



Rhode Island's Unemployment Rate Remains at 7.6 percent in September

- ◆ RI's seasonally adjusted unemployment rate for September was 7.6 percent, unchanged from August.
- ◆ RI's September unemployment rate was down one and nine-tenths percentage points from last September's figure of 9.5 percent.
- ◆ The national rate was 5.9 percent, down two-tenths of a percentage point from August and down one and three-tenths percentage points from the previous year.
- ◆ In September 2014, Rhode Island (7.6%) had the third highest unemployment rate in the nation, trailing Georgia (7.9%) and Mississippi (7.7%).
- ◆ The September 2014 unemployment rate decreased in thirty-one states, including Connecticut (-0.2) and New Hampshire (-0.1). Eleven states' rates, including Rhode Island, were unchanged and eight states, including Vermont (+0.3), Massachusetts (+0.2) and Maine (+0.2), saw their unemployment rate increase.
- ◆ Rates in other New England states for September 2014 – Connecticut 6.4 percent, Massachusetts 6.0 percent, Maine 5.8 percent, Vermont 4.4 percent and New Hampshire 4.3 percent.
- ◆ The number of employed RI residents totaled 513,400 in September 2014, down 500 from the previous month. Between September 2013 and September 2014, the number of employed RI residents was up 12,900.
- ◆ Over the month, the number of unemployed Rhode Island residents decreased by 300 to 42,300. From September 2013 to September 2014, the number of unemployed residents decreased by 10,400.

Alternate Measures of Labor Underutilization for Rhode Island

There are six alternative measures of labor underutilization available through the Current Population Survey (CPS) which provide narrower as well as broader definitions of labor underutilization. These alternative measures, which are referred to as U-1 through U-6, are available on a quarterly basis. While state unemployment averages derived solely from the CPS data are not strictly comparable to the official state average unemployment rates, these alternative measures can provide insight into the volume of states' discouraged populations and those working part-time for economic reasons.

- ◆ The U-3 rate is the rate closest to the standard definition of unemployment - individuals in the labor force without a job who are available for and actively seeking work. Rhode Island's average unemployment rate for the four quarters ending September 2014 obtained directly from the CPS survey was 8.4 percent, the highest rate among all states. The national U-3 rate was 6.5 percent.
- ◆ Expanding this definition to include "discouraged workers" (U-4), individuals who want a job, but have given up looking for work because they believe no work was available for them, yields an unemployment rate of 8.7 percent, the second highest rate among all states. The national U-4 rate was 6.9 percent. Including discouraged workers adds three-tenths of a percentage point to Rhode Island's standard definition of unemployment while adding four-tenths of a percentage point to the United State's standard definition. Among the 50 states, 29 states had a greater percentage of discouraged workers than Rhode Island, while 12 had a lower percentage.
- ◆ The inclusion of discouraged workers and those that are "marginally attached" (U-5), individuals who want a job, are currently available for work, but have not looked in the past twelve months for a variety of reasons other than discouragement, yields an unemployment rate of 9.6 percent, the second highest rate among all states. The national U-5 was 7.8 percent.

Seasonally Adjusted Labor Force Statistics

(in thousands)

	Rhode Island			United States		
	Sept 14	Aug 14	Sept 13	Sept 14	Aug 14	Sept 13
Civilian Labor Force	555.8	556.5	553.2	155,862	155,959	155,473
Resident Employment	513.4	513.9	500.5	146,600	146,368	144,270
Unemployment	42.3	42.6	52.7	9,262	9,591	11,203
Unemployment Rate	7.6%	7.6%	9.5%	5.9%	6.1%	7.2%

- ◆ The broadest measure of unemployment (U-6), which includes discouraged workers, marginally attached workers and those working part-time for economic reasons, yields an unemployment rate of 14.4 percent for Rhode Island, the fifth highest rate among all states. Nationally, the U-6 rate was 12.5 percent.

Rhode Island Jobs Increase by 400 in September

Estimated nonfarm payroll in Rhode Island totaled 478,900 in September, reflecting a gain of 400 jobs from the revised August employment estimate of 478,500. The third quarter of 2014 ended with three consecutive months of job gains totaling 2,300. Of the 2,300 third quarter jobs that were added, 2,200 were generated in the private sector. BLS also determined that jobs were higher in August 2014 than originally estimated. This resulted in a gain of 700 jobs between July and August instead of 100 jobs as initially estimated.

Educational Services employment grew by 1,800 in September as local private colleges and universities returned to the classrooms for the fall semester.

Smaller but positive jobs gains were reported in four employment sectors, including Financial Activities (+200), Transportation and Utilities (+100), Arts, Entertainment and Recreation (+100) and Health Care and Social Assistance (+100). Employment in Accommodations and Food Services, Wholesale Trade and Mining and Logging remained unchanged from August.

Offsetting the September employment gains was a loss of 500 jobs reported in the Professional and Business Services sector as large payroll declines were reported among those who perform services to buildings and dwellings. In addition, a loss of 500 jobs was also reported in the Retail Trade sector as job declines were reported among clothing stores and food and beverage stores.

A loss of 300 jobs each was reported in the Manufacturing and Government sectors, while a loss of 100 jobs each was reported in the Construction, Information and Other Services sectors.

Nationally, employment increased by 248,000 or 0.2 percent in September, while jobs in the New England region increased by 25,600 (+0.4%). Connecticut added 11,500 jobs since August, followed by Massachusetts (+9,400), New Hampshire (+4,800), Rhode Island (+400) and Maine (+200). Vermont reported the lone New England employment loss, shedding 700 jobs.

Establishment Employment in Rhode Island Seasonally Adjusted					
	Net Change From				
	Sep-14	Aug-14	Sep-13	Aug-14	Sep-13
Total Nonfarm	478.9	478.5	473.0	0.4	5.9
Total Private	418.9	418.2	412.6	0.7	6.3
Natural Resources & Mining	0.2	0.2	0.2	0.0	0.0
Construction	16.8	16.9	16.2	-0.1	0.6
Manufacturing	40.8	41.1	40.0	-0.3	0.8
Wholesale Trade	16.5	16.5	16.8	0.0	-0.3
Retail Trade	46.9	47.4	46.6	-0.5	0.3
Transportation & Utilities	11.3	11.2	10.8	0.1	0.5
Information	8.7	8.8	8.9	-0.1	-0.2
Financial Activities	33.3	33.1	32.3	0.2	1.0
Professional & Business Services	61.1	61.6	59.2	-0.5	1.9
Educational Services	25.1	23.3	24.6	1.8	0.5
Health Care & Social Assistance	80.8	80.7	80.6	0.1	0.2
Arts, Entertainment & Recreation	9.1	9.0	8.8	0.1	0.3
Accommodation & Food Services	45.8	45.8	45.0	0.0	0.8
Other Services	22.5	22.6	22.6	-0.1	-0.1
Government	60.0	60.3	60.4	-0.3	-0.4

Manufacturing Employment in Rhode Island Not Seasonally Adjusted					
	Employment				
	(in thousands)			Net Change From:	
	Sept 14	Aug 14	Sept 13	Aug 14	Sept 13
Manufacturing	40.8	41.3	40.3	-500	500
Durable Goods	26.5	26.8	25.7	-300	800
Fabricated Metal Product Mfg.	5.5	5.5	5.5	0	0
Computer & Electronic Product Mfg.	3.3	3.3	3.4	0	-100
Transportation Equipment Mfg.	4.0	4.0	3.9	0	100
Miscellaneous DG Manufacturing	5.6	5.5	5.8	100	-200
Jewelry & Silverware	3.3	3.2	3.5	100	-200
Non-Durable Goods	14.3	14.5	14.6	-200	-300
Chemical Manufacturing	3.0	3.0	3.0	0	0

In September, nonfarm payroll employment increased in 39 states, decreased in 10 states and was unchanged in one state. The largest over-the-month percentage increase in employment occurred in Alaska (+0.9%) and West Virginia (+0.8%). The largest over-the-month percentage decline in employment occurred in Indiana, Pennsylvania, Vermont and Virginia, all down 0.2 percent each.

The employment figures in this section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state.

Not seasonally adjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm.

Current month's figures are preliminary and subject to change.



After EUC

More than 5,500 individuals were in receipt of Emergency Unemployment Compensation (EUC) benefits in Rhode Island when the program ended in December 2013. The EUC program was a federally financed unemployment insurance program signed into law by President Bush in July 2008. EUC was extended and changed many times over its five-and-a-half year run. At one time, it provided up to 53 additional weeks of benefits to jobless workers who exhausted their regular state-financed unemployment insurance benefits.

When the EUC program ended in December 2013, it provided up to 47 weeks of additional benefits to the state’s jobless workers. There was controversy over EUC’s ending: whereas, many believed that the benefits were no longer necessary with the recession over and many states at full employment, others felt that the need still existed for these benefits especially in states with high unemployment rates generating concern for what the long-term unemployed would do next.

Separate studies conducted by the RI Departments of Labor and Training (DLT) and Human Services (DHS) found that of the 5,561 individuals who were collecting EUC benefits when the program ended, 1,976 (35.4%) found employment with a Rhode Island company during the first quarter of 2014 and 2,210 (39.7%) either filed for or were already in receipt of some type of public assistance benefit.

Of the 1,976 individuals who did find employment, 63 percent found jobs that paid less than the job they had prior to collecting benefits while 37 percent found employment with wages comparable to or greater than the job they had previously. For those whose new jobs paid less than their previous employment, nearly 70 percent earned less during their first quarter of employment than the weekly benefit provided by the EUC program.

According to DHS records, over half of the 2,210 jobless workers who either filed for or were already in receipt of some type of public assistance benefit when their EUC benefits were terminated received Supplemental Nutrition Assistance (SNAP) and/or Medical Assistance in 2014. About a quarter were participating in Rhode Island Works and 4 percent were receiving General Public Assistance. For seventy percent of these individuals, it was the first time they ever filed for public assistance.

The status of the remaining 1,375 EUC recipients who did not find employment during the first quarter of 2014 is not known.

Characteristics of the Insured Unemployed

A total of 8,401 individuals were eligible to collect “regular” Unemployment Insurance benefits in September 2014, down 1,291 (-13.3%) from the 9,692 collecting these benefits in September 2013. In all, 20.8 percent of Rhode Island’s unemployed workers were eligible to collect unemployment benefits in September.

Of the 8,401 individuals collecting “regular” Unemployment Insurance benefits, 30.8 percent faced long-term unemployment (defined as collecting unemployment insurance for fifteen weeks or more), up from 29.8 percent in September 2013.

On an industry basis, 16.4 percent (1,381) of the State’s insured unemployed workers came from the Health Care & Social Assistance sector. There were also 972 individuals with an attachment to the Administrative & Waste Services sector, accounting for 11.6 percent of all insured unemployed workers. An additional 10.8 percent (905) of those collecting UI benefits in September had worked in the Manufacturing sector. Large numbers of insured unemployed were also reported in Retail Trade (857), Construction (700) and Accommodation & Food Services (585). For more information, go to www.dlt.ri.gov/lmi/uiadmin/characteristics.htm.

Characteristics of the Insured Unemployed, September 2014
Total Long-Term Long-Term

	8,401	2,589	30.8%
Total			
Male	4,023	1,176	29.2%
Female	4,378	1,413	32.3%
Selected Industries	8,401	2,589	30.8%
Construction	700	115	16.4%
Manufacturing	905	253	28.0%
Wholesale Trade	383	141	36.8%
Retail Trade	857	314	36.6%
Transportation & Warehousing	202	45	22.3%
Information	91	30	33.0%
Finance & Insurance	476	189	39.7%
Real Estate	150	36	24.0%
Professional & Tech. Services	540	187	34.6%
Administrative & Waste Services	972	247	25.4%
Educational Services	271	57	21.0%
Health Care & Social Assistance	1,381	495	35.8%
Arts, Entertainment & Recreation	115	41	35.7%
Accommodation & Food Services	585	207	35.4%
Other Services	373	107	28.7%
Public Administration	63	15	23.8%

Consumer Price Index for All Urban Consumers

				% Change
	Sept. 14	Aug. 14	Sept. 13	Prev. Year
All Items	238.0	237.9	234.1	1.7%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

City & Town

Unadjusted Unemployment Rates for September

	2014	2013		2014	2013
Barrington	5.6	6.5	Newport	6.0	8.3
Bristol	6.1	7.4	North Kingstown	5.6	7.3
Burrillville	6.5	8.3	North Providence	7.4	9.8
Central Falls	9.4	11.9	North Smithfield	5.9	8.0
Charlestown	5.9	7.6	Pawtucket	8.8	10.9
Coventry	6.3	8.0	Portsmouth	6.1	6.8
Cranston	7.6	9.4	Providence	9.7	11.1
Cumberland	6.0	7.5	Richmond	4.5	6.2
East Greenwich	6.3	9.4	Scituate	6.2	8.7
East Providence	7.6	9.2	Smithfield	6.6	7.6
Exeter	4.9	7.6	South Kingstown	6.5	7.6
Foster	6.9	7.4	Tiverton	6.5	7.7
Glocester	5.3	6.5	Warren	7.0	9.5
Hopkinton	6.7	8.4	Warwick	6.6	8.5
Jamestown	5.5	6.4	West Greenwich	5.0	7.9
Johnston	7.2	9.6	West Warwick	7.8	9.8
Lincoln	7.0	8.3	Westerly	5.8	7.4
Little Compton	5.6	7.4	Woonsocket	9.1	10.6
Middletown	5.8	7.4			
Narragansett	4.5	5.6	State of R.I.	7.3	9.0
New Shoreham	5.6	6.8	United States	5.7	7.0

Employer Demand for Workers in Rhode Island

The *Conference Board Help Wanted OnLine* (HWOL) data series reported that there were 20,000 advertisements for Rhode Island based jobs this month, a decrease of 1,200 (-5.7%) from the August 2014 postings, and up 1,300 (+7.0%) from the advertised vacancies posted online in September 2013. There were an estimated 3.60 advertised vacancies for every 100 persons in Rhode Island's labor force.

Help Wanted OnLine Advertised Job Vacancies

	Sept 14	Aug 14	Sept 13
RI Vacancies	20,000	21,200	18,700
<i>Labor Demand Rate *</i>			
Rhode Island	3.60	3.80	3.38
US	3.25	3.34	3.19
Connecticut	3.80	3.90	3.56
Massachusetts	4.42	4.47	4.32
Maine	4.13	4.00	3.16
New Hampshire	4.04	4.22	3.56
Vermont	3.82	3.91	3.27
<i>Supply/Demand Rate **</i>			
Rhode Island	2.12	2.01	2.82
US	1.83	1.84	2.26

* Number of advertised vacancies per 100 persons in labor force
** Number of unemployed persons in state per advertised vacancy

Source: The Conference Board

Nationally, there were an estimated 3.25 advertised vacancies for every 100 persons in labor force. Among the New England states, Massachusetts (4.42), Maine (4.13), New Hampshire (4.04), Vermont (3.82) and Connecticut (3.80) all had higher vacancy rates than Rhode Island.

There were an estimated 2.12 unemployed Rhode Island residents for every advertised job in September, up from 2.01 unemployed residents estimated per August advertisements. Nationally, there were 1.83 unemployed persons for every job opening advertised in September, down from 1.84 in August.

Unemployment Insurance Claims Activity

	Sept.	Aug.	Sept.	% Change		Year to Date		
	2014	2014	2013	Aug. 14	Sept. 13	2014	2013	% Change
Regular Claims								
Initial Claims	4,318	4,236	4,722	1.9%	-8.6%	57,014	60,580	-5.9%
Number of Payments	37,894	42,289	42,493	-10.4%	-10.8%	452,936	482,955	-6.2%
Amount of Payments (gross millions)	\$12.6	\$13.0	\$14.5	-3.1%	-13.1%	\$149.3	\$164.0	-9.0%
Exhaustions (Final Payments)	1,067	972	1,210	9.8%	-11.8%	10,995	12,809	-14.2%

After Emergency Unemployment Compensation

