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# Employment Bulletin

Rhode Island  
Department of  
Labor & Training

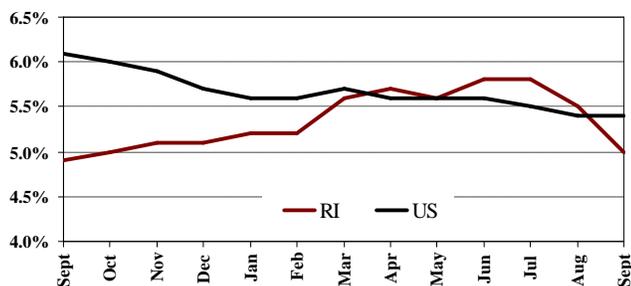
October 2004

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## Rhode Island's Unemployment Rate Dips to 5.0 Percent in September

Rhode Island's seasonally adjusted unemployment rate for September fell to 5.0 percent, its lowest level this year. The September unemployment rate is down 0.5 of a percentage point from August. The number of unemployed Rhode Island residents declined by 3,000 in September to 28,200. A year ago, the unemployment rate was 4.9 percent and the number of unemployed stood at 28,000. Nationally, the unemployment rate held steady at 5.4 percent in September. Rhode Island's unemployment rate was below the national average for the first time since March.

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



"We are encouraged by the drop in RI's unemployment rate over the last two months," said DLT Director Adelita S. Orefice. "September's 5.0 percent unemployment rate is our lowest rate since October 2003 and marks the first time in the last six months that RI's rate has been below the US rate."

## Quarterly Census of RI Employment and Wages City & Town Analysis - First Quarter 2004

Rhode Island total employment increased by 2,379 (+0.5%) jobs during the first quarter of 2004, averaging 462,148 workers, when compared to the first quarter of 2003. Private sector (+2,842) employment accounted for nearly all of the job growth, offsetting the 466 positions lost in the State and Federal Government sectors. State employment declined by 270 positions, while Federal employment lost 196 positions. Local Government added three jobs.

The town of West Greenwich added 1,007 (+36.2%) jobs between first quarter 2003 and first quarter 2004, the most of the state's thirty-nine communities. The Manufacturing (+571) and Construction sectors (+163) account for over 72 percent of the job growth. The Professional, Scientific & Technical sector also added 130 jobs between this period.

The capital city of Providence lost 522 jobs between first quarter 2003-2004. Manufacturing (-969) and Finance & Insurance (-345) reported sizable job losses. (Continued on Page 4)

## Federal Tax Credit Update

The Work Opportunity Tax Credit (WOTC) and the Welfare-to-Work Tax Credit (WWTC) have been extended for 24 months. The provision is effective for wages paid or incurred to a qualified individual who begins work for an employer on or after January 1, 2004 and before January 1, 2006. Questions on these tax credits may be directed to the Federal Tax Credit Unit at (401) 462-8802 or (401) 462-8808.

## Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Sep 04	Aug 04	Sep 03	Sep 04	Aug 04	Sep 03
Civilian Labor Force	567.1	568.9	573.6	147,483	147,704	146,610
Resident Employment	538.8	537.7	545.5	139,480	139,681	137,644
Unemployment	28.2	31.2	28.0	8,003	8,022	8,966
Unemployment Rate	5.0%	5.5%	4.9%	5.4%	5.4%	6.1%

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## Rhode Island Job Highlights

Rhode Island businesses reported a gain of 400 jobs last month, bringing the September job count to 489,600 (seasonally adjusted). Over-the-month employment gains were reflected in Leisure & Hospitality (+200); Construction (+100); and Government (+100). Trade, Transportation & Utilities (-400) was the only sector to experience a monthly loss as the traditional job gains which normally occur in Retail Trade did not materialize. Manufacturing and Professional & Business Services employment remained even over the month.

The unadjusted estimates, which traditionally increase from August to September, were up by 4,400 (+0.9%) over the month. The September job count stood at 493,500 (unadjusted), the highest September job count on record. Seasonal gains were reported in Government (+3,700); Educational Services (+2,600); and Transportation, Warehousing & Utilities (+600). Health Care & Social Assistance (+500); Manufacturing (+300); and Professional & Business Services (+200) also reported increases. Seasonal decreases occurred in Accommodation & Food Services (-1,800); Arts, Entertainment, & Recreation (-700); Other Services (-500); and Construction (-200). Retail Trade; Information; and Financial Activities each shed 100 employees over the month.

### Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Sept 04	Aug 04	
Total Nonfarm	489.6	489.2	0.4
Construction	22.5	22.4	0.1
Manufacturing	57.9	57.9	0.0
Trade, Transportation & Utilities	81.2	81.6	-0.4
Professional & Business Services	48.7	48.7	0.0
Leisure and Hospitality	51.4	51.2	0.2
Government	66.6	66.5	0.1

The over-the-month rise in September was due to the seasonal return of both public and private school employees, as well as school bus drivers, following the summer break. The end of the summer season was also responsible for the employment decline in Accommodation & Food Services; Arts, Entertainment, & Recreation; Other Services; and Construction, as these industries scale back for the colder months.

Over the year, employment was up 3,900 (+0.8%) from the 489,600 jobs (revised) reported in September 2003. The largest over-the-year gains were noted in Health Care & Social Assistance (+2,100); Accommodation & Food Services (+1,100); Construction (+1,000); and Educational Services (+1,000). The largest private sector employment losses occurred in Professional & Business Services (-800); Financial Activities (-600); and Manufacturing (-400). Government employment increased by 100 over the year, as job gains on the Local level (+500) offset losses in the Federal (-300) and State (-100) segments.

### Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)		Net Change From:			Weekly Hours			Hourly Earnings		
	Sept 04	Aug 04	Sept 03	Aug 04	Sept 03	Sept 04	Aug 04	Sept 03	Sept 04	Aug 04	Sept 03
<b>Manufacturing</b>	58.4	58.1	58.8	300	-400	39.6	38.9	39.7	12.99	13.04	12.88
<b>Durable Goods</b>	37.5	37.3	38.2	200	-700	39.9	38.9	39.0	12.99	13.03	12.90
Fabricated Metal Product Mfg.	7.6	7.6	7.8	0	-200	38.9	38.1	39.5	11.73	11.72	11.49
Computer & Electronic Product Mfg.	5.0	5.0	5.1	0	-100	37.9	37.0	38.1	13.88	13.88	13.67
Transportation Equipment Mfg.	4.0	4.0	3.7	0	300	40.0	40.0	41.0	15.41	15.41	15.37
Miscellaneous Manufacturing	10.9	10.8	11.3	100	-400	38.5	37.5	38.3	10.83	10.87	10.58
Jewelry and Silverware	8.0	7.9	8.1	100	-100	39.2	38.2	39.3	10.16	10.20	10.01
<b>Non-Durable Goods</b>	20.9	20.8	20.6	100	300	39.2	39.0	41.0	13.00	13.05	12.85
Chemical Manufacturing	4.1	4.1	4.2	0	-100	40.8	39.8	40.7	15.30	15.35	15.55
Plastics & Rubber Products Mfg.	3.2	3.2	3.0	0	200	41.6	40.8	40.3	14.62	14.67	14.62

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

	Employment in Thousands			Net Change From	
	Sept 2004	Aug 2004	Sept 2003	Aug 2004	Sept 2003
<b>Total Nonfarm</b>	<b>493.5</b>	<b>489.1</b>	<b>489.6</b>	<b>4,400</b>	<b>3,900</b>
<b>Goods Producing</b>	<b>82.4</b>	<b>82.3</b>	<b>81.8</b>	<b>100</b>	<b>600</b>
Natural Resources & Mining	0.2	0.2	0.2	0	0
Construction	23.8	24.0	22.8	-200	1,000
Specialty Trade Contractors	15.4	15.4	14.9	0	500
Manufacturing	58.4	58.1	58.8	300	-400
Durable Goods	37.5	37.3	38.2	200	-700
Fabricated Metal Product Mfg.	7.6	7.6	7.8	0	-200
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	10.8	11.3	100	-400
Jewelry & Silverware	8.0	7.9	8.1	100	-100
Non-Durable Goods	20.9	20.8	20.6	100	300
Chemical Manufacturing	4.1	4.1	4.2	0	-100
Plastics & Rubber Products Mfg.	3.2	3.2	3.0	0	200
<b>Service Providing</b>	<b>411.1</b>	<b>406.8</b>	<b>407.8</b>	<b>4,300</b>	<b>3,300</b>
Wholesale Trade	16.4	16.4	16.4	0	0
Retail Trade	53.5	53.6	53.4	-100	100
Grocery Stores	6.8	6.9	6.7	-100	100
Health & Personal Care Stores	5.5	5.5	5.6	0	-100
General Merchandise Stores	9.9	10.0	9.9	-100	0
Department Stores	3.8	3.9	4.3	-100	-500
Transportation, Warehousing & Utilities	11.8	11.2	11.6	600	200
Transportation & Warehousing	10.8	10.2	10.4	600	400
Information	10.6	10.7	10.9	-100	-300
Publishing	3.4	3.4	3.2	0	200
Financial Activities (including Real Estate)	33.2	33.3	33.8	-100	-600
Finance & Insurance	26.7	26.7	27.4	0	-700
Credit Intermediation & Related Activities	13.2	13.1	12.8	100	400
Insurance Carriers & Related Activities	10.2	10.2	10.8	0	-600
Professional & Business Services	50.2	50.0	51.0	200	-800
Professional & Technical Services	19.4	19.3	19.2	100	200
Administrative & Waste Services	23.0	22.8	24.1	200	-1,100
Educational Services	20.0	17.4	19.0	2,600	1,000
Colleges & Universities	12.8	10.6	11.7	2,200	1,100
Health Care & Social Assistance	72.6	72.1	70.5	500	2,100
Ambulatory Health Care Services	21.2	21.1	20.4	100	800
Hospitals	22.9	22.9	22.3	0	600
Nursing & Residential Care Facilities	18.2	18.1	17.6	100	600
Social Assistance	10.3	10.0	10.2	300	100
Arts, Entertainment & Recreation	8.1	8.8	8.3	-700	-200
Accommodation & Food Services	45.4	47.2	44.3	-1,800	1,100
Accommodation	5.0	5.4	4.7	-400	300
Food Services & Drinking Places	40.4	41.8	39.6	-1,400	800
Other Services	23.5	24.0	22.9	-500	600
Government	65.8	62.1	65.7	3,700	100
Federal Government	9.8	9.8	10.1	0	-300
State Government	16.8	16.9	16.9	-100	-100
Local Government	39.2	35.4	38.7	3,800	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
	Sept 04	Aug 04	Sept 03	Prev. Year
All Items	189.9	189.5	185.2	2.5%

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

### Quarterly Census of RI Employment and Wages City & Town Analysis - First Quarter 2004

(Continued from Page 1)

Warwick experienced the second largest employment increase, adding 898 (+2.0%) employees from first quarter 2003. Finance & Insurance (+643) and Administrative Support & Waste Management Services (+505) were the largest gainers, offsetting the loss of 532 Manufacturing workers.

The Health Care & Social Assistance (70,545) sector employed the most workers during the first quarter 2004.

Providence employed 23,569 workers within this sector, followed by Warwick (7,542), Pawtucket (4,990),

Cranston (3,358) and Woonsocket (3,250). Hospitals, which are located in the top three cities, account for a

large percentage of employment within this sector. Hospital employees account for 39.3 percent of the workers in the Health Care & Social Assistance sector in Providence, 32.8 percent in Warwick and 35.4 percent in Pawtucket.

A total of over \$4.3 billion in wages was paid during the first quarter 2004, an increase of over \$100 million (+2.6) from last year's first quarter total of \$4.2 billion. Private sector wages increased by \$96 million (+2.8%), while Government wages grew by \$13 million (+1.7%). The total average weekly wage in the first quarter 2004 was \$728, a \$15 increase from the \$713 earned during first quarter in 2003. Private sector wages were up \$14 (\$696) from the \$682 earned a year ago.

The employment surge in West Greenwich helped fuel a wage increase of over \$37.9 million (+89.9%). The boom in Manufacturing employment accounted for 73.1 percent (+\$27.7 million) of the wage increase. The Construction and Professional, Scientific & Technical sectors, also recipients of an employment gain, each experienced a \$4.2 million wage increase. West Greenwich led all Rhode Island cities and towns in both employment gains and in wage increase, numerically and on a percentage basis.

Warwick wages totaled over \$369 million; a \$14.7 million (+ 4.2%) increase from first quarter 2003. Finance & Insurance wages grew by \$8.6 million (+24.4%) while Construction wages increased by \$3.9 million (+22.9%).

### City & Town

### Unadjusted Unemployment Rates for September

	<u>2004</u>	<u>2003</u>		<u>2004</u>	<u>2003</u>
Barrington	2.9	2.7	Newport	2.9	3.1
Bristol	3.7	3.9	North Kingstown	3.3	3.6
Burrillville	5.0	5.4	North Providence	4.7	4.3
Central Falls	6.5	7.2	North Smithfield	4.1	3.8
Charlestown	3.7	3.7	Pawtucket	5.6	6.0
Coventry	4.3	4.2	Portsmouth	3.2	2.7
Cranston	4.9	4.8	Providence	5.7	5.7
Cumberland	4.1	4.8	Richmond	2.3	2.2
East Greenwich	3.7	4.1	Scituate	4.7	4.4
East Providence	5.1	4.9	Smithfield	3.4	3.5
Exeter	4.5	3.2	South Kingstown	3.1	3.3
Foster	5.8	4.9	Tiverton	4.3	4.7
Glocester	3.4	3.6	Warren	4.4	3.8
Hopkinton	3.7	3.4	Warwick	4.5	4.2
Jamestown	2.0	2.2	West Greenwich	4.6	3.6
Johnston	5.3	5.0	West Warwick	5.4	4.8
Lincoln	4.0	4.6	Westerly	3.2	3.5
Little Compton	2.6	2.4	Woonsocket	5.7	6.5
Middletown	3.3	3.3			
Narragansett	2.3	2.3	State of R.I.	4.6	4.6
New Shoreham	2.5	1.7	United States	5.1	5.8

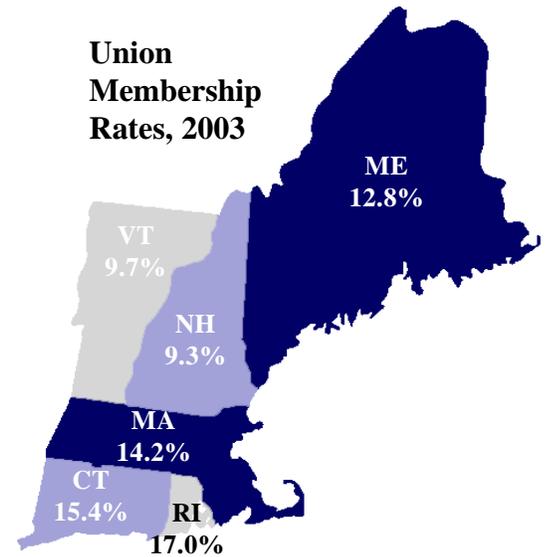
### Unemployment Insurance Claims Activity

	Sept 2004	Aug 2004	Sept 2003	% Change		Year to Date		
				Sept 04	Aug 03	2004	2003	% Change
Initial Claims	4,360	4,807	4,989	-9.3%	-12.6%	59,929	66,290	-9.6%
Number of Payments	39,560	62,428	51,326	-36.6%	-22.9%	515,321	555,807	-7.3%
Amount of Payments (gross millions)	\$12.7	\$18.8	\$15.5	-32.4%	-18.1%	\$161.4	\$165.9	-2.7%
Exhaustions (Final Payments)	1,123	1,367	1,553	-17.8%	-27.7%	12,566	14,145	-11.2%
E.S. Fund Balance (millions)	\$98.9	\$112.0	\$77.0	-11.7%	28.4%			

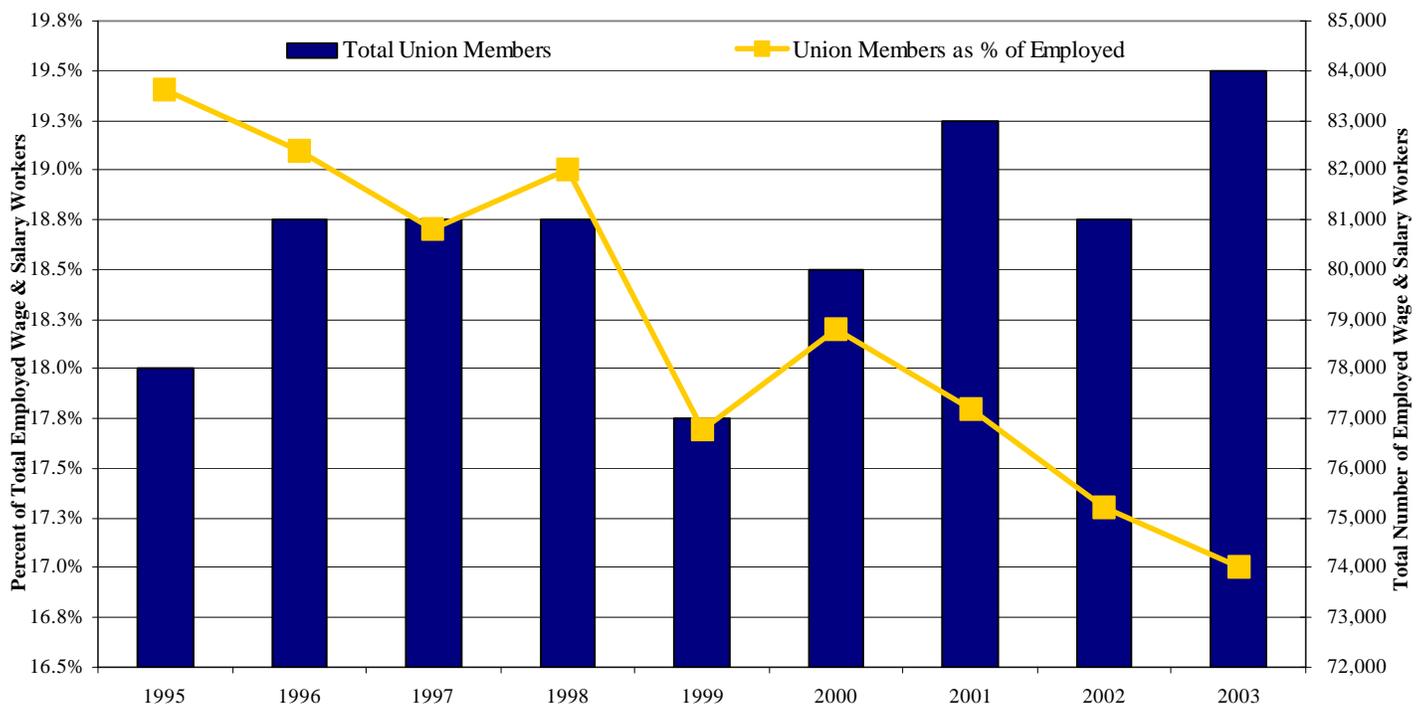
# Union Membership in Rhode Island, 2003

Mirroring a national trend, the share of employed wage and salary workers represented by unions in Rhode Island continued to fall in 2003. According to the Bureau of Labor Statistics (BLS), 17.0 percent (84,000) of private and public sector workers throughout the state were union members. This was the eight highest union membership rate in the nation, trailing New York (24.6%), Hawaii (23.8%), Alaska (22.3%), Michigan (21.9%), Washington (19.7%), New Jersey (19.5%), and Illinois (17.9%). However, this unionization rate was down 0.3 percentage points from the 17.3 percent (81,000) of public and private sector workers reported in 2002. The percentage of wage and salary workers *represented* by unions in the Ocean State also declined, falling from 17.9 percent (84,000) in 2002 to 17.5 percent (86,000) in 2003. Nationwide, the union membership rate fell below thirteen percent (12.9%) in 2003, far below the 20.1 percent measured twenty years earlier.\*

Within New England, Vermont (+0.1%) was the only state to report an over-the-year increase in union membership rates, rising to 9.7 percent of wage and salary workers in 2003. In Massachusetts, the rate remained unchanged at 14.2 percent of workers. Similar to Rhode Island, both Maine (-0.2%) and New Hampshire (-0.5%) experienced over-the-year declines in statewide union membership rates, falling to 12.8 percent and 9.3 percent, respectively, in 2003. To the west, Connecticut's unionization rate dropped from 16.8 percent in 2002 to 15.4 percent in 2003, one of the largest declines in the United States during this period.



Union Membership in Rhode Island, 1995-2003



\* 1983 is the first year for which comparable union data are available.

Data included within this report is derived from the Current Population Survey (CPS), a monthly survey of households conducted by the Bureau of Census for the Bureau of Labor Statistics. Union membership data refers to members of a labor union or an employee association similar to a union. Union representation data includes union members as well as workers who report no union affiliation, but whose jobs are covered by a union or an employee association contract. For more information on CPS data, please visit [www.bls.gov/cps/](http://www.bls.gov/cps/).