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Rhode Island-Based Jobs Increase 2,500 from July; August Unemployment Rate Increases to 2.8 Percent

CRANSTON, R.I. - The state’s seasonally adjusted unemployment rate was 2.8 percent in August, the Department of Labor and Training announced Thursday. The August rate was up one-tenth of a percentage point from the July rate of 2.7 percent. Last year the rate was 5.8 percent in August.

The U.S. unemployment rate was 3.7 percent in August, up two-tenths of a percentage point from July. The U.S. rate was 5.2 percent in August 2021.

The number of unemployed Rhode Island residents — those residents classified as available for and actively seeking employment — was 16,300, up 1,000 from July. The number of unemployed residents decreased by 17,200 over the year. Since April 2020, the height of pandemic-related shutdowns, the number of unemployed RI residents is down 84,000.

The number of employed Rhode Island residents was 558,700, up 700 over the month and up 17,900 over the year. Since April 2020, the number of employed Rhode Island residents is up 112,600.

The Rhode Island labor force totaled 575,100 in August, up 1,800 over the month and up 900 from August 2021. The labor force is up 28,700 from April 2020.

Since February 2020, the month prior to the pandemic-related shutdowns, the number of unemployed RI residents is down 4,700 and the number of employed RI residents is up 7,900. Currently, there are 3,300 more RI residents participating in the labor force than there were prior to the start of the pandemic. The labor force, employment and unemployment levels have now reached points surpassing pre-pandemic levels.

Rhode Island-Based Jobs

The Rhode Island economy reported strong job growth in August, following three months of stagnant returns. Total nonfarm jobs totaled 498,800 in August, an increase of 2,500 jobs from the revised July figure of 496,300. The previous three months had produced a total of 400 jobs. The August job count is the highest count since March 2020.

The Government sector added 1,200 jobs in August, with all gains stemming from the local government branch. The early return of public schools this month prompted the job increase.

In August, the number of jobs in the Accommodation & Food Services sector rose by 900, fueled by gains reported within the limited-services restaurants subsector.

Employment in the Construction sector grew by 400 in August, the sector’s largest monthly job gain since March. Payrolls grew among specialty trade contractors.

	<u>Aug 22</u>	<u>Jul 22</u>	<u>Aug 21</u>
R.I. Unemployment Rate	2.8%	2.7%	5.8%
U.S. Unemployment Rate	3.7%	3.5%	5.2%
R.I. Job Count (<i>in thousands</i>)	498.8	496.3	482.8
Highlights:			
<ul style="list-style-type: none"> • The Rhode Island unemployment rate was 2.8 percent in August, up one-tenth of a percentage point from last month’s rate of 2.7 percent. • Through August, the Rhode Island economy has recovered 99,100 or 97.1 percent of the 108,100 jobs lost during the pandemic shutdown. 			

Lastly, August job gains were also reported in the Management of Companies (+300), Educational Services (+100) and Information (+100) sectors.

Only two employment sectors, Professional & Technical Services and Administrative & Waste Services, reported job losses in August, shedding 300 and 200 jobs, respectively. The remaining employment sectors reported no job change. These sectors include Arts, Entertainment & Recreation, Financial Activities, Health Care & Social Activities, Manufacturing, Mining & Logging, Other Services, Retail Trade, Transportation & Utilities and Wholesale Trade.

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 16,000, led by the Accommodation & Food Services (+4,700) sector. Government employment is up 2,800 jobs since August 2021, followed by the Health Care & Social Assistance (+2,600), Construction (+2,100), Professional & Technical Services (+1,300) and Manufacturing (+1,100) sectors.

Smaller annual job gains were noted in the Other Services (+800), Transportation & Utilities (+800), Wholesale Trade (+500), Administrative & Waste Services (+300), Information (+300), Educational Services (+300) and Arts, Entertainment & Recreation (+100) sectors, while the number of jobs remained even in the Mining & Logging sector.

Over the year, jobs were down in the Retail Trade (-800), Financial Activities (-600) and Management of Companies (-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 August 2022, the state's economy has recovered 99,100 or nearly 92 percent of the jobs lost during the shutdown. Six employment sectors, Construction, Information, Manufacturing, Professional & Technical Services, Transportation & Utilities and Wholesale Trade have reported more jobs in August 2022 than they had in the month prior to the pandemic shutdown.

The Accommodation & Food Services sector has recovered 95 percent of the jobs lost during the restriction period, followed by the Government (91%), Retail Trade (83%),

Other Services (83%), Administrative & Waste Services (81%), Health Care & Social Assistance (80%) and Arts, Entertainment & Recreation (73%) sectors.

The Real Estate, Rental & Leasing (43%) and Educational Services (17%) sectors have recovered less than half the jobs lost during the shutdown, while the Financial Activities and Management of Companies sectors have yet to recover any of the jobs lost during the pandemic shutdown.

Manufacturing Hours and Earnings

In August, production workers in the Manufacturing sector earned \$23.84 per hour, up twenty cents from July, and up one dollar and fifteen cents from August 2021.

Manufacturing employees worked an average of 40.6 hours per week in August, unchanged over the month, and up an hour and three-tenths from a year ago.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND					
<i>(in thousands)</i>					
				Net Change From	
	Aug-22	Jul-22	Aug-21	Jul-22	Aug-21
Total Nonfarm	498.8	496.3 *	482.8	2.5	16.0
Total Private	433.5	432.2	420.3	1.3	13.2
Mining & Logging	0.2	0.2	0.2	0.0	0.0
Construction	22.3	21.9	20.2	0.4	2.1
Manufacturing	40.5	40.5	39.4	0.0	1.1
Wholesale Trade	16.2	16.2 *	15.7	0.0	0.5
Retail Trade	46.0	46.0 *	46.8	0.0	-0.8
Transportation & Utilities	13.7	13.7 *	12.9	0.0	0.8
Information	5.9	5.8 *	5.6	0.1	0.3
Financial Activities	34.2	34.2	34.8	0.0	-0.6
Professional & Technical Svcs.	29.8	30.1	28.5	-0.3	1.3
Management of Companies & Enterprises	12.0	11.7 *	12.3	0.3	-0.3
Administrative & Waste Services	28.0	28.2 *	27.7	-0.2	0.3
Educational Services	25.0	24.9	24.7	0.1	0.3
Health Care & Social Assistance	80.1	80.1 *	77.5	0.0	2.6
Arts, Entertainment & Recreation	7.0	7.0 *	6.9	0.0	0.1
Accommodation & Food Services	50.9	50.0 *	46.2	0.9	4.7
Other Services	21.7	21.7	20.9	0.0	0.8
Government	65.3	64.1 *	62.5	1.2	2.8

*Revised estimates