



# Rhode Island Economic Update

April 21, 2015

## Summary

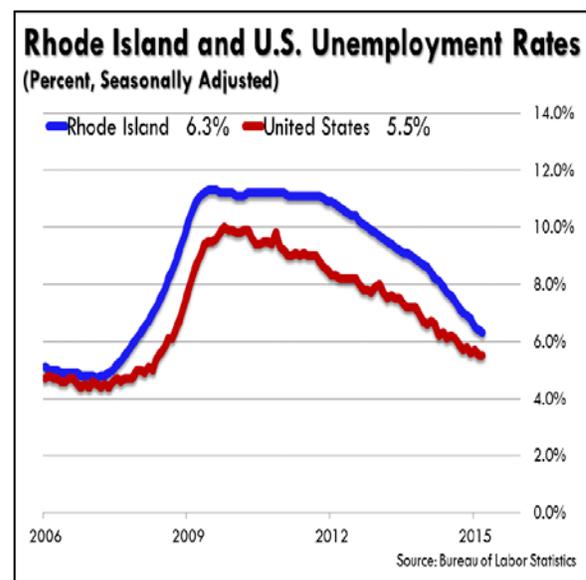
Nonfarm payroll employment in Rhode Island increased by 1,600 jobs and the unemployment rate fell to 6.3 percent in March according to data released by the Bureau of Labor Statistics (BLS).

## Rhode Island Unemployment Rate

During March, the unemployment rate in Rhode Island declined by 0.1 percentage point to 6.3 percent. The number of people counted as unemployed fell by 327 in March to 34,575, while the labor force grew by 2,074 to 551,680. Among the 50 states and the District of Columbia, 38 posted lower unemployment rates for the month than Rhode Island. A year earlier, the unemployment rate in Rhode Island stood at 8.2 percent.

The 10 year peak for the unemployment rate in Rhode Island was 11.3 percent in August 2009. This also represents the series high for the unemployment rate in Rhode Island. The 10 year low for the unemployment rate in Rhode Island was 4.7 percent in February 2007. The series low for the unemployment rate in Rhode Island occurred in May 1988 when the unemployment rate reached 2.9 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.5 percent in March. March's unemployment rate was 1.1 percentage points lower than a year earlier when the rate stood at 6.6 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



## Rhode Island Payroll Employment

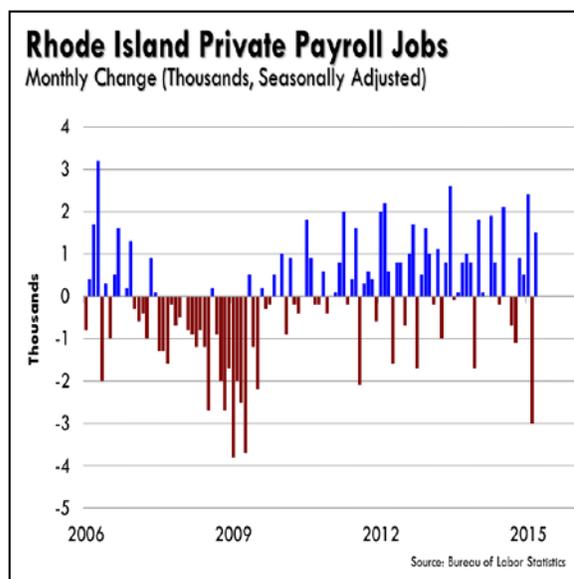
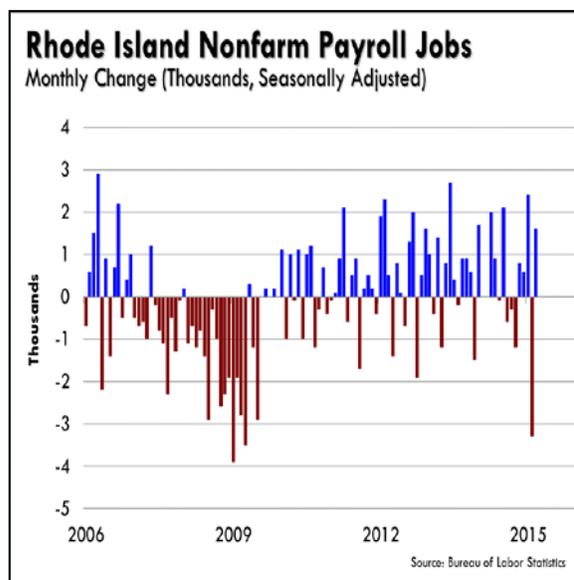
Rhode Island nonfarm payrolls increased by 1,600 jobs, or 0.33 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls declined by 3,300. Over the past 12 months nonfarm payrolls in Rhode Island increased by 4,900, or 1.03 percent. Rhode Island nonfarm payroll employment has increased in 7 of the past 12 months.

Nationally nonfarm payrolls increased by 126,000 jobs in March, or 0.09 percent. Over the 12 month period ending in March 2015, nonfarm payrolls grew by 3,128,000 jobs, or 2.27 percent. Rhode Island ranks 41st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During March, Rhode Island private sector payrolls increased by 1,500, or 0.36 percent. Private sector payrolls declined by 3,000 jobs in the prior month. Over the past 12 months, private sector payrolls in Rhode Island increased by 5,100, or 1.23 percent. Rhode Island private sector payroll employment has increased in 7 of the past 12 months.

Nationally, private sector payroll jobs increased by 129,000 in March, or 0.11 percent. Over past 12 months, the nation's economy has added 3,056,000 private sector payroll jobs, an increase of 2.63 percent. Rhode Island ranks 43rd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in Rhode Island increased by 100, or 0.17 percent. Federal government payroll employment declined by 800, or 0.41 percent. State government payroll employment increased by 200, or 0.06 percent, while local government payroll employment declined by 400, or 0.03 percent.



Over the past year, total government payroll employment declined by 200, or 0.33 percent. State government payroll employment increased by 2,500, or 0.69 percent. Local government payroll employment increased by 13,600, or 1.07 percent.

The best performing sectors on a seasonally adjusted basis during March were Educational & Health Services (+1,000) and Leisure & Hospitality (+600). The poorest performing sectors during the month were Construction (-400) and Professional & Business Services (-200).

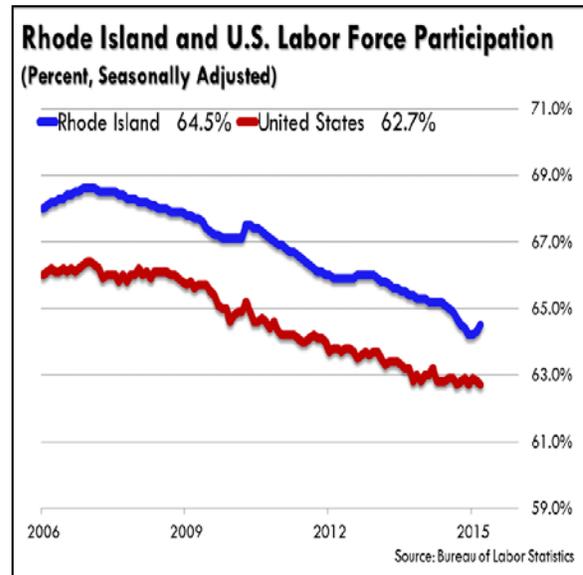
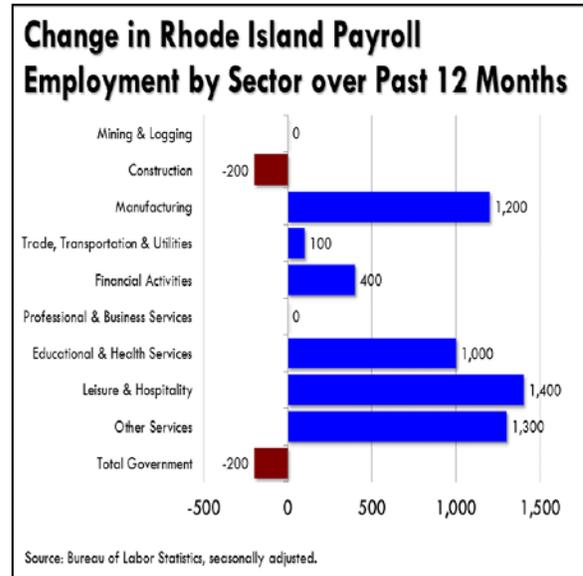
The best performing sectors during the last twelve months were Leisure & Hospitality (+1,400) and Other Services (+1,300). The poorest performing sectors for the year were Total Government (-200) and Construction (-200).

#### Other Rhode Island Labor Force Statistics

The labor force participation rate in Rhode Island rose to 64.5 percent in March from 64.3 percent the prior month. Among the 50 states and the District of Columbia, 21 have a higher labor force participation rate than Rhode Island. The labor force participation rate in Rhode Island is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Rhode Island was 68.6 percent in February 2007. This also represents the series high for the labor force participation rate in Rhode Island. The 10 year low for the labor force participation rate was 64.2 percent in January 2015. The series low for the labor force participation rate occurred in October 1976 when the labor force participation rate hit 62.8 percent.

The national labor force participation rate declined by 0.1 percentage point to 62.7 percent in March, equaling the ten year low last reached in December 2014. That rate is 0.5 percentage point below the March 2014 level of 63.2 percent.



The employment-to-population ratio, or the percentage of the Rhode Island civilian noninstitutionalized population 16 years and older counted as employed, rose to 60.5 percent in March from 60.2 percent the prior month. Among the 50 states and the District of Columbia, 23 have higher employment-to-population ratios than Rhode Island. The employment-to-population ratio in Rhode Island is 0.6 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Rhode Island was 65.4 percent in February 2007. The series high for the employment-to-population ratio in Rhode Island occurred in March 1989 when the employment-to-population ratio hit 66.0 percent. The 10 year low for the employment-to-population ratio was 58.7 percent in December 2011. The series low for the employment-to-population ratio occurred in December 1976 when the employment-to-population ratio hit 57.5 percent.

The national employment-to-population ratio was unchanged at 59.3 percent in March. At 59.3 percent, the national employment-to-population ratio is still below the level of 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for April is scheduled for release on Wednesday, May 27. The national employment situation report for April is scheduled for release on Friday, May 8.

