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Rhode Island-Based Jobs Rose 13,800 from June; July Unemployment Rate Drops to 11.2 Percent

CRANSTON, R.I. - The state’s seasonally adjusted unemployment rate was 11.2 percent in July, the Department of Labor and Training announced Thursday. The July rate was down 1.4 percentage points from the revised June rate of 12.6 percent. Last year the rate was 3.6 percent in July.

The U.S. unemployment rate was 10.2 percent in July, down from 11.1 percent in June. The U.S. rate was 3.7 percent in July 2019.

The number of unemployed Rhode Island residents — those residents classified as available for and actively seeking employment — was 62,300, down 7,100 from June. Over the year, the number of unemployed residents increased by 42,400.

The number of employed Rhode Island residents was 494,500, up 12,100 from June. Last July there were 535,200 employed Rhode Island residents.

The Rhode Island labor force totaled 556,800 in July, up 5,000 from June and up 1,700 from July 2019 (555,100).

Rhode Island-Based Jobs

Rhode Island’s total nonfarm payroll employment rose by 13,800 jobs in July as the economy continues to move forward from the pandemic shutdown in March and April. Through July, 49,500 or just over a half of the 98,100 lost jobs have been recovered. Over the year, Rhode Island-based jobs are down by 42,800.

The Accommodation & Food Services sector added 4,000 jobs in July as full service and limited-service restaurants steadily continue to add employment to their payrolls. The Accommodation & Food Services sector has recovered nearly 60 percent or 20,300 of the 34,200 jobs that were lost in March and April.

Employment increased by 1,600 in Health Care & Social Assistance in July, led by gains in medical facilities that provide outpatient services, including dentist offices. Just under 50 percent, or 7,800 of the 15,800 jobs lost in this sector during the pandemic have been recovered.

In July, the number of jobs in Arts, Entertainment & Recreation rose by 1,300. Fitness and recreation sports centers and golf courses were among the industries leading the job growth.

	<u>Jul 20</u>	<u>Jun 20</u>	<u>Jul 19</u>
R.I. Unemployment Rate	11.2%	12.6%	3.6%
U.S. Unemployment Rate	10.2%	11.1%	3.7%
R.I. Job Count (<i>in thousands</i>)	459.8	446.0	502.6
Highlights:			
<ul style="list-style-type: none"> • The Rhode Island unemployment rate was 11.2 percent in July, down 1.4 percentage points from last month’s revised rate of 12.6 percent. • Through July, the Rhode Island economy has recovered 49,500 or just over a half of the 98,100 lost jobs during the pandemic shutdown. 			

Both the Educational Services and Financial Activities sectors added 1,100 jobs in July. In addition, both sectors are just 200 jobs shy of regaining all the jobs lost in March and April. Educational Services has recovered 4,000 of the 4,200 jobs lost during this period, while Financial Activities has recouped 1,800 of the 2,000 jobs lost. Through the addition of 1,000 jobs from June, the July Manufacturing employment level of 39,400 equals that of the February employment level, signaling that this sector has regained all the 2,200 jobs lost during March and April economic shutdown.

Sizeable July job gains were also noted in the Transportation & Warehousing (+800), Professional & Business Services (+700) and Other Services (+700) sectors.

Lastly, Government (+600), Retail Trade (+500) and Construction (+400) sectors also added jobs in July, while the number of jobs within the Information, Mining & Logging and Wholesale Trade sectors remained unchanged.

Due to the unprecedented pandemic-related employment declines in March and April, nearly all employment sectors reported year over year declines in July. The Accommodation & Food Services (-13,100) led all sectors in year-over-year jobs losses, followed by the Professional & Business Services (-6,900), Health Care & Social Assistance (-6,100) and Other Services (-4,900).

Retail Trade (-2,900), Arts, Entertainment & Recreation (-2,100), Government (-1,900), Transportation & Utilities (-1,700), Construction (-1,500) and Wholesale Trade (-1,300) also reported sizable job declines between July 2019 and July 2020. Smaller annual declines were noted in Information (-700), Manufacturing (-300) and Financial Activities (-100).

Educational Services (+700) was the lone employment sector to report an over the year job gain.

Manufacturing Hours and Earnings

In July, production workers in the Manufacturing sector earned \$20.44 per hour, up fifty-two cents from June, and up thirty-one cents from July 2019.

Manufacturing employees worked an average of 35.5 hours per week in July, down one and a half hours over the month, and down two and nine-tenth hours from a year ago.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND					
<i>(in thousands)</i>					
	<u>Jul-20</u>	<u>Jun-20</u>	<u>Jul-19</u>	Net Change From	
				<u>Jun-20</u>	<u>Jul-19</u>
Total Nonfarm	459.8	446.0 *	502.6	13.8	-42.8
Total Private	396.6	383.4 *	437.5	13.2	-40.9
Mining & Logging	0.3	0.3	0.3	0.0	0.0
Construction	18.4	18.0	19.9	0.4	-1.5
Manufacturing	39.4	38.4 *	39.7	1.0	-0.3
Wholesale Trade	15.2	15.2	16.5	0.0	-1.3
Retail Trade	45.0	44.5 *	47.9	0.5	-2.9
Transportation & Utilities	10.6	9.8 *	12.3	0.8	-1.7
Information	5.2	5.2 *	5.9	0.0	-0.7
Financial Activities	35.6	34.5 *	35.7	1.1	-0.1
Professional & Business Services	61.2	60.5	68.1	0.7	-6.9
Educational Services	26.8	25.7 *	26.1	1.1	0.7
Health Care & Social Assistance	75.9	74.3 *	82.0	1.6	-6.1
Arts, Entertainment & Recreation	5.9	4.6 *	8.0	1.3	-2.1
Accommodation & Food Services	39.1	35.1 *	52.2	4.0	-13.1
Other Services	18.0	17.3 *	22.9	0.7	-4.9
Government	63.2	62.6 *	65.1	0.6	-1.9

**Revised estimates*

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 August 2020 labor force figures and job counts at 10:00 a.m. on Thursday, September 17, 2020.