



# Establishment Employment in Rhode Island, 2006



*Ocean State employers added 5,700 jobs (+1.2%) to the local economy between December 2005 and December 2006, according to new data released by the Rhode Island Department of Labor and Training's Labor Market Information unit. The state ended 2006 with an estimated 495,900 public and private sector jobs, the highest total on record (tied with November 2006).*

The state's economy had performed better than initially predicted during the second half of 2006, with a year-end net growth of 5,700 jobs (seasonally-adjusted) in Rhode Island. Previous estimates indicated only 200 additional RI jobs created in 2006. Rhode Island actually ended the year with 495,900 workers when compared to the revised December 2005 job count of 490,200. The Ocean State reported total nonfarm employment growth in eight months of the calendar year, led by month-over-month increases of 2,100 jobs in April 2006 and September 2006. Year-over-year employment growth was reported in ten months of the 2006 calendar year, with the largest gains occurring in October 2006 (+5,900) and December 2006 (+5,700).

Between December 2005 and December 2006, over-the-year job growth was reported in six economic sectors, led by Professional & Business Services (+2,000), Financial Activities (+1,900), and Health Care & Social Assistance (+1,900). The Construction (+1,500), Arts, Entertainment & Recreation (+600), and Educational Services (+400) sectors also reported gains in employment during this period. Four sectors - Natural Resources & Mining, Transportation & Utilities, Accommodation & Food Services, and Other Services - reported no

change in their employment levels. The state experienced job losses in Manufacturing (-2,000), Retail Trade (-200), Information (-200), and Government (-100).

On a percentage basis, seasonally-adjusted employment in Arts, Entertainment & Recreation rose by 7.9 percent, followed by Construction (+6.8%) and Financial Activities (+5.5%).

Job losses in Manufacturing translated into a 3.7 percent decline between December 2005 and December 2006. Employment losses on a percentage basis were somewhat less in Information (-1.8%), Retail Trade (-0.4%), and Government (-0.2%).

The following pages provide further analysis on Rhode Island's seasonally-adjusted employment levels through December 2006. For more establishment employment data, please visit: [www.dlt.ri.gov/lmi/ces.htm](http://www.dlt.ri.gov/lmi/ces.htm).

<b>Rhode Island Establishment Employment, Seasonally Adjusted</b>				
<i>December 2005 - December 2006</i>				
<i>(In Thousands)</i>				
	<u>Dec-05</u>	<u>Dec-06</u>	<u>Change</u>	<u>% Change</u>
<b>Total Nonfarm</b>	<b>490.2</b>	<b>495.9</b>	<b>5.7</b>	<b>1.2%</b>
Natural Resources & Mining	0.3	0.3	0.0	0.0%
Construction	22.0	23.5	1.5	6.8%
Manufacturing	53.6	51.6	-2.0	-3.7%
Durable Goods	34.8	33.4	-1.4	-4.0%
Non-Durable Goods	18.8	18.2	-0.6	-3.2%
Trade, Transportation & Utilities	79.9	79.6	-0.3	-0.4%
Retail Trade	52.0	51.8	-0.2	-0.4%
Transportation & Utilities	11.0	11.0	0.0	0.0%
Information	11.0	10.8	-0.2	-1.8%
Financial Activities	34.4	36.3	1.9	5.5%
Professional & Business Services	55.5	57.5	2.0	3.6%
Administrative & Waste Services	24.9	26.5	1.6	6.4%
Education & Health Services	95.7	98.0	2.3	2.4%
Educational Services	22.1	22.5	0.4	1.8%
Health Care & Social Assistance	73.6	75.5	1.9	2.6%
Leisure & Hospitality	50.2	50.8	0.6	1.2%
Arts, Entertainment & Recreation	7.6	8.2	0.6	7.9%
Accommodation & Food Services	42.6	42.6	0.0	0.0%
Other Services	22.9	22.9	0.0	0.0%
Government	64.7	64.6	-0.1	-0.2%
State Government	17.5	17.5	0.0	0.0%
Local Government	37.5	37.2	-0.3	-0.8%

*A Product of the*

**Labor Market Information Unit - Rhode Island Department of Labor and Training**

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# Establishment Employment in

## Construction

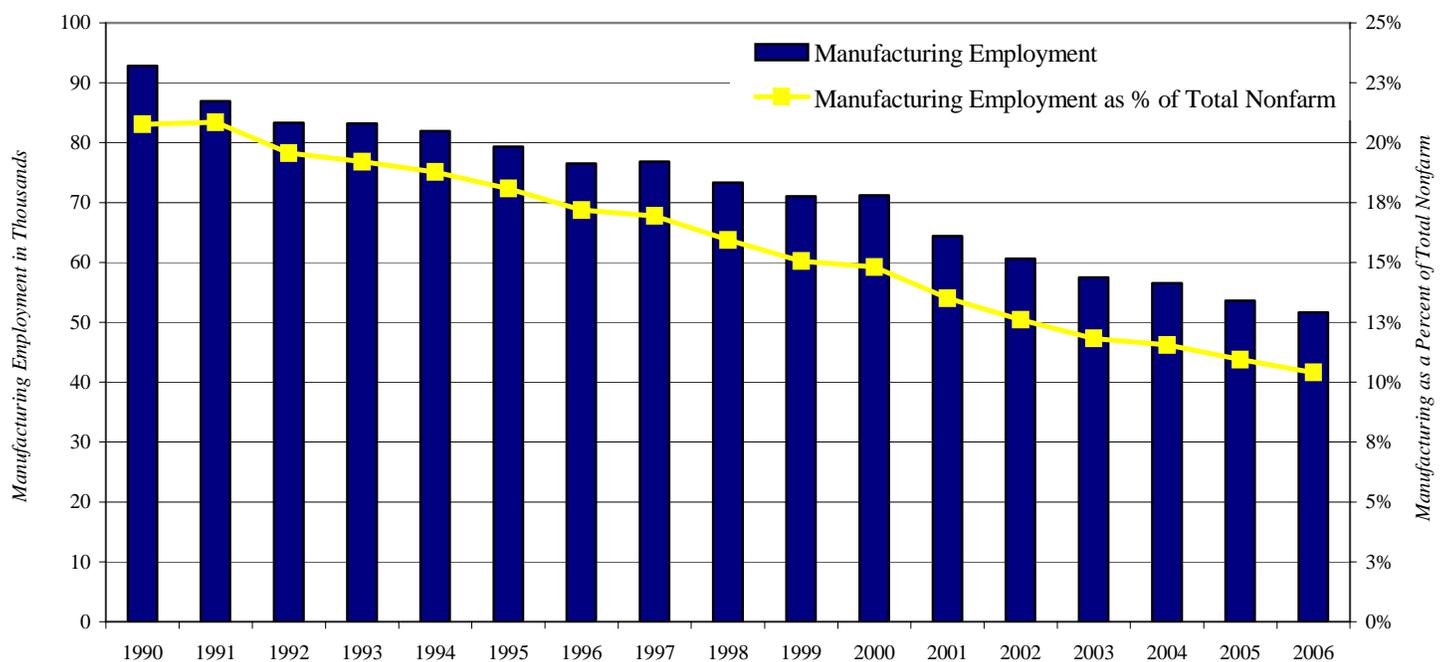
Construction firms added 1,500 jobs between December 2005 and December 2006. This 6.8 percent growth in employment was the largest reported by any sector in Rhode Island during this period. The Construction sector now accounts for 4.7 percent of total establishment employment in the Ocean State.

## Manufacturing

Manufacturing employment continued to decline in 2006. In 1990, Rhode Island's Manufacturing industries employed 92,800 people, accounting for 20.8 percent of the state's total nonfarm establishment employment total. Today, that share has fallen to just 10.4 percent, as Manufacturing businesses reported 51,600 jobs in December 2006. During this period, the state lost more than 41,000 Manufacturing jobs, a decline of 44.4 percent.

Statewide, Manufacturing firms shed 2,000 jobs over the year, a 3.7 percent loss. Nondurable Goods industries fared slightly better than Durable Goods industries. The former reported a 3.2 percent (-600) decline in employment between December 2005 and December 2006, while the latter shed 4.0 percent (-1,400) of its jobs.

**Manufacturing Employment in the Ocean State**  
*Seasonally Adjusted - December, 1990-2006*



## Trade, Transportation, & Utilities

This aggregated structure employed 79,600 people by the end of 2006, accounting for 16.1 percent of the state's total nonfarm employment. The supersector lost 300 jobs over the year, a decline of 0.4 percent.

Retail Trade establishments employed 51,800 people in December 2006, down 200 jobs (-0.4%) from its revised December 2005 figure. It is now the state's third largest industry sector, trailing Health Care & Social Assistance (75,500) and Government (64,600), but surpassing Manufacturing (51,600) employment.

At 11,000 jobs, Transportation & Utilities employment remained unchanged between December 2005 and December 2006.

# ***Rhode Island by Industry Sector***

## **Information**

The Information industry sector, which includes Publishing, Broadcasting, and Telecommunications industries, trimmed 200 jobs over the year, a 1.8 percent decline. By the end of 2006, Information sector establishments employed 10,800 people throughout Rhode Island, accounting for 2.2 percent of all jobs statewide.

## **Financial Activities**

Financial Activities (including Real Estate) businesses accounted for 36,300 jobs in December 2006, representing an over-the-year increase of 1,900 jobs. This 5.5 percent increase was the second highest reported during this period, trailing only Construction (+6.8%). Financial Activities jobs now account for 7.3 percent of the state's total nonfarm employment.

## **Professional & Business Services**

This aggregated structure employed 57,500 people in December 2006. This represented a 3.6 percent rate of job growth over the year, as local employers created an additional 2,000 jobs for the Rhode Island economy. Today, 11.6 percent of all nonfarm jobs in the Ocean State are generated by this supersector.

Administrative & Waste Services, a subsector of Professional & Business Services, employed 26,500 people by the end of the 2006 calendar year. Industry sector firms added 1,600 jobs between December 2005 and December 2006, a 6.4 percent increase.

## **Education & Health Services**

This supersector employed 98,000 people in December 2006, accounting for nearly one-fifth of all jobs in Rhode Island. Over the year, Education & Health Services employers added 2,300 jobs to the local economy, a 2.4 percent increase.

Employment in private Educational Services establishments increased by 400 jobs (+1.8%) between December 2005 and December 2006. Today, 22,500 people work in this industry sector, which includes the state's private schools, colleges, universities, trade schools, and sports instruction camps.

Accounting for 75,500 jobs by the end of 2006, Health Care & Social Assistance ranks as the Ocean State's largest industry sector employer. More than 15 percent of all jobs statewide are now generated by this industry sector. Between December 2005 and December 2006, Health Care & Social Assistance firms created an additional 1,900 jobs (+2.6%). Since December 1997, the earliest year for which comparable data is available, Health Care & Social Assistance firms have added 10,600 jobs to the local economy, a 16.3 percent increase.

## **Leisure & Hospitality**

This aggregated structure, which includes Arts, Entertainment & Recreation and Accommodation & Food Services, employed 50,800 people in December 2006. This represented a 1.2 percent (+600) increase over the supersector's December 2005 level of employment.

The state's Arts, Entertainment, & Recreation industry sector, which includes establishments engaged in the performing arts, spectator sports, and museums, employed 8,200 people by the end of 2006. This represented an over-the-year increase of 600 jobs (+7.9%).

At 42,600 jobs, Accommodation & Food Services establishments maintained their employment level between December 2005 and December 2006.

## Other Services

In December 2006, Other Services establishments, including automotive and electronic repair shops, personal care services, and civic and social organizations, reported no change over their employment level one year earlier. By the end of the calendar year, 22,900 people were employed by industry sector firms.

## Government

Overall, Government employers trimmed 100 jobs from their payrolls between December 2005 and December 2006, a 0.2 percent decline. The sector's 64,600 jobs by the end of 2006 were divided among the Federal (9,900), State (17,500), and Local (37,200) levels. Local government establishments shed 300 jobs during this period, a 0.8 percent decline.

<b>Rhode Island Establishment Employment, Seasonally Adjusted</b>													
<b>December 2005 - December 2006</b>													
<i>(In Thousands)</i>													
	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
<b>Total Nonfarm</b>	<b>490.2</b>	<b>490.0</b>	<b>490.7</b>	<b>491.8</b>	<b>493.9</b>	<b>492.2</b>	<b>493.7</b>	<b>492.8</b>	<b>493.4</b>	<b>495.5</b>	<b>495.8</b>	<b>495.9</b>	<b>495.9</b>
Natural Resources & Mining	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Construction	22.0	22.5	22.7	22.7	22.9	22.8	23.0	22.9	23.1	23.1	23.4	23.3	23.5
Manufacturing	53.6	53.5	53.5	53.3	53.3	53.1	52.9	53.0	52.3	52.4	52.1	51.7	51.6
Durable Goods	34.8	34.7	34.7	34.5	34.5	34.4	34.3	34.5	34.1	34.0	33.8	33.6	33.4
Non-Durable Goods	18.8	18.8	18.8	18.8	18.8	18.7	18.6	18.5	18.2	18.4	18.3	18.1	18.2
Trade, Transportation & Utilities	79.9	79.8	79.7	79.8	80.2	79.8	79.7	79.7	79.7	80.0	79.9	80.0	79.6
Retail Trade	52.0	51.9	51.8	52.0	52.3	51.9	51.8	51.8	51.7	51.9	52.0	52.2	51.8
Transportation & Utilities	11.0	10.9	10.9	10.9	10.9	11.0	11.0	11.0	11.1	11.1	11.1	11.1	11.0
Information	11.0	11.0	10.9	11.0	11.4	11.3	11.4	10.8	10.8	10.8	10.8	10.8	10.8
Financial Activities	34.4	34.5	34.4	34.7	34.7	34.8	34.8	35.0	35.4	35.8	35.9	36.2	36.3
Professional & Business Services	55.5	55.4	55.6	55.8	56.3	56.3	56.4	56.2	56.4	57.0	57.6	57.6	57.5
Administrative & Waste Services	24.9	25.1	25.2	25.2	25.7	25.8	25.8	25.2	25.5	26.0	26.6	26.6	26.5
Education & Health Services	95.7	95.2	96.1	96.4	96.6	96.3	97.2	97.3	97.5	97.5	97.4	97.7	98.0
Educational Services	22.1	21.5	22.3	22.5	22.5	22.1	22.7	22.7	22.6	22.7	22.6	22.7	22.5
Health Care & Social Assistance	73.6	73.7	73.8	73.9	74.1	74.2	74.5	74.6	74.9	74.8	74.8	75.0	75.5
Leisure & Hospitality	50.2	50.2	49.7	50.3	50.3	49.9	50.2	49.9	50.2	50.6	51.0	50.7	50.8
Arts, Entertainment & Recreation	7.6	7.7	7.6	7.7	7.6	7.5	7.7	7.7	7.8	7.8	8.1	8.0	8.2
Accommodation & Food Services	42.6	42.5	42.1	42.6	42.7	42.4	42.5	42.2	42.4	42.8	42.9	42.7	42.6
Other Services	22.9	22.8	22.8	22.8	23.1	23.0	23.1	22.9	22.8	23.1	22.9	22.9	22.9
Government	64.7	64.9	65.1	64.8	64.8	64.6	64.7	64.8	64.9	64.9	64.5	64.7	64.6
State Government	17.5	17.5	17.5	17.5	17.6	17.5	17.6	17.5	17.5	17.5	17.4	17.5	17.5
Local Government	37.5	37.3	37.4	37.3	37.2	37.1	37.1	37.3	37.5	37.5	37.0	37.3	37.2

The Current Employment Statistics (CES) program, conducted in cooperation with the Bureau of Labor Statistics, is a monthly survey of Rhode Island employers who voluntarily provide a count of employees, hours worked, and wages paid. CES currently produces estimates on non-farm establishment employment and hours and earnings for production workers in the Manufacturing sector. The CES data in this report is seasonally adjusted and benchmarked through March 2006. At the beginning of each year, DLT revises the previous year's sample-based estimates, based on the most recent data collected from all Rhode Island businesses.

Data may not be additive due to rounding and disclosure standards.

**A special word of thanks is extended to those employers who participate in this survey.**

For more information on the CES program, please visit [www.dlt.ri.gov/lmi/ces.htm](http://www.dlt.ri.gov/lmi/ces.htm).

## For more Rhode Island Labor Market Information...

At LMI, our mission is to conduct economic research and analysis that promotes a better understanding of the Rhode Island economy. Our data, including a variety of publications, are available on-line at: [www.dlt.ri.gov/lmi/](http://www.dlt.ri.gov/lmi/). If you have any questions or would like further information regarding Rhode Island's labor market conditions, please contact us at (401) 462-8740. We look forward to hearing from you!

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