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Employment Bulletin

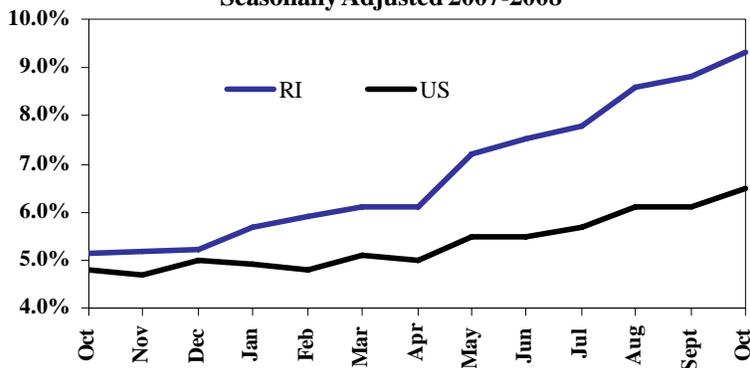
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November 2008

Rhode Island's Unemployment Rate Climbs to 9.3 Percent

- ◆ RI's seasonally adjusted unemployment rate continued to trend upward in October, reaching 9.3 percent, its highest level since February 1983 (9.3%).
- ◆ RI's October unemployment rate is up 4.2 percentage points from last year's figure of 5.1 percent.
- ◆ RI, along with Michigan, had the highest jobless rate in the nation in October. The national rate increased 0.4 of a percentage point to 6.5 percent.
- ◆ In October, the number of unemployed Rhode Island residents increased by 2,700 to reach 52,900, the state's highest jobless level on record. On a year-over-year comparison, the number of unemployed residents increased 23,200 from October 2007 to October 2008.
- ◆ The number of employed RI residents totaled 517,500 in October 2008, reflecting a decrease of 5,000 from the previous month. On a year-over-year basis, the number of employed RI residents fell 30,100 between October 2007 and October 2008.

**RI & US Unemployment Rates
Seasonally Adjusted 2007-2008**



UI and TDI Taxable Wage Bases Announced for 2009

The taxable wage base on which employers pay Unemployment Insurance (UI) taxes for their employees will increase to \$18,000 for the 2009 year. As of September 30, 2008, the Employment Security Fund held \$116.8 million in reserves. According to the law, if the Employment Security Fund balance is more than \$75 million but less than \$125 million, the taxable wage base will be set at \$18,000 for the next calendar year.

Tax Schedule I, with rates ranging from a low of 1.69% to a high of 9.79%, will remain in effect in 2009. The new employer rate for UI purposes will be 2.36 percent for calendar year 2009. In 2008, the new employer rate was 2.43 percent. These tax rates do not include the 0.21 percent Job Development Assessment. Employers will be notified of their individual tax rates at the end of December.

The employee contribution rate to the Temporary Disability Insurance Fund will rise from 1.3 percent to 1.5 percent in 2009. The contribution rate is calculated by dividing the total adjusted TDI disbursements from October 1, 2007 to September 30, 2008 by the total taxable wages for that same time period.

The TDI taxable wage base will be set at \$56,000 in 2009, an increase of \$1,600 over last year's taxable wage base. The TDI taxable wage base is based on the maximum weekly benefit amount, which in July increased to \$671 per week. The maximum TDI contribution will be \$840 next year, an increase of \$132.80 from the 2008 maximum contribution. Temporary Disability Insurance provides benefit payments to insured RI workers for weeks of unemployment caused by disability. Last year, approximately 422,000 workers contributed to the TDI fund and nearly 36,000 workers collected benefits totaling \$169 million. Claims averaged \$376.35 a week for an average of 12.5 weeks.

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Oct 08	Sep 08	Oct 07	Oct 08	Sep 08	Oct 07
Civilian Labor Force	570.4	572.7	577.3	155,038	154,732	153,306
Resident Employment	517.5	522.5	547.6	144,958	145,255	146,016
Unemployment	52.9	50.2	29.7	10,080	9,477	7,291
Unemployment Rate	9.3%	8.8%	5.1%	6.5%	6.1%	4.8%

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Rhode Island Jobs Decline by 1,300 in September

In Rhode Island, the October 2008 monthly job count totaled 476,000, the lowest job count since November 2001 (475,600). October's employment level declined by 2,400 from the September revised employment level of 478,400. October marks the tenth straight month of job losses for both Rhode Island and the United States.

Government jobs declined by 1,000 jobs over the month, with reductions being reported in both the state and local segments. Professional & Business Services lost 600 workers through contractions in Employment Services and Janitorial Services. Manufacturing and Retail Trade each lost 500 jobs in October, while other losses were reported in Construction (-400), Transportation & Utilities (-300), Information (-100) and Educational Services (-100).

The Health Care & Social Assistance sector reported an increase of 600 workers in October through employment gains in the Ambulatory Health Care Services. Wholesale Trade (+200), Other Services (+200) and Financial Activities

(+100) also reported over the month gains, while employment in the Accommodation & Food Services, Arts, Entertainment & Recreation and Natural Resources & Mining sectors remained unchanged.

From October 2007 to October 2008, RI jobs declined 14,500 (-3.0%), the largest year-over-year loss since January 1992 (-15,300). Manufacturing (-3,200) reported the largest annual employment decline, followed by Government (-2,400), Professional & Business Services (-2,200), Retail Trade (-2,100), Financial Activities (-1,400), Other Services (-1,200) and Construction (-1,100). Smaller annual losses were noted in Transportation & Utilities (-600), Arts, Entertainment & Recreation (-500), Wholesale Trade (-400), Accommodation & Food Services (-400) and Natural Resources & Mining (-100).

		Employment				
		(in thousands)		Net Change From		
		Oct 08	Sept 08	Oct 07	Sept 08	Oct 07
Manufacturing		47.6	47.9	50.8	-300	-3,200
Durable Goods		31.0	31.2	32.9	-200	-1,900
	Fabricated Metal Product Mfg.	6.5	6.5	6.9	0	-400
	Computer & Electronic Product Mfg.	4.3	4.3	4.3	0	0
	Miscellaneous Manufacturing	8.7	8.8	9.4	-100	-700
	Jewelry & Silverware	5.9	6.0	6.5	-100	-600
Non-Durable Goods		16.6	16.7	17.9	-100	-1,300
	Chemical Manufacturing	4.2	4.2	4.5	0	-300
	Plastics & Rubber Products Mfg.	2.8	2.8	2.9	0	-100

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.

Establishment Employment in Rhode Island Seasonally Adjusted

	Net Change From				
	Oct-08	Sep-08	Oct-07	Sep-08	Oct-07
Total Nonfarm	476.0	478.4	490.5	-2.4	-14.5
Natural Resources & Mining	0.2	0.2	0.3	0.0	-0.1
Construction	20.4	20.8	21.5	-0.4	-1.1
Manufacturing	47.0	47.5	50.2	-0.5	-3.2
Wholesale Trade*	16.7	16.5	17.1	0.2	-0.4
Retail Trade	49.2	49.7	51.3	-0.5	-2.1
Transportation & Utilities	10.4	10.7	11.0	-0.3	-0.6
Information	10.7	10.8	10.5	-0.1	0.2
Financial Activities	33.2	33.1	34.6	0.1	-1.4
Professional & Business Services	53.2	53.8	55.4	-0.6	-2.2
Educational Services	23.6	23.7	23.3	-0.1	0.3
Health Care & Social Assistance	76.8	76.2	76.2	0.6	0.6
Arts, Entertainment & Recreation	7.6	7.6	8.1	0.0	-0.5
Accommodation & Food Services	42.9	42.9	43.3	0.0	-0.4
Other Services	21.9	21.7	23.1	0.2	-1.2
Government	62.2	63.2	64.6	-1.0	-2.4

* State Calculated Estimate

The Health Care & Social Assistance, Educational Services and Information sectors each reported over-the-year increases of 600, 300 and 200 jobs, respectively.

In October 2008, production workers in the Manufacturing sector earned \$13.98 per hour. The average hourly production wage was up two cents from September and up six cents from a year ago October. Manufacturing employees worked an average of 38.4 hours per week in October, down four-tenths of an hour over the month and down nine-tenths of an hour since October 2007.



Warwick

With more than 81,000 residents, the City of Warwick has the second largest population in Rhode Island. Warwick has a larger percentage of white residents (92.7%) than Rhode Island as a whole (82.8%). Hispanic residents (of any race) accounted for a much smaller percentage of Warwick's population (1.2%) than that of the state (11.2%).

Nearly 90 percent of Warwick resident 25 years and older have at least a high school diploma or GED, as compared to 83.0 percent statewide. Nearly 38 percent of Warwick residents have a college degree (associate's degree or higher).

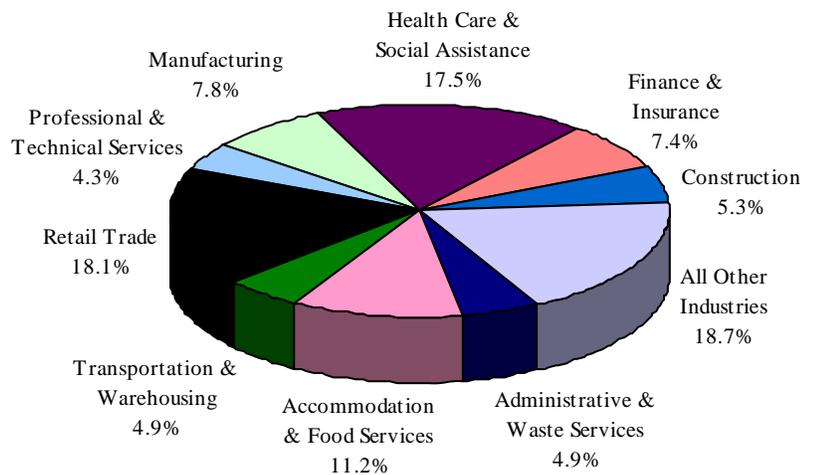
Of the city's population 5 years and older, 92.7 percent speak only English at home, as compared to 79.2 percent statewide. Ten percent of the state's population speaks Spanish at home, while just 1.4 percent of Warwick residents speak Spanish at home.

In 2007, Warwick's 3,341 private sector business establishments employed an average of 48,320 workers and paid over \$1.7 billion in wages. Jobs in Warwick paid an annual average wage of \$35,976, approximately 10 percent (\$3,851) less than the statewide private sector average of \$39,827. Warwick private sector establishments employ 11.6 percent of all Rhode Island workers, second only to Providence (23.4%).

The Retail Trade sector employed 8,754 workers in 2007, accounting for the greatest percentage (18.1%) of the City's employment. The Health Care & Social Assistance (17.5%) and Accommodation & Food Services (11.2%) sectors are the only other industries to comprise greater than 10 percent of Warwick's employment.

For more information about Warwick, refer to the label page, "Warwick Demographics and Employment Statistics."

Warwick Private Sector Employment, 2007



Characteristics of the Insured Unemployed

In October 2008, 27 percent of Rhode Island's unemployed workers were eligible to collect Unemployment Insurance (UI) benefits. Numbering 13,302 people, these "insured unemployed" accounted for 2.6 percent of the State's total employed (unadjusted). Nearly 30 percent (3,927) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

On an industry basis, 17.4 percent (2,318) of the State's insured unemployed workers came from the Manufacturing sector. There were also 1,786 individuals with an attachment to the Construction sector, accounting for 13.4 percent of all insured unemployed workers. An additional 10.1 percent (1,346) of those collecting UI benefits in October had worked in the Health Care & Social Assistance sector. Large numbers of insured unemployed were also reported in Retail Trade (1,344), Administrative & Waste Services (1,129) and Finance & Insurance (857). For more information, go to www.dlt.ri.gov/lmi/uiadmin/characteristics.htm.

Characteristics of the Insured Unemployed, October 2008

	Total	Long-Term	Percent Long-Term
Total	13,302	3,927	29.5%
Male	7,257	1,831	25.2%
Female	6,045	2,096	34.7%
Selected Industries	13,302	3,927	29.5%
Construction	1,786	285	16.0%
Manufacturing	2,318	639	27.6%
Wholesale Trade	550	176	32.0%
Retail Trade	1,344	450	33.5%
Transportation & Warehousing	355	82	23.1%
Information	270	93	34.4%
Finance & Insurance	857	326	38.0%
Real Estate	225	67	29.8%
Professional & Tech. Services	622	226	36.3%
Administrative & Waste Services	1,129	278	24.6%
Educational Services	439	195	44.4%
Health Care & Social Assistance	1,346	491	36.5%
Arts, Entertainment & Recreation	234	47	20.1%
Accommodation & Food Services	721	215	29.8%
Other Services	481	184	38.3%
Public Administration	107	32	29.9%

**Consumer Price Index for
All Urban Consumers**

				% Change
	Oct 08	Sept 08	Oct 07	Prev. Year
All Items	216.6	218.8	208.9	3.7%

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

2009 Annual Refiling Survey Notice

Every year, the Labor Market Information (LMI) unit conducts an *Annual Refiling Survey* (ARS) of Rhode Island businesses. The purpose of the survey is to review and update previously assigned North American Industry Classification System (NAICS) codes and to provide or verify the physical location of the business.

NAICS is an industry classification system that groups establishments into industries based on the activities in which they are primarily engaged. The NAICS code is assigned to all businesses, public or private. The NAICS code acts as a statistical tool to measure the economic health of industries both local and statewide. NAICS makes it possible to determine current employment wage trends and economic forecasts by industry. The NAICS code helps determine statistically how industries are growing or shrinking and how occupations within industries are emerging or declining.

The LMI unit is currently conducting the first mailing for the 2009 ARS. If you receive an **Industry Verification Form, (BLS 3023)**, we are asking that you complete this form and return it to the LMI unit. You can also respond by telephone using the Touchtone Response System (TRS). If your company is TRS eligible, simply follow the instructions on the back of the cover letter. For those not eligible for TRS, a postage paid envelope is provided for a mailed return. A high response rate is essential for accurate statistical data. Once this year's survey is completed, you should not have to participate again until the 2012 survey.

If you have any questions regarding this survey, please contact the LMI unit at (401) 462-8751. Thank you for your assistance!

**City & Town
Unadjusted Unemployment Rates for October**

	2008	2007		2008	2007
Barrington	6.6	3.4	Newport	6.8	3.7
Bristol	8.0	3.7	North Kingstown	7.7	3.9
Burrillville	8.6	3.8	North Providence	8.7	5.0
Central Falls	12.6	6.1	North Smithfield	7.6	3.8
Charlestown	7.9	4.1	Pawtucket	11.3	5.4
Coventry	8.3	4.1	Portsmouth	6.7	3.3
Cranston	8.9	5.0	Providence	10.5	5.7
Cumberland	8.0	4.1	Richmond	5.2	2.3
East Greenwich	9.1	4.6	Scituate	7.5	4.2
East Providence	9.9	4.9	Smithfield	7.5	4.1
Exeter	7.3	3.8	South Kingstown	7.1	3.4
Foster	7.8	4.5	Tiverton	8.6	4.0
Glocester	6.4	3.5	Warren	8.6	4.2
Hopkinton	8.1	4.0	Warwick	8.1	4.6
Jamestown	6.2	3.2	West Greenwich	7.4	3.6
Johnston	9.4	5.3	West Warwick	9.0	5.1
Lincoln	8.1	4.4	Westerly	7.0	3.8
Little Compton	5.8	3.2	Woonsocket	10.4	5.2
Middletown	6.8	3.6			
Narragansett	5.8	3.1	State of R.I.	8.8	4.6
New Shoreham	5.9	3.5	United States	6.1	4.4

Unemployment Insurance Claims Activity

	Oct 2008	Sept 2008	Oct 2007	% Change		Year to Date		
				Sept 08	Oct 07	2008	2007	% Change
Regular Claims								
Initial Claims	6,151	6,424	5,430	-4.2%	13.3%	75,313	65,274	15.4%
Number of Payments	49,792	59,650	46,254	-16.5%	7.6%	636,775	544,881	16.9%
Amount of Payments (gross millions)	\$18.2	\$21.4	\$16.7	-15.0%	9.0%	\$227.6	\$189.3	20.2%
Exhaustions (Final Payments)	1,640	1,897	1,323	-13.5%	24.0%	16,643	12,570	32.4%
EUC 08								
Initial Claims	1,841	1,884	n/a	-2.3%	n/a	12,620	n/a	n/a
Number of Payments	17,926	34,015	n/a	-47.3%	n/a	99,926	n/a	n/a
Amount of Payments (gross millions)	\$6.3	\$11.9	n/a	-46.9%	n/a	\$34.8	n/a	n/a
Extended Benefits								
Initial Claims	1,854	546	n/a	239.6%	n/a	2,462	n/a	n/a
Number of Payments	6,318	1,263	n/a	400.2%	n/a	7,589	n/a	n/a
Amount of Payments (gross millions)	\$2.3	\$0.39	n/a	481.1%	n/a	\$2.7	n/a	n/a

Warwick Demographics and Employment Statistics

Population

	<u>2007</u>	
Total Population	81,787	
Male	38,748	47.4%
Female	43,039	52.6%
18 years +	66,638	81.5%
25 years +	61,689	75.4%
65 years +	14,764	18.1%
White alone	75,801	92.7%
Black/African American alone	1,477	1.8%
American Indian & Alaskan Native alone	129	0.2%
Asian & Pacific Islander alone	2,438	3.0%
Some other race alone	713	0.9%
Two or more races	1,229	1.5%
Hispanic or Latino (of any race)	997	1.2%

Educational Attainment, 2007

Population (25+)	61,689	
Less than 9th grade	901	1.5%
9th to 12th grade, no diploma	5,319	8.6%
High school graduate (includes equivalency)	21,015	34.1%
Some college, no degree	11,149	18.1%
Associate's degree	5,599	9.1%
Bachelor's degree	12,565	20.4%
Graduate or professional degree	5,141	8.3%

Language Spoken at Home, 2007

Population (5+)	79,035	100%
Speak Only English	73,296	92.7%
Speak Spanish	1,104	1.4%
Speak Other Indo-European	2,863	3.6%
Speak Asian/Pacific Islander	1,705	2.2%
Speak Other Languages	67	0.1%

Employment and Wage Data

	<u>2007</u>	
	<u>Employment</u>	<u>Wages</u>
Total, Private Sector	48,320	\$35,976
Construction	2,559	\$51,705
Manufacturing	3,776	\$43,439
Wholesale Trade	1,938	\$51,313
Retail Trade	8,754	\$24,434
Transportation & Warehousing	2,354	\$34,508
Information	527	\$44,160
Finance & Insurance	3,563	\$50,003
Professional & Technical Services	2,062	\$50,127
Management of Companies	1,909	\$73,622
Administrative & Waste Services	2,370	\$32,365
Educational Services	848	\$33,892
Health Care & Social Assistance	8,476	\$36,985
Arts, Entertainment & Recreation	575	\$19,183
Accommodation & Food Services	5,394	\$15,394
Other Services	1,727	\$24,894
All Other Employment	1,488	-----

Sources: US Census Bureau, American Community Survey, 207

RI Department of Labor & Training, Quarterly Census of Employment & Wages, 2007