

FOR IMMEDIATE RELEASE
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Rhode Island-Based Jobs Rose 6,900 from July; August Unemployment Rate Increases to 12.8 Percent

CRANSTON, R.I. - The state’s seasonally adjusted unemployment rate was 12.8 percent in August, the Department of Labor and Training announced Thursday. The August rate was up 1.5 percentage points from the revised July rate of 11.3 percent. Last year the rate was 3.5 percent in August.

The U.S. unemployment rate was 8.4 percent in August, down from 10.2 percent in July. The U.S. rate was 3.7 percent in August 2019.

The number of unemployed Rhode Island residents — those residents classified as available for and actively seeking employment — was 69,500, up 6,400 from July. Over the year, the number of unemployed residents increased by 49,800.

The number of employed Rhode Island residents was 471,800, down 22,100 from July. Last August there were 536,100 employed Rhode Island residents.

The Rhode Island labor force totaled 541,300 in August, down 15,700 from July and down 14,500 from August 2019 (555,800).

Rhode Island-Based Jobs

Rhode Island’s total nonfarm payroll employment level rose to 466,200, an increase of 6,900 from the July revised figure of 459,300. Through August, 57.0 percent or 55,900 of the 98,100 jobs lost during the pandemic have been recovered. Over the year, Rhode Island-based jobs are down by 37,200.

The Accommodation & Food Services sector again led all employment sectors in job growth, adding 1,700 jobs in August. After shedding over 34,000 jobs between March and April, the sector has recovered nearly 64 percent or 21,700 of those jobs.

Educational Services employment grew by 1,200 in August as area schools and colleges prepared for the fall semester.

In August, Government employment also increased by 1,200 as federal government payrolls surged due to the temporary hiring of 2020 Census workers.

The Health Care & Social Assistance sector added 1,100 jobs in August, led by gains among hospital workers and social assistance workers. Nearly 56 percent of the 15,800 jobs lost in Health Care & Social Assistance in March and April have been recovered.

	<u>Aug 20</u>	<u>Jul 20</u>	<u>Aug 19</u>
R.I. Unemployment Rate	12.8%	11.3%	3.5%
U.S. Unemployment Rate	8.4%	10.2%	3.7%
R.I. Job Count (<i>in thousands</i>)	466.2	459.3	503.4
Highlights:			
<ul style="list-style-type: none"> • The Rhode Island unemployment rate was 12.8 percent in August, up 1.5 percentage points from last month’s revised rate of 11.3 percent. • Through August, the Rhode Island economy has recovered 55,900 or 57.0 percent of the 98,100 lost jobs during the pandemic shutdown. 			

Since July, the Professional & Business Services and Other Services sectors added 700 and 600 jobs, respectively. Both service-based industries are slowly recovering from the March and April economic shutdown as the Other Services sector has regained nearly 39 percent of its lost jobs during the pandemic, while the Professional & Business Services has recovered nearly 38 percent.

An increase of 500 jobs was reported in both the Arts, Entertainment & Recreation and Wholesale Trade sectors, while positive gains were also noted among the Financial Activities (+300), Transportation & Utilities (+200) and Information (+100) sectors.

Offsetting the August job gains was a loss of 900 jobs reported within the Manufacturing sector as payrolls shrunk amongst durable goods manufacturers. Despite this monthly job loss, the Manufacturing sector has recovered nearly 73 percent or 1,600 of the 2,200 jobs lost in March and April.

Smaller job losses in August were noted in the Retail Trade (-200) and Construction (-100) sectors. Retail Trade has recouped just over 6 out of every 10 jobs lost during the shutdown, while Construction has yet to recover a quarter of the 2,600 jobs lost.

Due to the unprecedented pandemic-related employment declines in March and April, nearly all employment sectors reported year over year declines in August. The Accommodation & Food Services (-11,500) led all sectors in year-over-year jobs losses, followed by the Professional & Business Services (-6,700), Health Care & Social Assistance (-5,500) and Other Services (-4,600) sectors.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND					
<i>(in thousands)</i>					
	Aug-20	Jul-20	Aug-19	Net Change From	
				Jul-20	Aug-19
Total Nonfarm	466.2	459.3 *	503.4	6.9	-37.2
Total Private	401.8	396.1 *	438.2	5.7	-36.4
Mining & Logging	0.3	0.3	0.3	0.0	0.0
Construction	18.3	18.4	19.9	-0.1	-1.6
Manufacturing	38.8	39.7 *	39.8	-0.9	-1.0
Wholesale Trade	15.7	15.2	16.6	0.5	-0.9
Retail Trade	44.8	45.0	47.8	-0.2	-3.0
Transportation & Utilities	10.9	10.7 *	12.5	0.2	-1.6
Information	5.4	5.3 *	6.1	0.1	-0.7
Financial Activities	35.9	35.6	35.4	0.3	0.5
Professional & Business Services	61.5	60.8 *	68.2	0.7	-6.7
Educational Services	27.9	26.7 *	26.3	1.2	1.6
Health Care & Social Assistance	76.9	75.8 *	82.4	1.1	-5.5
Arts, Entertainment & Recreation	6.5	6.0 *	7.9	0.5	-1.4
Accommodation & Food Services	40.5	38.8 *	52.0	1.7	-11.5
Other Services	18.4	17.8 *	23.0	0.6	-4.6
Government	64.4	63.2	65.2	1.2	-0.8

**Revised estimates*

Retail Trade (-3,000), Construction (-1,600), Transportation & Utilities (-1,600), Arts, Entertainment & Recreation (-1,400) and Manufacturing (-1,000) also reported sizable job declines between August 2019 and August 2020. Smaller annual declines were noted in Wholesale Trade (-900), Government (-800) and Information (-700).

Educational Services (+1,600) and Financial Activities (+500) were the lone employment sectors to report an over the year job gain.

Manufacturing Hours and Earnings

In August, production workers in the Manufacturing sector earned \$20.65 per hour, up twenty-one cents from July, and up seventy-nine cents from August 2019.

Manufacturing employees worked an average of 37.6 hours per week in August, up two and one-tenth hours over the month, but down three-tenths of an hour 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 September 2020 labor force figures and job counts at 10:00 a.m. on Thursday, October 15, 2020.