



FOR RELEASE
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Rhode Island's Unemployment Rate Declines Slightly in July
The Number of Jobs Increases for Third Straight Month

Rhode Island Department of Labor and Training Director Adelita S. Orefice announced today that Rhode Island's seasonally adjusted unemployment rate for July was 5.7 percent. The July unemployment rate is down 0.1 of a percentage point from June. The number of unemployed Rhode Island residents fell by 600 in July to an estimated 32,700. A year ago, the unemployment rate was 5.3 percent and the number of unemployed stood at 30,700. Nationally, the unemployment rate for July inched down 0.1 of a percentage point to 5.5 percent. The national rate has shown little movement since December 2003. Rhode Island's unemployment rate surpassed the national average for the second straight month and the third time in four months.

	Jul. 04	Jun. 04	Jul. 03
Rhode Island	5.7%	5.8%	5.3%*
United States	5.5%	5.6%	6.2%
* Revised			

"Labor market conditions showed some improvement in July as the unemployment rate declined slightly and the number of jobs grew for the third straight month," said Director Orefice. "We're encouraged to see that Rhode Island businesses are adding jobs, and we're hopeful that the trend in job growth will continue over the next several months."

Rhode Island Job Highlights

The Rhode Island job count increased in July, the third consecutive month of growth following two successive months of reduced employment. Businesses in the state reported an increase of 1,200 jobs, bringing the July job count to 489,900 (seasonally adjusted). Over-the-month employment gains were reflected in Leisure & Hospitality (+900) and Construction (+100). In contrast, employment declines were reported in Trade, Transportation & Utilities (-400); Professional & Business Services (-400); Government (-300); and Manufacturing (-200). Since July 2003, jobs are up 4,400 mainly due to increased employment in Leisure & Hospitality (+1,800); Construction (+1,100); and Trade, Transportation & Utilities (+800).

The more detailed unadjusted estimates decreased by 7,300 (-1.5%) over the month, which was a smaller-than-expected July decline. The drop in the number of jobs is mainly due to temporary factory shutdowns and school closings that typically occur this time of year. Despite the monthly downturn, the July job count stood at 486,300 (unadjusted), the highest July job count on record. The largest employment losses occurred in Government (-4,500) and Manufacturing (-3,800). Transportation, Warehousing & Utilities (-600) and Professional & Business Services (-600) also reported decreases. Seasonal increases in Accommodation & Food Services (+1,000) and Construction (+700) partially offset these losses.

The over-the-month decrease in Government and Transportation, Warehousing & Utilities is reflective of the end of the school year, affecting both public education and school bus drivers. Manufacturing experienced a smaller-than-anticipated decline resulting from the seasonal July factory shutdowns, while Professional & Business Services also reported seasonal losses. The seasonal increase in Accommodation & Food Services was equally divided between lodging and restaurants. The continued good weather helped to boost Construction employment over the month.

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Over the year, employment was up 4,200 (+0.9%) from the 482,100 jobs (revised) reported in July 2003. The largest over-the-year gains were noted in Health Care & Social Assistance (+1,700); Accommodation & Food Services (+1,400); Construction (+1,200); and Educational Services (+1,100). The largest private employment losses occurred in Professional & Business Services (-900); Financial Activities (-700); Manufacturing (-500); and Arts, Entertainment & Recreation (-500). Government employment increased by 100 over the year, as job gains on the Local level (+600) overshadowed losses in the Federal (-200) and State (-300) segments.

Hours and Earnings

The \$13.08 average hourly wage earned by the Manufacturing sector's production workers in July 2004 is up four cents from last month and represents a yearly gain of twenty-one cents per hour. In July 2004, Manufacturing employees worked an average of 38.3 hours per week, a decrease of 1.3 hours over the month and unchanged over the year.

***Note:** The unemployment figures are based largely on a survey of households in Rhode Island and measure the unemployment status of people who live in the state.*

The employment figures in the "Rhode Island Job Highlights" section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state.

**Rhode Island Labor Market Information is available on our web site at www.dlt.ri.gov/lmi
The August labor force figures are scheduled to be released on Friday, September 17, 2004.**

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The Rhode Island Department of Labor and Training offers a wide array of employment and training services to both the general public and to individuals with unusual barriers to employment. DLT is ready to assist any job seeker, whether the goal is a first job, a better job, or a career change. Rhode Island's work force is protected through the enforcement of labor laws, prevailing wage rates, and work place health and safety standards. Temporary income support is available to unemployed, sick, or injured workers and a comprehensive rehabilitation program is available to those injured on the job.

DLT is dedicated to the growth and competitiveness of Rhode Island industry, administering a variety of training grants, tax credits, and apprenticeship programs to help employers. Economic indicators and labor market information are available for long-range planning. The Agency engages in active outreach, helping large and small employers retain their best workers or retrain their existing work force. At no cost to the employer, DLT will also screen job applicants, post job vacancies, and help businesses institute cost-sharing programs that can avert layoffs.

For more information on the innovative programs and services available to all Rhode Islanders at the Department of Labor and Training, please call (401) 462-8000 or visit the web site at www.dlt.ri.gov.

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

TDD (401) 462-8006

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