



Rhode Island Economic Update

June 17, 2016

Summary

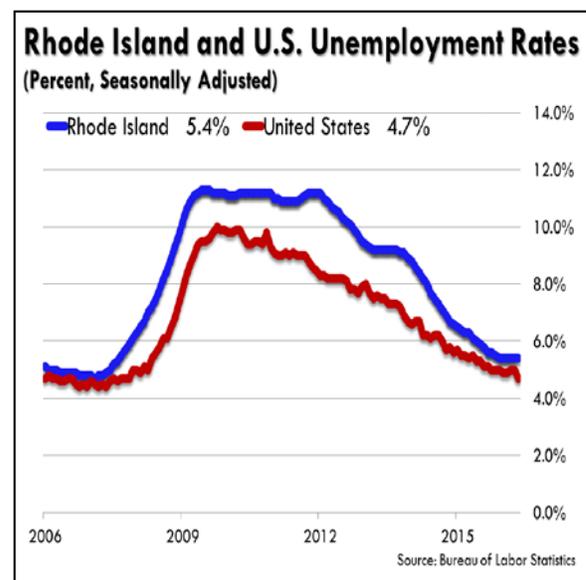
Nonfarm payroll employment in Rhode Island declined by 2,000 jobs and the unemployment rate was unchanged at 5.4 percent in May according to data released by the Bureau of Labor Statistics (BLS).

Rhode Island Unemployment Rate

During May, the unemployment rate in Rhode Island was unchanged at 5.4 percent. The number of people counted as unemployed rose by 143 in May to 29,735, while the labor force fell by 298 to 552,489. Among the 50 states and the District of Columbia, 35 posted lower unemployment rates for the month than Rhode Island. A year earlier, the unemployment rate in Rhode Island stood at 6.1 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 declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Rhode Island Payroll Employment

Rhode Island nonfarm payrolls declined by 2,000 jobs, or 0.41 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls declined by 1,900. Over the past 12 months nonfarm payrolls in Rhode Island increased by 1,100, or 0.23 percent. Rhode Island nonfarm payroll employment has increased in 6 of the past 12 months.

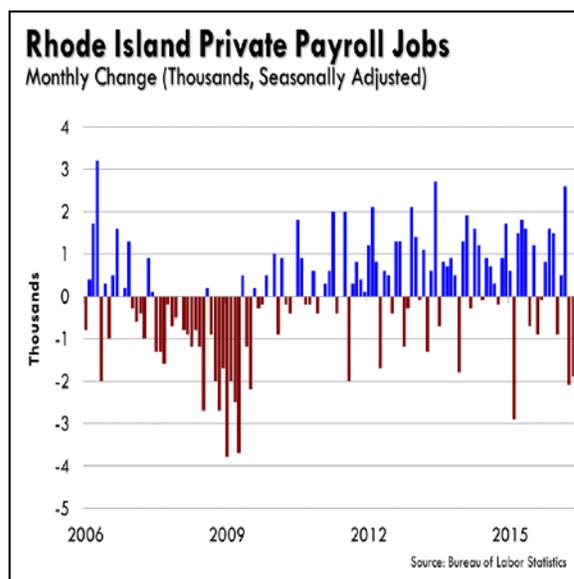
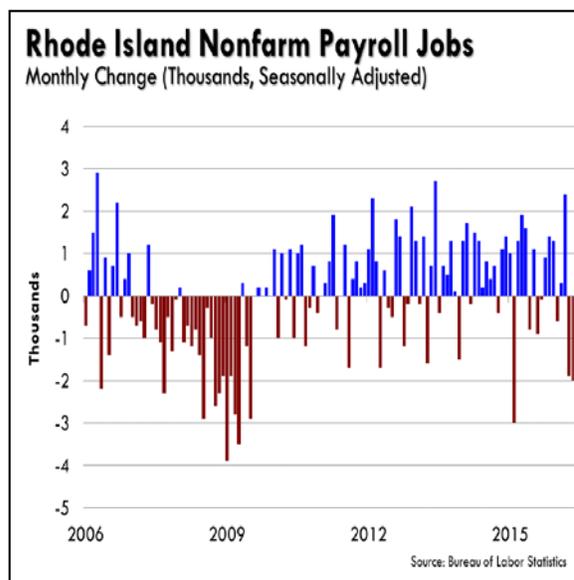
Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. Rhode Island ranks 44th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Rhode Island private sector payrolls declined by 1,900, or 0.44 percent. Private sector payrolls declined by 2,100 jobs in the prior month. Over the past 12 months, private sector payrolls in Rhode Island increased by 1,600, or 0.38 percent. Rhode Island private sector payroll employment has increased in 6 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent.

Rhode Island ranks 44th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

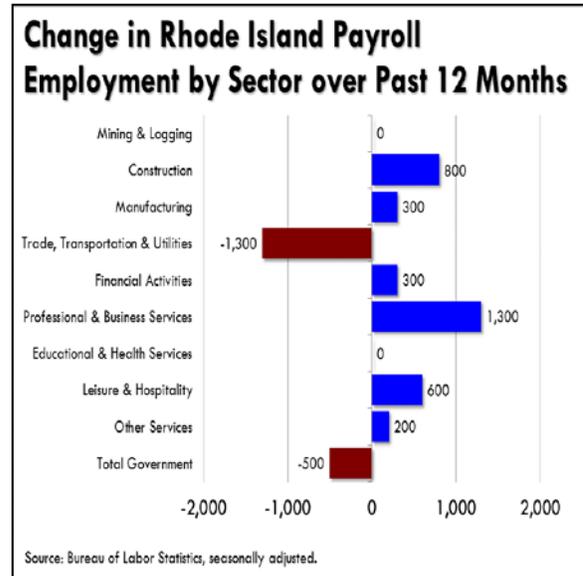
During May, total government payroll employment in Rhode Island declined by 100, or 0.17 percent. Federal government payroll employment increased by 1,700, or 0.87 percent. State government payroll employment increased by 200, or 0.05 percent, while local government payroll employment increased by 5,200, or 0.40 percent.



Over the past year, total government payroll employment declined by 500, or 0.83 percent. State government payroll employment increased by 5,000, or 1.36 percent. Local government payroll employment increased by 27,500, or 2.13 percent.

The best performing sectors on a seasonally adjusted basis during May were Educational & Health Services (+1,000) and Financial Activities (+100). The poorest performing sectors during the month were Trade, Transportation & Utilities (-700) and Manufacturing (-600).

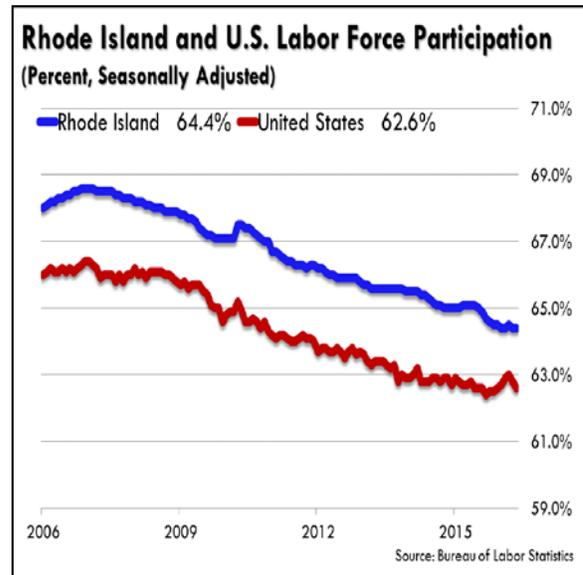
The best performing sectors during the last twelve months were Professional & Business Services (+1,300) and Construction (+800). The poorest performing sectors for the year were Trade, Transportation & Utilities (-1,300) and Total Government (-500).



Other Rhode Island Labor Force Statistics

The labor force participation rate in Rhode Island was unchanged at 64.4 percent in May. Among the 50 states and the District of Columbia, 20 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 64.4 percent in May 2016. 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 0.2 percentage point to 62.6 percent in May 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Rhode Island civilian noninstitutionalized population 16 years and older counted as employed, declined to 60.9 percent in May from 61.0 percent the prior month. Among the 50 states and the District of Columbia, 25 have higher employment-to-population ratios than Rhode Island. The employment-to-population ratio in Rhode Island is 0.2 percentage point lower 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 58.8 percent in January 2012. 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 held steady at 59.7 percent in May. That rate was 0.3 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 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 ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.

