



RI DEPARTMENT OF LABOR AND TRAINING

**Statement for
Revenue & Caseload Estimating Conference
November 4, 2009**

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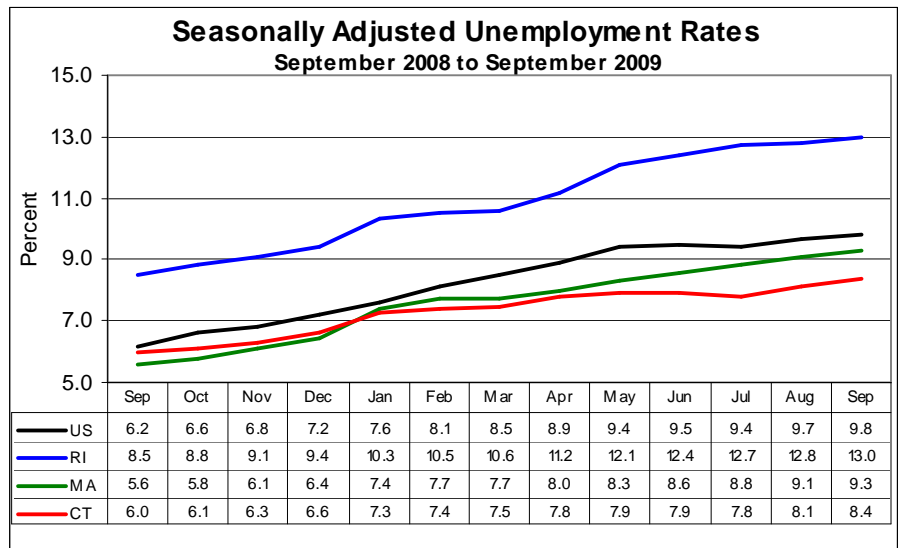
LABOR FORCE AND UNEMPLOYMENT DATA

Rhode Island's unemployment rate is at its highest level in more than 30 years. Our rate hit the 13.0% for the first time in September.

- Rhode Island's unemployment rate has been on the rise since 2007 and is up significantly over 2008 levels. September's level is 4.5 percentage points over last September rate.
- Rhode Island's seasonally adjusted unemployment rate of 13.0% was the third highest rate in the nation for the month of September behind Michigan (15.3%) and Nevada (13.3%).

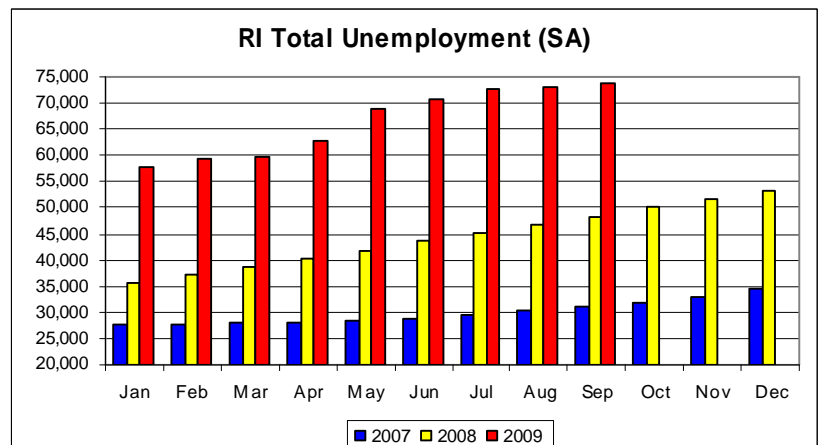
- Our unemployment rate continues to be markedly higher than the US rate (9.8%) and those of our neighboring states of Connecticut (8.4%) and Massachusetts (9.3%)

- The deterioration in our unemployment rate during this year reflects both significant declines in the number of employed residents (-22,800) and large increases in the number of unemployed (+25,600).



The 74,000 RI residents classified as unemployed (seasonally adjusted) in September are more than 50 percent higher than last September's level (48,400).

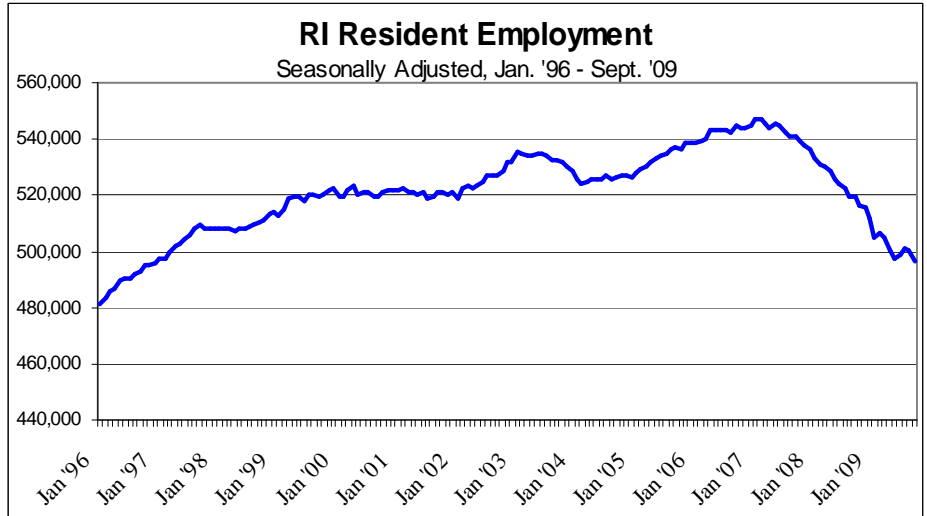
- Our 74,000 unemployed figure reported for September is the highest on record.
- Our resident unemployed figure has now increased over-the-month for thirty-one straight months.



The number of RI residents employed (496,400 on a seasonally adjusted basis) dropped to its lowest level in more than 12 years (since December 1996).

- Our resident employment figure peaked at 546,900 in January-February 2007.

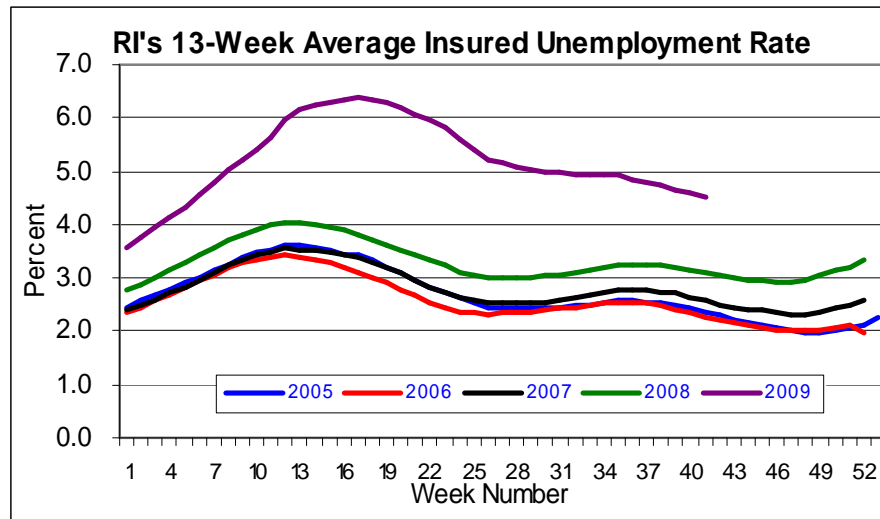
- The 496,400 RI residents employed in September were 22,800 fewer than one year ago, and 50,500 below our January-February 2007 peak of 546,900.



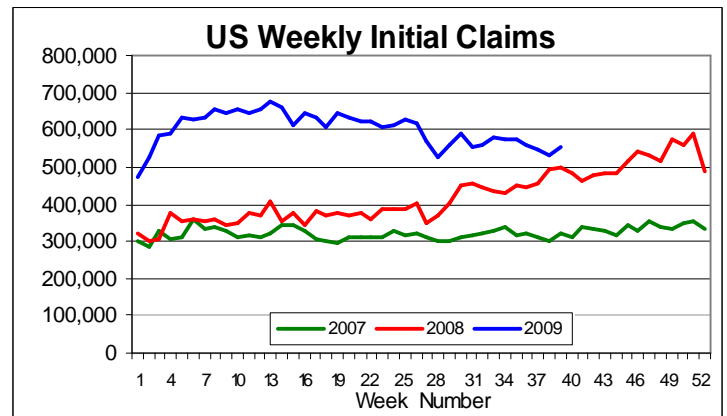
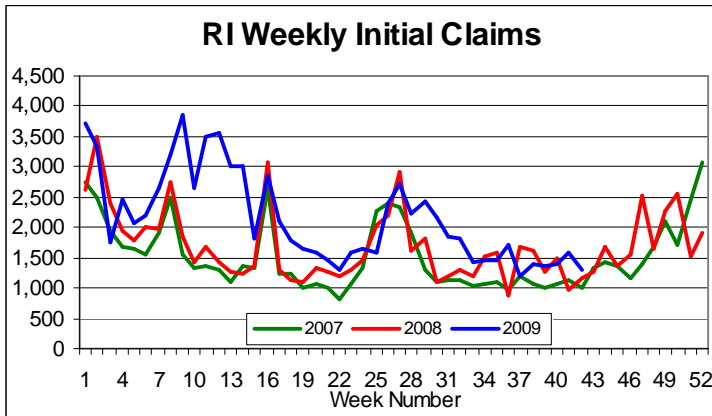
- Our total labor force figure is down 2,800 over last September with the increase in the number of unemployed (+25,600) outpacing the loss of residents employed (-22,800).

Our average Insured Unemployment Rate (IUR), which measures those collecting unemployment benefits to those employed, showed a dramatic increase over year ago levels in 2009.

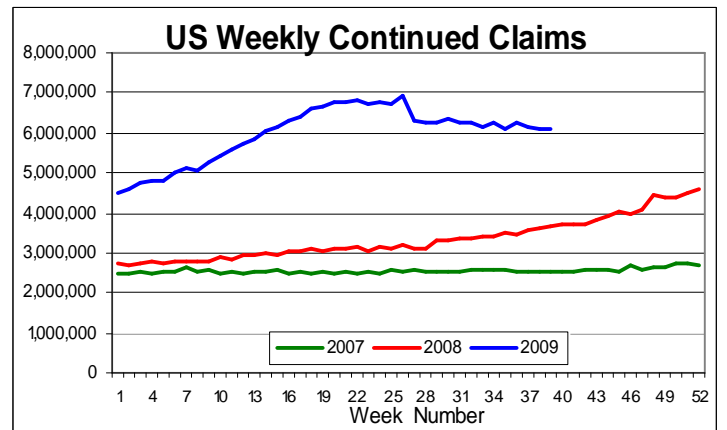
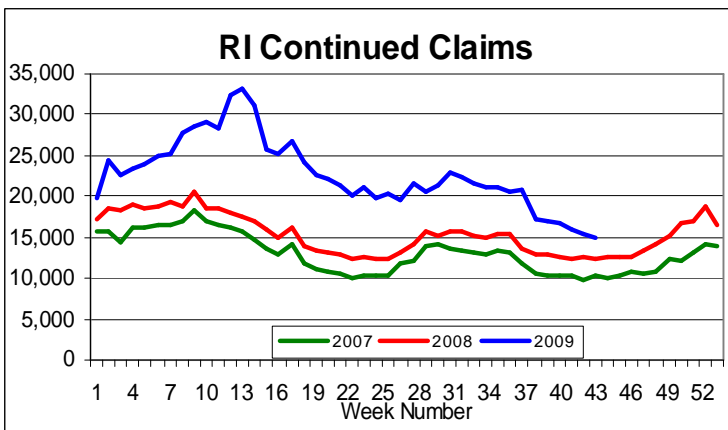
- Our Insured Unemployment Rate has been running well above the levels we saw over the last few years in 2009.



Unemployment Insurance Initial claims and Continued claims activity have begun to drop off in recent weeks and are nearing 2008 levels.

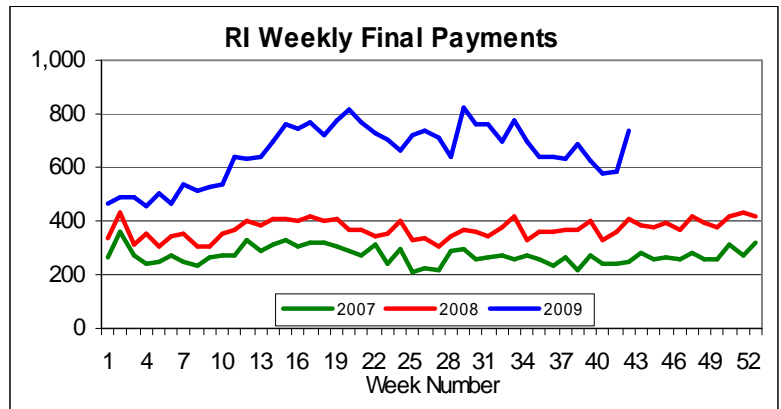


- The number of Initial Claims filed in RI for unemployment benefits is up 29.1% for the year-to-date, but only up 18.1% for the last thirteen weeks (through 10/17).
- By comparison, US initial claims are up 54.9% through the first thirty-nine weeks of 2009 over 2008 levels, and up 28.1% over the last thirteen weeks (through 9/26).



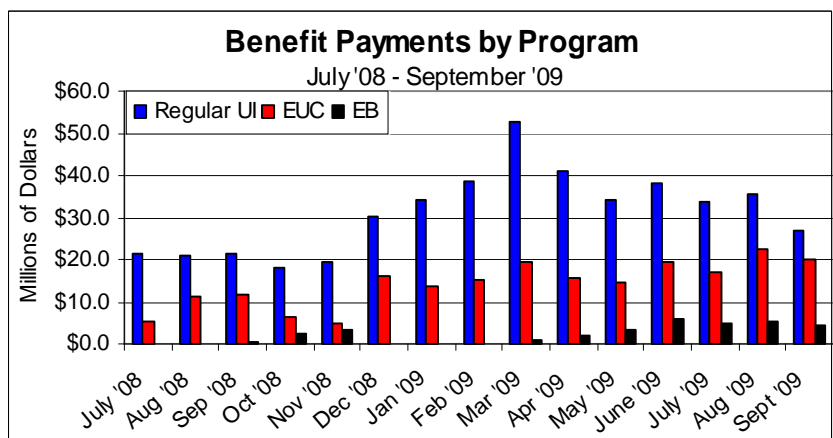
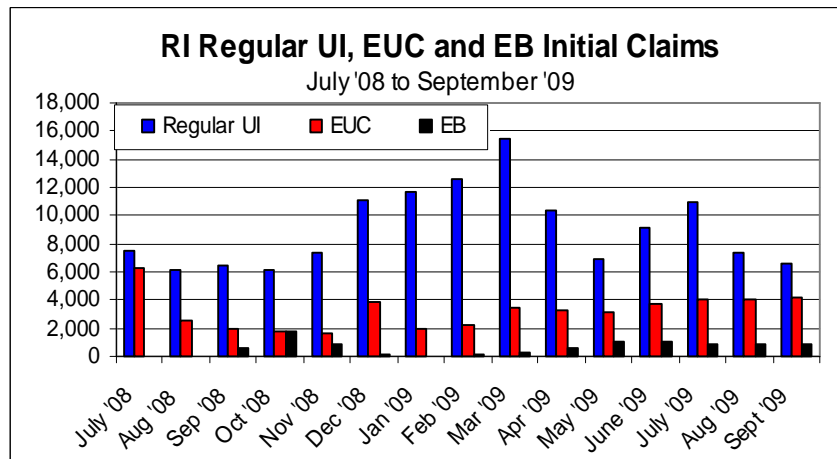
- Also, for the first forty-two weeks of 2009, RI Continued Claims - those individuals collecting unemployment benefits - were 47.4% above 2008 levels, but only up 36.5% for the last thirteen weeks (through 10/17).
- By comparison, US continued claims are up 93.1% through the first thirty-nine weeks of 2009 over 2008 levels, and up 82.8% over the last thirteen weeks (through 9/26).
- So RI is faring a little better than the nation when we compare the trends in claims data, especially on the continued claims.

- The number of Final Payments for those on the regular UI program was up 79.8% during the first forty-two weeks of 2009 when compared to 2008, and up 83.9% in the last thirteen weeks (through 10/17).
- The number of individuals exhausting their regular UI benefits has not dropped as much as the number of claims filed.



Federal and State Extended Benefit Programs

- Last July, the federal Emergency Unemployment Compensation (EUC) program took effect. The EUC program currently provides up to thirty-three weeks of federal financed benefits to unemployed individuals in RI who exhausted their regular UI benefits. The current program remains in effect until the end of this year with a phase out for those on the program before the end of the year.
- Under the EUC program, 48,509 initial claims were filed from July 2008 through September 2009. And a total of \$213.9 million was paid out in that period.
- A federal/state Extended Benefit (EB) program also took effect in RI beginning last July that provides up to 20 weeks of benefits. Through September 2009, there were 9,281 EB initial claims filed with payments totaling \$33.2 million.

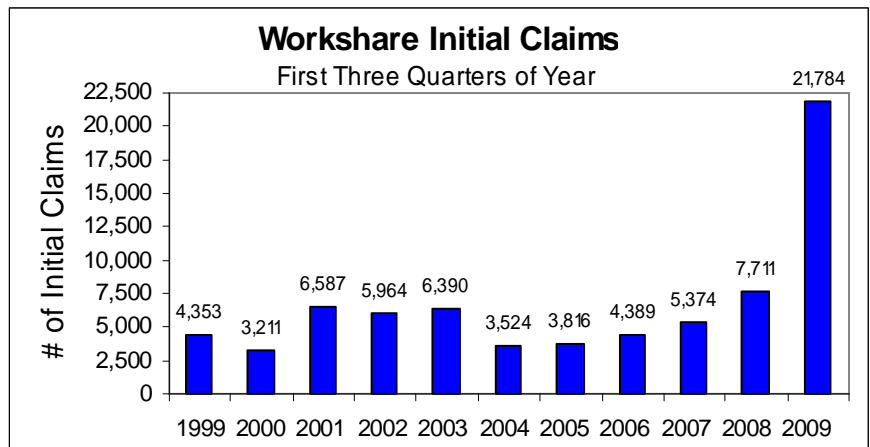


- For the first nine months of 2009, we have had 3,375 individuals exhaust their benefit eligibility under all programs (regular UI, EUC and EB). And we are adding around 700 to 800 a month to that total.
- We expect that Congress will pass another extension of the federal EUC program in the near future. The Senate has been discussing a bill to provide up to an additional 20 week of EUC benefits. That would bring us up to a potential 99 weeks.

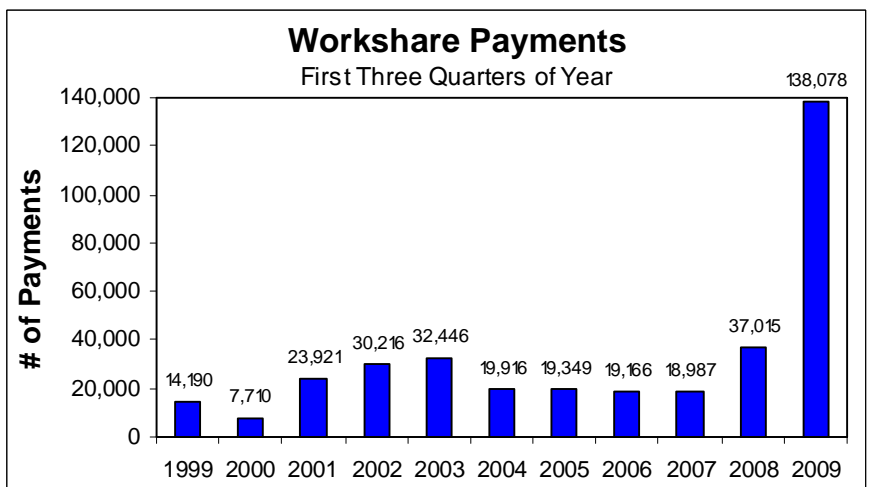
Use of the RI Workshare program has rose dramatically in 2009.

- Under Workshare, employers faced with the prospect of a layoff due to a reduction in work can instead reduce the hours for a larger group of workers to avoid layoffs.
- For the first three quarters of 2009, there were more Workshare Initial Claims filed in RI, by far, than in any other year since the program began in 1992.

- The number of Workshare Initial Claims filed through September 2009 was up 182.5% compared to the same period in 2008. This follows a 43.5% increase for the first three quarters of 2008 when compared to 2007.



- Payments under the Workshare program also set a new record through the first three quarters of 2009. These payments more than tripled, up 273.0% from last year.



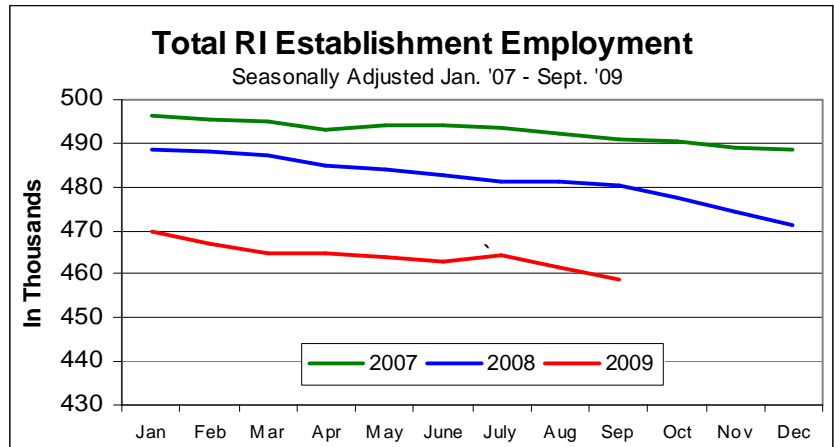
- The dramatic increase in the use of this program this year really highlights the continuing severity of this recession on businesses and workers. We estimate that over 5,000 layoffs have been

averted through the first nine months of this year under this program.

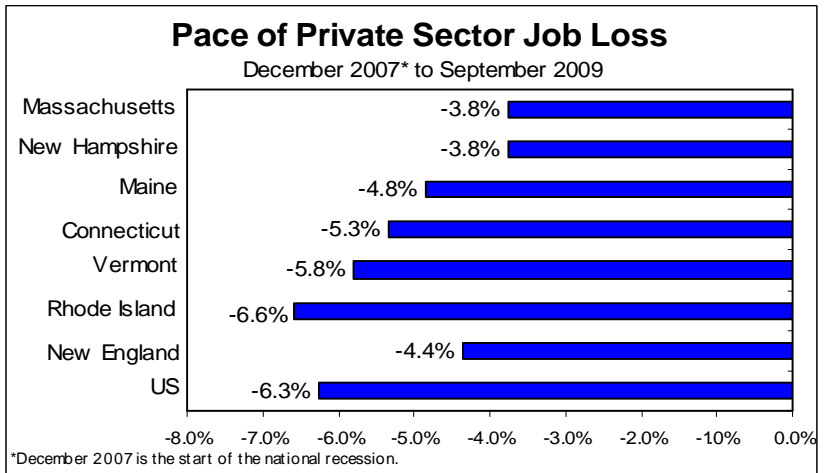
R.I. ESTABLISHMENT EMPLOYMENT (seasonally adjusted)

The total number of estimated jobs (seasonally adjusted figures) at RI establishments has dropped steadily to 458,700 since peaking at 496,400 in January 2007. We are at our lowest monthly job total in over 10 years (since January 1999).

- Since peaking at 496,400 in January 2007, the number of jobs at RI businesses has fallen by 37,700 or 7.6 percent.
- Through the first nine months of 2009, employment at RI businesses has declined by 10,900 jobs (-2.3%).



- September's job totals were 21,600 (-4.5%) below last September's levels
- Since the start of the national recession, the pace of private sector job loss in RI (down 28, 000 jobs or -6.6%) has outpaced declines in the US and the rest of New England.



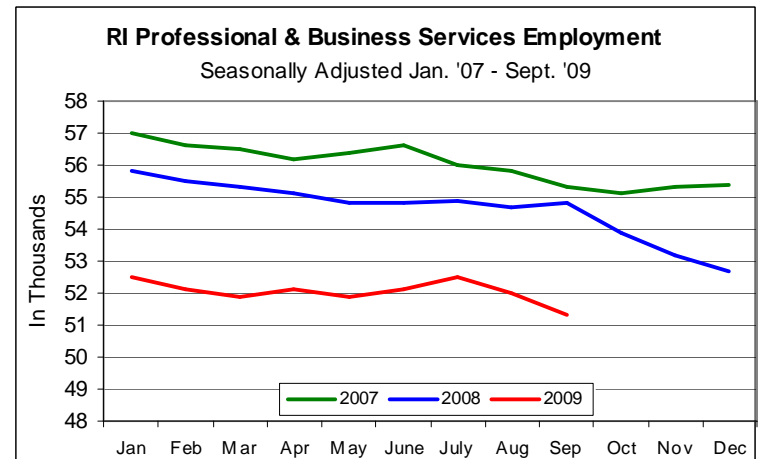
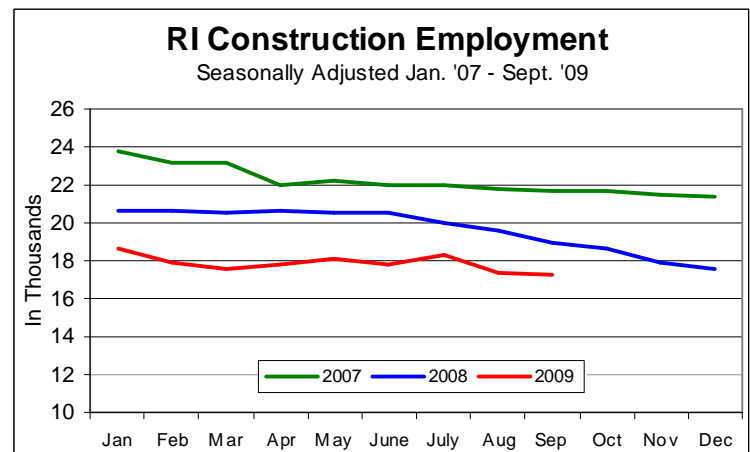
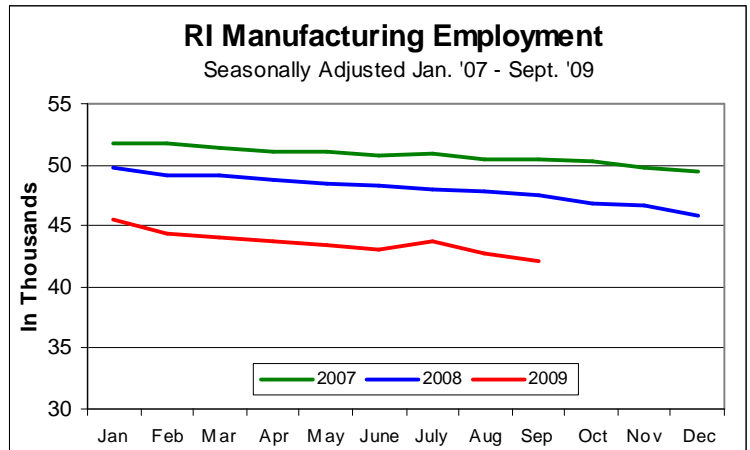
Job Estimates - Revision Outlook (Unadjusted Data)

- A preliminary review of our quarterly tax data for the first two quarters of 2009 indicates that we may see a downward revision in our job estimates averaging 2,300 for the January through June period.

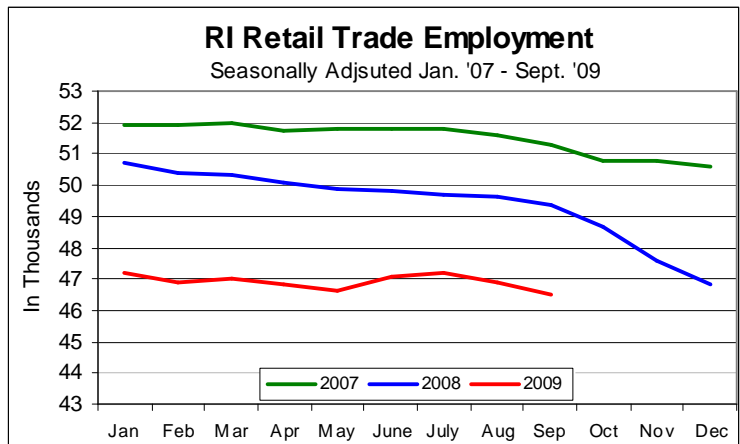
	Original CES Survey Estimate	Tax File Employment Estimate	Size of Estimated Revision
January	-17,200	-19,719	-2,519
February	-19,000	-20,276	-1,276
March	-21,100	-23,075	-1,975
April	-21,600	-25,143	-3,543
May	-21,800	-23,313	-1,513
June	-20,900	-23,787	-2,887
Avg. Change	-20,267	-22,552	-2,286

Industry Detail – Manufacturing, Construction, Professional & Business Services and Retail Trade have been particularly hard hit both over the year and since our January 2007 employment peak.

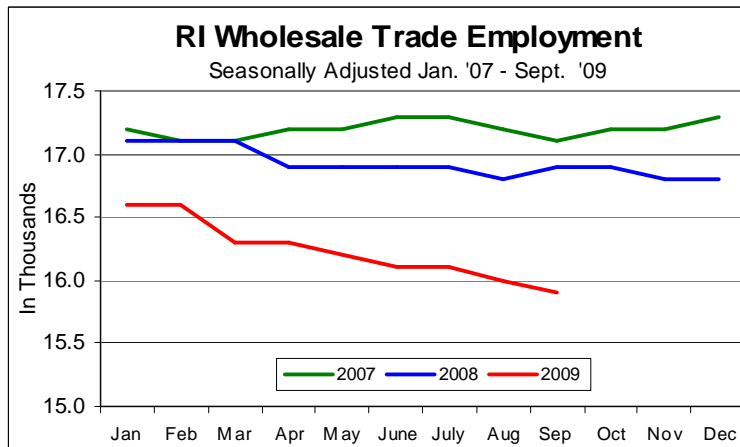
- As has been the case for some time now, Manufacturing continued to show year over year job declines. Jobs were off 600 (-1.4%) over the month, but down 5,400 (-11.4%) over last September.
- Since our employment levels peaked in January 2007, jobs in the Manufacturing sector have fallen by 9,600 jobs (-18.6%). This loss accounts for over 25% of total jobs lost in RI in that time.
- Employment in Construction was down only 100 over-the-month, but 3,200 (-15.6%) over last September.
- Since January 2007, Construction employment has fallen by 6,500 (-27.3%). This loss accounts for over 17% of total jobs lost in RI over that period.
- Professional & Business Services jobs were down 700 (-1.4%) from August and 3,500 (-6.4%) over last September.
- Since January 2007, this sector lost 5,700 jobs (-10.0%). This loss accounts for over 15% of total jobs lost in RI over that period.



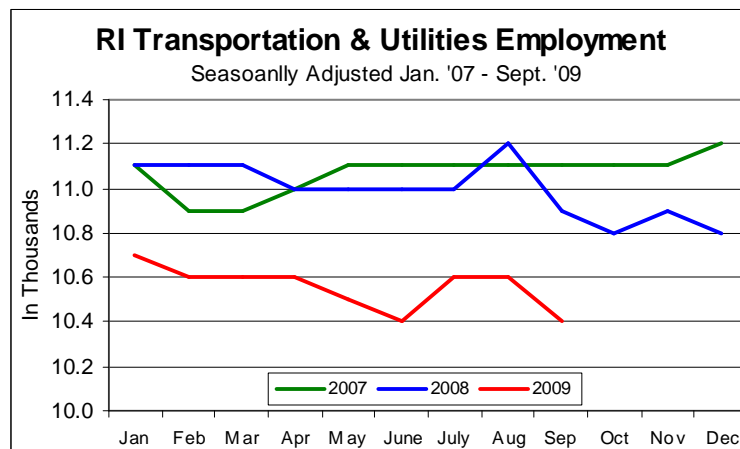
- The Retail Trade segment lost 400 jobs over the month and 2,900 jobs (-5.9%) over last September.
- Since January 2007, Retail Trade has also dropped sharply and is down 5,400 jobs (-10.4%).
- Together these four industries account for over 70% of the jobs lost in RI since January 2007 even though they represent just over a third of the jobs base.



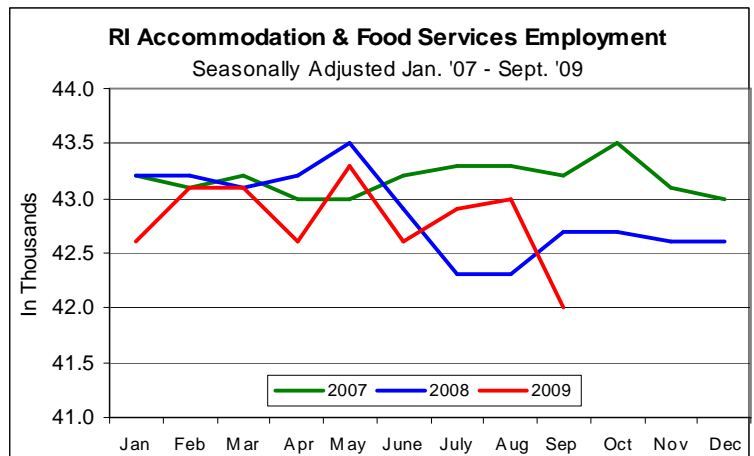
- The Wholesale Trade segment fell 100 jobs over the month and 1,000 jobs (-5.9%) over last September.
- Since January 2007, Wholesale Trade is down 1,300 jobs (-7.6%). Most of the jobs lost in this sector have been over the past year.



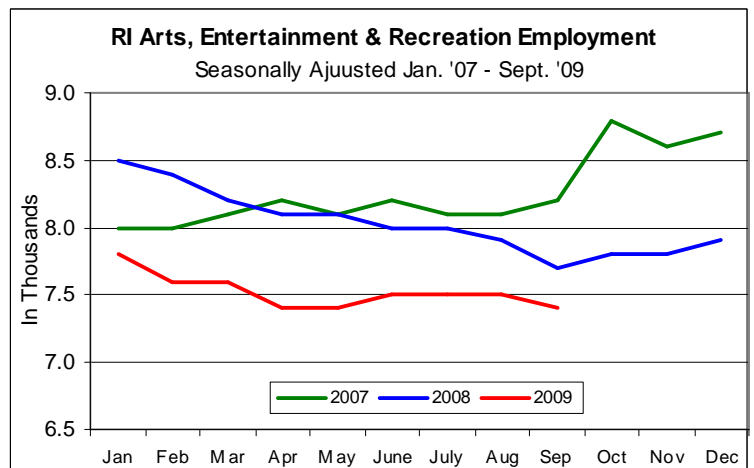
- Jobs in the Transportation & Utilities segment were off 200 over-the-month and down 500 jobs (-4.6%) over last September.
- Since January 2007, Transportation & Utilities employment fell by 700 jobs (-6.3%).



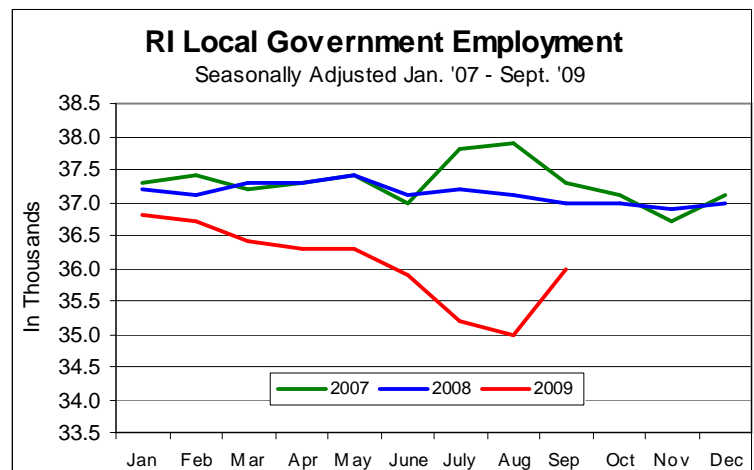
- Employment in Accommodation & Food Services segment showed a loss of 1,000 jobs (-2.3%) over the month, but only 700 (-1.6%) since last September.
- Since January 2007, this sector was down 1,200 jobs (-2.8%) below our 2007 levels.



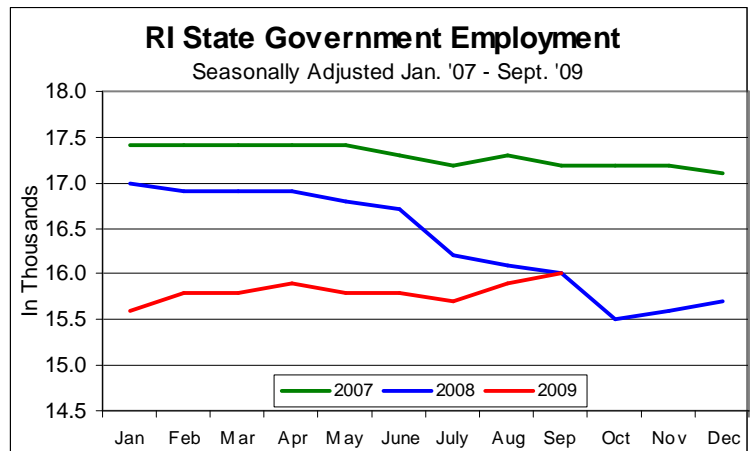
- The Arts, Entertainment & Recreation segment shrank by 100 jobs over the month and by 300 (-3.9%) since last September.
- Since January 2007, employment in this sector fell by 600 jobs (-7.5%).



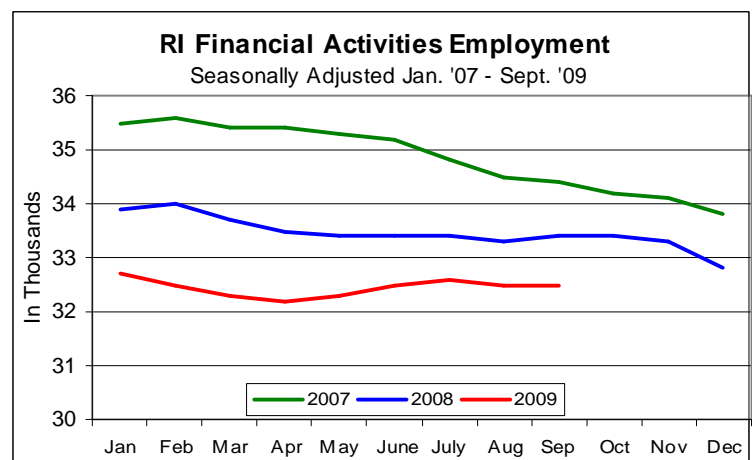
- Local Government employment grew by 1,000 jobs (+2.8%) over the month, but was still down 1,000 jobs (-2.7%) from last September.
- Since January 2007, Local Government employment has dropped by 1,300 jobs (-3.5%).



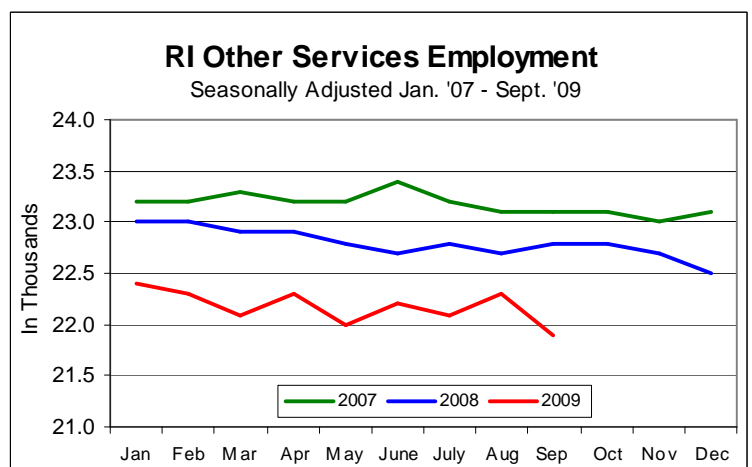
- State Government added 100 jobs over the month and remained stable over the year.
- However, since January 2007, State Government employment has fallen by 1,400 jobs (-8.1%), mainly due to early retirements.



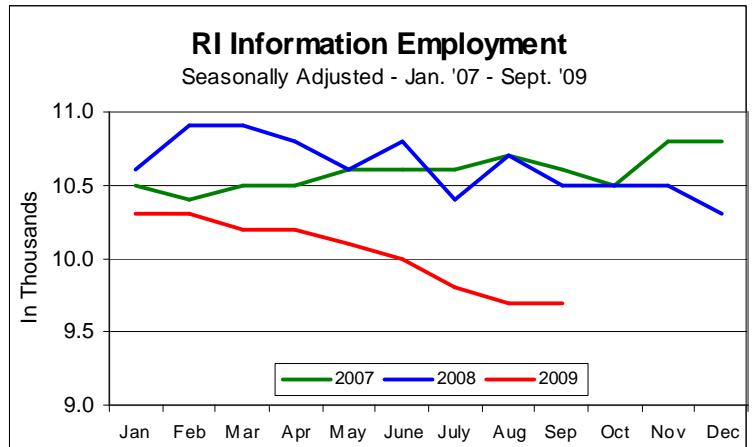
- Employment in Financial Activities showed no change over-the-month, but decreased by 900 jobs (-2.7%) over last September.
- Since January 2007, Financial Activities employment dropped by 3,000 jobs (-8.5%).



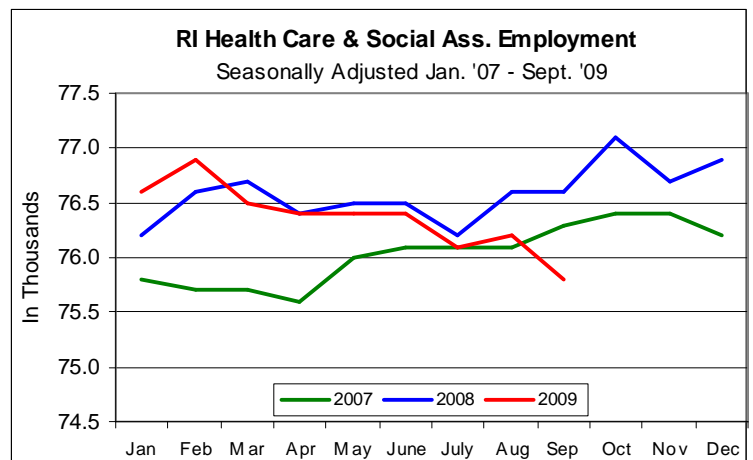
- Other Services posted a loss of 400 jobs over the month and 900 over the year (-4.0%) in September. This sector includes Automobile Repair & Maintenance Services, Personal & Laundry Services and Membership Organizations.
- Since January 2007, employment in this sector fell by 1,300 jobs (-5.6%).



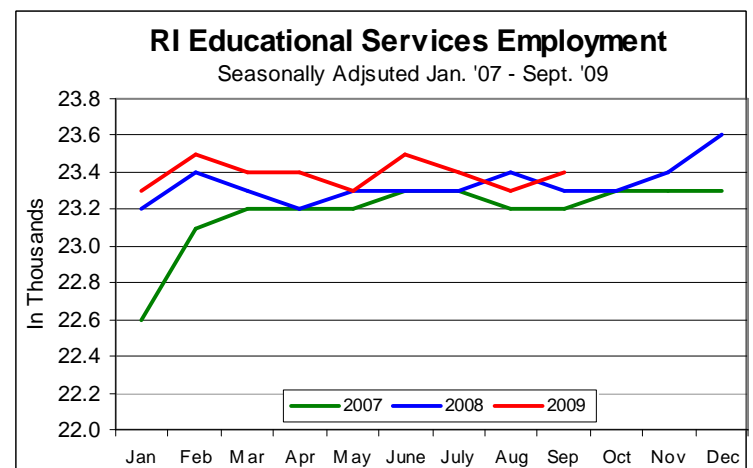
- Employment in the Information sector showed no change from August, but fell by 800 (-7.6%) over last September.
- Information sector employment was also down 800 (-7.6%) since September 2007 as well.



- Health Care & Social Assistance jobs were down 400 over the month and 800 (-1.0%) over the year.
- Since January 2007, employment in this sector has showed no change. Cutbacks in the last year offset the growth we saw in 2007 and 2008.



- Jobs in the Educational Services segment were up 100 (0.4%) both over the month and over the year.
- Since January 2007, Educational Services gained 800 jobs (+3.5%) with most of that gain occurring in 2007.



SUMMARY

Our State's unemployment rate (13.0%) has continued to rise to record 30 year highs each month and hasn't shown any signs of peaking yet. The total number of unemployed has also risen to record high levels (74,000) as employers continued to shed jobs. Our number of residents employed is at it lowest level in over twelve years (since December 1996).

We continue to see more individuals filing for and collecting unemployment benefits compared with recent years but the increases over prior years have slowed and are less than what we are seeing on a national level. The number of people exhausting their regular unemployment benefits is up dramatically this year as employers remain reluctant to add workers to their payrolls. We are seeing the first groups of workers who have exhausted all of their benefit entitlements under all three UI programs (regular UI, EUC and EB) which provided workers with up to 79 weeks of benefits.

The use of our Workshare program increased dramatically in 2009. Both the number of initial claims filed and payments made under the program are up sharply this year, well above the levels we had seen in any year since the program began in 1992.

The pace of private sector job losses has not yet showed signs of slowing. The job losses have been widespread throughout most sectors with Manufacturing, Construction, Professional & Business Services and Retail Trade being hit the hardest with over 70% of the job losses since January 2007. Even employment levels in the Educational Services and Health Care & Social Assistance sectors, which had been dependable growth sectors, have failed to add any significant jobs during 2009. RI continues to show greater job losses and unemployment increases than the rest of New England.

And, based on a preliminary review of our quarterly employment data, we expect to see some downward revisions in our employment estimates for the first six months of 2009 over what we had originally estimated.

RHODE ISLAND LABOR FORCE STATISTICS

September Seasonally Adjusted Data

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<u>Month</u>	<u>EMPLOYMENT</u>	<u>UNEMPLOYMENT</u>	<u>LABOR FORCE</u>	<u>UNEMPLOYMENT RATE</u>
Sep-08	519,200	48,400	567,600	8.5%
Jan-09	504,900	57,800	562,700	10.3%
Feb-09	506,600	59,400	566,000	10.5%
Mar-09	504,900	59,600	564,400	10.6%
Apr-09	500,700	62,900	563,600	11.2%
May-09	497,600	68,800	566,400	12.1%
Jun-09	499,100	70,900	569,900	12.4%
Jul-09	500,800	72,800	573,600	12.7%
Aug-09	500,300	73,200	573,600	12.8%
Sep-09	496,400	74,000	570,400	13.0%
<hr/>				
<i>Month to Month Change</i>	-3,900	800	-3,200	0.2
 <i>Year to Year Change</i>	 -22,800	 25,600	 2,800	 4.5

SOURCE: Rhode Island Department of Labor and Training, Labor Market Information Unit

10/29/2009

Rhode Island Labor Force Trends - Sept. 2009

	Sept.	Aug.	Sept.	% Change		Thru Sept.		
	2009	2009	2008	Aug 09	Sept 08	2009	2008	% Change
Labor Force and Unemployment (1,000s)								
<i>(Seasonally Adjusted)</i>								
R.I. Labor Force	570.4	573.6	567.6	-0.6%	0.5%	567.9	568.0	0.0%
R.I. Employed	496.4	500.3	519.2	-0.8%	-4.4%	501.3	526.1	-4.7%
R.I. Unemployed	74.0	73.2	48.4	1.1%	52.9%	66.6	42.0	58.7%
R.I. Unemployment Rate	13.0%	12.8%	8.5%	1.6%	52.9%	11.7%	7.4%	58.7%
U.S. Unemployment Rate	9.8%	9.7%	6.2%	1.0%	58.1%	9.0%	5.5%	64.5%
R.I. Insured Unemployment (as of week of the 12th)						Average thru week 40		
Avg. Insured Unemployed	22,141	22,644	15,227	-2.2%	45.4%	24,594	16,039	53.3%
Insured Unemployment Rate*	4.81%	4.92%	3.23%	-2.2%	48.9%	5.41%	3.42%	58.2%
Total Jobs at R.I. Businesses (1,000s)						Thru Sept.		
<i>(Seasonally Adjusted)</i>								
Establishment Employment (Total)	458.7	461.5	480.3	-0.6%	-4.5%	464.2	484.3	-4.2%
Natural Resources & Mining	0.2	0.2	0.2	0.0%	0.0%	0.2	0.2	0.0%
Construction	17.3	17.4	20.5	-0.6%	-15.6%	17.9	20.8	-13.9%
Manufacturing	42.1	42.7	47.5	-1.4%	-11.4%	43.6	48.5	-10.1%
Wholesale Trade**	15.9	16.0	16.9	-0.6%	-5.9%	16.2	17.0	-4.7%
Retail Trade	46.5	46.9	49.4	-0.9%	-5.9%	46.9	50.0	-6.2%
Transportation & Utilities	10.4	10.6	10.9	-1.9%	-4.6%	10.6	11.0	-3.6%
Information	9.7	9.7	10.5	0.0%	-7.6%	10.0	10.7	-6.5%
Financial Activities	32.5	32.5	33.4	0.0%	-2.7%	32.5	33.6	-3.3%
Professional & Business Services	51.3	52.0	54.8	-1.3%	-6.4%	52.0	55.1	-5.6%
Educational Services	23.4	23.3	23.3	0.4%	0.4%	23.4	23.3	0.4%
Health Care & Social Assistance	75.8	76.2	76.6	-0.5%	-1.0%	76.4	76.5	-0.1%
Arts, Entertainment & Recreation	7.4	7.5	7.7	-1.3%	-3.9%	7.5	8.1	-7.4%
Accommodation & Food Services	42.0	43.0	42.7	-2.3%	-1.6%	42.8	42.9	-0.2%
Other Services	21.9	22.3	22.8	-1.8%	-3.9%	22.2	22.8	-2.6%
Government	62.3	61.2	63.1	1.8%	-1.3%	62.0	63.7	-2.7%
Unemployment Insurance						Year to Date		
Regular Claims						2009	2008	% Change
Initial Claims	6,605	7,398	6,424	-10.7%	2.8%	91,169	69,162	31.8%
Number of Payments	71,272	98,920	59,650	-27.9%	19.5%	903,221	586,983	53.9%
Amount of Payments (gross millions)	\$26.6	\$35.7	\$21.4	-25.5%	24.3%	\$333.9	\$209.3	59.5%
Exhaustions (Final Payments)	2,687	3,450	1,897	-22.1%	41.6%	26,636	15,003	77.5%
Emergency Unemployment Compensation						2009	Total EUC Program	
Initial Claims	4,245	4,090	1,884	3.8%	125.3%	30,357	48,509	
Number of Payments	54,390	61,142	34,015	-11.0%	59.9%	440,369	601,261	
Amount of Payments (gross millions)	\$20.1	\$22.4	\$11.9	-10.3%	68.9%	\$157.7	\$213.9	
Exhaustions (Final Payments)	1,100	1,257	-	-12.5%	-	10,293	10,293	
Extended Benefits						2009	Total EB Program	
Initial Claims	939	869	546	8.1%	-	5,838	9,281	
Number of Payments	12,398	15,546	1,263	-20.2%	-	76,982	94,246	
Amount of Payments (gross millions)	\$4.4	\$5.5	\$389,670	-20.0%	-	\$27.0	\$33.1	
Exhaustions (Final Payments)	702	842	8	-16.6%	-	3,375	3,375	
Temporary Disability Insurance						Year to Date		
Initial Claims	3,112	3,722	3,641	-16.4%	-14.5%	32,047	34,715	-7.7%
Number of Payments	33,587	31,140	40,752	7.9%	-17.6%	274,270	338,052	-18.9%
Amount of Payments (gross millions)	\$14.1	\$13.2	\$16.1	6.8%	-12.4%	\$118.7	\$132.8	-10.6%

R.I. Population Trends: The 2000 Census indicates that Rhode Island's population grew from 1,003,464 in 1990 to 1,048,319 in 2000. According to Census population estimates for July 2008, Rhode Island residents numbered 1,050,788, reflecting an increase of 2,469 residents from Census 2000, but a decline of 2,348 from the Aug. 2007 estimate.

* 13-week average expressed as a percentage of covered employment.

** State calculated estimate.

Note: Data for latest month are preliminary. Prior year reflects latest revision.

Source: R.I. Dept. of Labor and Training, Labor Market Information Unit.

10/16/09

RHODE ISLAND DEPARTMENT OF LABOR AND TRAINING

TOTAL NONFARM EMPLOYMENT IN RHODE ISLAND - UNADJUSTED

September 2009

	EMPLOYMENT IN THOUSANDS			NET CHANGE FROM	
	Sept	Aug	Sept	Aug	Sept
	2009	2009	2008	2009	2008
TOTAL NONFARM	463.7	462.2	485.5	1500	-21800
Total Private	402.3	405.1	422.9	-2800	-20600
GOODS PRODUCING	61.2	61.9	69.8	-700	-8600
Natural Resources & Mining	0.2	0.2	0.2	0	0
Construction	18.4	18.8	21.8	-400	-3400
Specialty Trade Contractors	11.8	12.1	14.3	-300	-2500
Manufacturing	42.6	42.9	47.8	-300	-5200
Durable Goods	27.5	27.7	31.0	-200	-3500
Fabricated Metal Product Mfg.	6.0	6.0	6.5	0	-500
Computer & Electronic Product Mfg.	4.1	4.1	4.1	0	0
Miscellaneous Manufacturing	7.5	7.6	8.5	-100	-1000
Jewelry & Silverware	5.0	5.0	5.6	0	-600
Non-Durable Goods	15.1	15.2	16.8	-100	-1700
Chemical Manufacturing	3.6	3.6	3.6	0	0
SERVICE PRODUCING	402.5	400.3	415.7	2200	-13200
Wholesale Trade	16.0	16.1	16.9	-100	-900
Retail Trade	46.4	47.1	49.2	-700	-2800
Health & Personal Care Stores	5.7	5.7	5.8	0	-100
Department Stores	4.5	4.5	4.6	0	-100
* Transportation, Warehousing & Utilities	10.8	10.3	11.3	500	-500
Transportation & Warehousing	9.8	9.2	10.2	600	-400
Information	9.7	9.7	10.5	0	-800
Publishing	2.4	2.4	2.5	0	-100
** Financial Activities (including Real Estate)	32.6	32.8	33.6	-200	-1000
Finance & Insurance	26.1	26.3	26.8	-200	-700
Credit Intermediation & Related Activities	11.1	11.3	11.7	-200	-600
Insurance Carriers & Related Activities	10.6	10.6	10.7	0	-100
Professional & Business Services	52.5	53.1	56.1	-600	-3600
Professional, Scientific, & Technical Services	21.1	21.6	21.7	-500	-600
Management of Companies & Enterprises	8.6	8.6	9.2	0	-600
Administrative & Waste Services	22.8	22.9	25.2	-100	-2400
Employment Services	7.5	7.3	8.9	200	-1400
Educational Services	22.7	19.4	22.6	3300	100
Colleges & Universities	14.7	11.8	14.9	2900	-200
Health Care & Social Assistance	76.0	76.0	76.6	0	-600
Ambulatory Health Care Services	22.4	22.6	23.0	-200	-600
Hospitals	24.4	24.5	24.7	-100	-300
Nursing & Residential Care Facilities	18.5	18.5	18.3	0	200
Social Assistance	10.7	10.4	10.6	300	100
Arts, Entertainment & Recreation	8.3	9.2	8.7	-900	-400
Accommodation & Food Services	44.1	46.7	44.9	-2600	-800
Accommodation	4.4	4.8	4.5	-400	-100
Food Services & Drinking Places	39.7	41.9	40.4	-2200	-700
Other Services	22.0	22.8	22.7	-800	-700
Government	61.4	57.1	62.6	4300	-1200
Federal Government	10.2	10.0	10.0	200	200
State Government	15.3	15.4	15.3	-100	0
Local Government	35.9	31.7	37.3	4200	-1400
Local Education	23.1	18.1	24.1	5000	-1000
Local Non-Education	12.8	13.6	13.2	-800	-400

* Utilities are not broken out separately

** Real Estate & Rentals is not broken out separately

Some subcategories are not additive.

Current month figures are preliminary and subject to revision.