



EMBARGOED UNTIL MONDAY, NOV 5 at 12:01 a.m.

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Data shows better economic picture for second quarter of 2012

- > **5,700 more RI-based jobs for June 2012 than originally estimated**
- > **Professional & Business Services, Accommodation & Food Services, Health Care & Social Assistance and Retail Trade sectors each up more than 2,000 jobs from earlier estimates**
- > **Larger-than-estimated losses reported in Educational Service, Government and Manufacturing.**

A recent analysis of tax data from 32,000 businesses shows that Rhode Island job growth exceeded original employment estimates for the second quarter of 2012 by 5,700 jobs, according to the RI Department of Labor and Training (DLT).

The new DLT-produced estimate for Rhode Island-based jobs as of June 2012 is 462,800, up 5,700 from the official June 2012 estimate, which was based on a monthly survey of 1,700 representative businesses. Because the tax data is derived from a virtual census of employers and more recent data is used, the quarterly estimates are considered to have a smaller margin of error than the monthly estimates. The new DLT June 2012 estimate also shows an over-the-year job gain of 1,800, while the official estimate predicted an over-the-year job loss of 3,900.

Governor Lincoln D. Chafee says, "This data gives us a comprehensive picture of our workforce as it appeared in the spring. I am particularly encouraged to see the improved performance estimates in some of Rhode Island's high-growth industries, such as hospitality and health care."

Second quarter tax data also shows significant increases in job counts in the following industry sectors:

- Professional & Business Services—revised to 56,500 jobs, up 3,000 (5.6%) from earlier estimates.
- Accommodation & Food Services—revised to 44,300 jobs, up 2,200 (5.2%) from earlier estimates.
- Health Care & Social Assistance—revised to 78,700 jobs, up 2,200 (2.9%) from earlier estimates.
- Retail Trade—revised to 46,900 jobs, up 2,000 (4.5%) from earlier estimates.

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Tax data also shows significant decreases in job estimates for the following sectors:

- Educational Services (private sector only)—revised to 23,900 jobs, down 1,900 (-7.4%) from earlier estimates.
- Government—revised to 58,400 jobs, down 1,500 (-3.5%) from earlier estimates.
- Manufacturing—revised to 39,900 jobs, down 1,300 (-3.2%) from earlier estimates.

TABLE 1: Projected Revision in June 2012 Job Numbers

In thousands

	Previous survey-based estimates, calculated in July 2012	New tax data-based estimates, calculated in October 2012	Projected revision
Total Jobs	457.1	462.8	5.7
Mining & Logging	0.2	0.2	0.0
Construction	15.7	15.8	0.1
Manufacturing	41.2	39.9	(1.3)
Retail Trade	44.9	46.9	2.0
Wholesale Trade	16.4	16.9	0.5
Transportation & Utilities	10.7	11.0	0.3
Information	10.4	9.7	(0.7)
Financial Activities	30.5	30.7	0.2
Professional & Business Services	53.5	56.5	3.0
Educational Services	25.8	23.9	(1.9)
Health Care & Social Assistance	76.5	78.7	2.2
Arts, Entertainment & Recreation	7.2	7.7	0.5
Accommodation & Food	42.1	44.3	2.2
Other Services	22.1	22.2	0.1
Total Government	59.9	58.4	(1.5)

Source: RI Department of Labor and Training, Labor Market Information Unit, Quarterly Census of Employment & Wages (QCEW) and Current Employment Statistics (CES) data, using methodology developed by the University of Massachusetts.

The quarterly estimates also show a change in over-the-year trends for a number of industry sectors (see *Table 2, page 3*). Earlier published Retail Trade estimates had initially predicted an over-the-year loss of 2,000 jobs when tax data show stable employment levels from June 2011 to June 2012. Similarly, initial Health Care & Social Assistance estimates predicted an over-the-year loss of 1,800 jobs while tax data indicate a small gain in this sector. According to June 2012 tax data, Professional and Business Services grew by 2,900 jobs over-the-year and Accommodation & Food Services grew by 2,000 jobs over-the-year, despite earlier published estimates suggesting small over-the-year losses in both these sectors.

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Conversely, the Government sector, originally estimated to show small over-the-year losses, exhibited losses of 2,200 jobs according to June 2012 tax data. And, Educational Services, predicted to show slight gains, exhibited losses of 1,300 jobs over the year.

**TABLE 2: Over-the-Year Comparison of RI-Based Jobs,
Using New Tax Data Estimates for June 2012**
In thousands

	June 2011*	Revised June 2012 Estimates	Change
Total Jobs	461.0	462.8	1.8
Mining & Logging	0.2	0.2	0.0
Construction	15.4	15.8	0.4
Manufacturing	40.7	39.9	(0.8)
Retail Trade	46.9	46.9	0.0
Wholesale Trade	16.2	16.9	0.7
Transportation & Utilities	10.7	11.0	0.3
Information	10.4	9.7	(0.7)
Financial Activities	30.8	30.7	(0.1)
Professional & Business Services	53.6	56.5	2.9
Educational Services	25.2	23.9	(1.3)
Health Care & Social Assistance	78.3	78.7	0.4
Arts, Entertainment & Recreation	7.5	7.7	0.2
Accommodation & Food	42.3	44.3	2.0
Other Services	22.2	22.2	0.0
Total Government	60.6	58.4	(2.2)

*June 2011 data was originally calculated from a survey sample, and then was revised using tax data during the state's annual revision process of employment estimates.

Once a year, the U.S. Bureau of Labor Statistics uses the latest four quarters of tax data to revise a full year's worth of survey-based employment estimates for all states. These revisions are usually released in late February/early March of the following year. However, the RI Department of Labor and Training has chosen to release its own revisions on a quarterly basis, to better track the progress of the economic recovery.

While the monthly survey-based estimates may not always be as accurate as the quarterly tax data, they do allow states to monitor employment patterns in a timely fashion. Tax data, while more comprehensive, is not available for analysis until three to five months after the fact, making it difficult to monitor workforce changes in real time. Monthly estimates are produced by the U.S. Bureau of Labor Statistics, and use a standardize methodology that allows data to be compared among all states.

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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.

**TABLE 3: Quarterly Comparison of RI-Based Jobs,
Using Tax Data Estimates**
In thousands

	June 2011	Sept. 2011	Dec. 2011	March 2012	June 2012
Total Jobs	461.0	460.3	460.1	465.4	462.8
Mining & Logging	0.2	0.2	0.2	0.2	0.2
Construction	15.4	15.6	16.1	16.9	15.8
Manufacturing	40.7	40.1	39.9	39.7	39.9
Retail Trade	46.9	46.3	46.4	46.7	46.9
Wholesale Trade	16.2	16.3	16.4	16.9	16.9
Transportation & Utilities	10.7	10.8	11.1	10.9	11.0
Information	10.4	10.2	10.3	10.0	9.7
Financial Activities	30.8	30.2	30.2	30.7	30.7
Professional & Business Services	53.6	54.7	54.5	56.1	56.5
Educational Services	25.2	24.8	24.7	25.1	23.9
Health Care & Social Assistance	78.3	77.8	77.9	79.0	78.7
Arts, Entertainment & Recreation	7.5	7.3	7.6	7.7	7.7
Accommodation & Food	42.3	43.1	42.6	43.8	44.3
Other Services	22.2	22.4	22.3	22.2	22.2
Total Government	60.6	60.4	60.0	59.2	58.4