



**EMBARGOED until
Friday, August 17, 2012**

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| | <u>Jul 12</u> | <u>Jun 12</u> | <u>Jul 11</u> |
|--------------------------------------|---------------|---------------|---------------|
| RI Unemployment Rate | 10.8% | 10.9% | 11.4% |
| U.S. Unemployment Rate | 8.3% | 8.2% | 9.1% |
| RI Job Count (<i>in thousands</i>) | 455.9 | 457.1 | 463.2 |

Highlights:

- The RI unemployment rate decreased for the third consecutive month.
- The RI unemployment rate and the number of unemployed RI residents both reached their lowest levels since May 2009.
- RI-based jobs decreased 1,200 over the month, with the greatest losses reported in Health Care & Social Assistance.

Unemployment Rate Drops to 10.8 Percent

The RI Department of Labor and Training announced today that the state’s **seasonally adjusted unemployment rate** for July 2012 dropped to 10.8 percent, down one-tenth of a percentage point from the June 2012 rate and six-tenths of a percentage point from the previous July. This is the third consecutive monthly decrease in the unemployment rate, and represents the lowest unemployment rate in Rhode Island since May 2009.

The U.S. unemployment rate was 8.3 percent in July 2012, up one-tenth of a percentage point from the previous month and down eight-tenths of a percentage point over the year.

The number of **unemployed RI residents**—those residents classified as available for and actively seeking employment—decreased by 400 over the June figure to reach 59,900 in July. Over the year, the number of unemployed RI residents dropped by 4,400. This is the lowest level of unemployed RI residents since May 2009.

The number of **employed RI residents** was down 100 over the June figures, dropping to 494,900 in July. Over the year, the number of employed RI residents decreased 4,000 from July 2011.

The RI labor force totaled 554,800 in July 2012, down 400 from June 2012 and down 8,400 from July 2011 estimates. The labor force decrease reflected losses in employed residents combining with the losses in unemployed residents.

JOBS BASED IN RHODE ISLAND: Estimated nonfarm payroll in Rhode Island totaled 455,900 in July, reflecting a loss of 1,200 jobs from the June employment estimate of 457,100. The July employment figure marks the lowest employment figure since April 1998 (455,300).

The July preliminary estimates indicate that the Health Care & Social Assistance sector lost 900 jobs over the month. Employment declines were noted in the industry groups of individual and family services, home health care, and health practitioners.

Also reporting large job losses since June were the Professional & Technical Services (-500) and Educational Services (-500) sectors. Notable employment declines in the Professional & Business Services sector were reported in such areas as janitorial, landscaping, and security services. In the Educational Services sector, private colleges and universities showed job losses in payroll and educational support services.

(continued)

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The Wholesale Trade, Government, Information and Transportation & Utilities sectors all lost 200 jobs in July, while the Other Services sector shed 100 positions. Employment in the Retail Trade, Manufacturing and Mining & Logging sectors remained unchanged.

The Accommodation & Food Services and Construction sectors each added 600 jobs over the month, helping to offset the job declines. Local hotels and motels as well as drinking places added employment in July. Construction gains were noted in residential building construction, commercial construction and specialty trade construction. Smaller job gains were reported in the Arts, Entertainment & Recreation (+300) and Financial Activities (+100) sectors.

Over the year, total nonfarm employment decreased by 7,300. Job losses were reported in ten economic sectors, including Health Care & Social Assistance (-2,900), Professional & Business Services (-1,700), Retail Trade (-1,600), Government (-900), Educational Services (-600), Other Services (-500), Information (-200), Financial Activities (-200), Wholesale Trade (-100) and Transportation & Utilities (-100).

Accommodation & Food Services and Construction employment each posted the largest over-the-year increases in July, with a gain of 700 jobs, followed by Arts, Entertainment & Recreation (+100). Employment in Manufacturing and Mining & Logging remained unchanged over the year.

MANUFACTURING: In July 2012, production workers in the Manufacturing sector earned \$18.57 per hour. The average hourly production wage was up 35 cents from June 2012 and up \$1.97 from July 2011. Manufacturing employees worked an average of 39.2 hours per week in July, down one hour and two-tenths over the month and unchanged from a year ago.

| | Jul-12 | Jun-12 | Jul-11 | Net Change From | |
|----------------------------------|--------------|--------------|--------------|-----------------|-------------|
| | | | | Jun-12 | Jul-11 |
| Total Nonfarm | 455.9 | 457.1 | 463.2 | -1.2 | -7.3 |
| Mining & Logging | 0.2 | 0.2 | 0.2 | 0.0 | 0.0 |
| Construction | 16.3 | 15.7 | 15.6 | 0.6 | 0.7 |
| Manufacturing | 41.2 | 41.2 | 41.2 | 0.0 | 0.0 |
| Wholesale Trade | 16.2 | 16.4 | 16.3 | -0.2 | -0.1 |
| Retail Trade | 44.9 | 44.9 | 46.5 | 0.0 | -1.6 |
| Transportation & Utilities | 10.5 | 10.7 | 10.6 | -0.2 | -0.1 |
| Information | 10.2 | 10.4 | 10.4 | -0.2 | -0.2 |
| Financial Activities | 30.6 | 30.5 | 30.8 | 0.1 | -0.2 |
| Professional & Business Services | 53.0 | 53.5 | 54.7 | -0.5 | -1.7 |
| Educational Services | 25.3 | 25.8 | 25.9 | -0.5 | -0.6 |
| Health Care & Social Assistance | 75.6 | 76.5 | 78.5 | -0.9 | -2.9 |
| Arts, Entertainment & Recreation | 7.5 | 7.2 | 7.4 | 0.3 | 0.1 |
| Accommodation & Food Services | 42.7 | 42.1 | 42.0 | 0.6 | 0.7 |
| Other Services | 22.0 | 22.1 | 22.5 | -0.1 | -0.5 |
| Government | 59.7 | 59.9 | 60.6 | -0.2 | -0.9 |

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 August labor force figures are scheduled to be released on Friday, September 21, 2012.

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.