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2011 Revised Labor Force Estimates

The RI Department of Labor and Training today released its revised labor force estimates for 2011. Findings from the annual revision process, which is based on revised population estimates and revised job numbers, include:

- The revised RI unemployment rate for December 2011 was 11.0 percent, two-tenths of a percentage point higher than previously reported.
- The revised average annual unemployment rate for Rhode Island last year was 11.3 percent, a half percentage point higher than originally estimated.
- The lowest seasonally adjusted monthly unemployment rate for Rhode Island in 2011 was 11.0 percent, recorded in December. Originally, the lowest rate had been reported as 10.4 percent, recorded in October 2011.
- The highest seasonally adjusted monthly unemployment rate for Rhode Island in 2011 was 11.4 percent, recorded in four separate months—January, June, July and August. Originally, the highest rate had been reported as 11.3 percent, recorded in January 2011.
- The RI unemployment rate had dropped slightly but steadily for the last four months of 2011, moving from a high of 11.4 percent in August to a low of 11.0 in December. This contrasts with earlier analysis, which had shown unemployment rate declines from August through October, but increases for the last two months of 2011.

	2011 Seasonally Adjusted Unemployment Rates												2011 Annual Average*
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Revised	11.4%	11.3%	11.2%	11.2%	11.3%	11.4%	11.4%	11.4%	11.3%	11.2%	11.1%	11.0%	11.3%
Previously Published	11.3%	11.2%	11.0%	10.9%	10.9%	10.8%	10.8%	10.6%	10.5%	10.4%	10.5%	10.8%	10.8%

* Annual average is based on seasonally unadjusted data

Labor force estimates for all states are conducted in the same manner under the guidance of the US Bureau of Labor Statistics. The actual revision process involves a five-year look-back on all labor force data. This latest look-back revealed that the state's unemployment rate has been at or above 11.0 percent since June 2009.

The revision process also revealed that the annual average number of unemployed RI residents in 2011 was 63,400, 2,000 higher than previously reported. The annual average of employed RI residents in 2011 was actually 500,000, 5,400 less than the number originally reported.

The seasonally adjusted unemployment level was overestimated for the first two months of the year, while being underestimated for the remainder of 2011. The unemployment level reached a high of 64,400 unemployed RI residents in 2011 rather than the 65,100 unemployed originally reported. The number of Rhode Islanders unemployed ended the year at its lowest level since June 2009, with 62,100 residents unemployed.

The seasonally adjusted employment count was overestimated for the entire year, reaching a low for the year of 498,800 employed residents rather than the 501,600 originally reported, and a high for the year of 501,300 employed residents rather than the 511,100 originally reported. The downward revision in employment level was due to a combination of lowered population estimates and a decrease in the monthly job count estimates. The revised annual average of the RI labor force also dropped, from an original report of 566,700 to 563,400—a difference of 3,300.

continued



2011 Revised Labor Force Estimates, continued

The RI Department of Labor and Training also reports that the 2011 annual average of RI-based jobs was revised down 1,000 from originally published estimates. The revisions to RI-based jobs are based upon actual tax data from approximately 33,000 RI companies. Previously reported job estimates were based upon data drawn from a smaller survey sample.

The five sectors which experienced downward revisions in 2011 as a result of the revision process were Retail Trade (-3,000),

Accommodation & Food Services (-1,500), Health Care & Social Assistance (-300), Wholesale Trade (-200) and Information (-100).

Offsetting the downward revisions were large upward revisions in the Educational Services (+1,700) and Financial Activities (+800) sectors. Smaller but positive revisions were reported in the Transportation & Utilities (+500), Government (+400), Construction (+300), Arts, Entertainment &

Recreation (+300), Professional & Business Services (+200) and Manufacturing (+100) sectors. The Other Services and Mining & Logging sectors remained unchanged.

Industry	2011 Nonfarm Employment in Rhode Island Annual Average Revision (not seasonally adjusted) (in thousands)			
	Benchmark	Published	Revision	
Total Nonfarm	460.2	461.2	-1.0	-0.2%
Total Private	399.6	401.0	-1.4	-0.4%
Mining and Logging	0.2	0.2	0.0	0.0%
Construction	15.7	15.4	0.3	1.9%
Manufacturing	40.7	40.6	0.1	0.2%
Wholesale Trade	16.3	16.5	-0.2	-1.2%
Retail Trade	46.2	49.2	-3.0	-6.5%
Transportation, Warehousing, and Utilities	10.7	10.2	0.5	4.7%
Information	10.2	10.3	-0.1	-1.0%
Financial Activities	30.7	29.9	0.8	2.6%
Professional and Business Services	54.2	54.0	0.2	0.4%
Educational Services	25.4	23.7	1.7	6.7%
Health Care and Social Assistance	78.1	78.4	-0.3	-0.4%
Arts, Entertainment, and Recreation	7.4	7.1	0.3	4.1%
Accommodation and Food Services	41.8	43.3	-1.5	-3.6%
Other Services	22.1	22.1	0.0	0.0%
Government	60.6	60.2	0.4	0.7%

Revision figures are averages and may not be additive.

In addition to its annual revisions, the RI Department of Labor and Training has also published annual data regarding registered employers, Unemployment Insurance claims and the Unemployment Insurance Trust Fund activity. These can be found in the attached document, known as the 2011 Labor Force Report.

The RI Department of Labor and Training offers employment services, educational services and economic opportunity 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 on the programs and services available to all Rhode Islanders, please call the RI Department of Labor and Training at (401) 462-8000 or visit the web site at www.dlt.ri.gov.