

Jobs > Employment > Rhode Island Employment Snapshot > December 2014

Labor force and employment numbers from the federal Bureau of Labor Statistics (BLS) are due for their annual revision, soon, and there's reason to believe Rhode Island will see its 2014 lose some of its rosey sheen. However, even before that happens, if it happens, the state's unemployment rate — which fell below 7% in December for the first time since April 2008 — does not indicate what most residents probably believe that it indicates.

According to the BLS, in December, a net 1,266 Rhode Islanders gained employment, while 698 left the labor force — which means they've stopped looking for work. That combination explains why the unemployment rate dropped so much (to 6.8%, from 7.1%) month to month

The first chart at right shows how the labor force continues its decline. The chart also puts the seemingly significant increase in employment in perspective. The first half of 2014 saw a large (and inexplicable) jump in employment, but the second half saw no improvement at all — indeed, a small decrease.

The second chart shows how far behind Rhode Island continues to be. Both of the Ocean State's neighboring states are now well above their labor force and employment levels of January 2007. Rhode Island? Not even close, and not improving.

The final chart illustrates what the unemployment rate would look like if the labor force weren't shrinking. Even with the employment boost in December, Rhode Island's unemployment rate would still be well over 10% if as many people were looking for work as were working or looking in January 2007. Specifically, Rhode Island's unemployment rate would have been 10.6% in December.

