment in Rhode Island**

| | Employment (in thousands) | | | Net Change From | |
|----------------------------------|---------------------------|--------------|--------------|-----------------|-------------|
| | Oct 00 | Sept 00 | Oct 99 | Sept 00 | Oct 99 |
| TOTAL EMPLOYMENT | 479.0 | 476.4 | 474.3 | 2600 | 4700 |
| GOODS PRODUCING | 94.8 | 94.7 | 94.6 | 100 | 200 |
| Contract Construction | 20.0 | 20.4 | 19.2 | -400 | 800 |
| Manufacturing | 74.8 | 74.3 | 75.4 | 500 | -600 |
| SERVICE PRODUCING | 384.2 | 381.7 | 379.7 | 2500 | 4500 |
| Trans. & Public Utilities | 16.7 | 16.6 | 16.5 | 100 | 200 |
| Trade (Wholesale & Retail) | 108.4 | 108.9 | 106.6 | -500 | 1800 |
| Wholesale | 20.5 | 20.5 | 19.9 | ----- | 600 |
| Durables+ | 12.7 | 12.7 | 12.4 | ----- | 300 |
| Nondurables+ | 7.8 | 7.8 | 7.5 | ----- | 300 |
| Retail | 87.9 | 88.4 | 86.7 | -500 | 1200 |
| Building & Garden Supplies+ | 2.5 | 2.5 | 2.4 | ----- | 100 |
| General Merchandise | 7.4 | 7.2 | 7.4 | 200 | ----- |
| Food Stores+ | 16.2 | 16.1 | 16.2 | 100 | ----- |
| Automotive Dealers | 7.6 | 7.5 | 7.4 | 100 | 200 |
| Apparel & Accessory Stores | 5.1 | 5.0 | 4.9 | 100 | 200 |
| Furn., Home Furn., & Equip.+ | 2.6 | 2.6 | 2.5 | ----- | 100 |
| Eating and Drinking Places | 31.0 | 32.4 | 30.6 | -1400 | 400 |
| Miscellaneous Retail | 15.5 | 15.1 | 15.3 | 400 | 200 |
| Finance, Insurance & Real Estate | 30.0 | 30.1 | 29.7 | -100 | 300 |
| Depository Institutions | 9.0 | 9.0 | 8.7 | ----- | 300 |
| Services | 164.8 | 164.4 | 163.2 | 400 | 1600 |
| Hotels & Other Lodging+ | 4.6 | 4.9 | 4.3 | -300 | 300 |
| Business Services | 31.5 | 32.0 | 30.2 | -500 | 1300 |
| Auto & Misc. Repair+ | 5.3 | 5.3 | 5.1 | ----- | 200 |
| Amusement & Recreation | 5.5 | 6.1 | 5.4 | -600 | 100 |
| Health Services | 51.2 | 51.0 | 51.9 | 200 | -700 |
| Educational Services | 18.2 | 17.0 | 18.2 | 1200 | ----- |
| Social Services | 15.6 | 15.4 | 15.4 | 200 | 200 |
| Government | 64.3 | 61.7 | 63.7 | 2600 | 600 |
| Federal | 10.3 | 10.3 | 10.3 | ----- | ----- |
| State | 18.4 | 17.4 | 18.7 | 1000 | -300 |
| Local | 35.6 | 34.0 | 34.7 | 1600 | 900 |
| Education+ | 22.4 | 20.7 | 22.4 | 1700 | ----- |
| Non Education+ | 13.2 | 13.4 | 12.4 | -200 | 800 |

+ 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 | | |
| | Oct 00 | Sept 00 | Oct 99 | Sept 00 | Oct 99 | Oct 00 | Sept 00 | Oct 99 | Oct 00 | Sept 00 | Oct 99 |
| MANUFACTURING | 74.8 | 74.3 | 75.4 | 500 | -600 | 40.0 | 40.2 | 39.6 | 12.17 | 12.17 | 12.05 |
| DURABLE MFG. | 48.4 | 48.4 | 49.4 | ----- | -1000 | 40.3 | 40.0 | 39.3 | 11.96 | 11.96 | 11.83 |
| Lumber/Furniture | 2.7 | 2.7 | 3.0 | ----- | -300 | 38.8 | 39.5 | 40.2 | 12.01 | 12.05 | 11.96 |
| Stone-Clay-Glass | 1.1 | 1.1 | 1.1 | ----- | ----- | 41.7 | 40.7 | 39.6 | 13.84 | 13.81 | 13.82 |
| Primary Metals | 3.9 | 4.0 | 4.3 | -100 | -400 | 39.6 | 39.6 | 42.4 | 12.72 | 12.70 | 12.79 |
| Fabricated Metals | 8.4 | 8.3 | 8.3 | 100 | 100 | 39.5 | 37.9 | 35.4 | 11.44 | 11.39 | 11.06 |
| Nonelectrical Mach. | 5.2 | 5.1 | 4.9 | 100 | 300 | 41.8 | 42.7 | 38.5 | 13.52 | 13.53 | 13.27 |
| Electrical Mach. | 5.2 | 5.3 | 5.4 | -100 | -200 | 40.4 | 40.5 | 40.5 | 11.51 | 11.42 | 11.52 |
| Trans. Equipment | 3.5 | 3.5 | 3.4 | ----- | 100 | 40.1 | 40.7 | 39.4 | 14.17 | 14.31 | 14.38 |
| Instruments | 5.4 | 5.4 | 5.2 | ----- | 200 | 40.1 | 40.6 | 39.9 | 12.75 | 12.57 | 12.68 |
| Jewelry-Silverware | 10.0 | 10.0 | 10.6 | ----- | -600 | 41.1 | 40.3 | 40.4 | 10.51 | 10.51 | 10.24 |
| Miscellaneous Mfg. | 3.0 | 3.0 | 3.2 | ----- | -200 | 37.9 | 38.6 | 39.5 | 11.44 | 11.24 | 11.39 |
| NONDURABLE MFG. | 26.4 | 25.9 | 26.0 | 500 | 400 | 39.5 | 40.5 | 40.1 | 12.55 | 12.55 | 12.48 |
| Food Beverage | 3.2 | 3.0 | 2.7 | 200 | 500 | 39.8 | 40.3 | 39.3 | 11.39 | 11.37 | 11.30 |
| Textiles | 7.0 | 6.9 | 7.1 | 100 | -100 | 39.2 | 39.8 | 41.4 | 10.86 | 10.83 | 10.76 |
| Apparel | 0.8 | 0.8 | 0.9 | ----- | -100 | 38.9 | 40.4 | 35.4 | 9.29 | 9.33 | 9.04 |
| Paper Products | 2.2 | 2.2 | 2.1 | ----- | 100 | 37.7 | 39.2 | 36.4 | 12.36 | 12.34 | 11.76 |
| Printing-Publishing | 5.4 | 5.3 | 5.5 | 100 | -100 | 39.8 | 40.8 | 42.1 | 16.53 | 16.52 | 16.72 |
| Chemical Products | 2.3 | 2.2 | 2.1 | 100 | 200 | 41.2 | 42.5 | 40.8 | 13.65 | 13.73 | 13.96 |
| Rubber Products | 0.6 | 0.6 | 0.5 | ----- | 100 | 37.2 | 42.5 | 43.9 | 12.92 | 13.05 | 12.84 |
| Plastics Products | 4.4 | 4.4 | 4.6 | ----- | -200 | 40.6 | 41.4 | 38.2 | 13.47 | 13.42 | 12.94 |
| Leather Products | 0.5 | 0.5 | 0.5 | ----- | ----- | 40.3 | 40.1 | 42.0 | 8.34 | 8.34 | 8.22 |

** 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.

Consumer Price Index for All Urban Consumers

| | Oct 00 | Sept 00 | Oct 99 | % Change Prev. Year |
|-----------|--------|---------|--------|------------------------|
| All Items | 174.0 | 173.7 | 168.2 | 3.4% |

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

Providence netWORKri Job Fair Takes Local Employers by Surprise!

As the unemployment rate in Rhode Island (3.3%) continues to remain beneath the national average (3.9%), employers have been scurrying to hire qualified, skilled, and dedicated workers for their labor force. Newspaper advertisements, headhunters, employment & temporary agencies, and other job-hiring vehicles, in addition to being costly bottom-line expenditures, have been inefficient in this labor-scarce economy. The netWORKri concept is beginning to crystallize, as employers and prospective workers embrace this 21st century concept of collaborating the two concerns, enabling both to achieve their particular goals with a minimal amount of financial outlay.

The November 14th Job Fair, at netWORKri's Providence office, 220 Elmwood Avenue, attracted more than 30 statewide companies who had the opportunity to interact with over 200 job seekers! Whether you need 1 employee or 100, please call us. We have enveloped the state geographically, and we intend to make doing business in Rhode Island easier for you! By the way...it's FREE!

Employer Service Unit

Armand S. Tessaglia
Ronni Gannek

netWORKri

Joanne Soprano
Patricia McCrea

(401) 222-3606

New England Unemployment Rates Seasonally Adjusted

| | Oct 2000 | Oct 1999 |
|---------------------|-------------|-------------|
| Connecticut | 2.0% | 3.1% |
| Maine | 3.4% | 3.9% |
| Massachusetts | 2.4% | 3.3% |
| New Hampshire | 2.5% | 2.5% |
| Rhode Island | 3.3% | 4.0% |
| Vermont | 2.7% | 2.9% |

Rhode Island's Unemployment Rate Hit an Eleven-Year Low in October

(Continued on Page 1)

Rhode Island Job Highlights (Over the Year)

Since October 1999, the number of jobs in Rhode Island increased by 4,700 or 1.0 percent. Trade and Services reported annual job increases of 1,800 and 1,600, respectively. Nearly all Retail Trade segments added jobs over the year with Restaurant employment reporting the largest increase (+400) followed by Automotive Dealers, Apparel, and Miscellaneous Trade accounting for 200 each. Within the Services industry, Business Services (+1,300) experienced the largest job gain. Employment in Contract Construction grew by 800 mostly due to Special Trade Contractors. Government employment expanded by 600 resulting from increases in the Municipal sector. The number of jobs in Finance, Insurance & Real Estate rose by 300 due to hiring in the banking industry, while Transportation & Public Utilities posted an employment gain of 200 over the year. The Manufacturing sector lost 600 jobs, reflecting losses in Jewelry-Silverware.

Rhode Island Job Highlights (Over the Month)

The number of jobs in Rhode Island rose by 2,600 over the month. Government reported the largest job gain due to additional hiring in state and local educational institutions.

Government – Government employment expanded by 2,600 due to staff increases at state colleges and public schools. Federal Government employment remained even over the month.

Manufacturing – Rhode Island manufacturers added 500 jobs as Food-Beverage, Textiles, Printing-Publishing, Chemical Products, Fabricated Metals, and Nonelectric Machinery reported small gains from September to October.

Services – Services employment achieved a record high of 164,800. Bolstered by a substantial increase in the Private Education segment, which more than offset seasonal losses in Hotels and Amusement & Recreation, the Services industry posted a net gain of 400 jobs.

Contract Construction – The seasonally sensitive construction industry trimmed its payrolls by 400 jobs, with the largest decline occurring in Special Trade Contractors.

Trade – Trade reported a net loss of 500 jobs. A seasonal slowdown in Restaurant employment (-1,400) overshadowed increases in Miscellaneous Retail (+400), General Merchandise (+200), and increases of 100 each in Food Stores, Automotive Dealers, and Apparel & Accessory stores.