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Employment Bulletin

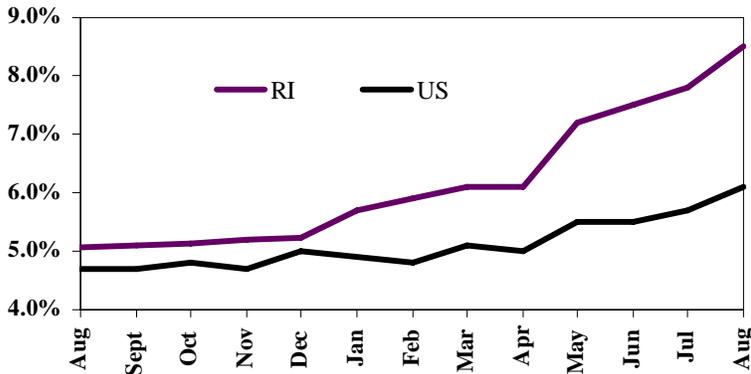
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September 2008

Rhode Island's Unemployment Rate Rises to 8.5 Percent

- ◆ RI's seasonally adjusted unemployment rate continued to trend upward in August, climbing to 8.5 percent, its highest level since January 1993 (8.5%).
- ◆ RI's August unemployment rate is up 3.4 percentage points from last year's figure of 5.1 percent.
- ◆ RI's jobless rate remained above the national rate, which rose 0.4 of a percentage point to 6.1 percent in August.
- ◆ In August, the number of unemployed Rhode Island residents increased by 4,300 to reach 48,800, the state's highest jobless level on record. On a year-over-year comparison, the number of unemployed residents increased 19,600 from August 2007 to August 2008.
- ◆ The number of employed RI residents totaled 522,200 in August 2008, reflecting a drop of 6,800 from the previous month. On a year-over-year basis, the number of employed RI residents fell 23,600 between August 2007 and August 2008.

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



National Employment by Size of Establishment*

Nationally, small establishments comprise an overwhelming majority of the nation's businesses. In 2006, the latest year for which data are available for all states, 87.8 percent of the establishments in the US had less than 20 workers. Establishments employing between 20 and 99 workers accounted for 10.1 percent of the US establishments, and those employing over a 100 workers accounted for just 2.0 percent of establishments nationwide.

- ◆ Small establishments dominate the economies in all states, ranging from 90.9 percent in Montana to 84.5 percent in Tennessee.
- ◆ In 2006, 88.6 percent of Rhode Island establishments employed less than 20 workers, ranking the state 17th in terms of its percentage of small firms.
- ◆ States with a greater percentage of small establishments than Rhode Island include the New England states of Maine (90.0%), Vermont (89.6%), and New Hampshire (88.7%).
- ◆ California (90.1%), New York (89.6%) and Florida (89.5%), the three largest states in terms of the number of establishments, all have a greater percentage of small establishments than found in Rhode Island.
- ◆ Rhode Island, along with Alaska, rank 37th in the nation in the percentage of large establishments (100 employees or more) located within each state. Included among the 13 states below Rhode Island (1.66%) in this 2006 ranking are New Hampshire (1.64%), Maine (1.43%) and Vermont (1.33%). (Continued on Page 4)

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Aug 08	Jul 08	Aug 07	Aug 08	Jul 08	Aug 07
Civilian Labor Force	571.0	573.5	575.0	154,853	154,603	152,886
Resident Employment	522.2	529.0	545.8	145,477	145,819	145,753
Unemployment	48.8	44.5	29.2	9,376	8,784	7,133
Unemployment Rate	8.5%	7.8%	5.1%	6.1%	5.7%	4.7%

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Rhode Island Jobs Decline by 1,200 in August

In Rhode Island, the August 2008 monthly job count totaled 479,600, a decline of 1,200 from July's revised employment level of 480,800. August marks the eighth straight month of job losses for both Rhode Island and the United States. Over the month, the Manufacturing sector and the Financial Activities sector reported the largest losses of 400 each. The loss in Manufacturing jobs can be attributed to declines in both the durable and the nondurable goods segments, while those in Financial Services can be attributed to reductions in banking, finance companies and insurance companies. Also in August, Professional & Business Services lost 300 workers, while Wholesale Trade and Accommodation & Food Services reported job cutbacks of 200 each. The Retail Trade; Arts, Entertainment & Recreation; and Other Services sectors each lost 100 jobs.

The Transportation & Utilities sector and the Health Care & Social Assistance sector each reported an increase of 200 workers, while the Construction sector and the Educational Services sector reported gains of 100 each.

From August 2007 to August 2008, RI jobs declined 12,800, a 2.6 percent decrease. The largest annual employment losses occurred in the Manufacturing (-3,100), Professional & Business Services (-1,900), Retail Trade (-1,800), Government (-1,800), Financial Activities (-1,500), and Other Services (-1,000) sectors. Smaller losses were noted in Construction (-700); Wholesale Trade (-600); Arts, Entertainment & Recreation (-400); Accommodation & Food Services (-400); Transportation & Utilities (-300); and Natural Resources & Mining (-100).

Establishment Employment in Rhode Island Seasonally Adjusted

	Net Change From				
	<u>Aug-08</u>	<u>Jul-08</u>	<u>Aug-07</u>	<u>Jul-08</u>	<u>Aug-07</u>
Total Nonfarm	479.6	480.8	492.4	-1.2	-12.8
Natural Resources & Mining	0.2	0.2	0.3	0.0	-0.1
Construction	21.0	20.9	21.7	0.1	-0.7
Manufacturing	47.6	48.0	50.7	-0.4	-3.1
Wholesale Trade*	16.6	16.8	17.2	-0.2	-0.6
Retail Trade	49.8	49.9	51.6	-0.1	-1.8
Transportation & Utilities	10.8	10.6	11.1	0.2	-0.3
Information	10.9	10.9	10.5	0.0	0.4
Financial Activities	33.0	33.4	34.5	-0.4	-1.5
Professional & Business Services	53.9	54.2	55.8	-0.3	-1.9
Educational Services	23.8	23.7	23.4	0.1	0.4
Health Care & Social Assistance	76.3	76.1	76.3	0.2	0.0
Arts, Entertainment & Recreation	7.6	7.7	8.0	-0.1	-0.4
Accommodation & Food Services	42.7	42.9	43.1	-0.2	-0.4
Other Services	22.1	22.2	23.1	-0.1	-1.0
Government	63.3	63.3	65.1	0.0	-1.8

* State Calculated Estimate

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment				
	(in thousands)			Net Change From	
	<u>Aug 08</u>	<u>Jul 08</u>	<u>Aug 07</u>	<u>Jul 08</u>	<u>Aug 07</u>
Manufacturing	47.8	45.7	50.7	2100	-2,900
Durable Goods	31.0	29.6	32.8	1400	-1,800
Fabricated Metal Product Mfg.	6.5	6.3	6.9	200	-400
Computer & Electronic Product Mfg.	4.3	4.3	4.4	0	-100
Miscellaneous Manufacturing	8.7	8.1	9.3	600	-600
Jewelry & Silverware	5.9	5.4	6.5	500	-600
Non-Durable Goods	16.8	16.1	17.9	700	-1,100
Chemical Manufacturing	4.2	4.2	4.4	0	-200
Plastics & Rubber Products Mfg.	2.8	2.8	2.9	0	-100

Information and Educational Services each reported an over-the-year increase of 400 jobs. Employment in Health Care & Social Assistance remained unchanged from August 2007 to August 2008.

In August 2008, production workers in the Manufacturing sector earned \$13.91 per hour. The average hourly production wage was up two cents from July but declined by three cents from a year ago August. Manufacturing employees worked an average of 38.4 hours per week in August, up five-tenths of an hour over the month but down 1.1 hours since August 2007.

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.



Employment Demand in Health Care & Social Assistance

Health Care & Social Assistance has long been one of RI's faster growing industry sectors. Demographic shifts in the population, medical advances and new technologies have fueled employment growth in health care-related fields, making the industry sector one of RI's most dynamic labor markets. In recent years (2002 to 2007) Health Care & Social Assistance has added more than 9,600 (14.5%) jobs to the Rhode Island economy – the largest increase of any private industry sector during this period. More than 18 percent of all private sector jobs in Rhode Island fall under the Health Care & Social Assistance umbrella.

Employment in Health Care & Social Assistance is projected to reach 91,100 in 2016, an increase of 15,019 (19.7%) from the 2006 level of 76,081 and more than twice the growth rate expected for all industries (9.1%) in Rhode Island. Within the Health Care & Social Assistance industry sector, Nursing & Residential Care Facilities (+5,516), Ambulatory Health Care (+4,004), Social Assistance (+2,792) and Hospitals (+2,707) are all expected to add significant numbers of jobs over the projection period and grow at above-average rates. During the 2006 to 2016 projection period, nearly 30 percent of the new jobs created in Rhode Island are projected to be in Health Care & Social Assistance.

Healthcare occupations that are expected to be in high demand during the 2006-2016 projection period include:

Registered Nurses	453 openings per year
Nursing Aides, Orderlies & Attendants	257 openings per year
Home Health Aides	176 openings per year
Social & Human Service Assistants	160 openings per year
Personal & Home Care Aides	114 openings per year
Medical Secretaries	88 openings per year
Licensed Practical Nurses	85 openings per year

Two major factors contribute to employment demand:

- ◆ The need to fill vacancies created by economic expansion and
- ◆ The need to replace workers who leave a job because of a job change, retirement or death – employee turnover.

Characteristics of the Insured Unemployed

In August 2008, 32 percent of Rhode Island's unemployed workers were eligible to collect Unemployment Insurance (UI) benefits. Numbering 16,079 people, these "insured unemployed" accounted for 3.0 percent of the State's total employed (unadjusted). More than 23 percent (3,710) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than 14 weeks.

On an industry basis, 13.2 percent (2,129) of the State's insured unemployed workers came from the Manufacturing sector. There were also 1,820 individuals with an attachment to the Accommodation & Food Services sector, accounting for 11.3 percent of all insured unemployed workers. An additional 10.6 percent (1,709) of those collecting UI benefits in August had worked in the Health Care & Social Assistance sector. Large numbers of insured unemployed were also reported in Retail Trade (1,453), Transportation & Warehousing (1,449) and Construction (1,405). For more information, go to www.dlt.ri.gov/lmi/uiadmin/characteristics.htm.

Characteristics of the Insured Unemployed, August 2008

	Total	Long-Term	Percent Long-Term
Total	16,079	3,710	23.1%
Male	7,056	1,825	25.9%
Female	9,023	1,885	20.9%
Selected Industries	16,079	3,710	23.1%
Construction	1,405	318	22.6%
Manufacturing	2,129	691	32.5%
Wholesale Trade	543	164	30.2%
Retail Trade	1,453	512	35.2%
Transportation & Warehousing	1,449	70	4.8%
Information	249	66	26.5%
Finance & Insurance	842	243	28.9%
Real Estate	287	78	27.2%
Professional & Tech. Services	683	230	33.7%
Administrative & Waste Services	1,199	287	23.9%
Educational Services	670	47	7.0%
Health Care & Social Assistance	1,709	445	26.0%
Arts, Entertainment & Recreation	299	76	25.4%
Accommodation & Food Services	1,820	187	10.3%
Other Services	567	139	24.5%
Public Administration	248	21	8.5%

Consumer Price Index for All Urban Consumers

				% Change
	Aug 08	Jul 08	Aug 07	Prev. Year
All Items	219.1	220.0	207.9	5.4%

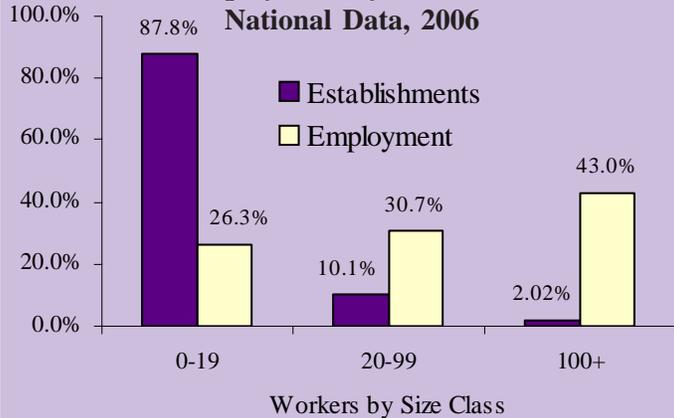
Source: U.S. Dept. of Labor, Bureau of Labor Statistics

National Employment by Size of Establishment*

(Continued from Page 1)

- Both Massachusetts (2.11%) and Connecticut (2.00%) have a higher percentage of large establishments than Rhode Island.
- The states with the greatest percentages of large establishments are Tennessee (2.89%), Ohio (2.65%) and Indiana (2.57%). Montana (0.84%) and Wyoming (0.96%) have the smallest percentages of large establishments.
- More business establishments are located in California than in any other state in the country. Over 90 percent of these establishments employ less than 20 workers and just 1.61 percent employ more than 100 workers.

Percentage of Establishments* & Employment by Size Class



*Establishment refers to the separate location of firms with multiple locations i.e. supermarkets, banks, department stores. The total employment level of a multi-establishment company (firm) is not available for all states from the Bureau of Labor Statistics. Therefore, the state comparisons are done by size of establishment.

City & Town Unadjusted Unemployment Rates for August

	2008	2007		2008	2007
Barrington	6.5	3.9	Newport	6.7	4.1
Bristol	7.7	4.4	North Kingstown	7.4	3.9
Burrillville	7.8	4.7	North Providence	9.0	5.6
Central Falls	11.8	6.3	North Smithfield	8.0	4.7
Charlestown	8.7	5.4	Pawtucket	10.6	5.9
Coventry	8.6	5.0	Portsmouth	6.6	3.6
Cranston	8.8	5.4	Providence	11.0	6.7
Cumberland	8.1	4.7	Richmond	6.0	3.1
East Greenwich	8.2	4.7	Scituate	8.7	5.3
East Providence	9.0	5.4	Smithfield	8.5	4.9
Exeter	7.7	4.6	South Kingstown	7.5	4.2
Foster	8.7	5.8	Tiverton	9.2	5.1
Glocester	7.1	4.0	Warren	8.8	5.1
Hopkinton	8.9	4.8	Warwick	7.9	4.9
Jamestown	6.0	3.5	West Greenwich	7.3	4.8
Johnston	9.4	5.5	West Warwick	9.3	5.5
Lincoln	8.1	4.7	Westerly	7.8	4.1
Little Compton	6.6	3.8	Woonsocket	10.7	5.6
Middletown	6.9	4.2			
Narragansett	5.3	3.3	State of R.I.	8.8	5.2
New Shoreham	3.0	1.7	United States	6.1	4.6

Medical Office Staff Workshop

Training designed specifically for medical office staff. Learn how to complete Workers' Compensation and/or Temporary Disability Insurance paperwork. Understand Rhode Island's Workers' Compensation Medical Advisory Board protocols and WC fee schedules. Become familiar with work hardening and physical rehabilitation services available from the Donley Rehabilitation Center.

Thursday, October 9, 2008
9:00 AM - 11:30 AM
Registration is 8:30 AM Sharp
Department of Labor and Training
1511 Pontiac Avenue, Cranston, RI

Pre-registration is required. Call (401) 462-8100, option 1 to register.

Unemployment Insurance Claims Activity

	Aug 2008	July 2008	Aug 2007	% Change July 08	% Change Aug 07	Year to Date		
						2008	2007	% Change
Initial Claims	6,145	7,529	5,174	-18.4%	18.8%	62,738	55,414	13.2%
Number of Payments	60,862	62,623	52,727	-2.8%	15.4%	527,333	457,920	15.2%
Amount of Payments (gross millions)	\$20.8	\$21.4	\$17.8	-2.8%	16.9%	\$188.0	\$158.3	18.8%
Exhaustions (Final Payments)	1,574	1,552	1,148	1.4%	37.1%	13,106	10,215	28.3%

Private Industry - Establishments and Employment, First Quarter 2006

Total All Industries	Total		0 to 19 Workers		20 to 99 Workers		100 or more Workers	
	Percent of Estab.	Percent of Employment						
US Total	100.0%	100.0%	87.8%	26.3%	10.1%	30.7%	2.02%	43.0%
Alabama	1.3%	1.4%	86.0%	28.1%	11.9%	32.6%	2.12%	39.2%
Alaska	0.2%	0.2%	88.8%	32.0%	9.6%	32.1%	1.66%	35.9%
Arizona	1.7%	2.0%	87.0%	20.8%	10.5%	27.8%	2.55%	51.4%
Arkansas	0.9%	0.9%	88.5%	28.8%	9.8%	29.6%	1.75%	41.6%
California	14.6%	11.7%	90.1%	26.9%	8.3%	31.8%	1.61%	41.3%
Colorado	2.0%	1.7%	89.1%	30.6%	9.3%	33.1%	1.57%	36.3%
Connecticut	1.3%	1.3%	88.1%	27.4%	9.9%	30.3%	2.00%	42.3%
District of Columbia	0.4%	0.4%	88.5%	20.0%	8.9%	26.3%	2.52%	53.7%
Delaware	0.4%	0.3%	89.4%	24.8%	8.8%	28.5%	1.87%	46.7%
Florida	6.8%	6.2%	89.5%	26.6%	8.6%	28.7%	1.89%	44.7%
Georgia	3.0%	3.0%	87.4%	25.0%	10.5%	31.9%	2.11%	43.1%
Hawaii	0.4%	0.4%	86.4%	27.3%	11.5%	32.6%	2.11%	40.1%
Idaho	0.6%	0.5%	90.2%	35.8%	8.7%	32.8%	1.16%	31.4%
Illinois	4.0%	4.4%	87.3%	22.3%	10.4%	29.3%	2.35%	48.4%
Indiana	1.8%	2.2%	85.2%	23.7%	12.2%	30.3%	2.57%	46.0%
Iowa	1.0%	1.1%	87.0%	28.9%	11.0%	31.0%	2.01%	40.1%
Kansas	0.9%	1.0%	87.4%	26.8%	10.5%	30.7%	2.11%	42.5%
Kentucky	1.2%	1.3%	86.3%	26.1%	11.4%	31.5%	2.31%	42.5%
Louisiana	1.4%	1.3%	87.2%	28.3%	11.0%	34.4%	1.82%	37.2%
Maine	0.5%	0.4%	90.0%	33.2%	8.6%	31.6%	1.43%	35.2%
Maryland	1.9%	1.8%	87.5%	26.8%	10.4%	32.8%	2.07%	40.4%
Massachusetts	2.4%	2.5%	87.7%	25.8%	10.1%	29.6%	2.11%	44.5%
Michigan	3.0%	3.2%	87.8%	23.6%	9.9%	28.1%	2.36%	48.3%
Minnesota	1.9%	2.0%	87.3%	24.8%	10.5%	29.9%	2.24%	45.3%
Mississippi	0.8%	0.8%	87.0%	28.5%	11.0%	31.2%	1.99%	40.4%
Missouri	1.9%	2.0%	86.8%	26.5%	11.1%	31.4%	2.05%	42.1%
Montana	0.5%	0.3%	90.9%	41.6%	8.2%	35.8%	0.84%	22.6%
Nebraska	0.6%	0.7%	87.3%	28.7%	10.8%	30.9%	1.85%	40.4%
Nevada	0.8%	1.0%	86.5%	22.1%	11.2%	27.6%	2.29%	50.3%
New Hampshire	0.5%	0.5%	88.7%	32.2%	9.7%	32.7%	1.64%	35.1%
New Jersey	3.1%	3.0%	89.0%	27.4%	9.1%	29.2%	1.92%	43.4%
New Mexico	0.6%	0.5%	87.4%	29.8%	10.9%	34.3%	1.70%	35.9%
New York	6.6%	6.2%	89.6%	27.0%	8.7%	27.4%	1.75%	45.6%
North Carolina	2.7%	2.9%	86.2%	26.4%	11.7%	33.0%	2.11%	40.6%
North Dakota	0.3%	0.2%	88.5%	32.7%	9.9%	33.9%	1.58%	33.4%
Ohio	3.3%	4.0%	84.7%	23.9%	12.6%	31.5%	2.65%	44.6%
Oklahoma	1.1%	1.1%	87.2%	29.0%	10.9%	32.3%	1.90%	38.7%
Oregon	1.4%	1.3%	88.7%	32.4%	9.8%	33.0%	1.54%	34.6%
Pennsylvania	3.7%	4.3%	85.8%	25.6%	11.8%	31.1%	2.38%	43.3%
Rhode Island	0.4%	0.4%	88.6%	28.5%	9.8%	33.4%	1.66%	38.1%
South Carolina	1.4%	1.4%	88.1%	26.7%	9.9%	31.5%	1.96%	41.8%
South Dakota	0.3%	0.3%	89.1%	34.5%	9.5%	32.4%	1.44%	33.1%
Tennessee	1.6%	2.1%	84.5%	22.5%	12.6%	28.6%	2.89%	48.8%
Texas	6.1%	7.3%	85.1%	24.4%	12.3%	31.2%	2.52%	44.3%
Utah	0.9%	0.9%	88.5%	29.6%	9.8%	32.5%	1.67%	37.8%
Vermont	0.3%	0.2%	89.6%	35.4%	9.1%	31.5%	1.33%	33.0%
Virginia	2.4%	2.6%	86.0%	26.3%	11.8%	32.7%	2.21%	41.0%
Washington	2.4%	2.0%	89.5%	30.2%	8.9%	31.5%	1.62%	38.3%
West Virginia	0.5%	0.5%	87.7%	33.1%	10.7%	33.3%	1.64%	33.6%
Wisconsin	1.9%	2.1%	86.1%	24.5%	11.4%	30.6%	2.44%	44.9%
Wyoming	0.3%	0.2%	90.6%	41.8%	8.4%	34.8%	0.96%	23.5%

Source: US Bureau of Labor Statistics