

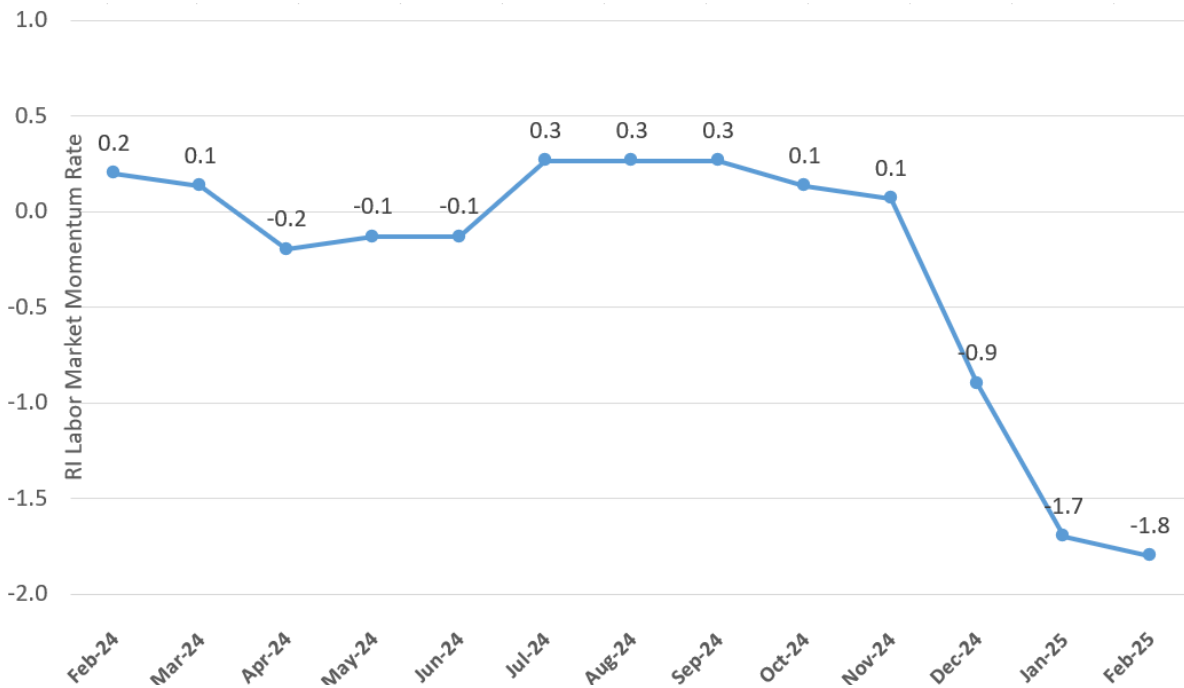
Is Rhode Island's Workforce Growing or Shrinking? Labor Market Momentum (LMM) Provides Insight

Labor Market Momentum (LMM) measures whether Rhode Island's workforce is expanding or contracting. It is calculated as the difference between the three-month average rate at which employers are hiring workers (HIRES rate) and the three-month average rate at which workers are leaving jobs (SEPARATIONS rate). Tracking LMM over time can help gauge economic momentum and workforce stability.

- A positive LMM indicates more people are getting hired than are leaving jobs - an indication that the workforce is growing.
- A negative LMM indicates more workers are quitting, retiring, or being laid off than being replaced - an indication that the workforce is contracting.

In February 2025, the Rhode Island LMM rate was -1.8, the third consecutive negative rate and the sixth negative rate in the past thirteen months. Last February, the LMM rate was +0.2. Across New England, LMM rates range from 0.0 in MA, CT and VT to a low of -1.8 in RI. Other New England states with a negative LMM were ME(-0.1) and NH(-0.2). Nationally the LMM was +0.1.

Rhode Island's Labor Market Momentum Rate



-1.8
Shrinking
Workforce

US & Regional LMM Rates

US	+0.1
MA	0.0
CT	0.0
VT	0.0
ME	-0.1
NH	-0.2
RI	-1.8

Historical RI LM Momentum Rates (3 Month Rolling Average)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2025 LM Momentum Rate	-1.7	-1.8										
2024 LM Momentum Rate	0.2	0.2	0.1	-0.2	-0.1	-0.1	0.3	0.3	0.3	0.1	0.1	-0.9
2023 LM Momentum Rate	0.2	0.3	0.5	0.7	0.6	0.5	0.5	0.6	0.6	0.4	0.1	0.0
2022 LM Momentum Rate	0.5	0.5	0.4	0.5	0.3	0.5	0.5	0.5	0.2	0.1	0.1	0.1
2021 LM Momentum Rate	0.4	0.2	1.1	0.7	0.7	0.6	0.6	0.4	0.6	0.9	1.0	0.8
2020 LM Momentum Rate	0.2	0.2	-3.6	-7.1	-5.6	0.2	4.3	3.3	1.6	1.4	1.3	0.5
2019 LM Momentum Rate	0.6	0.6	0.3	-0.1	-0.2	0.0	0.3	0.3	0.3	0.3	0.3	0.2
2018 LM Momentum Rate	-0.3	-0.1	-0.1	0.2	0.3	0.2	0.2	0.2	0.3	0.1	0.1	0.3
2017 LM Momentum Rate	0.3	0.3	-0.1	0.1	0.3	0.5	0.4	-0.1	-0.3	-0.1	0.1	0.1

Hires – The number of workers added to payrolls.

Hires Rate – Hires as a percentage of total employment.

$$\frac{\text{HIRES}}{\text{EMPLOYMENT}} \times 100$$

Total Separations – The number of workers who leave payrolls, voluntarily or involuntarily.

Separations Rate – Separations as a percentage of total employment.

$$\frac{\text{SEPARATIONS}}{\text{EMPLOYMENT}} \times 100$$

Labor Market Momentum is calculated as the difference between the three-month average Hires Rate and the three-month average Separations Rate.

If LMM is consistently positive:
the workforce is growing.

If LMM is neutral (close to zero):
the job market is in balance.

If LMM is negative for several months:
the workforce is shrinking.

Historical US & Regional LM Momentum Rates (3 Month Rolling Average)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2025 US LMM Rate	0.1	0.1										
2024 US LMM Rate	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.1	0.1
2025 MA LMM Rate	0.4	0.0										
2024 MA LMM Rate	0.2	0.2	0.2	0.4	0.2	0.0	0.1	0.8	1.1	0.9	0.5	0.4
2025 CT LMM Rate	-0.1	0.0										
2024 CT LMM Rate	0.2	0.1	0.1	-0.3	-0.3	-0.2	0.2	0.5	0.5	0.3	0.0	0.0

Every month the U.S. Bureau of Labor Statistics (BLS) releases state data on the number and rate of hires, job openings, and job separations due to layoffs, discharges, and quits. This data comes from the Job Openings and Labor Turnover Survey (JOLTS) which sends questionnaires to about 21,000 nonagricultural businesses throughout the country. JOLTS data are seasonally adjusted and describe conditions on the last business day of the month. Annual revisions to JOLTS and LMM data will be available with May data that will be published in July 2025. For more information on JOLTS, please visit <https://www.bls.gov/jlt/jltfaq.htm> or email the RI Labor Market Information office at dlt.lmi@dlt.ri.gov

