



Rhode Island Economic Update

March 14, 2016

Summary

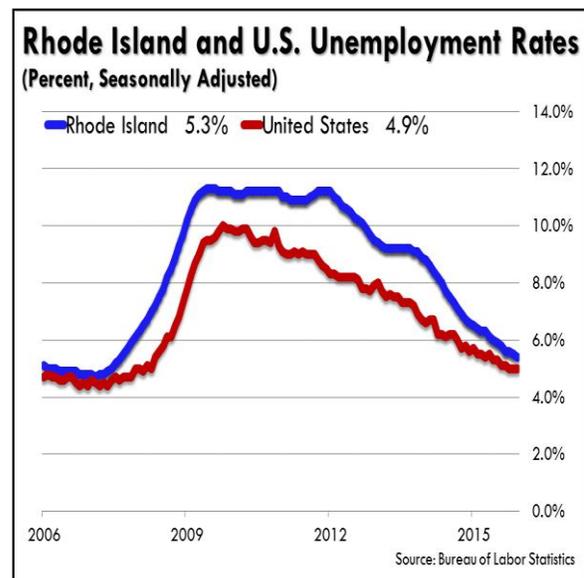
Nonfarm payroll employment in Rhode Island declined by 1,200 jobs and the unemployment rate fell to 5.3 percent in January according to data released by the Bureau of Labor Statistics (BLS).

Rhode Island Unemployment Rate

During January, the unemployment rate in Rhode Island declined by 0.1 percentage point to 5.3 percent. The number of people counted as unemployed fell by 630 in January to 29,388, while the labor force fell by 436 to 551,800. Among the 50 states and the District of Columbia, 32 posted lower unemployment rates for the month than Rhode Island. A year earlier, the unemployment rate in Rhode Island stood at 6.5 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 4.9 percent in February. February's unemployment rate was 0.6 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

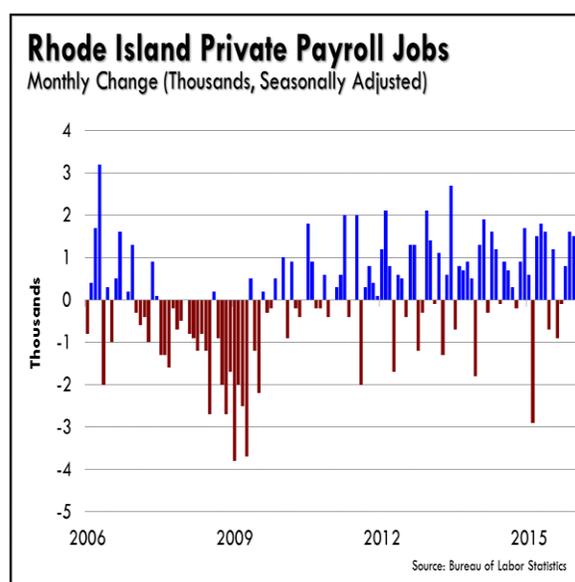
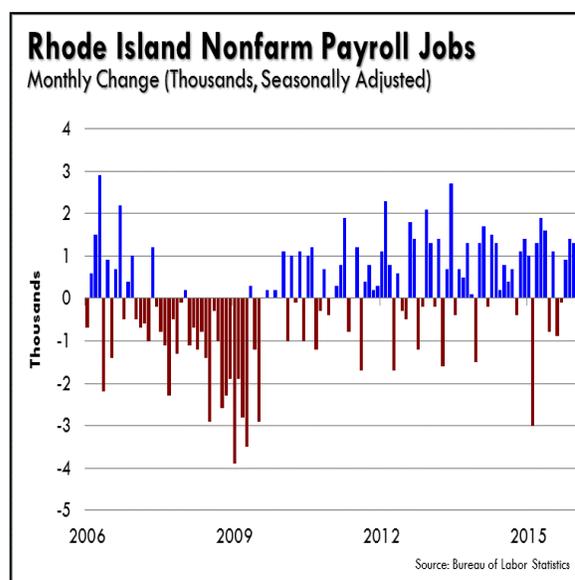
Rhode Island nonfarm payrolls declined by 1,200 jobs, or 0.25 percent, on a seasonally adjusted basis during January. In the prior month, nonfarm payrolls increased by 1,300. Over the past 12 months nonfarm payrolls in Rhode Island increased by 3,500, or 0.72 percent. Rhode Island nonfarm payroll employment has increased in 7 of the past 12 months.

Nationally, nonfarm payrolls increased by 242,000 jobs in February, or 0.17 percent. Over the 12-month period ending February 2016 nonfarm payrolls grew by 2,672,000 jobs, or 1.9 percent. Rhode Island ranks 40th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During January, Rhode Island private sector payrolls declined by 1,600, or 0.37 percent. Private sector payrolls increased by 1,500 jobs in the prior month. Over the past 12 months, private sector payrolls in Rhode Island increased by 3,800, or 0.90 percent. Rhode Island private sector payroll employment has increased in 7 of the past 12 months.

Nationally private-sector payroll jobs increased by 230,000 jobs in 1.9, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,597,000 jobs in the private sector, an increase of 2.18 percent. Rhode Island ranks 40th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During January, total government payroll employment in Rhode Island increased by 400, or 0.67 percent. Federal government payroll employment declined by 1,000, or 0.51 percent. State government payroll employment declined by 700, or 0.19 percent, while local government payroll employment increased by 4,100, or 0.31 percent.



Over the past year, total government payroll employment declined by 300, or 0.49 percent. State government payroll employment increased by 5,000, or 1.38 percent. Local government payroll employment increased by 23,500, or 1.83 percent.

The best performing sectors on a seasonally adjusted basis during January were Professional & Business Services (+600) and Total Government (+400). The poorest performing sectors during the month were Trade, Transportation & Utilities (-1,400) and Educational & Health Services (-1,200).

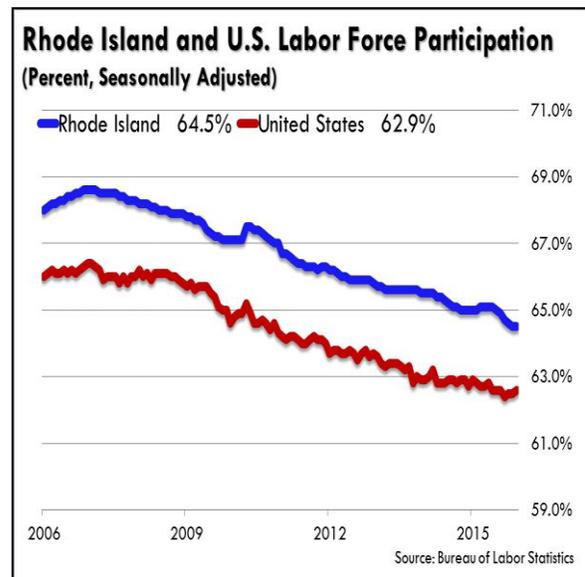
The best performing sectors during the last twelve months were Professional & Business Services (+2,100) and Construction (+2,100). The poorest performing sectors for the year were Educational & Health Services (-2,100) and Trade, Transportation & Utilities (-800).

Other Rhode Island Labor Force Statistics

The labor force participation rate in Rhode Island was unchanged at 64.5 percent in January. Among the 50 states and the District of Columbia, 19 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 64.5 percent in December 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 rose by 0.2 percentage point to 62.9 percent in February, 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, rose to 61.0 percent in January from 60.9 percent the prior month. Among the 50 states and the District of Columbia, 24 have higher employment-to-population ratios than Rhode Island. The employment-to-population ratio in Rhode Island is 0.3 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 58.8 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 rose by 0.2 percentage point to 59.8 percent in February. That rate was 0.5 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 February is scheduled for release on March 25, 2016. The national employment situation report for February was released on Friday, March 4, 2016.

