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Employment Labor Market Information Bulletin

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Rhode Island's Unemployment Rate Declines in August

Rhode Island's seasonally adjusted unemployment rate dropped 0.3 of a percentage point over the month to 5.3 percent in August. The number of employed Rhode Island residents fell by 1,800 in August, while the number of unemployed Rhode Islanders declined by 2,100. A year ago August, the unemployment rate was 5.1 percent and the jobless level stood at 28,700. The national unemployment rate inched down 0.1 of a percentage point to 6.1 percent in August. Rhode Island's unemployment rate remained below the national average for the twenty-fifth straight month.

"We saw no sustainable job growth over the summer months. Despite a pickup in July, the drop in the number of payroll jobs in August indicates that businesses remain extremely cautious about hiring," said DLT Director Marvin D. Perry. "The lower unemployment rate in August was due mainly to a shrinking labor force rather than to any actual improvement in labor market conditions."

Rhode Island Job Highlights

On a seasonally adjusted basis, the number of payroll jobs in August 2003 was 481,500, down 2,000 from the July level. Nearly all measured sectors reported over-the-month declines with the greatest losses occurring in Manufacturing (-900), Professional & Business Services (-700), Government (-500) and Other Services (-300). Only Leisure & Hospitality (+600) experienced an over-the-month gain.

The unadjusted job count for August stood at 481,000, up (+2,200) from the 478,800 jobs reported last year. Increases in Health Care & Social Assistance (+2,000), Retail Trade (+1,500), Other Services (+1,200), and Construction (+1,200) overshadowed the major decreases reported in Manufacturing (-2,100), Accommodation & Food Services (-1,300) and Educational Services (-1,200).

The unadjusted employment estimates, which traditionally increase from July to August, were up 1,900 over the month, the smallest July to August gain reported in more than ten years. Manufacturing employment (+3,200) rebounded in August, following the traditional July vacation closings. Administrative & Waste Services increased by 700 over the month due to job gains in temporary help agencies. Unexpected losses in Construction (-200), Educational Services (-200), and Other Services (-300), coupled with larger-than-normal decreases in Health & Social Services (-400) and Government (-900), hindered the seasonal gain for this period.

The \$12.89 average hourly wage earned by the Manufacturing sector's production workers in August 2003 represents a yearly gain of ten cents per hour and an over-the-month gain of two cents per hour. In August 2003, Manufacturing employees worked an average of 38.8 hours per week, up five-tenths of an hour from July and a full hour from August 2002.

State of the State Receives National Recognition!

State of the State was recently chosen by the National Association of State Workforce Agencies (NASWA) as the runner-up for its 2003 Localized Information for Workforce Development Award - Print!

Incorporating information collected by the U.S. Dept. of Commerce and the R.I. Dept. of Labor & Training, State of the State depicts changes that occurred during the final decade of the 20th century. Population diversity based on age, sex, race and ethnicity, as well as educational attainment, labor force statistics and English language proficiency of local residents, is encapsulated in statistical profiles for each of the State's 39 communities. An overview of local private sector employment and wages by major economic sector is also provided.

State of the State can be viewed in Adobe Acrobat *.pdf format at www.dlt.ri.gov/lmi/publications/stateofstate.htm.

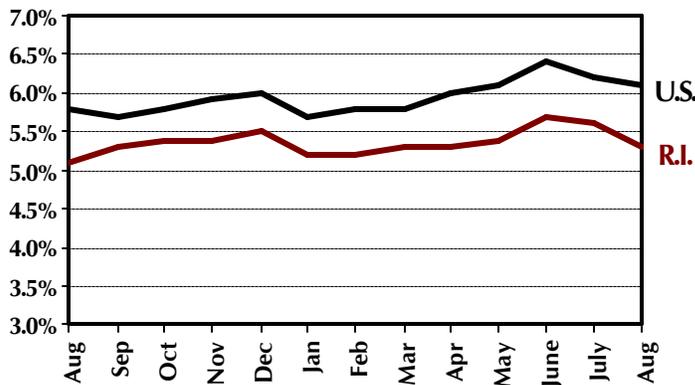
Rhode Island Labor Force Statistics* (in thousands)

	Seasonally Adjusted			Unadjusted		
	Aug 03	Jul 03	Aug 02	Aug 03	Jul 03	Aug 02
Civilian Labor Force	569.9	573.8	559.2	575.8	581.2	565.2
Resident Employment	539.7	541.5	530.5	545.6	549.1	536.5
Unemployment	30.2	32.3	28.7	30.2	32.1	28.7
Unemployment Rate	5.3%	5.6%	5.1%	5.2%	5.5%	5.1%

United States Labor Force Statistics (in thousands)

	Seasonally Adjusted			Unadjusted		
	Aug 03	Jul 03	Aug 02	Aug 03	Jul 03	Aug 02
Civilian Labor Force	146,530	146,540	145,123	146,967	147,822	145,565
Resident Employment	137,625	137,478	136,757	138,137	138,503	137,295
Unemployment	8,905	9,062	8,366	8,830	9,319	8,271
Unemployment Rate	6.1%	6.2%	5.8%	6.0%	6.3%	5.7%

Rhode Island & United States Unemployment Rates Seasonally Adjusted 2002-2003



City & Town Unadjusted Unemployment Rates

	Aug 03	Aug 02**
Barrington	3.0	3.1
Bristol	4.1	3.8
Burrillville	5.8	5.5
Central Falls	8.5	7.4
Charlestown	5.7	6.3
Coventry	5.1	5.7
Cranston	5.1	5.0
Cumberland	5.1	4.7
East Greenwich	4.7	4.9
East Providence	5.2	5.5
Exeter	3.6	4.2
Foster	6.4	4.6
Glocester	4.2	4.2
Hopkinton	4.6	3.1
Jamestown	2.8	3.9
Johnston	5.6	5.6
Lincoln	5.7	5.0
Little Compton	3.3	4.0
Middletown	3.3	3.7
Narragansett	2.2	2.3
New Shoreham	0.8	1.1
Newport	3.6	3.1
North Kingstown	3.8	4.1
North Providence	5.3	5.4
North Smithfield	5.0	4.7
Pawtucket	6.6	6.1
Portsmouth	2.9	3.3
Providence	7.1	6.6
Richmond	2.7	3.0
Scituate	6.0	5.4
Smithfield	4.8	5.4
South Kingstown	3.6	3.9
Tiverton	5.6	5.0
Warren	4.8	4.5
Warwick	4.7	4.5
West Greenwich	5.9	5.9
West Warwick	5.5	5.4
Westerly	3.7	2.7
Woonsocket	7.0	6.7
State of R.I.	5.2	5.1

** Revised

Unemployment Insurance Claims Activity

	Aug	Jul	Aug	% Change		Year to Date		
	2003	2003	2002	Jul 03	Aug 02	2003	2002	% Change
Initial Claims	4,899	7,383	5,330	-33.6%	-8.1%	61,301	58,679	4.5%
Number of Payments	54,521	58,316	53,976	-6.5%	1.0%	504,481	508,036	-0.7%
Amount of Payments (gross millions)	\$15.6	\$16.6	\$15.2	-5.9%	2.3%	\$150.4	\$149.6	0.5%
Exhaustions (Final Payments)	1,348	1,504	1,461	-10.4%	-7.7%	12,592	12,612	-0.2%
E.S. Fund Balance (millions)	\$233.7	\$217.2	\$282.1	7.6%	-17.2%			

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* August 2003

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	
	Aug 2003	July 2003	Aug 2002	July 2003	Aug 2002
Total Nonfarm	481.0	479.1	478.8	1,900	2,200
Goods Producing	82.1	79.1	82.9	3,000	-800
Natural Resources & Mining	0.3	0.3	0.2	0	100
Construction	21.7	21.9	20.5	-200	1,200
Specialty Trade Contractors	13.5	13.7	13.2	-200	300
Manufacturing	60.1	56.9	62.2	3,200	-2,100
Durable Goods	38.6	36.7	41.0	1,900	-2,400
Fabricated Metal Product Mfg.	8.4	7.5	8.8	900	-400
Computer & Electronic Product Mfg.	5.0	5.0	5.3	0	-300
Electrical Equipment & Appliance Mfg.	3.0	2.7	2.9	300	100
Transportation Equipment Mfg.	3.8	3.6	3.8	200	0
Miscellaneous Manufacturing	11.4	11.1	12.3	300	-900
Jewelry & Silverware	8.6	8.1	9.0	500	-400
Non-Durable Goods	21.5	20.2	21.2	1,300	300
Chemical Manufacturing	3.7	3.7	3.5	0	200
Plastics & Rubber Products Mfg.	3.3	3.1	3.2	200	100
Service Providing	398.9	400.0	395.9	-1,100	3,000
Wholesale Trade	17.2	17.1	16.8	100	400
Retail Trade	54.2	54.2	52.7	0	1,500
Grocery Stores	6.4	6.3	6.4	100	0
Health & Personal Care Stores	5.8	5.8	5.6	0	200
General Merchandise Stores	10.8	10.7	11.0	100	-200
Department Stores	4.7	4.6	5.0	100	-300
Other General Merchandise Stores	6.2	6.2	6.0	0	200
Transportation, Warehousing & Utilities	11.0	11.1	10.8	-100	200
Transportation & Warehousing	9.8	9.9	9.6	-100	200
Information	11.2	11.2	11.3	0	-100
Publishing	3.5	3.5	3.4	0	100
Financial Activities (including Real Estate)	32.9	33.1	32.6	-200	300
Finance & Insurance	27.0	27.1	26.7	-100	300
Credit Intermediation & Related Activities	12.2	12.2	11.9	0	300
Insurance Carriers & Related Activities	11.0	11.1	10.9	-100	100
Professional & Technical Services	18.4	18.6	18.8	-200	-400
Management of Companies & Enterprises	6.9	6.9	6.5	0	400
Administrative & Waste Services	24.1	23.4	24.1	700	0
Educational Services	14.6	14.8	15.8	-200	-1,200
Colleges & Universities	8.7	9.0	10.6	-300	-1,900
Health Care & Social Assistance	70.7	71.1	68.7	-400	2,000
Ambulatory Health Care Services	20.9	20.9	19.8	0	1,100
Hospitals	22.5	22.6	22.2	-100	300
Nursing & Residential Care Facilities	17.7	17.8	17.4	-100	300
Social Assistance	9.6	9.8	9.3	-200	300
Arts, Entertainment & Recreation	9.5	9.4	9.0	100	500
Accommodation & Food Services	43.3	43.0	44.6	300	-1,300
Accommodation	4.7	4.7	5.2	0	-500
Food Services & Drinking Places	38.6	38.3	39.4	300	-800
Other Services	23.3	23.6	22.1	-300	1,200
Government	61.6	62.5	62.1	-900	-500
Federal Government	10.5	10.7	10.3	-200	200
State Government	17.1	17.2	17.6	-100	-500
Local Government	34.0	34.6	34.2	-600	-200
Local Education	20.0	20.2	20.2	-200	-200
Local Non-Ed	14.0	14.4	14.0	-400	0

*Not seasonally adjusted.

For more detail see "Introducing NAICS" at www.dlt.ri.gov/lmi/es202/naics/naics.htm.

Some subcategories are not additive.

Employment in Northern Rhode Island

The Northern Rhode Island area, which includes the cities of Central Falls, Pawtucket and Woonsocket and the towns of Burrillville, Cumberland, Lincoln, North Smithfield and Smithfield, comprises eighteen percent of the state's private sector employment and pays nearly one-fifth of the state's wages.

In 2002, the area's 5,348 business establishments employed nearly 78,000 workers and paid over \$2.5 billion in wages. Jobs in the area paid an average of \$32,711, slightly less (-1.6%) than the state average.

The Manufacturing (22.4%) sector accounts for the greatest percentage of the area's employment, followed by the Health Care & Social Assistance (16.4%) and Retail Trade (12.3%) sectors. Employees of businesses responsible for the Management of Companies & Enterprises and for the provision of Utilities earned the highest wages, \$72,359 and \$67,055, respectively. The lowest wages were paid in Accommodation & Food Services (\$11,457).

Industry	Number of Units	Annual Average Employment	Average Annual Wage
Rhode Island Private Sector, Total	33,501	404,079	\$33,226
Northern Rhode Island Total	5,348	77,637	\$32,711
Agriculture, Forestry, Fishing & Hunting	12	45	\$14,594
Mining	3	49	\$42,587
Utilities	7	144	\$67,055
Construction	668	4,252	\$42,237
Manufacturing	547	17,405	\$34,515
Wholesale Trade	453	2,962	\$43,780
Retail Trade	690	9,588	\$23,068
Transportation & Warehousing	126	2,410	\$32,043
Information	76	1,721	\$39,160
Finance & Insurance	235	6,000	\$49,331
Real Estate & Rental & Leasing	168	945	\$34,337
Professional & Technical Services	456	1,972	\$43,085
Management of Companies & Enterprises	20	2,820	\$72,359
Administrative & Waste Services	266	3,042	\$20,599
Educational Services	62	1,465	\$33,933
Health Care & Social Assistance	498	12,769	\$28,755
Arts, Entertainment, & Recreation	81	1,494	\$20,851
Accommodation & Food Services	444	5,544	\$11,457
Other Services, except Public Administration	532	2,993	\$19,829
Unclassified Establishments	4	17	\$23,393

Consumer Price Index for All Urban Consumers

	Aug 03	Jul 03	Aug 02	% Change Prev. Year
All Items	184.6	183.9	180.7	2.2%

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

Manufacturing Employment in Rhode Island, Not Seasonally Adjusted August 2003

	Employment					Production Worker Averages					
	(in thousands)			Net Change From:		Weekly Hours			Hourly Earnings		
	Aug 03	Jul 03	Aug 02	Jul 03	Aug 02	Aug 03	Jul 03	Aug 02	Aug 03	Jul 03	Aug 02
Manufacturing	60.1	56.9	62.2	3200	-2100	38.8	38.3	37.8	12.89	12.87	12.79
Durable Goods	38.6	36.7	41.0	1900	-2400	37.2	37.3	37.2	12.88	12.88	12.79
Fabricated Metal Product Mfg.	8.4	7.5	8.8	900	-400	38.0	38.3	38.6	11.50	11.49	11.32
Computer & Electronic Product Mfg.	5.0	5.0	5.3	0	-300	38.0	37.2	41.1	13.66	13.63	13.69
Electrical Equipment & Appliance Mfg.	3.0	2.7	2.9	300	100	36.9	36.9	38.6	9.51	9.50	9.57
Transportation Equipment Mfg.	3.8	3.6	3.8	200	0	40.7	40.4	42.4	15.40	15.41	15.51
Miscellaneous Manufacturing	11.4	11.1	12.3	300	-900	37.0	36.6	37.2	10.50	10.48	10.44
Jewelry and Silverware	8.6	8.1	9.0	500	-400	38.0	37.6	38.2	9.95	9.90	9.83
Non-Durable Goods	21.5	20.2	21.2	1300	300	41.6	40.1	39.0	12.90	12.85	12.78
Chemical Manufacturing	3.7	3.7	3.5	0	200	39.9	40.9	40.2	15.55	15.61	15.52
Plastics & Rubber Products Mfg.	3.3	3.1	3.2	200	100	40.1	39.0	39.6	14.66	14.64	14.46