



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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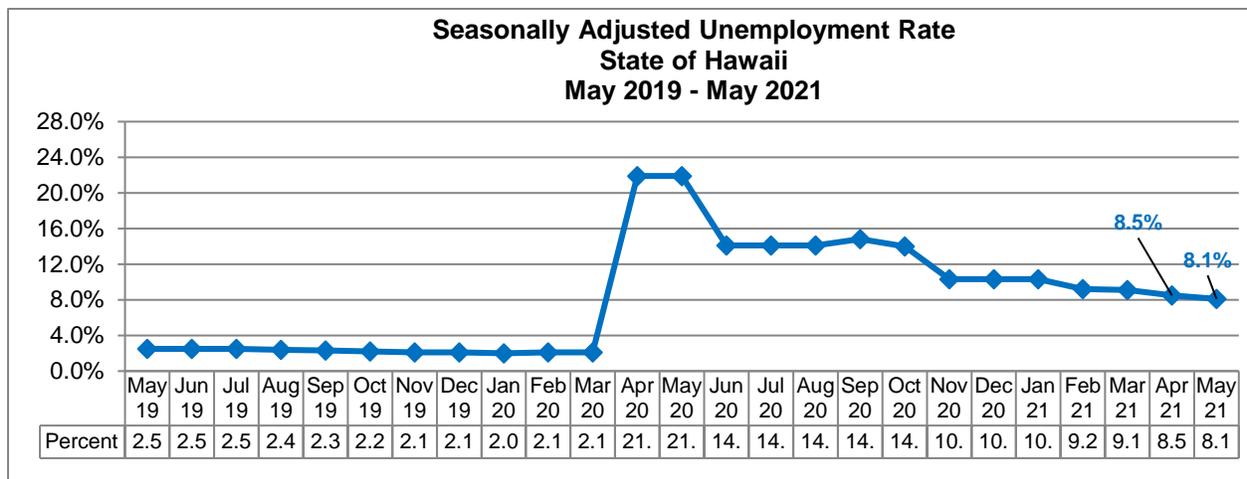
FOR IMMEDIATE RELEASE

June 22, 2021

HAWAII'S UNEMPLOYMENT RATE AT 8.1 PERCENT IN MAY

Jobs increased by 55,400 over-the-year

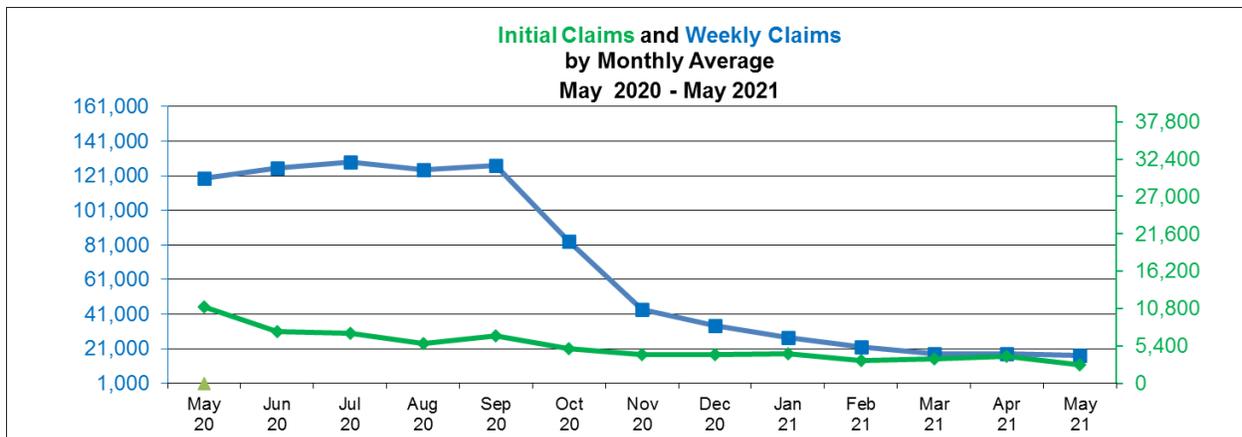
HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for May was 8.1 percent compared to 8.5 percent in April. Statewide, 595,300 were employed and 52,150 unemployed in May for a total seasonally adjusted labor force of 647,450. Nationally, the seasonally adjusted unemployment rate was 5.8 percent in May, down from 6.1 percent in April.



The unemployment rate figures for the State of Hawai'i and the U.S. in this release are seasonally adjusted, in accordance with the U.S. Bureau of Labor Statistics (BLS) methodology. The not seasonally adjusted rate for the State was 7.5 percent in May, compared to the revised rate of 8.0 percent in April.

Initial claims for unemployment benefits for the month of May was 2,639 a decline from the previous month of 1,209 (or 31.4%). The total number of continued weeks claimed for ongoing

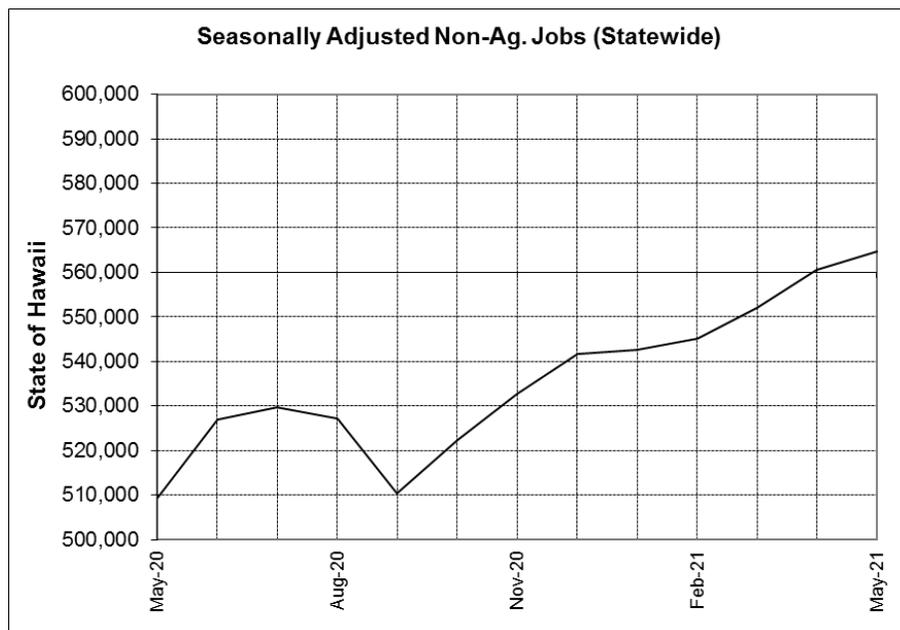
Unemployment Insurance (UI) Claims



Industry Payroll Employment (Establishment Survey)

In another measure of employment, total nonagricultural jobs increased by 4,000 over-the-month. Job gains occurred in Leisure & Hospitality (+2,800), Professional & Business Services (+1,100), Other Services (+700), Education & Health Services (+200), and Manufacturing (+100). For the 2nd consecutive month, expansion in Leisure & Hospitality was robust in both Accommodation and Food Services & Drinking Places. Within Professional & Business Services, job gains were strongest in the Administrative & Support & Waste Management & Remediation Services subsector. Employment remained unchanged in Information.

Job losses were experienced in Financial Activities (-100), Construction (-200), and Trade, Transportation, & Utilities (-600). Contraction in Trade, Transportation, & Utilities was concentrated in Retail Trade. Government employment remained stable. Over-the-year (May 2020 was the 2nd month of pandemic effects), nonfarm jobs have risen by 55,400, or 10.9 percent). However, in comparison with March 2020 (last month prior to pandemic effects), nonfarm jobs were down by 90,600, or -13.8 percent.



Seasonally Adjusted Non-Ag. Jobs (Statewide)			
	May-21	Apr-21	May-20
MINING, LOGGING & CONSTRUCTION	36,900	37,100	36,700
MANUFACTURING	11,400	11,300	11,200
Durable Goods	3,300	3,300	3,300
Non-Durable Goods	8,100	8,000	7,900
TRADE, TRANSPORTATION & UTILITIES	102,400	103,000	94,500
Wholesale Trade	17,000	16,800	16,100
Retail Trade	58,400	59,600	54,700
Transportation, Warehousing, & Utilities	27,000	26,600	23,700
INFORMATION	6,600	6,600	6,800
FINANCIAL ACTIVITIES	27,300	27,400	26,800
Finance & Insurance	17,100	17,200	16,500
Real Estate & Rental & Leasing	10,200	10,200	10,300
PROFESSIONAL & BUSINESS SERVICES	70,000	68,900	64,000
Professional, Scientific, Tech Svcs	24,300	24,000	23,400
Management of Companies & Enterprises	8,400	8,200	8,200
Administrative & Support & Waste Mgmt	37,300	36,700	32,400
EDUCATION & HEALTH SERVICES	82,000	81,800	79,300
Educational Services	12,000	11,700	11,100
Health Care & Social Assistance	70,000	70,100	68,200
LEISURE & HOSPITALITY	88,400	85,600	56,100
Arts, Entertainment & Recreation	7,900	7,800	6,200
Accommodation & Food Services	80,500	77,800	49,900
OTHER SERVICES	22,300	21,600	21,400
GOVERNMENT	117,300	117,300	112,400
Federal Government	33,800	34,000	34,700
State Government	64,600	64,300	59,300
Local Government	18,900	19,000	18,400
TOTAL: STATEWIDE	564,600	560,600	509,200
TOTAL: HONOLULU MSA	416,600	415,900	378,600
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	61,900	61,400	53,300

Technical Notes

Seasonal Adjustment

The seasonal fluctuations in the number of employed and unemployed persons reflect hiring and layoff patterns that accompany regular events such as the winter holiday season and the summer vacation season. These variations make it difficult to tell whether month-to-month changes in employment and unemployment are due to normal seasonal patterns or to changing economic conditions. Therefore, the BLS uses a statistical technique called seasonal adjustment to address these issues. This technique uses the history of the labor force data and the job count data to identify the seasonal movements and to calculate the size and direction of these movements. A seasonal adjustment factor is then developed and applied to the estimates to eliminate the effects of regular seasonal fluctuations on the data. Seasonally adjusted statistical series enable more meaningful data comparisons between months or with an annual average.

Current Population (Household) Survey (CPS)

A survey conducted for employment status in the week that includes the 12th day of each month generates the unemployment rate statistics, which is a separate survey from the Establishment Survey that yields the industry job counts. The CPS survey contacts approximately 1,000 households in Hawai'i to determine an individual's current employment status. Employed persons consist of: 1) all persons who did any work for pay or profit during the survey reference week, 2) all persons who did at least 15 hours of unpaid work in a family-owned enterprise operated by someone in their household, and 3) all persons who were temporarily absent from their regular jobs, whether they were paid or not. Persons considered unemployed are ones that do not have a job, have actively looked for work in the prior four weeks and are available for work. Temporarily laid off workers are counted as unemployed, whether they have engaged in a specific job seeking activity. Persons not in the labor force are those who are not classified as employed or unemployed during the survey reference week.

Benchmark Changes to Local Area Unemployment Statistics Data

Statewide and substate data for 2010-2020 have revised inputs and have been re-estimated to reflect revised population controls and model reestimation.

Change to Monthly Employment Estimates

This release incorporates revised job count figures for the seasonally adjusted series. The revised data reflects historical corrections applied to unadjusted supersector or sector level series dating back from 2004 through 2020. For years, analysts with the State DLIR's Research and Statistics Office have developed monthly employment estimates for Hawai'i and our metropolitan areas. These estimates were based on a monthly survey of Hawai'i businesses and analysts' knowledge about our local economies. Beginning with the production of preliminary estimates for March 2011, responsibility for the production of State and metropolitan area (MSA) estimates was transitioned from individual state agencies to the U.S Bureau of Labor Statistics (BLS).

For Hawai'i, this means the transition of statewide, Honolulu and Kahului-Wailuku-Lahaina MSA estimates for both the seasonally adjusted and not seasonally adjusted areas are produced by BLS. State agencies will continue to provide the BLS with information on local events that may affect the estimates, such as strikes or large layoffs/hiring at businesses not covered by the survey and to disseminate and analyze the Current Employment Statistics (CES) estimates for local data users. BLS feels this change is designed to improve the cost efficiency of the CES program and to reduce the potential bias in state and area estimates. A portion of the cost savings generated by this change is slated to be directed towards raising survey response rates in future years, which will decrease the level of statistical error in the CES estimates. Until then, state analysts feel this change could result in increased month-to-month variability for the industry employment numbers particularly for Hawai'i's counties and islands. BLS can be reached at (202) 691-6533 for any questions about these estimates.

The not seasonally adjusted job estimates for Hawai'i County, Kauai County, Maui Island, Molokai, and Lanai are produced by the State of Hawai'i Department of Labor & Industrial Relations.

Seasonally Adjusted Labor Force & Unemployment Estimates for Honolulu & Maui Co.

BLS publishes smoothed seasonally adjusted civilian labor force and unemployment estimates for all metropolitan areas, which includes the City and County of Honolulu and Maui County. BLS releases this data each month in the *Metropolitan Area Employment and Unemployment* news release. The schedule is available at <http://www.bls.gov/news.release/metro.toc.htm>.

Alternative Measures of Labor Underutilization

Alternative Measures of Labor Underutilization for States, second quarter of 2020 through first quarter of 2021 averages (percent).

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	3.4	6.6	8.7	9.0	9.9	14.5
Hawai'i	6.6	11.8	13.4	13.7	14.7	21.9

The six alternative labor underutilization state measures based on the Current Population Survey (CPS) and compiled on a 4-quarter moving average basis defined:

- U-1, persons unemployed 15 weeks or longer, as a percent of the civilian labor force;
- U-2, job losers and persons who completed temporary jobs, as a percent of the civilian labor force;
- U-3, total unemployed, as a percent of the civilian labor force (this is the definition used for the official unemployment rate);
- U-4, total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers;
- U-5, total unemployed, plus discouraged workers, plus all other marginally attached workers*, as a percent of the civilian labor force plus all marginally attached workers; and
- U-6, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

* Individuals who want, and are available for work, and who have looked for a job sometime in the prior 12 months (or since the end of their last job if they held one within the past 12 months), but were not counted as unemployed because they had not searched for work in the four weeks preceding the survey, for such reasons as child care or transportation problems, for example. Discouraged workers are a subset of the marginally attached.

Note that, the state unemployment rates (U-3) that are shown are derived directly from the CPS. As a result, these U-3 measures may differ from the official state unemployment rates for the latest 4-quarter period. The latter are estimates developed from statistical models that incorporate CPS estimates, as well as input data from other sources, such as state unemployment claims data.

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