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June 16, 2022

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May Unemployment Rate Falls to 2.9 Percent; Rhode Island-Based Jobs Increase by 900 from April

CRANSTON, R.I. - The state’s seasonally adjusted unemployment rate was 2.9 percent in May, falling below 3.0 percent for the first time in over thirty years, the Department of Labor and Training announced Thursday. The May rate was down three-tenths of a percentage point from the April rate of 3.2 percent. Last year the rate was 6.0 percent in May.

The U.S. unemployment rate was 3.6 percent in May, unchanged from April. The U.S. rate was 5.8 percent in May 2021.

The number of unemployed Rhode Island residents — those residents classified as available for and actively seeking employment — was 16,500, down 1,500 from April. The number of unemployed residents decreased by 17,800 over the year.

Since April 2020, the height of pandemic-related shutdowns, the number of unemployed RI residents is down 83,800.

The number of employed Rhode Island residents was 553,600, up 2,600 over the month and up 15,300 over the year. Since April 2020, the number of employed Rhode Island residents is up 107,500.

The Rhode Island labor force totaled 570,100 in May, up 1,100 over the month but down 2,500 from May 2021. The labor force is up 23,700 from April 2020.

Since February 2020, the month prior to the pandemic-related shutdowns, the number of unemployed RI residents is down 4,500 and the number of employed RI residents is up 2,800. Currently, there are 1,700 fewer RI residents participating in the labor force than there were prior to the start of the pandemic. The unemployment rate and the number of unemployed Rhode Islanders have now dropped below pre-pandemic levels.

Rhode Island-Based Jobs

In May, Rhode Island-based jobs totaled 496,800, representing a gain of 900 jobs from the April revised figure of 495,900. The local economy has added 5,500 jobs over the past three months, an average of 1,800 jobs per month.

The Administrative & Waste Services sector led all employment sectors in job growth, adding 500 jobs in May, followed by a gain of 400 jobs in the Arts, Entertainment & Recreation sector. The May job figure of 7,900 in Arts, Entertainment & Recreation represents the highest figure since March 2020.

Employment in the Educational Services sector rose by 300 in May, marking three consecutive months of job gains totaling 900 jobs.

A gain of 200 jobs was reported in each of the Accommodation & Food Services, Construction and Health Care & Social Assistance sectors, while 100 jobs were added in both the Information and Manufacturing sectors.

	<u>May 22</u>	<u>Apr 22</u>	<u>May 21</u>
R.I. Unemployment Rate	2.9%	3.2%	6.0%
U.S. Unemployment Rate	3.6%	3.6%	5.8%
R.I. Job Count (<i>in thousands</i>)	496.8	495.9	478.8
Highlights:			
<ul style="list-style-type: none"> • The Rhode Island unemployment rate was 2.9 percent in May, down three-tenths of a percentage point from last month’s rate of 3.2 percent. • Through May, the Rhode Island economy has recovered 97,100 or 89.8 percent of the 108,100 jobs lost during the pandemic shutdown. 			

Offsetting some of the May job gains was a loss of 300 jobs reported in both the Government and Retail Trade sectors. The Retail Trade sector has lost 600 jobs over the past two months.

The Financial Activities and Professional & Technical Services sectors both lost 200 jobs from April, marking back-to-back monthly job losses for the Financial Activities sector and the first job loss in the Professional & Technical Services sector since December 2021.

The number of jobs in the Transportation & Utilities sector fell by 100 in May, while the number of jobs in the Management of Companies & Enterprises, Mining & Logging, Other Services and Wholesale Trade sectors remained unchanged.

Due to the unprecedented pandemic-related shutdowns and restrictions implemented in April 2020, the number of jobs in Rhode Island plunged to 399,700. Gradually, restrictions began to ease, and the economy began an upward recovery trend. Over the year, Rhode Island jobs are up 18,000, led by the Accommodation & Food Services (+4,800) sector. Health Care & Social Assistance employment is up 3,000 jobs since May 2021, followed by the Construction (+2,000), Professional & Technical Services (+1,800), Other Services (+1,700), Arts, Entertainment & Recreation (+1,600), Manufacturing (+1,200) and Wholesale Trade (+1,000) sectors.

Smaller annual job gains were noted in the Transportation & Utilities (+900), Government (+400), Information (+400), Educational Services (+300) and Retail Trade (+200) sectors, while the number of jobs remained even in the Mining & Logging sector.

Over the year, jobs were down in the Financial Activities (-600), Management of Companies (-400) and Administrative & Waste Services (-300) sectors.

To help prevent the outbreak of the coronavirus, many industries in the state were ordered to close or operate with restrictions in April and May of 2020, resulting in the loss of 108,100 jobs. Through May 2022, the state's economy has recovered 97,100 or nearly 90 percent of the jobs lost during the shutdown. Five employment sectors, Construction, Manufacturing, Professional & Technical Services, Transportation & Utilities and Wholesale Trade have reported more jobs in May 2022 than they had in the month prior to the pandemic shutdown.

The Arts, Entertainment & Recreation sector has recovered 92 percent of the jobs lost during the restriction period, followed by the Retail Trade (90%), Accommodation & Food Services (90%) Other Services (89%) and Information (88%) sectors. In addition, Administrative & Waste Services sector has regained 83 percent of the jobs lost during the pandemic shutdown, followed by the Health Care & Social Assistance (82%), Government (33%), Financial Activities (11%) and Educational Services (4%) sectors.

The Management of Companies sector has yet to recover any of the jobs lost during the pandemic shutdown.

Manufacturing Hours and Earnings

In May, production workers in the Manufacturing sector earned \$24.00 per hour, up seventeen cents from April, and up two dollars and thirty-nine cents from May 2021.

Manufacturing employees worked an average of 39.5 hours per week in May, up nine-tenths of an hour over the month, and up an hour and one-tenth from a year ago.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND					
<i>(in thousands)</i>					
	May-22	Apr-22	May-21	Net Change From	
				Apr-22	May-21
Total Nonfarm	496.8	495.9 *	478.8	0.9	18.0
Total Private	433.4	432.2 *	415.8	1.2	17.6
Mining & Logging	0.2	0.2	0.2	0.0	0.0
Construction	21.9	21.7 *	19.9	0.2	2.0
Manufacturing	40.1	40.0	38.9	0.1	1.2
Wholesale Trade	16.5	16.5 *	15.5	0.0	1.0
Retail Trade	46.8	47.1 *	46.6	-0.3	0.2
Transportation & Utilities	13.9	14.0 *	13.0	-0.1	0.9
Information	5.7	5.6	5.3	0.1	0.4
Financial Activities	34.0	34.2 *	34.6	-0.2	-0.6
Professional & Technical Svcs.	29.6	29.8 *	27.8	-0.2	1.8
Management of Companies & Enterprises	12.0	12.0 *	12.4	0.0	-0.4
Administrative & Waste Services	28.1	27.6 *	28.4	0.5	-0.3
Educational Services	24.7	24.4 *	24.4	0.3	0.3
Health Care & Social Assistance	80.5	80.3 *	77.5	0.2	3.0
Arts, Entertainment & Recreation	7.9	7.5 *	6.3	0.4	1.6
Accommodation & Food Services	49.3	49.1 *	44.5	0.2	4.8
Other Services	22.2	22.2	20.5	0.0	1.7
Government	63.4	63.7	63.0	-0.3	0.4

*Revised estimates

The Department of Labor and Training is scheduled to release the June 2022 labor force figures and job counts at 10:00 a.m. on Thursday, July 21, 2022.