



FOR RELEASE
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Contact:

Robert Langlais
 (401) 462-8767
Labor Market Information

Donna Murray
 (401) 462-8751
Labor Market Information

**Rhode Island's Unemployment Rate Declines in August
 The Number of Jobs is Also Down**

Rhode Island Department of Labor and Training Director Adelita S. Orefice announced today that Rhode Island's seasonally adjusted unemployment rate for August fell to 5.5 percent. The August unemployment rate is down 0.3 of a percentage point from July's revised figure of 5.8 percent. The number of unemployed Rhode Island residents fell by 1,900 in August to 31,100. A year ago, the unemployment rate was 5.2 percent and the number of unemployed stood at 29,600. Nationally, the unemployment rate inched down to 5.4 percent in August from 5.5 percent in July. The national jobless rate is the lowest since October 2001. Rhode Island's unemployment rate has equaled or surpassed the national average for five straight months.

	<u>Aug. 04</u>	<u>Jul. 04</u>	<u>Aug. 03</u>
Rhode Island	5.5%	5.8%	5.2%*
United States	5.4%	5.5%	6.1%
* Revised			

Rhode Island Job Highlights

The Rhode Island job count (seasonally adjusted) decreased in August, following three successive months of increased employment. Businesses in the state reported a decline of 1,000 jobs, bringing the August job count to 489,300 (seasonally adjusted). Over-the-month employment losses were reflected in Professional & Business Services (-800); Manufacturing (-700); Leisure & Hospitality (-200); and Government (-100). Construction (+300) was the only sector to experience a monthly gain. Trade, Transportation & Utilities employment remained even over the month.

"Since August of last year, Rhode Island's jobs picture has reflected a series of gains and a few setbacks," said Director Orefice. "This month's decline follows a gain of 4,300 jobs in the previous three months and, compared to last August, the job count is up by 4,500. Overall, we're still on the right track."

The unadjusted estimates, which traditionally increase from July to August, were up by 2,500 (+0.5%) over the month. The August job count stood at 489,200 (unadjusted), the highest August job count on record. Much of the gain can be attributed to the Manufacturing sector (+2,900), which rebounded from the traditional July vacation closings. Construction (+200); Wholesale Trade (+200); Professional & Business Services (+200); Health Care & Social Assistance (+100); and Accommodation & Food Services (+100) also reported increases. Seasonal decreases in Local Government (-500), coupled with small losses in Arts, Entertainment, & Recreation (-200); Other Services (-200); Retail Trade (-100); Transportation, Warehousing & Utilities (-100); and Information (-100), partially offset these gains.

The over-the-month rise in August was smaller than expected due, in part, to a smaller-than-normal increase in Professional & Business Services and an unusual decrease in Retail Trade, which reported a loss of 100 workers. This marks the first time in over ten years that Retail Trade has shed workers in August. Seasonal declines accounted for the reduction in Local Government (-500).

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Over the year, employment was up 4,500 (+0.9%) from the 484,700 jobs (revised) reported in August 2003. The largest over-the-year gains were noted in Health Care & Social Assistance (+2,000); Construction (+1,300); Educational Services (+1,300); and Accommodation & Food Services (+1,300). The largest private sector employment losses occurred in Professional & Business Services (-1,100); Financial Activities (-700); Information (-400); and Arts, Entertainment & Recreation (-300). Government employment decreased by 400 over the year, as job gains on the Local level (+100) were offset by losses in the Federal (-300) and State (-200) segments.

Hours and Earnings

The \$13.04 average hourly wage earned by the Manufacturing sector's production workers in August 2004 was down four cents from last month, but represented a yearly gain of fourteen cents per hour. In August 2004, Manufacturing employees worked an average of 38.8 hours per week, an increase of 0.5 of an hour over the month but down 0.3 of an hour 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 September labor force figures are scheduled to be released on Friday, October 22, 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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