



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

NEIL ABERCROMBIE
GOVERNOR

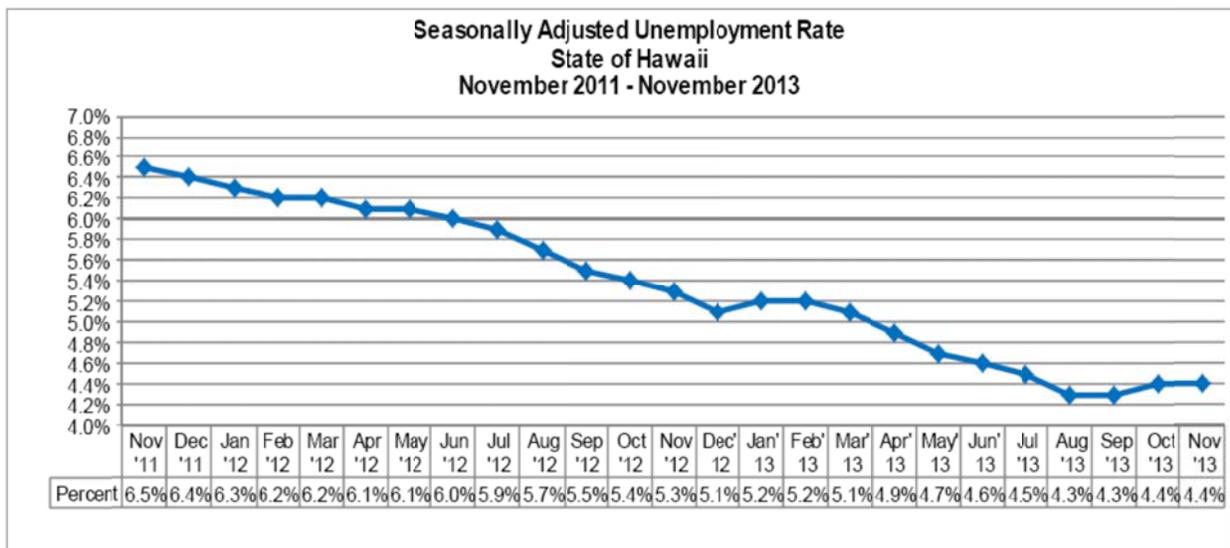
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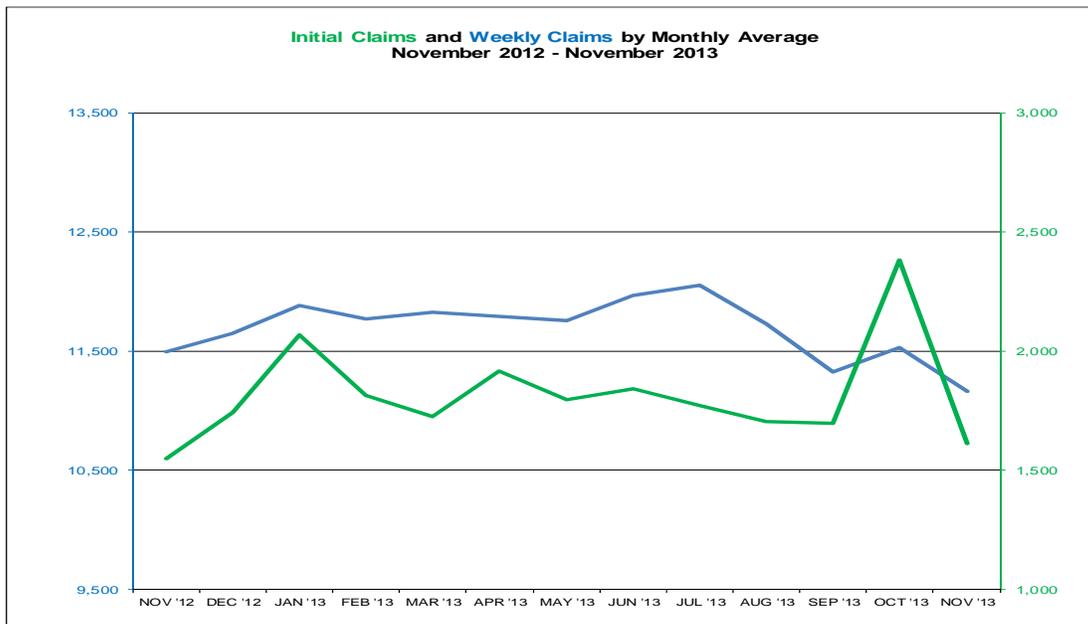
Dec. 18, 2013

HAWAII'S UNEMPLOYMENT RATE REMAINS AT 4.4 PERCENT IN NOVEMBER *Leisure & Hospitality Adds 5,100 Jobs Over the Year*

HONOLULU—The Hawaii State Department of Labor & Industrial Relations announced today that the seasonally adjusted unemployment rate for November was 4.4 percent, unchanged from October. Statewide, there were 622,450 employed and 29,000 unemployed in November, for a total seasonally adjusted labor force of 651,400. Nationally, the seasonally adjusted unemployment rate was 7.0 percent in November, down from 7.3 percent in October.



Initial claims increased by 65 or 4.2% while weeks claims decreased by 333 or -2.9% for unemployment benefits compared to one year ago. Over-the-month initial claims and weeks claims dropped by 32.3% and 3.2% from October 2013. The over-the-month decrease in initial claims was due to returning to the level prior to the government shutdown.



Industry Payroll Employment (Establishment Survey)

In another measure of employment, total seasonally adjusted nonagricultural jobs increased by 1,100 over-the-month. Major industry job expansion occurred in Leisure & Hospitality (+1,700), Trade, Transportation, & Utilities (+1,400), Educational & Health Services (+400), and Manufacturing (+300). The bulk of the rise in Leisure & Hospitality was attributed to employment gains in Food Services & Drinking Places. Within Trade, Transportation, & Utilities, there was stronger than typical seasonal hiring in Retail Trade, in particular in general merchandise stores and clothing & clothing accessories stores. Construction employment remained unchanged. Job decreases were experienced in Financial Activities (-100), Professional & Business Services (-100), and Other Services (-300). Employment in Government went down by 2,300, mostly due to a smaller volume of November seasonal hiring in both the Department of Education, and to a lesser extent, in the University of Hawaii system. Over the year, Leisure & Hospitality has added the most jobs (+5,100) and has increased by the highest percentage (+4.7 percent).

The unemployment rate figures for the State of Hawaii 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 unchanged at 4.6 percent in November from the revised rate for October.

	NOV 2013	OCT 2013	NOV* 2012
<u>Seasonally Adjusted</u>			
STATE	4.4	4.4	5.3
U. S.	7.0	7.3	7.8
<u>Not Seasonally Adjusted</u>			
STATE	4.6	4.6	5.2
HONOLULU	4.2	4.2	4.6
HAWAII COUNTY	6.2	6.3	7.3
KAUAI	5.5	5.5	6.5
MAUI COUNTY	4.9	5.0	5.7
Maui Island	4.9	4.8	5.5
Molokai	7.5	11.2	14.4
Lanai	4.4	4.0	1.4
U. S.	6.6	7.0	7.4

county & island rates are not seasonally adjusted

* benchmarked data

State of Hawaii Seasonally Adjusted Labor Force Data**			
	Nov 2013	Oct 2013	Nov 2012*
Labor Force	651,400	648,100	651,950
Employment	622,450	619,600	617,700
Unemployment	29,000	28,500	34,250

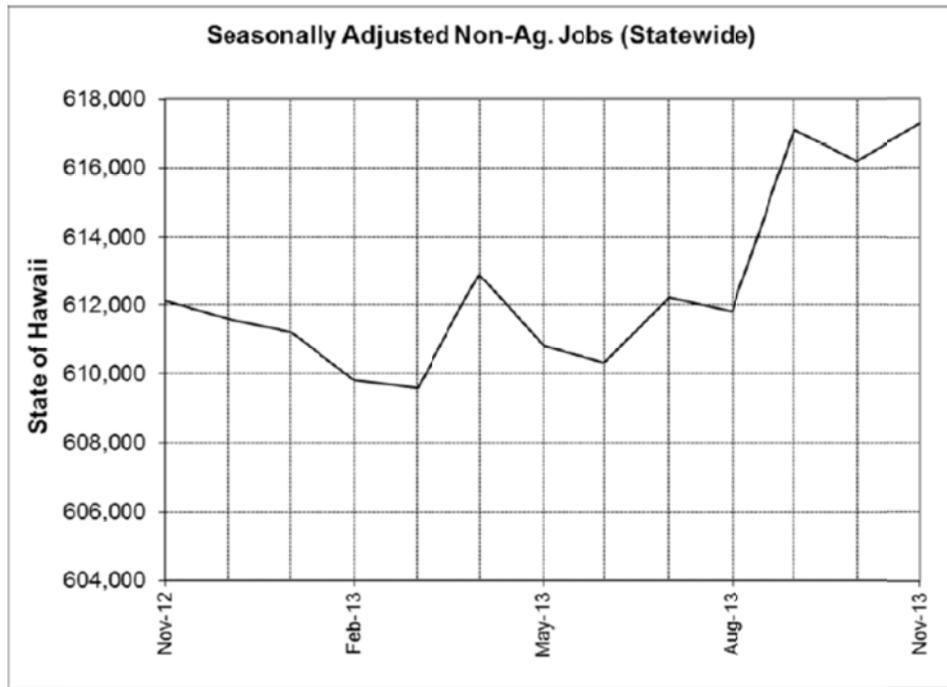
* benchmarked data

**totals may not add due to rounding

Seasonally Adjusted Non-Ag. Jobs (Statewide)

SELECTED SERIES:	Nov-13	Oct-13	Nov-12*
MINING, LOGGING & CONSTRUCTION	31,900	31,900	30,600
MANUFACTURING	13,700	13,400	13,300
Non-Durable Goods	10,100	9,900	9,700
TRADE, TRANSPORTATION & UTILITIES	117,200	115,800	116,300
Wholesale Trade	18,100	17,900	18,000
Retail Trade	70,000	68,700	69,300
FINANCIAL ACTIVITIES	27,300	27,400	27,300
Real Estate & Rental & Leasing	11,800	11,800	11,600
PROFESSIONAL & BUSINESS SERVICES	77,700	77,800	76,700
Professional, Scientific, Tech Svcs	24,200	24,600	24,500
Mgmt of Companies & Enterprises	7,300	7,300	7,300
Administrative & Support & Waste Mgmt	46,200	45,900	44,900
EDUCATIONAL & HEALTH SERVICES	78,000	77,600	77,900
Educational Services	14,900	14,700	14,900
Health Care & Social Assistance	63,100	62,900	63,000
LEISURE & HOSPITALITY	112,900	111,200	107,800
Arts, Entertainment & Recreation	11,700	11,800	11,300
Accommodation & Food Services	101,200	99,400	96,500
OTHER SERVICES	27,800	28,100	27,100
GOVERNMENT	122,600	124,900	126,900
Federal Government	33,700	33,400	34,800
State Government	70,300	72,800	73,600
Local Government	18,600	18,700	18,500
TOTAL: STATEWIDE	617,300	616,200	612,100

*Benchmarked Data



Technical Notes

Seasonal Adjustment

The seasonal fluctuations in the number of employed and unemployed persons reflect hiring (and layoffs) 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. To deal with such problems, a statistical technique called seasonal adjustment is used. This technique uses the past history of the series 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. When a statistical series has been seasonally adjusted, data for any month can be more meaningfully compared with data from any other month or with an annual average.

Current Population (Household) Survey (CPS)

The labor force statistics are derived from a survey based on the week including the 12th of each month of Hawaii residents with a sample size of about 1,000 households. A series of questions are asked to assess whether a person is currently part of the labor force, and if so, what is their 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 are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks, and are currently available for work. Workers expecting to be recalled from layoff are counted as unemployed, whether or not 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

The 2012 and 2011 labor force estimates have been revised to incorporate updated inputs, updated population controls, re-estimation of models, and adjustment to new division and national control totals. The updated population controls reflect the annual updating of population estimates by the U.S. Census Bureau.

Change to Monthly Employment Estimates

This release incorporates revised job count figures from 1990 through 2012 for the seasonally adjusted series. The reconstructed data reflects data from historical corrections applied to unadjusted supersector or sector level series. For years, monthly employment estimates for Hawaii and our metropolitan areas have been developed by analysts with the State Department

of Labor - Research and Statistics Office. These estimates were based on a monthly survey of Hawaii 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 Hawaii, this means the transition of statewide and Honolulu MSA areas. 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 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 Hawaii's counties and islands.

Seasonally Adjusted Labor Force and Unemployment Estimates for Honolulu

Effective with the release of metropolitan area data for May 2011, the Bureau of Labor Statistics is publishing smoothed seasonally adjusted civilian labor force and unemployment estimates for all metropolitan areas. This includes estimates for Honolulu County. The data will be available on the day of each Metropolitan Area Employment and Unemployment news release. The schedule is available at <http://www.bls.gov/lau/lausched.htm>.

Alternative Measures of Labor Underutilization

Alternative Measures of Labor Underutilization for States, Fourth Quarter of 2012 through Third Quarter of 2013 Averages.

Alternative measures of labor underutilization for US and Hawaii, Fourth Quarter of 2012 through Third Quarter of 2013 Averages
(percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	4.1	4.0	7.6	8.1	9.0	14.1
Hawaii	2.5	2.1	4.8	5.4	6.4	11.3

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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