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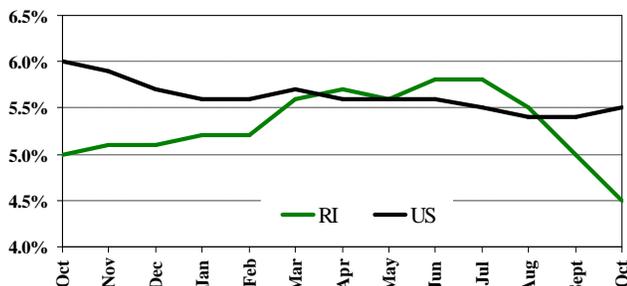
# Employment Bulletin

Rhode Island  
Department of  
Labor & Training  
◆  
November 2004  
◆  
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## Rhode Island's Unemployment Rate Falls to 4.5 Percent in October

Rhode Island's seasonally adjusted unemployment rate for October fell to 4.5 percent, its lowest level since February 2001. The October unemployment rate is down 0.5 of a percentage point from September. The number of unemployed Rhode Island residents declined by 2,900 in October to 25,400. A year ago, the unemployment rate was 5.0 percent, and the number of unemployed stood at 28,500. Nationally, the unemployment rate inched up 0.1 of a percentage point to 5.5 percent in October. Rhode Island's unemployment rate remained below the national average for the second month in a row.

**RI & US Unemployment Rates  
Seasonally Adjusted 2003 - 2004**



“The decline in the number of unemployed combined with more Rhode Island residents working in October is a good sign – even if our job count is down over the month,” said DLT Director Adelita S. Orefice. “While job growth has stalled over the last few months, we expect employer hiring to pick up for the holiday season.”

## 2005 UI & TDI Taxable Wage Bases Determined TDI Tax Rate Drops

The Department has determined the 2005 taxable wage bases for the Unemployment Insurance and Temporary Disability Insurance programs. The wage base, on which Unemployment Insurance taxes will be paid during the tax year that begins January 1, will be \$16,000. This is an increase of \$2,000 from the 2004 taxable wage base of \$14,000.

The higher taxable wage base is the result of a declining balance in the Employment Security Fund. The taxable wage base is determined by the level of reserves. While the wage base limits the amount of wages that are taxable, tax rates for individual employers will vary according to their experience with the Unemployment Insurance system. Employers will be notified of their individual 2005 tax rates in December.

The Temporary Disability Insurance (TDI) taxable wage base will be \$49,000 in 2005, an increase of \$2,200 over the 2004 base of \$46,800. The TDI taxable wage base is set at the amount of earnings needed by an individual to qualify for the maximum weekly benefit of \$588 for the maximum duration of 30 weeks. As a result of a higher TDI Fund balance, the *employee* contribution rate for TDI will be lowered to 1.4 percent in 2005. This is a decrease of 6.7 percent from the 2004 rate of 1.5 percent. Despite the increase in the taxable wage base, this will result in lower TDI payroll deductions for *all employees* in 2005.

*Happy Holidays!*

## Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Oct 04	Sep 04	Oct 03	Oct 04	Sep 04	Oct 03
Civilian Labor Force	565.5	567.2	574.2	147,850	147,483	146,892
Resident Employment	540.1	538.8	545.7	139,778	139,480	138,095
Unemployment	25.4	28.3	28.5	8,072	8,003	8,797
Unemployment Rate	4.5%	5.0%	5.0%	5.5%	5.4%	6.0%

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## Rhode Island Job Highlights

Rhode Island businesses reported a loss of 500 jobs last month, bringing the October job count to 489,100 (seasonally adjusted). Over-the-month employment gains in Professional & Business Services (+400); Government (+200); and Trade, Transportation & Utilities (+100) were negated by losses in the Leisure & Hospitality (-400) and Manufacturing (-100) sectors. Construction remained even over the month.

The more detailed unadjusted estimates, which traditionally increase from September to October, were up by 2,200 (+0.4%) over the month. The October job count stood at 495,700 (unadjusted), the highest October job count on record. The largest over-the-month gains were reported in Government (+2,000) and Educational Services (+1,800). These employment increases are reflective of the continued hiring that occurs early in the new school year.

Seasonal hiring in Retail Trade resulted in 600 new jobs, slightly higher than the average September to October (+500) increase. The end of the summer season contributed to the largest declines, which were reported in Accommodation & Food Services (-1,500) and Arts, Entertainment & Recreation (-800). Health Care & Social Assistance reported an uncharacteristic loss of 200 jobs over the month as employment in that sector usually increases at this time of year.

Over the year, employment was up 4,300 (+0.9%) from the 491,400 jobs (unadjusted) reported in October 2003. The largest over-the-year gains were noted in Health Care & Social Assistance (+1,500); Educational Services (+1,000); Construction (+800); Accommodation & Food Services (+700); and Other Services (+600). The largest private sector employment losses occurred in Financial Activities (-500) and Manufacturing (-300). Government employment increased by 100 over the year, as job gains on the Local level (+500) slightly offset losses in the Federal (-300) and State (-100) segments.

### Hours and Earnings

The \$13.00 average hourly wage earned by the Manufacturing sector's production workers in October 2004 represented a yearly gain of seven cents and a monthly gain of one cent per hour. In October 2004, Manufacturing employees worked an average of 39.4 hours per week, an increase of 0.2 of an hour over the year, but a decrease of 0.2 of an hour over the month.

### Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Oct 04	Sept 04	
Total Nonfarm	489.1	489.6	-0.5
Construction	22.5	22.5	0.0
Manufacturing	57.9	58.0	-0.1
Trade, Transportation & Utilities	81.3	81.2	0.1
Professional & Business Services	49.2	48.8	0.4
Leisure and Hospitality	51.0	51.4	-0.4
Government	66.7	66.5	0.2

### Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)			Net Change From		Weekly Hours			Hourly Earnings		
	Oct 04	Sep 04	Oct 03	Sep 04	Oct 03	Oct 04	Sep 04	Oct 03	Oct 04	Sep 04	Oct 03
<b>Manufacturing</b>	58.5	58.5	58.8	0	-300	39.4	39.6	39.2	13.00	12.99	12.93
<b>Durable Goods</b>	37.7	37.6	38.1	100	-400	39.1	39.9	38.7	13.03	12.99	12.95
Fabricated Metal Product Mfg.	7.7	7.6	7.8	100	-100	38.0	38.9	40.3	11.70	11.73	11.56
Computer & Electronic Product Mfg.	5.0	5.0	5.1	0	-100	38.4	37.9	37.7	13.95	13.90	13.73
Transportation Equipment Mfg.	4.0	4.0	3.7	0	300	40.0	40.0	40.3	15.41	15.41	15.35
Miscellaneous Manufacturing	10.9	10.9	11.2	0	-300	37.8	38.5	37.8	10.87	10.83	10.63
Jewelry and Silverware	8.0	8.0	8.0	0	0	38.4	39.2	39.3	10.20	10.16	10.06
<b>Non-Durable Goods</b>	20.8	20.9	20.7	-100	100	40.0	39.1	40.2	12.96	13.00	12.90
Chemical Manufacturing	4.0	4.1	4.2	-100	-200	41.5	40.8	39.8	15.30	15.30	15.61
Plastics & Rubber Products Mfg.	3.2	3.2	3.0	0	200	42.3	41.8	39.3	14.58	14.62	14.69

**Establishment Employment in Rhode Island\***  
**Not Seasonally Adjusted**

	Employment in Thousands			Net Change From	
	Oct 2004	Sept 2004	Oct 2003	Sept 2004	Oct 2003
<b>Total Nonfarm</b>	<b>495.7</b>	<b>493.5</b>	<b>491.4</b>	<b>2,200</b>	<b>4,300</b>
<b>Goods Producing</b>	<b>82.3</b>	<b>82.5</b>	<b>81.8</b>	<b>-200</b>	<b>500</b>
Natural Resources & Mining	0.2	0.2	0.2	0	0
Construction	23.6	23.8	22.8	-200	800
Specialty Trade Contractors	15.3	15.4	14.8	-100	500
Manufacturing	58.5	58.5	58.8	0	-300
Durable Goods	37.7	37.6	38.1	100	-400
Fabricated Metal Product Mfg.	7.7	7.6	7.8	100	-100
Computer & Electronic Product Mfg.	5.0	5.0	5.1	0	-100
Transportation Equipment Mfg.	4.0	4.0	3.7	0	300
Miscellaneous Manufacturing	10.9	10.9	11.2	0	-300
Jewelry & Silverware	8.0	8.0	8.0	0	0
Non-Durable Goods	20.8	20.9	20.7	-100	100
Chemical Manufacturing	4.0	4.1	4.2	-100	-200
Plastics & Rubber Products Mfg.	3.2	3.2	3.0	0	200
<b>Service Providing</b>	<b>413.4</b>	<b>411.0</b>	<b>409.6</b>	<b>2,400</b>	<b>3,800</b>
Wholesale Trade	16.5	16.4	16.4	100	100
Retail Trade	54.1	53.5	53.9	600	200
Grocery Stores	6.8	6.8	6.6	0	200
Health & Personal Care Stores	5.4	5.5	5.6	-100	-200
General Merchandise Stores	10.2	9.8	10.3	400	-100
Department Stores	4.1	3.8	4.5	300	-400
Transportation, Warehousing & Utilities	11.9	11.8	11.8	100	100
Transportation & Warehousing	10.9	10.8	10.6	100	300
Information	10.6	10.6	10.7	0	-100
Publishing	3.4	3.4	3.2	0	200
Financial Activities (including Real Estate)	33.2	33.2	33.7	0	-500
Finance & Insurance	26.8	26.7	27.4	100	-600
Credit Intermediation & Related Activities	13.4	13.2	12.9	200	500
Insurance Carriers & Related Activities	10.3	10.2	10.8	100	-500
Professional & Business Services	50.6	50.3	50.6	300	0
Professional & Technical Services	19.5	19.4	19.0	100	500
Administrative & Waste Services	23.3	23.1	23.9	200	-600
Educational Services	21.7	19.9	20.7	1,800	1,000
Colleges & Universities	14.0	12.6	13.0	1,400	1,000
Health Care & Social Assistance	72.4	72.6	70.9	-200	1,500
Ambulatory Health Care Services	21.2	21.2	20.5	0	700
Hospitals	22.9	22.9	22.3	0	600
Nursing & Residential Care Facilities	18.1	18.2	17.7	-100	400
Social Assistance	10.2	10.3	10.4	-100	-200
Arts, Entertainment & Recreation	7.3	8.1	7.2	-800	100
Accommodation & Food Services	43.9	45.4	43.2	-1,500	700
Accommodation	4.6	5.0	4.4	-400	200
Food Services & Drinking Places	39.3	40.4	38.8	-1,100	500
Other Services	23.5	23.5	22.9	0	600
Government	67.7	65.7	67.6	2,000	100
Federal Government	9.8	9.8	10.1	0	-300
State Government	17.8	16.8	17.9	1,000	-100
Local Government	40.1	39.1	39.6	1,000	500

\*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.

Visit the Labor Market Information (LMI) web site at [www.dlt.ri.gov/lmi](http://www.dlt.ri.gov/lmi). To contact LMI, call (401) 462-8740 or e-mail [lmi@dlt.state.ri.us](mailto:lmi@dlt.state.ri.us).

### Consumer Price Index for All Urban Consumers

				% Change
	Oct 04	Sept 04	Oct 03	Prev. Year
All Items	190.9	189.9	185.0	3.2%

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

### Industry Outlook - 2012

During the 2002 to 2012 projection period, Rhode Island employment is expected to grow by over 58,000 jobs. Much of this growth is attributed to the increased demand for the products and services provided by the Health Care & Social Assistance, Accommodation & Food Services, Educational Services, Retail Trade and Construction sectors.

Employment increases in Health Care & Social Assistance, which is expected to add the most new jobs, are attributed to a number of factors including a growing and aging population, medical advances and new technologies. Population growth will also contribute to the employment gains projected for Educational Services. Increases in the school age population and heightened emphasis on the improvement and importance of education will produce over 6,000 new jobs.

Strong growth in construction employment is attributed to new building and home construction, modernization and renovation, and to improvements in /construction of roads and bridges.

Food services and drinking places are expected to add nearly 8,000 new jobs over the 2002-2012 projection period. Increases in population, two-income families and dining styles will contribute to job growth.

Population growth and changes in personal taste and shopping styles will result in the addition of some 6,000 new Retail Trade jobs. Trends in specialty stores, which carry lines of sporting goods and building and garden materials and gasoline stations/convenience stores will result in above average growth for some industries within the Retail Trade sector.

### City & Town Unadjusted Unemployment Rates for October

	<u>2004</u>	<u>2003</u>		<u>2004</u>	<u>2003</u>
Barrington	2.5	3.2	Newport	2.8	3.2
Bristol	3.0	4.0	North Kingstown	3.2	3.5
Burrillville	4.3	4.9	North Providence	3.7	4.2
Central Falls	5.5	7.1	North Smithfield	3.3	3.9
Charlestown	2.8	3.7	Pawtucket	4.8	6.1
Coventry	3.9	4.2	Portsmouth	2.4	2.8
Cranston	4.3	4.8	Providence	5.0	5.5
Cumberland	3.9	4.7	Richmond	1.8	2.1
East Greenwich	3.4	4.0	Scituate	3.9	4.0
East Providence	4.4	4.5	Smithfield	2.9	3.6
Exeter	4.0	3.8	South Kingstown	2.7	3.3
Foster	5.0	4.7	Tiverton	3.8	4.7
Glocester	2.7	3.5	Warren	3.9	3.8
Hopkinton	3.3	3.3	Warwick	4.1	4.0
Jamestown	2.2	2.3	West Greenwich	3.6	3.7
Johnston	4.3	4.7	West Warwick	5.0	4.6
Lincoln	3.5	4.2	Westerly	3.0	3.3
Little Compton	2.5	2.7	Woonsocket	5.2	6.7
Middletown	3.6	3.6			
Narragansett	2.1	2.8	State of R.I.	4.0	4.5
New Shoreham	3.8	2.6	United States	5.1	5.6

### RI Research and Economic Database - RI RED

The Labor Market Information Unit invites you to visit the latest version of “**RI RED - Research and Economic Database,**” at [www.dlt.ri.gov/rired](http://www.dlt.ri.gov/rired). This system, which replaces the *LMI for Job Seekers and Students* and *LMI for Business and Research* web modules, incorporates labor market information for Job Seekers, Employers, and Researchers into one application. RI RED contains many useful new features including direct links to job postings from America’s Job Bank and other professional job banks, the latest occupational wages and projections, and the ability to customize occupational, industry and area profiles.

Information in RI RED is updated regularly. If you have any comments, questions, or suggestions regarding this application, please contact the LMI Unit at [lmi@dlt.state.ri.us](mailto:lmi@dlt.state.ri.us).

### Unemployment Insurance Claims Activity

	Oct	Sept	Oct	% Change		Year to Date		
	2004	2004	2003	Oct 04	Sept 03	2004	2003	% Change
Initial Claims	4,830	4,360	5,182	10.8%	-6.8%	64,759	71,472	-9.4%
Number of Payments	35,635	39,560	40,175	-9.9%	-11.3%	550,956	595,982	-7.6%
Amount of Payments (gross millions)	\$11.7	\$12.7	\$12.5	-7.9%	-6.4%	\$173.0	\$178.4	-3.0%
Exhaustions (Final Payments)	1,004	1,123	1,255	-10.6%	-20.0%	13,570	15,400	-11.9%

# 2012 Opportunities

## Rhode Island's Occupational Outlook for 2012

Rhode Island employment is expected to increase by over 58,000 jobs during the 2002-2012 projection period. Employment in 2012 is projected to reach 563,909; an increase of 58,348 (11.5%) from the 2002 employment level of 505,561.

### Employment by Major Industry

NAICS Code	Sector Title	2002	2012	Numeric Change	Percent
	<b>Total All Industries</b>	<b>505,561</b>	<b>563,909</b>	<b>58,348</b>	<b>11.5%</b>
11	Agriculture, Forestry, Fishing and Hunting	756	870	114	15.1%
21	Mining	224	276	52	23.2%
22	Utilities	1,159	1,175	16	1.4%
23	Construction	19,317	24,150	4,833	25.0%
31-33	Manufacturing	62,159	53,785	-8,374	-13.5%
42	Wholesale Trade	16,401	16,580	179	1.1%
44-45	Retail Trade	52,699	58,700	6,001	11.4%
48-49	Transportation and Warehousing	9,649	10,995	1,346	13.9%
51	Information	11,127	12,765	1,638	14.7%
52	Finance and Insurance	24,929	28,455	3,526	14.1%
53	Real Estate and Rental and Leasing	6,126	6,670	544	8.9%
54	Professional, Scientific, and Technical Services	18,927	24,190	5,263	27.8%
55	Management of Companies and Enterprises	6,416	8,000	1,584	24.7%
56	Administrative and Waste Services	23,333	25,925	2,592	11.1%
61	Educational Services	44,215	50,260	6,045	13.7%
62	Health Care and Social Assistance	69,963	86,190	16,227	23.2%
71	Arts, Entertainment, and Recreation	7,097	8,905	1,808	25.5%
72	Accommodation and Food Services	40,504	49,520	9,016	22.3%
81	Other Services (Except Government)	17,634	20,390	2,756	15.6%
92	Government	33,961	34,810	849	2.5%
	Self-Employed, Unpaid Family and Unclassified	38,965	41,298	2,333	6.0%

For more detailed Industry and Occupational Projections, please view our website at [www.dlt.ri.gov/lmi/proj.htm](http://www.dlt.ri.gov/lmi/proj.htm), where you can find information on the fastest growing occupations and industries in Rhode Island.