



## Rhode Island Department of Labor and Training

# Mass Layoff Statistics 2006

In 2006, there were 83 mass layoff actions\* taken by Rhode Island employers as measured by new filings for Unemployment Insurance (UI) benefits. The events involved a total of 10,817 persons who filed initial claims for UI benefits accounting for nearly 15 percent of all initial claims (76,453) during 2006. Fourteen (16.9%) of the 83 layoff actions that occurred during the year were classified as long-term layoffs (layoffs expected to last for more than 30 days).

Nineteen (30.6%) of the mass layoff events occurred in the Manufacturing sector. These 19 events were linked to 15 Rhode Island establishments. The majority (15) of these layoff events were classified as temporary, meaning the layoff lasted less than 31 days. Four layoff events in this sector were classified as long-term layoffs and affected less than 300 workers.

The Transportation & Warehousing sector recorded the second largest number of mass layoff events. These 16 events, occurring in 2006, resulted in the filing of 3,436 initial claims. Representing a decrease from the 2005 figures of 18 mass layoff events and 3,848 initial claims. Less than 3 percent of these claims were associated with a long-term mass layoff.

There were 12 mass layoff events associated with employers classified in the Accommodation & Food

Services sector involving 3,146 Rhode Island workers. The majority of these layoffs were short-term with less than 3 percent related to events lasting more than 30 days.

The Administrative & Waste Services sector had 10 mass layoff events resulting in the filing of 717 initial claims. All layoffs in this sector were reported as temporary.

The Construction sector accounted for five events resulting in 351 initial claims. Only 22 percent of these claimants were part of long-term layoffs. Both the Finance & Insurance sector and the Health Care & Social Assistance sector had four events involving a total of 566 Rhode Island workers.

### Layoff Events By Major Industry

Industry Sector	Events	Initial Claims
<b>Total</b>	<b>83</b>	<b>10,817</b>
Accommodation & Food Services	12	3,146
Administrative & Waste Services	10	717
Construction	5	351
Finance & Insurance	4	194
Government	5	330
Health Care & Social Assistance	4	372
Manufacturing	19	1,696
Transportation & Warehousing	16	3,436
Other Industry Sectors	8	575

### Layoff Events By Reason

There were 14 long-term layoffs (lasting 30 days or longer) attributed to Rhode Island companies in 2006 affecting 1,801 workers. Thirty-five percent of all the long-term events were classified as 'vacation period' layoffs involving school support services that were discontinued during the summer months. Employers reported that all laid-off workers could expect a recall in less than 90 days. These layoffs represented more than sixty percent of all claimants involved in long term layoff events.

### Long-term Mass Layoffs By Reason

	Layoff Events	Initial Claims
<b>Total</b>	<b>14</b>	<b>1,801</b>
Seasonal	2	173
Company Reorganization/ Ownership Change	4	285
Vacation Period	5	1,124
Other Reason**	3	219

\*\* Financial Difficulty, Import Competition or Product Line Discontinued.

Just seven companies, identified as having a mass layoff in 2006, reported that no recalls were expected of their workers. Reasons cited for these permanent layoffs were company reorganizations, financial difficulty, product line discontinued or import competition. While these permanent closures represented half (7 out of 14) of the total mass layoffs, the affected workers represented less than a third (504 out of 1801) of the initial claims.

A total recall of workers was anticipated by companies reporting either seasonal or vacation period layoffs. The majority of these companies reported having all workers re-employed in less than 90 days with only one company expecting to recall all workers within a 90-180 day period.

\* A mass layoff occurs whenever 35 or more initial claims are filed against a single company during a 5-week period.

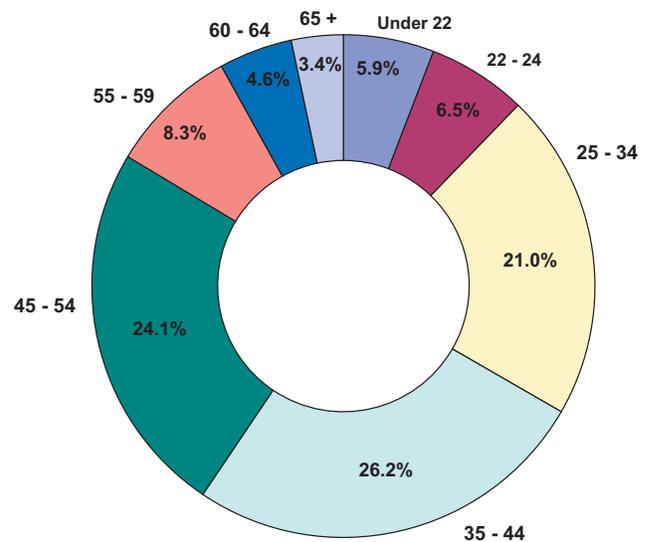
# Characteristics of Initial Claimants in 2006

	Initial Claims	Percent
<b>Total</b>	<b>76,453</b>	<b>100.0%</b>
Male	39,670	51.9%
Female	36,783	48.1%
<b>Industry</b>	<b>76,453</b>	<b>100.0%</b>
Agriculture/Forestry	316	0.4%
Mining	118	0.2%
Utilities	26	0.0%
Construction	8,970	11.7%
Manufacturing	10,296	13.5%
Wholesale Trade	1,829	2.4%
Retail Trade	4,688	6.1%
Transportation & Warehousing	5,352	7.0%
Information	782	1.0%
Finance & Insurance	2,115	2.8%
Real Estate	919	1.2%
Professional & Tech. Services	1,781	2.3%
Management of Companies	315	0.4%
Administrative & Waste Services	5,947	7.8%
Educational Services	1,460	1.9%
Health Care & Social Assistance	4,957	6.5%
Arts, Entertainment & Recreation	1,374	1.8%
Accommodation & Food Services	7,253	9.5%
Other Services	1,814	2.4%
Public Administration	846	1.1%
Information Not Available	15,296	20.0%
<b>Occupation</b>	<b>76,453</b>	<b>100.0%</b>
Management	5,501	7.2%
Business & Financial Operations	1,598	2.1%
Computer & Mathematical	635	0.8%
Architecture & Engineering	585	0.8%
Life, Physical & Social Science	231	0.3%
Community & Social Services	507	0.7%
Legal	209	0.3%
Education, Training & Library	2,022	2.6%
Arts, Design, Ent., Sports & Media	984	1.3%
Healthcare Practitioner & Technical	1,130	1.5%
Healthcare Support	1,604	2.1%
Protective Service	1,136	1.5%
Food Preparation & Serving Related	6,598	8.6%
Building & Grounds Cleaning & Maint.	2,564	3.4%
Personal Care & Service	1,091	1.4%
Sales & Related	4,044	5.3%
Office & Administrative Support	9,043	11.8%
Farming, Fishing & Forestry	262	0.3%
Construction & Extraction	6,193	8.1%
Installation, Maintenance & Repair	2,252	2.9%
Production	10,703	14.0%
Transportation & Material Moving	8,741	11.4%
Military Specific	195	0.3%
Information Not Available	8,624	11.3%

In total there were 76,453 initial claims filed for UI benefits during the year. Men filed claims at a slightly higher rate (51.9%) than women who accounted for 48.1 percent of initial claims filed during 2006. This pattern does not differ from the Rhode Island's civilian labor force composition of males (51.5%) and females (48.4%).

Representing the largest number of initial claims were individuals between the ages of 35 and 44 year. An additional 24 percent were between 45 and 54 years old.

**Age Characteristics of Rhode Island's Initial Claimants**



Forty-four percent (33,562) of the people filing initial claims reported having attained a high school diploma as their highest level of education. Sixteen percent (12,039) of the claimants had less than a high school diploma, while 12.5 percent (9,542) reported having at least a bachelor's degree.

Education	76,453	100.0%
Less than 9th Grade	3,685	4.8%
9th to 12th, no diploma	8,354	10.9%
High School Graduate	33,562	43.9%
Some College	11,881	15.5%
Bachelor's Degree	5,704	7.5%
Beyond Bachelor's	3,838	5.0%
Information Not Available	9,428	12.3%

Over one-third of the initial claims were filed by individuals previously employed in the Manufacturing (13.5%), Construction (11.7%) or Accommodation & Food Services (9.5%) sectors of the economy. Those previously employed as Production Workers filed the most initial claims (10,703), followed by Office & Administrative Support workers (9,043) and Transportation & Material Moving (8,741) occupations.