

2019 Labor Force Revisions

The Rhode Island Department of Labor and Training's Labor Market Information Division in conjunction with the US Bureau of Labor Statistics (BLS) recently completed their annual revision of labor force statistics through the annual process known as "Benchmarking." This year labor force statistics for both the seasonally adjusted data and not seasonally adjusted data were revised back to January 2015.

Benchmark revisions to the state's 2019 unemployment rate indicate that the state ended the year with a 3.5 percent unemployment rate, unchanged from the rate initially reported for December 2019. Unemployment rates were revised downward from January through April, and from August through October; they were revised upward for July and unchanged in May, June, November and December. The largest downward revision occurred in January when the rate was revised down by three-tenths (-0.3) of a percentage point. The February and March rates were both revised down by two-tenths (-0.2) of a percentage point. July was revised upward by one-tenth (+0.1) of a percentage point.

Over the year, the December rate was down two-tenths (-0.2) of a percentage point from the revised December 2018 rate of 3.7 percent; pre-benchmarked data indicated a drop of half (-0.5) of a percentage point.

REVISED Seasonally Adjusted Labor Force Statistics (in thousands)													
	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Labor Force	554.8	554.8	554.6	554.4	554.3	554.3	554.5	555.1	555.8	556.4	556.9	557.0	556.9
Employment	534.2	534.4	534.4	534.3	534.2	534.2	534.5	535.2	536.1	537.0	537.6	537.7	537.6
Unemployment	20.7	20.5	20.3	20.1	20.1	20.1	20.0	19.9	19.7	19.5	19.3	19.3	19.3
Unemployment Rate	3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.6	3.5	3.5	3.5	3.5	3.5
PREVIOUSLY RELEASED Seasonally Adjusted Labor Force Statistics (in thousands)													
	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Labor Force	556.2	556.1	555.4	554.1	552.9	552.2	552.1	553.1	554.4	555.3	556.3	557.5	558.5
Employment	534.1	533.9	533.5	532.9	532.5	532.1	532.3	533.5	534.6	535.3	536.5	537.9	539.1
Unemployment	22.2	22.3	21.9	21.2	20.4	20.1	19.8	19.6	19.9	20.0	19.9	19.6	19.4
Unemployment Rate	4.0	4.0	3.9	3.8	3.7	3.6	3.6	3.5	3.6	3.6	3.6	3.5	3.5
Change in Labor Force Estimates													
	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Labor Force	-1,400	-1,300	-800	300	1,400	2,100	2,400	2,000	1,400	1,100	600	-500	-1,600
Employment	100	500	900	1,400	1,700	2,100	2,200	1,700	1,500	1,700	1,100	-200	-1,500
Unemployment	-1,500	-1,800	-1,600	-1,100	-300	0	200	300	-200	-500	-600	-300	-100
Unemployment Rate	-0.3	-0.3	-0.2	-0.2	-0.1	0.0	0.0	0.1	-0.1	-0.1	-0.1	0.0	0.0

The benchmark process also revealed that the number of unemployed RI residents was overestimated for nine months in 2019. The number of unemployed was underestimated in June and July and was unchanged for May. The year ended with 19,300 unemployed RI residents, 100 less than the previous December 2019 estimate indicated. Over the year, the number of unemployed RI residents fell 1,400 from the revised December 2018 estimate which was revised down 1,500; pre-benchmarked data showed a drop of 2,800.

The seasonally adjusted employment level was understated for the first ten months of 2019 and overstated for the last two months with the largest upward revisions occurring in May and June. The year ended with 537,600 employed RI residents, 1,500 fewer than the previous December 2019 estimate indicated. Over the year, the number of employed RI residents was up 3,400 from the revised December 2018 level of 534,200. Pre-benchmarked estimates indicated a gain of 5,000.

Labor force estimates were revised upward from March through October 2019, with the largest upward revisions occurring between May and July. Over the year (December 2018 to December 2019) the RI labor force grew by 2,100; pre-benchmarked data indicated an increase of 2,300.

The Benchmarking Process: A Brief Explanation

Labor force statistics are revised to incorporate updated inputs, new population controls, re-estimation of models, revised seasonal adjustment factors, and adjustment to new division and national control totals. This year, seasonally adjusted data and not seasonally adjusted data were revised back to 2015. The new population controls will reflect the annual updating of population estimates by the US Census Bureau.