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Employment Bulletin

Rhode Island
Department of
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September 2006

Free Business Workshops Slated

The RI Department of Labor and Training continues its free employer education seminar series with two sessions on Labor Market Information and personal service from departmental Employer Service Representatives. Participants will learn about Labor Market conditions in Rhode Island, how one's wages and benefits compare with competitors, how RI's diverse population may affect staffing, and who one's Employer Service Representative is and how he/she can help maneuver one through DLT's many programs and services. The seminar will be held twice: Tuesday, October 3rd from 8:30 am to 11:00 am and again on Tuesday, October 31st from 8:30 am to 11:00 am.



The first seminar explored Unemployment Insurance and Temporary Disability Insurance on Wednesday, September 13th and 20th. Nearly 400 employers learned where to find qualified applicants, what factors may affect their tax rate and how to reduce it, how to retain qualified employees at reduced rates during temporary slowdowns, who qualifies for UI or TDI, and how the adjudication process works.

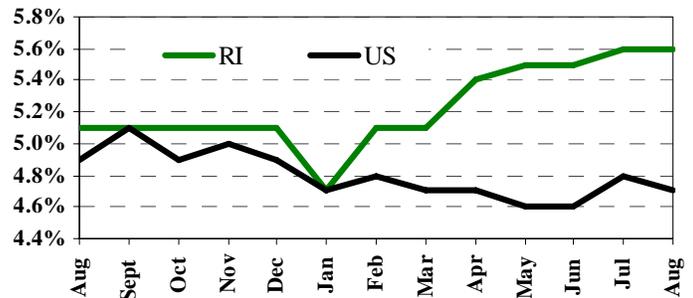
Future seminars will explore Workers' Compensation, Disaster Preparedness, Federal and State Employer Tax Credits, and Wage and Hour Labor Laws. For more on the DLT Employer Education Series, including dates and times for each seminar, go to www.dlt.ri.gov/EmployerSeminars.htm. Registration is required for all seminars. For more information on the upcoming LMI/Employer Service seminar or to register, call 1-888-616-JOBS.

Rhode Island's Unemployment Rate Remains Stable in August

Rhode's seasonally adjusted unemployment rate for August showed no change from July's estimate of 5.6 percent. The number of unemployed Rhode Island residents edged down slightly (-100) to 32,400 in August. A year ago, the jobless level was 28,900 and the State's unemployment rate stood at 5.1 percent.

Nationally, the unemployment rate for August inched down 0.1 of a percentage point to 4.7 percent. Compared to last year, the national jobless rate is down 0.2 of a percentage point. Rhode Island's unemployment rate for August remained above the national average.

RI & US Unemployment Rates
Seasonally Adjusted 2005 - 2006



Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Aug 06	Jul 06	Aug 05	Aug 06	Jul 06	Aug 05
Civilian Labor Force	576.8	580.6	571.1	151,698	151,534	149,792
Resident Employment	544.5	548.1	542.2	144,579	144,329	142,425
Unemployment	32.4	32.5	28.9	7,119	7,205	7,367
Unemployment Rate	5.6%	5.6%	5.1%	4.7%	4.8%	4.9%

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The Number of Jobs in Rhode Island Declines

Jobs at Rhode Island businesses decreased by 1,200 (-0.2%) last month, bringing the August job count to 493,700 (seasonally adjusted). Manufacturing losses in August (-1,400) offset Manufacturing gains (+1,200) reported in July resulting from changes in seasonal patterns. Since June 2006 employment in the Manufacturing sector is down 200. Employment decreases also occurred in Government (-500), Leisure & Hospitality (-100), and Other Services (-100), overshadowing gains reported in Financial Activities (+400), Construction (+200); Trade, Transportation & Utilities (+200); Professional & Business Services (+100); and Educational & Health Services (+100).

The monthly gain of 400 workers noted in Financial Activities reflected additional hiring in investment services and banking. Job losses in Government employment were the result of cutbacks reported at the local level.

Over the year, jobs were up 1,300 (+0.3%) from the 492,400 jobs reported in August 2005. Annual employment growth occurred in the Financial Activities (+2,100); Construction (+1,200); Professional & Business Services (+1,100); and Leisure & Hospitality (+1,000) sectors, offsetting losses in Manufacturing (-1,800); Trade, Transportation & Utilities (-800); Other Services (-800); and Educational & Health Services (-100). Government remained unchanged over the year.

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Aug 06	Jul 06	
Total Nonfarm	493.7	494.9	-1.2
Construction	23.2	23.0	0.2
Manufacturing	53.1	54.5	-1.4
Trade, Transportation & Utilities	79.6	79.4	0.2
Financial Activities	36.6	36.2	0.4
Professional & Business Services	56.6	56.5	0.1
Educational & Health Services	95.6	95.5	0.1
Leisure & Hospitality	50.8	50.9	-0.1
Other Services	22.6	22.7	-0.1
Government	65.0	65.5	-0.5

“Our unemployment rate remained stable even though job growth stalled a bit last month,” said DLT Director Adelita S. Orefice. “We are encouraged by the over-the-year employment gains in several industries, including Professional & Business Services, Education & Health, Construction, Financial Activities and Leisure & Hospitality.”

Hours and Earnings

In August 2006, the \$13.43 average hourly wage earned by the Manufacturing sector’s production workers represented a monthly gain of five cents per hour and an over-the-year gain of twenty-eight cents per hour. Manufacturing employees worked an average of 39.0 hours per week in August, up 0.2 of an hour over the month and 0.7 of an hour since August 2005.

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)			Net Change From		Weekly Hours			Hourly Earnings		
	Aug 06	Jul 06	Aug 05	Jul 06	Aug 05	Aug 06	Jul 06	Aug 05	Aug 06	Jul 06	Aug 05
Manufacturing	53.2	51.7	55.1	1500	-1900	39.0	38.8	38.3	13.43	13.38	13.15
Durable Goods	35.5	34.3	36.0	1200	-500	37.8	38.0	38.5	13.51	13.39	13.09
Fabricated Metal Product Mfg.	7.7	7.2	7.6	500	100	40.2	40.8	39.2	11.85	11.70	11.65
Computer & Electronic Product Mfg.	4.8	4.8	4.7	0	100	37.8	38.1	39.4	14.51	14.63	14.09
Miscellaneous Manufacturing	9.4	8.9	10.5	500	-1100	36.3	37.6	36.5	11.41	11.30	10.95
Jewelry & Silverware	6.3	5.9	7.5	400	-1200	38.9	40.0	37.0	10.55	10.48	10.12
Non-Durable Goods	17.7	17.4	19.1	300	-1400	41.2	40.3	38.0	13.30	13.36	13.25
Chemical Manufacturing	4.3	4.3	4.3	0	0	42.7	41.7	40.7	15.61	15.61	15.61
Plastics & Rubber Products Mfg.	2.7	2.6	2.9	100	-200	41.7	41.0	40.5	14.33	14.44	14.70

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.

Characteristics of the Insured Unemployed

In August 2006, approximately 38 percent of Rhode Island's unemployed workers were eligible to collect Unemployment Insurance benefits. Numbering 12,313 people, these "insured unemployed" accounted for 2.2 percent of the state's total employed (unadjusted). Nearly 21 percent (2,526) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

Twenty-seven percent (3,327) of the people receiving Unemployment Insurance benefits were between the ages of 45 and 54, while an additional 27 percent (3,270) were 35 to 44 years old. Concentrations of long-term unemployment were highest among workers over 60 years of age, due, in part, to the difficulties workers face in finding new jobs as they grow older. For example, almost 26 percent of all insured unemployed workers 60 years and older had been collecting benefits for at least fourteen weeks, whereas 19 percent of those under 22 years of age and 20 percent of 22 to 24 year olds were considered long-term unemployed.

In August, approximately 43 percent (5,336) of those collecting Unemployment Insurance benefits had just a high school diploma. An additional 1,713 people (13.9%) had less than a high school diploma, while 17.9 percent (2,202) of the insured unemployed had at least a Bachelor's degree. Roughly 25 percent of insured unemployed workers with less than a high school diploma had been collecting benefits for a minimum of fourteen weeks, while 20 percent of those with at least a Bachelor's degree were also considered long-term unemployed.

On an industry basis, 16 percent (1,912) of the State's insured unemployed workers came from the Manufacturing sector. There were also 1,640 individuals with an attachment to the Accommodation and Food Services sector, accounting for 13.3 percent of all insured unemployed workers. An additional 11 percent (1,296) of those collecting Unemployment Insurance benefits in August had worked in the Health Care & Social Assistance sector. Large numbers of insured unemployed were also reported in Transportation & Warehousing (1,161), Retail Trade (1,081) and Administrative & Waste Services (852).

Those previously employed in Office & Administrative occupations accounted for 14.3 percent (1,762) of the State's insured unemployed. A large number of workers previously employed in Transportation & Material Moving (1,502), Production (1,480) and Food Preparation & Serving Related (1,324) occupations also collected Unemployment Insurance benefits in August. Numerous occupational groups reported concentrations of long-term unemployment above the state average, including Legal (38.8%), Business & Financial Operations (33.9%), Sales & Related (29.4%) and Installation, Maintenance & Repair (28.5%).

Characteristics of the Insured Unemployed, August 2006

	<i>Total</i>	<i>Long-Term</i>	<i>Percent Long-Term</i>
Total	12,313	2,526	20.5%
Male	4,822	1,219	25.3%
Female	7,491	1,307	17.4%
Age	12,313	2,526	20.5%
Under 22	310	59	19.0%
22 - 24	513	101	19.7%
25 - 34	2,219	472	21.3%
35 - 44	3,270	663	20.3%
45 - 54	3,327	638	19.2%
55 - 59	1,180	212	18.0%
60 - 64	796	171	21.5%
65 or over	698	210	30.1%
Education	12,313	2,526	20.5%
Less than 9th Grade	509	128	25.1%
9th to 12th, no diploma	1,204	296	24.6%
High School Graduate	5,336	1,073	20.1%
Some College	2,157	509	23.6%
Bachelor's Degree	1,312	258	19.7%
Beyond Bachelor's	890	177	19.9%
Selected Industries	12,313	2,526	20.5%
Construction	701	177	25.2%
Manufacturing	1,912	550	28.8%
Wholesale Trade	363	130	35.8%
Retail Trade	1,081	308	28.5%
Transportation & Warehousing	1,161	47	4.0%
Information	267	85	31.8%
Finance & Insurance	616	217	35.2%
Real Estate	236	62	26.3%
Professional & Tech. Services	453	121	26.7%
Administrative & Waste Services	852	163	19.1%
Educational Services	571	43	7.5%
Health Care & Social Assistance	1,296	255	19.7%
Arts, Entertainment & Recreation	176	22	12.5%
Accommodation & Food Services	1,640	138	8.4%
Other Services	384	123	32.0%
Public Administration	223	11	4.9%
Selected Occupations	12,313	2,526	20.5%
Business & Financial Operations	416	141	33.9%
Computer & Mathematical	122	31	25.4%
Architecture & Engineering	94	25	26.6%
Life, Physical & Social Science	50	13	26.0%
Community & Social Services	154	27	17.5%
Legal	49	19	38.8%
Education, Training & Library	722	29	4.0%
Arts, Design, Ent., Sports & Media	207	49	23.7%
Healthcare Practitioner & Technical	177	50	28.2%
Healthcare Support	223	58	26.0%
Protective Service	249	32	12.9%
Food Preparation & Serving Related	1,324	101	7.6%
Bldg. & Grounds Cleaning & Maint.	137	35	25.5%
Personal Care & Service	252	23	9.1%
Sales & Related	761	224	29.4%
Office & Administrative Support	1,762	499	28.3%
Construction & Extraction	433	97	22.4%
Installation, Maintenance & Repair	372	106	28.5%
Production	1,480	376	25.4%
Transportation & Material Moving	1,502	155	10.3%

Consumer Price Index for All Urban Consumers

				% Change
	Aug 06	Jul 06	Aug 05	Prev. Year
All Items	203.9	203.5	196.4	3.8%

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

Workers' Compensation Education Unit Fall 2006 Events

The RI Workers' Compensation Education Unit is sponsoring a Disaster Preparedness and Response "Is Your Business Ready?" seminar on September 28, 2006 from 8:00 a.m. to 12:00 p.m. at Rhodes On-The-Pawtuxet in Cranston, RI. In addition to our speaking program, we will provide a vendor fair for attendees from 12:00 p.m. to 1:45 p.m. Some of the agencies participating in the vendor fair include: US Labor/OSHA, RI Dept. of Health, RI Emergency Management Agency, Beacon Mutual Insurance Co., Salvation Army, Liberty Mutual Insurance Company, the Red Cross, Office of the RI State Fire Marshall, New England Disaster Recovery Information X-change, Small Business

Administration, RI National Guard and the US Coast Guard, National Grid, and Urban Search and Rescue. We will also offer attendees the opportunity to see the State's mobile command center and communication towers, and the Red Cross's truck and emergency shelter tents.

On November 9, 2006 from 8:30 a.m. to 11:30 a.m. the unit is also sponsoring a Medical Office Staff Workshop at the RI Department of Labor and Training, 1511 Pontiac Avenue Building 73, Cranston, RI. Our presenters will review the procedures to follow in accordance with the RI Workers' Compensation and the RI Temporary Disability Insurance laws. This program is free and seating is limited.

On December 6, 2006 the unit is sponsoring RI Workers' Compensation, "Employer's Right and Responsibilities," from 8:00 a.m. to 12:00 p.m. at the RI Department of Labor and Training, 1511 Pontiac Avenue Building 73, Cranston, RI. We will provide an overview of the employer's role and review their obligations under the RI Workers' Compensation law. Additionally, we will review the most violated RI Labor Standards laws.

These programs are free and seating is limited. To register, please call 462-8100 and press option "1" or e-mail your name, organization, telephone number, workshop attending, and the number attending to: wcedcunit@dlt.ri.gov.

City & Town Unadjusted Unemployment Rates for August

	2006	2005		2006	2005
	Barrington	4.0		3.7	Newport
Bristol	4.7	4.0	North Kingstown	4.3	3.7
Burrillville	5.4	4.6	North Providence	5.6	5.0
Central Falls	7.1	6.7	North Smithfield	5.5	4.2
Charlestown	5.2	4.8	Pawtucket	6.5	5.7
Coventry	5.2	5.0	Portsmouth	4.3	3.8
Cranston	5.6	4.9	Providence	7.2	6.7
Cumberland	5.1	4.3	Richmond	3.6	3.2
East Greenwich	5.1	4.7	Scituate	5.3	4.6
East Providence	5.4	5.0	Smithfield	5.4	4.7
Exeter	4.8	4.1	South Kingstown	5.0	4.4
Foster	5.7	5.4	Tiverton	5.6	5.1
Glocester	4.3	3.8	Warren	5.6	5.0
Hopkinton	5.2	4.9	Warwick	5.2	4.6
Jamestown	3.8	3.4	West Greenwich	5.3	4.1
Johnston	5.7	4.8	West Warwick	5.9	5.4
Lincoln	4.8	4.4	Westerly	4.2	3.5
Little Compton	3.8	3.6	Woonsocket	5.9	5.4
Middletown	4.7	3.9			
Narragansett	3.5	3.2	State of R.I.	5.5	4.9
New Shoreham	2.0	2.1	United States	4.6	4.9



Unemployment Insurance Claims Activity

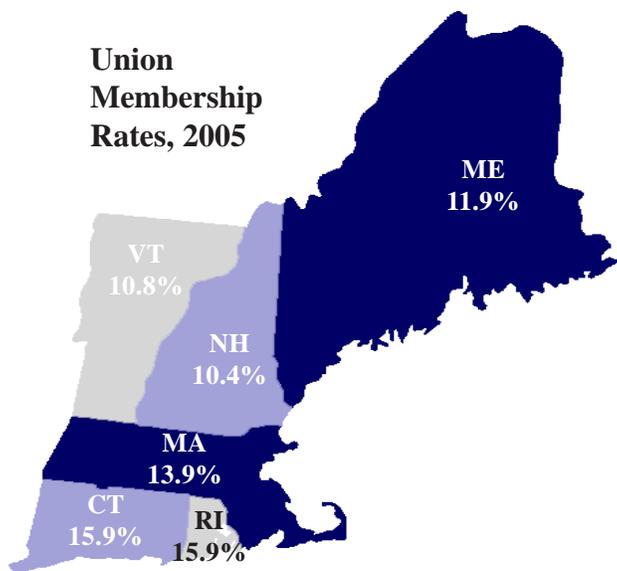
	Aug	July	Aug	% Change		Year to Date		
	2006	2006	2005	July 06	Aug 05	2006	2005	% Change
Initial Claims	4,886	5,647	4,786	-13.5%	2.1%	51,711	52,566	-1.6%
Number of Payments	49,087	53,911	57,252	-8.9%	-14.3%	426,949	448,000	-4.7%
Amount of Payments (gross millions)	\$15.5	\$16.8	\$17.7	-7.7%	-12.4%	\$141.3	\$145.8	-3.1%
Exhaustions (Final Payments)	984	1,287	1,288	-23.5%	-23.6%	9,808	10,608	-7.5%

Union Membership in Rhode Island, 2005

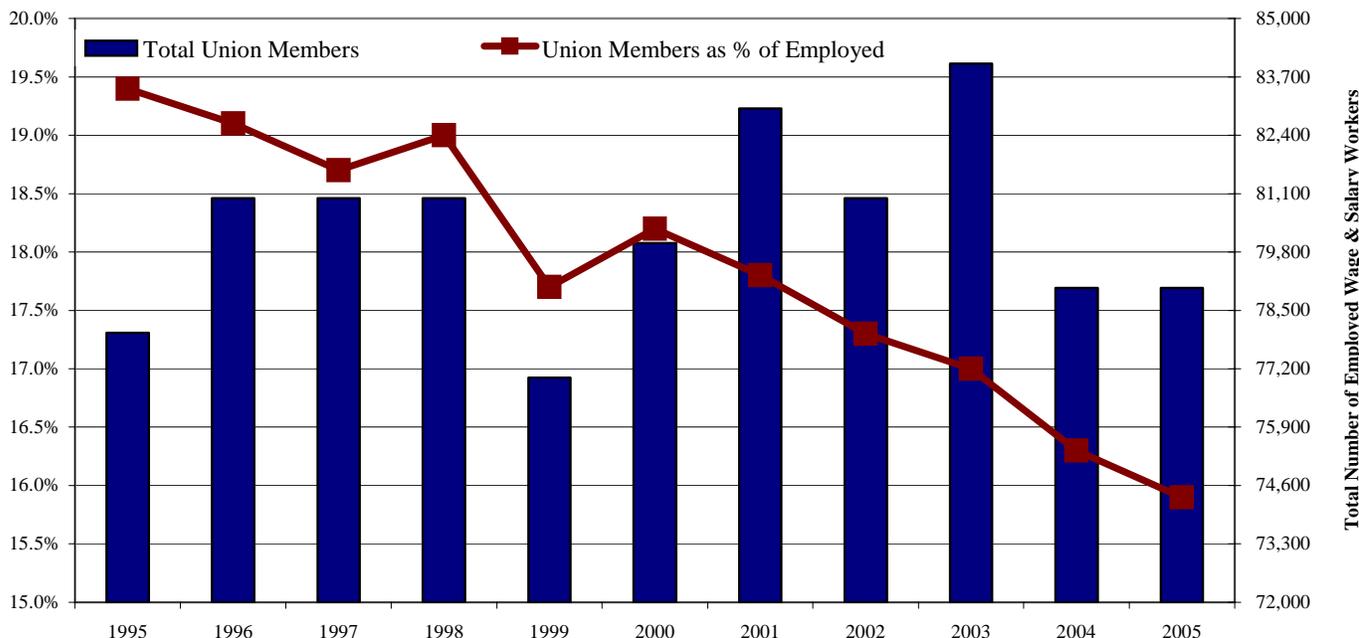
According to the Bureau of Labor Statistics (BLS), 15.9 percent (79,000) of private and public sector workers throughout the state were union members. Rhode Island and Connecticut had the highest union membership rates (15.9%) in New England, but slipped to the eleventh highest in the nation, trailing New York (26.1%), Hawaii (25.8%), Alaska (22.8%), New Jersey (20.5%), Michigan (20.5%), Washington (19.1%), Illinois (16.9%), California (16.5%), Wisconsin (16.1%), and Ohio (16.0%). Nationwide, the union membership rate was 12.5 percent, unchanged from 2004 and well below the 20.1 percent measured in 1983.* In 2004, Rhode Island reported the tenth highest union membership rate in the United States at 16.3 percent (79,000).

Over the year, the percentage of wage and salary workers represented by unions in the Ocean State declined, falling from 17.0 percent in 2004 to 16.8 percent in 2005. Throughout the country, 13.7 percent of public and private sector workers were represented by unions in 2005.

Within New England, only Rhode Island reported an over-the-year decrease in union membership, dropping 0.4 percentage points. Vermont's 1.0 percentage point increase was the largest in New England, followed by Maine (+0.6), Connecticut (+0.6), New Hampshire (+0.5), and Massachusetts (+0.4).



Union Membership in Rhode Island, 1995-2005



* 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/.