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Unemployment Rate Drops to 9.8 percent in January > 2,800 new RI-based jobs created

The RI Department of Labor and Training announced today that the state’s **seasonally adjusted unemployment rate** for January 2013 dropped to 9.8 percent, down one-tenth of a percentage point from the December 2012 rate and one full percentage point from the January 2012 rate.

The U.S. unemployment rate was 7.9 percent in January 2013, up one-tenth of a percentage point from the previous month and down four-tenths of a percentage point over the year.

	<u>Jan 13</u>	<u>Dec12</u>	<u>Jan 12</u>
RI Unemployment Rate	9.8%	9.9%	10.8%
U.S. Unemployment Rate	7.9%	7.8%	8.3%
RI Job Count (<i>in thousands</i>)	468.4	465.6	464.3

Highlights:

- The RI unemployment rate declined to 9.8 percent, its lowest level since January 2009.
- The number of unemployed RI residents declined by 700 over the month.
- RI-based jobs increased 2,800 over the month, due mainly to gains in the Accommodation & Food Services and Retail Trade sectors.

The number of **unemployed RI residents**—those residents classified as available for and actively seeking employment—was 54,900, down 700 from the December figure of 55,600. This represents the seventh consecutive over-the-month decrease and the lowest unemployment level since January 2009. Over the year, the number of unemployed dropped by 5,300.

The number of **employed RI residents** was down 700 over the December figures, decreasing to 506,900 in January. Over the year, the number of employed RI residents increased 9,000 from January 2012.

The RI labor force totaled 561,800 in January 2013, down 1,400 from December 2012 but up 3,700 from January 2012.

JOBS BASED IN RHODE ISLAND: Estimated nonfarm payroll in Rhode Island totaled 468,400 in January, reflecting a gain of 2,800 jobs from the revised December employment estimate of 465,600. January marks three consecutive months of job gains totaling 4,300 jobs.

The January preliminary employment increase was fueled by reported growth in the Accommodations & Food Services (+1,600) and Retail Trade (+1,100) sectors, combining for an increase of 2,700 jobs since December. Local restaurateurs appeared reluctant to cut payrolls as the January food services employment level of 36,900 represented the highest level in 10 years. The Retail Trade sector reported strong January employment following a weak holiday hiring season.

An increase of 800 jobs was also reported in the Financial Activities sector, mainly due to gains reported in the investment services, credit services and real estate subsectors. The Educational Services (+500), Construction (+300) and Wholesale Trade (+300) sectors also experienced positive employment growth in January.

Offsetting the large employment gains was a sizable job loss (-1,400) reported in the Professional & Business Services sector as payroll cutbacks were noted in employment services and services to buildings and dwellings.

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The Transportation & Utilities and Other Services sectors each lost 200 jobs in January, while employment in the Manufacturing, Information, Health Care & Social Assistance, Arts, Entertainment & Recreation, Government and Mining & Logging sectors was unchanged.

Over the year, total nonfarm employment increased by 4,100, as job gains appeared in 10 economic sectors, including Accommodation & Food Services (+2,100), Financial Activities (+1,800), Manufacturing (+800), Professional & Business Services (+800), Health Care & Social Assistance (+700), Retail Trade (+200), Wholesale Trade (+100), Educational Services (+100), Other Services (+100) and Mining & Logging (+100).

Employment in four sectors, Construction (-1,300), Information (-700), Government (-500) and Transportation & Utilities (-200) was down over the year. Employment in Arts, Entertainment & Recreation was unchanged over the year.

MANUFACTURING: In January 2013, production workers in the Manufacturing sector earned \$18.55 per hour, up 14 cents from December 2012 and up 82 cents from January 2012. Manufacturing employees worked an average of 40.8 hours per week in January, up four-tenths of an hour over the month and up three-tenths of an hour from a year ago.

METHODOLOGY: The

unemployment figures are based largely on a survey of households in Rhode Island and measure the unemployment status of people who live in the state. Unemployment rates prior to 1976 are not recognized by the U.S. Bureau of Labor Statistics as official since the methodology used at that time is not comparable to today's methods. The establishment employment figures are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Rhode Island labor market information is available at www.dlt.ri.gov/lmi. Additional information on procedures for producing CES estimates is available on the BLS web site at <http://www.bls.gov/sae/cesprocs.htm>. The February labor force figures are scheduled to be released on Thursday, March 22, 2013 at 2:00 P.M.

ABOUT DLT: 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, please call the RI Department of Labor and Training at (401) 462-8000 or visit the web site at www.dlt.ri.gov.

SEASONALLY-ADJUSTED NON-FARM EMPLOYMENT IN RHODE ISLAND					
<i>(in thousands)</i>					
	<u>Jan-13</u>	<u>Dec-12</u>	<u>Jan-12</u>	Net Change From	
				<u>Dec-12</u>	<u>Jan-12</u>
Total Nonfarm	468.4	465.6	464.3	2.8	4.1
Total Private	408.7	405.9	404.1	2.8	4.6
Natural Resources & Mining	0.2	0.2	0.1	0.0	0.1
Construction	15.0	14.7	16.3	0.3	-1.3
Manufacturing	40.2	40.2	39.4	0.0	0.8
Wholesale Trade	17.0	16.7	16.9	0.3	0.1
Retail Trade	47.2	46.1	47.0	1.1	0.2
Transportation & Utilities	10.7	10.9	10.9	-0.2	-0.2
Information	9.2	9.2	9.9	0.0	-0.7
Financial Activities	32.9	32.1	31.1	0.8	1.8
Professional & Business Services	56.2	57.6	55.4	-1.4	0.8
Educational Services	25.3	24.8	25.2	0.5	0.1
Health Care & Social Assistance	79.1	79.1	78.4	0.0	0.7
Arts, Entertainment & Recreation	7.6	7.6	7.6	0.0	0.0
Accommodation & Food Services	45.6	44.0	43.5	1.6	2.1
Other Services	22.5	22.7	22.4	-0.2	0.1
Government	59.7	59.7	60.2	0.0	-0.5