2023 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 the annual revision of labor force statistics through an 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 2019.

Benchmark revisions to the state's 2023 unemployment rate indicate that the state ended the year with a 3.4 percent unemployment rate, up two-tenths of a percentage point from the rate initially reported for December 2023. Unemployment rates were revised downward seven months of the year, from January through July, and were revised upward from August through December. The largest downward revision occurred in March and May when the rate was revised down by four-tenths (-0.4) of a percentage point, while the February, April, and June rates were revised down by three-tenths (-0.3) of a percentage point. The largest increases in the unemployment rate occurred in October, where the rate was revised upward by seven-tenths (+0.7) of a percentage point, and in September, where the rate was revised upward by six-tenths (+0.6) of a percentage point. The unemployment rate for May and June 2023, 2.6 percent, is now the lowest rate on record for Rhode Island*.

Over the year, the December rate was up four-tenths (+0.4) of a percentage point from the revised December 2022 rate of 3.0 percent; pre-benchmarked data indicated no change in the unemployment rate from December 2022 to December 2023.

Also of note, the April 2020 unemployment rate was revised down to 17.9 percent from 18.0 percent, the highest unemployment rate during the pandemic-related shutdown and the highest rate on record.

	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
REVISED Seasonally Adjusted Labor Force Statistics (in thousands)													
Labor Force	570.2	570.5	571.2	571.9	572.4	572.8	572.9	573.3	574.1	575.1	576.1	576.3	576.2
Employment	553.0	553.9	555.1	556.2	557.2	557.9	558.1	557.9	557.4	556.9	556.6	556.5	556.5
Unemployment	17.1	16.6	16.2	15.7	15.2	14.9	14.8	15.4	16.7	18.2	19.5	19.8	19.6
Unemployment Rate	3.0	2.9	2.8	2.7	2.7	2.6	2.6	2.7	2.9	3.2	3.4	3.4	3.4
PREVIOUSLY RELEASED Seasonally Adjusted Labor Force Statistics (in thousands)													
Labor Force	566.4	566.4	566.2	566.2	566.7	568.4	569.8	570.3	571.0	571.9	572.9	574.2	575.1
Employment	548.2	548.8	548.8	548.8	549.7	551.6	553.0	554.5	555.8	557.1	557.2	557.5	556.9
Unemployment	18.2	17.6	17.4	17.4	17.0	16.8	16.8	15.8	15.2	14.9	15.6	16.7	18.2
Unemployment Rate	3.2	3.1	3.1	3.1	3.0	3.0	2.9	2.8	2.7	2.6	2.7	2.9	3.2
Change in Labor Force Estimates													
Labor Force	3,800	4,100	5,000	5,700	5,700	4,400	3,100	3,000	3,100	3,200	3,200	2,100	1,100
Employment	4,800	5,100	6,300	7,400	7,500	6,300	5,100	3,400	1,600	-200	-600	-1,000	-400
Unemployment	-1,100	-1,000	-1,200	-1,700	-1,800	-1,900	-2,000	-400	1,500	3,300	3,900	3,100	1,400
Unemployment Rate	-0.2	-0.2	-0.3	-0.4	-0.3	-0.4	-0.3	-0.1	0.2	0.6	0.7	0.5	0.2

The benchmark process also revealed that the number of unemployed RI residents was overestimated for seven months in 2023. The largest downward revision occurred in June when the number of unemployed was revised down by 2,000. The year ended with 19,600 unemployed RI residents, 1,400 more than the previous December 2023 estimate indicated. Over the year, the number of unemployed RI residents increased 2,500 from the revised December 2022 estimate which was revised down 1,100; pre-benchmarked data showed no change.

The seasonally adjusted employment level was understated for the first eight months of 2023 and overstated for the last four months of the year. The largest upward revisions occurred in April (+7,500) and March (+7,400). The largest downward revision occurred in November (-1,000). The year ended with 556,500 employed RI residents, 400 less than the previously reported December 2023 estimate indicated. Over the year, the number of employed RI residents was up 3,500 from the revised December 2022 level of 553,000. Pre-benchmarked estimates indicated a gain of 8,700.

Labor force estimates were revised upward every month of 2023, with the largest upward revisions occurring in March (+5,700) and April (+5,700). Over the year (December 2022 to December 2023) the RI labor force increased by 6,000; pre-benchmarked data indicated an increase of 8,700.

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 2019. For information on population controls used during this benchmarking process, visit
https://www.bls.gov/lau/launews1.htm

*The unemployment statistics series for all states started in January 1976.