JOINT ECONOMIC COMMITTEE
VICE CHAIR AMY KLOBUCHAR
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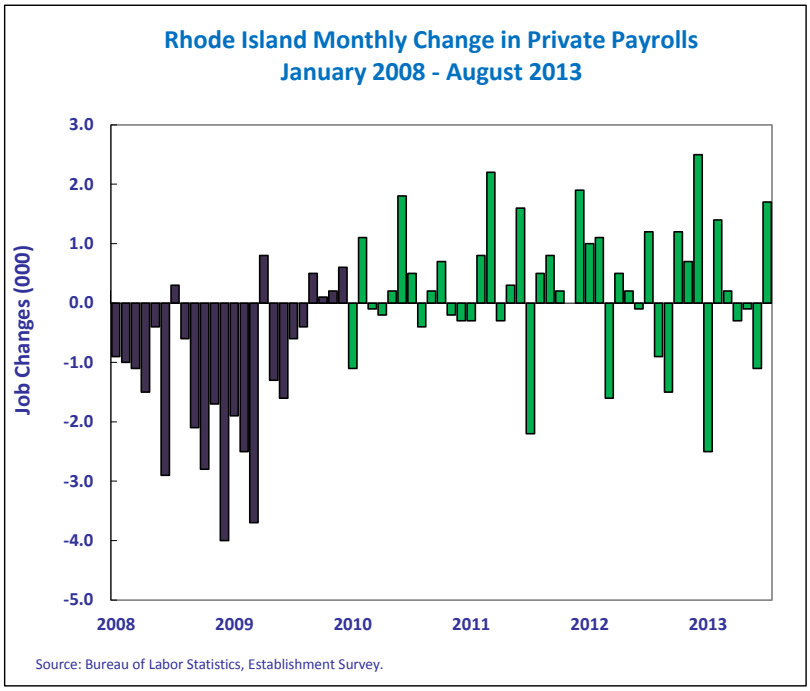
Economic Overview And Outlook: Rhode Island

Jobs

- Including August, the private sector has gained jobs nationwide for 42 consecutive months.
- In Rhode Island, private sector employment fell by 7.0 percent from January 2008 to February 2010. Since February 2010, private sector employment has grown by 3.1 percent.
- In Rhode Island, employees in the construction, manufacturing, and trade, transportation and utilities sectors faced the largest job losses (as a percent of employment within an industry) over the recession. Since the beginning of 2010, the following sectors in Rhode Island have experienced the greatest employment increases: professional and business services; financial activities; and leisure and hospitality.*
- As the economy continues its emergence from the Great Recession, service-providing industries are projected to add the most jobs between 2010 and 2020. The largest gains over this period are expected to occur in the healthcare and social assistance, professional and business services, and retail trade sectors. Job gains in the goods-producing sector of the economy will be led by the construction and mining industries while the number of manufacturing jobs is expected to fall.

Employment

- The unemployment rate in Rhode Island was 9.1 percent in August 2013, up 3.1 percentage points from December 2007, but down from its most recent peak of 11.9 percent in February 2010.
- 50,000 residents were counted among the unemployed in Rhode Island during August 2013.
- In Rhode Island, initial claims for unemployment insurance benefits totaled 6,807 during August, down 13.9 percent from the previous month. Since peaking at 16,946 in March 2009, initial claims for unemployment insurance benefits have declined by 59.8 percent.



Earnings

- Between the start of the recession in the 4th quarter of 2007 and the 3rd quarter of 2009, inflation-adjusted total personal income in the United States declined 4.6 percent. Most recently, in the 1st quarter of 2013, total personal income is 2.5 percent above its 4th quarter of 2007 level.
- Real per capita personal income (in 2005 $) in Rhode Island was $38,645.80 in the 1st quarter of 2013, up from $38,491.70 in the 1st quarter of 2011.

Housing

- After peaking in the first quarter of 2007, national home prices declined by 18.0 percent over 17 quarters. Between the second quarter of 2011 and the second quarter of 2013, the most recent quarter, national home prices rose by 4.1 percent.
- In Rhode Island, home prices fell by 26.9 percent over 25 quarters from their peak in the first quarter of 2006. Since the second quarter of 2012, home prices in Rhode Island have risen by 0.6 percent.
- As of the 2nd quarter of 2013, 3.4 percent of all mortgages, including 12.2 percent of subprime mortgages, were in foreclosure in Rhode Island.
- Housing starts in Rhode Island totaled 810 units (seasonally adjusted annual rate) in July 2013, an increase of 47.3 percent from June.
- Within the Northeast census region, which includes Rhode Island, sales of new single-family homes totaled 33,000 units in July 2013, a decrease of 5.7 percent from June. Sales of existing single-family homes increased 1.7 percent to 590,000 units (at seasonally adjusted annual rates) from July to August 2013.

*** For Rhode Island-specific labor sector statistics, please refer to the Rhode Island office: http://www.dlt.ri.gov/lmi/news/lfrelease.htm**

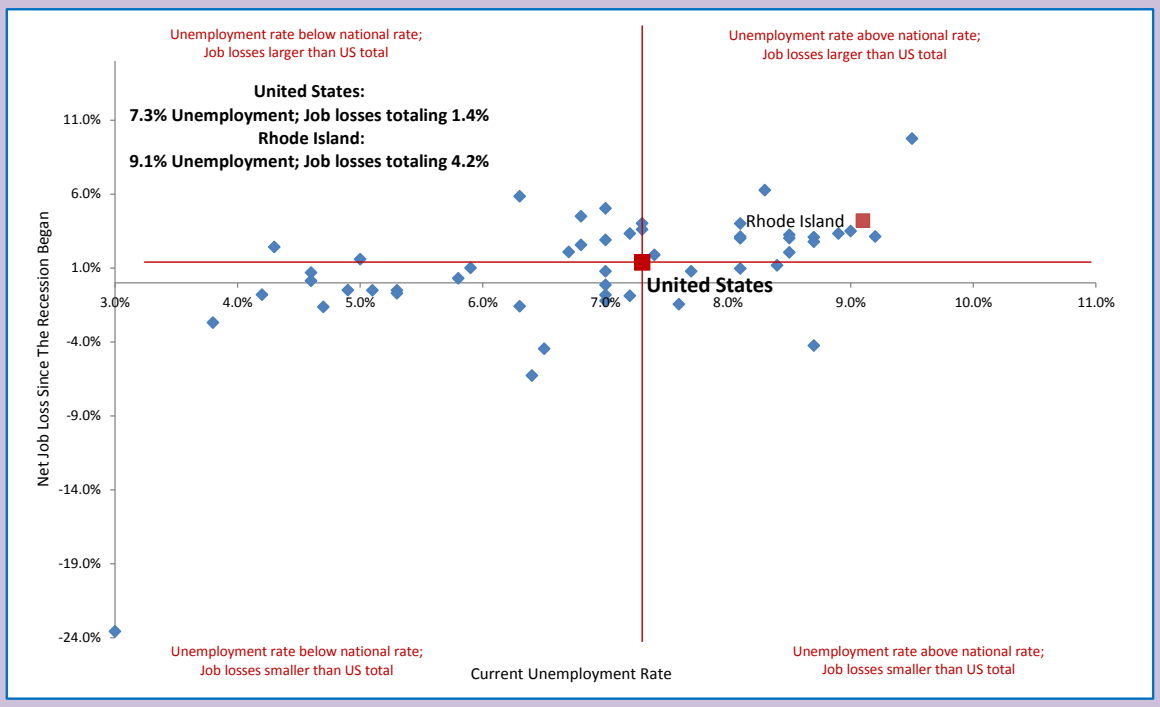
Prepared by the Vice Chair's Staff of the Joint Economic Committee

How Does Rhode Island Compare To Other States?

Workers across the country were hard hit during the Great Recession. Although labor markets in many states have started recovering, employment in most states still remains below pre-recession levels. The chart below allows you to compare Rhode Island to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within Rhode Island since the start of the recession (shown along the vertical axis) measures the toll the recession took on the job supply in Rhode Island.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant are experiencing lower unemployment rates and smaller job losses than the national average.



State Quick Facts

		Rhode Island	United States
Unemployment Rates	August 2010	11.6%	9.5%
	August 2011	11.4%	9.0%
	August 2012	10.4%	8.1%
	August 2013	9.1%	7.3%
Percent of Population Who Are Veterans	2012	8.6%	9.0%
All Veterans' Unemployment Rate	2012	9.6%	7.0%
Post-9/11 Veterans' Unemployment Rate	2012	15.7%	9.9%
Median Household Income	2007	$ 60,032	$ 55,627
(2012 $)	2012	$ 56,065	$ 51,017
Poverty Rate	2007	9.5%	12.5%
	2012	13.6%	15.0%
No Health Insurance	2007	10.5%	14.7%
	2012	12.3%	15.4%

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