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Rhode Island-Based Jobs Rose by 400 from April; May Unemployment Rate Decreases to 5.8 Percent

CRANSTON, R.I. - The state’s seasonally adjusted unemployment rate was 5.8 percent in May, the Department of Labor and Training announced Thursday. The May rate was down half of a percentage point from the April rate of 6.3 percent. Last year the rate was 12.9 percent in May.

The U.S. unemployment rate was 5.8 percent in May, down three-tenths of a percentage point from April. The U.S. rate was 13.3 percent in May 2020.

The number of unemployed Rhode Island residents — those residents classified as available for and actively seeking employment — was 31,200, down 2,600 from April. The number of unemployed residents decreased by 36,100 over the year.

The number of employed Rhode Island residents was 507,000, up 1,200 from April. Last May there were 453,700 employed Rhode Island residents.

The Rhode Island labor force totaled 538,200 in May, down 1,400 from April but up 17,300 from May 2020 (520,900).

Since February 2020, the month prior to the pandemic-related shutdowns, the number of unemployed RI residents is up 9,000 and the number of employed RI residents is down 32,800. Currently, there are 23,800 fewer RI residents participating in the labor force than there were prior to the start of the pandemic.

Rhode Island-Based Jobs

The number of Rhode Island-based nonfarm jobs totaled 468,300 in May, an increase of 400 jobs from the revised April job count of 467,900. The Rhode Island economy has added jobs for the last five consecutive months totaling 10,500 jobs, or an average of 2,100 jobs per month.

The Professional & Business Services sector added 600 jobs in May, led by job gains reported among the Administrative & Waste Services industry sector, notably landscaping companies.

Led by the durable goods component, the Manufacturing sector added 500 jobs in May, the largest monthly increase since August 2020. The number of jobs in the Manufacturing sector has grown by 1,500 over the past five months. The Health Care & Social Assistance sector also added 500 jobs in May, regaining almost all the 600 jobs it shed in April.

The number of jobs in the Accommodation & Food Services sector grew by 400 in May. Since the start of the year, this sector has averaged a gain of 800 jobs per month, or a total of 3,800 jobs.

Employment in the Arts, Entertainment & Recreation, Educational Services, Information and Wholesale Trade sectors remained unchanged from April.

	<u>May 21</u>	<u>Apr 21</u>	<u>May 20</u>
R.I. Unemployment Rate	5.8%	6.3%	12.9%
U.S. Unemployment Rate	5.8%	6.1%	13.3%
R.I. Job Count (<i>in thousands</i>)	468.3	467.9	414.3
Highlights:			
<ul style="list-style-type: none"> • The Rhode Island unemployment rate was 5.8 percent in May, down half of a percentage point from last month’s rate of 6.3 percent. • Through May, the Rhode Island economy has recovered 69,100 or 64 percent of the 108,000 jobs lost during the pandemic shutdown. 			

Offsetting the May job gains was a loss of 500 jobs reported in the Retail Trade sector, marking two consecutive months of declines totaling 1,400 jobs. The May declines can be attributed to drug stores, department stores and grocery stores.

The Construction sector lost 400 jobs in May, the first monthly job decline since the start of the pandemic in April 2020. Government employment was down 300 over the month, shedding all 300 jobs it gained in April.

Smaller job losses were noted in the Financial Activities (-200), Other Services (-100) and Transportation & Utilities (-100) sectors.

Due to the unprecedented pandemic-related shutdowns and restrictions implemented in April 2020, the number of jobs in Rhode Island plunged to 399,200. Gradually, restrictions started to ease, and the economy began a slow upward trend. Over the year, Rhode Island jobs are up 54,000, led by the Accommodation & Food Services (+17,800) sector. Health Care & Social Assistance is up 8,300 jobs since May 2020, followed by the Retail Trade (+6,900), Other Services (+4,600), Professional & Business Services (+4,200), Manufacturing (+3,900) and Construction (+3,300) sectors.

Smaller annual job gains were noted in the Transportation & Utilities (+2,500), Arts, Entertainment & Recreation (+1,700), Wholesale Trade (+1,300) and Financial Activities (+800) sectors.

Government (-1,200) and Educational Services (-100) were the lone sectors to report an over-the-year job decrease, while jobs in the Information sector remained unchanged from May 2020.

To help prevent the outbreak of the coronavirus, many industries in the state were ordered to close or operate with restrictions in March and April of 2020, resulting in the loss of 108,000 jobs. Through May 2021, the state's economy has recovered 69,100 or 64 percent of the jobs lost during the shutdown. The Construction sector has recovered all of the 4,200 jobs it lost during the pandemic shutdown. Large job recovery gains were also noted in the Manufacturing (91%), Wholesale Trade (82%) and Retail Trade (76%) sectors.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND					
<i>(in thousands)</i>					
	May-21	Apr-21	May-20	Net Change From	
				Apr-21	May-20
Total Nonfarm	468.3	467.9 *	414.3	0.4	54.0
Total Private	406.7	406.0 *	351.5	0.7	55.2
Mining & Logging	0.2	0.2	0.2	0.0	0.0
Construction	20.8	21.2 *	17.5	-0.4	3.3
Manufacturing	39.2	38.7 *	35.3	0.5	3.9
Wholesale Trade	15.4	15.4 *	14.1	0.0	1.3
Retail Trade	45.2	45.7 *	38.3	-0.5	6.9
Transportation & Utilities	12.2	12.3	9.7	-0.1	2.5
Information	5.0	5.0 *	5.0	0.0	0.0
Financial Activities	34.5	34.7	33.7	-0.2	0.8
Professional & Business Services	65.5	64.9 *	61.3	0.6	4.2
Educational Services	23.8	23.8 *	23.9	0.0	-0.1
Health Care & Social Assistance	76.8	76.3 *	68.5	0.5	8.3
Arts, Entertainment & Recreation	5.2	5.2	3.5	0.0	1.7
Accommodation & Food Services	42.3	41.9	24.5	0.4	17.8
Other Services	20.6	20.7 *	16.0	-0.1	4.6
Government	61.6	61.9	62.8	-0.3	-1.2

**Revised estimates*

Other employment sectors which have recovered at least half of the jobs lost during the pandemic restrictions include Other Services, recovering 69 percent of the jobs lost, followed by the Accommodation & Food Services (68%), Professional & Business Services (67%), Transportation & Utilities (67%) and Health Care & Social Assistance (62%) sectors.

Arts, Entertainment & Recreation and Financial Activities have recovered 38 percent and 37 percent of the jobs they lost during the pandemic shutdown, respectively. The numbers of jobs in the Government sector are below their pandemic-level low points.

Manufacturing Hours and Earnings

In May, production workers in the Manufacturing sector earned \$21.62 per hour, up forty-seven cents from April, and up ninety-six cents from May 2020.

Manufacturing employees worked an average of 38.4 hours per week in May, unchanged over the month, but up three and a half hours from a year ago.

About DLT: The Department of Labor and Training (DLT) offers employment services, educational services and economic opportunities to both individuals and employers. DLT protects Rhode Island's workforce by enforcing labor laws, prevailing wage rates and workplace health and safety standards. The department also provides temporary income support to unemployed and temporarily disabled workers. For more information, please call the Department of Labor and Training at (401) 462-8000 or visit the website at www.dlt.ri.gov.

The Department of Labor and Training is scheduled to release the June 2021 labor force figures and job counts at 10:00 a.m. on Thursday, July 15, 2021.