



**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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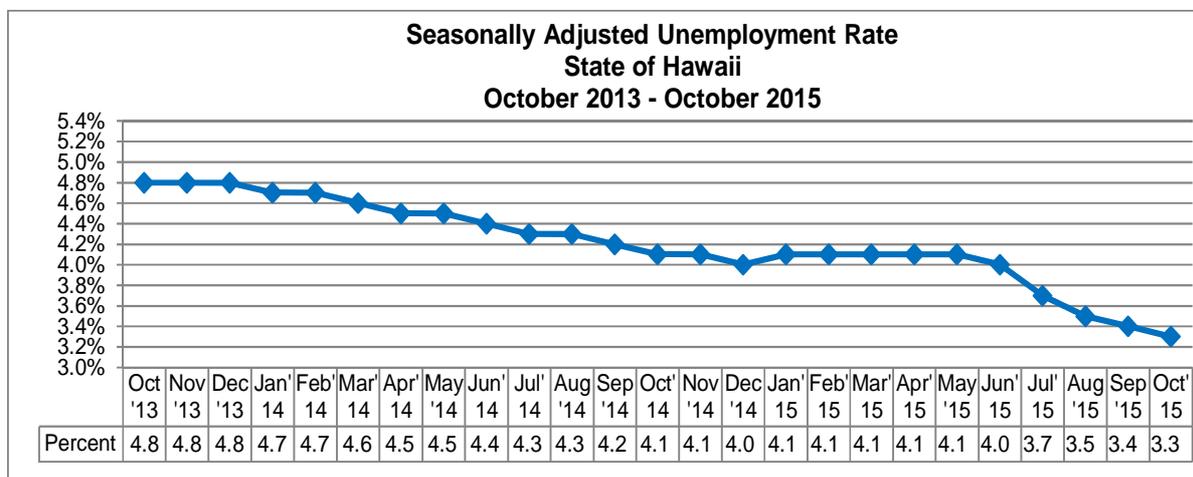
**FOR IMMEDIATE RELEASE**

November 19, 2015

**HAWAII'S UNEMPLOYMENT RATE DROPS  
TO 3.3 PERCENT IN OCTOBER**

**State's Lowest Rate Since February 2008**

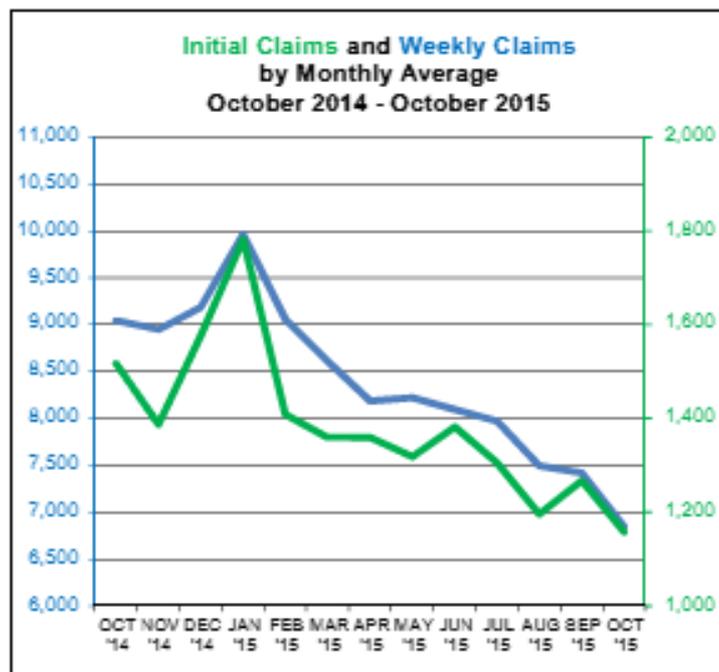
HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for October was 3.3 percent, down from 3.4 percent in September. The last time the seasonally adjust unemployment rate was at 3.3 percent was in February 2008. Statewide, 654,700 were employed and 22,500 unemployed in October for a total seasonally adjusted labor force of 677,200. Nationally, the seasonally adjusted unemployment rate was 5.0 percent in October, down from 5.1 percent in September.



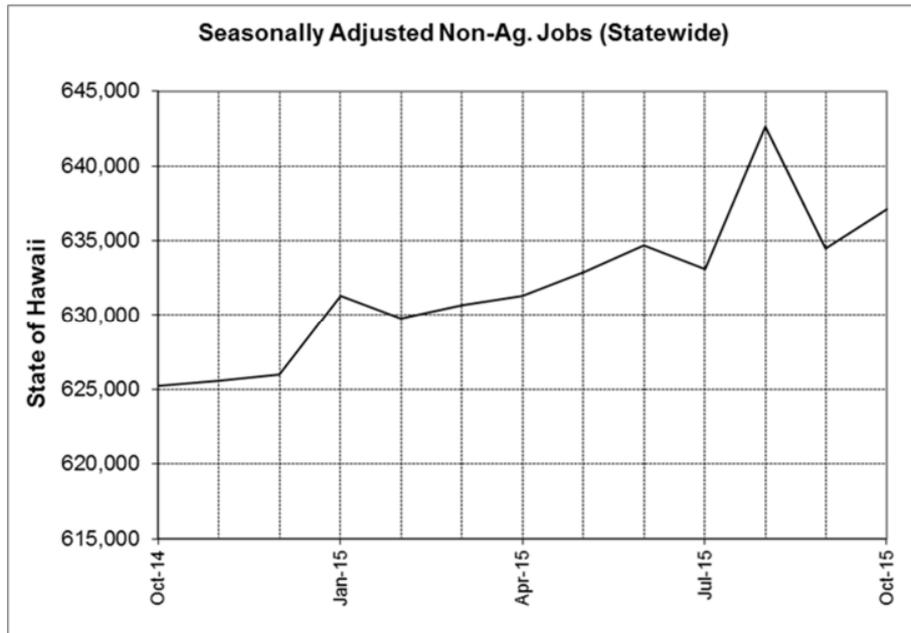
Both initial claims and weeks claims decreased by 359 or -23.7 percent and 2,196 or -24.3 percent respectively for unemployment benefits compared to one year ago. Over-the-month initial claims and weeks claims also decreased by -8.6 percent and -7.7 percent respectively from September 2015.

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 3.4 percent in October, down from 3.6 percent in September.





<b>Seasonally Adjusted Non-Ag. Jobs (Statewide)</b>			
<b>SELECTED SERIES:</b>	<b>Oct-15</b>	<b>Sep-15</b>	<b>Oct-14*</b>
MINING, LOGGING & CONSTRUCTION	34,700	33,600	31,700
MANUFACTURING	13,500	13,400	13,700
Non-Durable Goods	9,900	9,800	10,200
TRADE, TRANSPORTATION & UTILITIES	120,000	120,600	117,500
Wholesale Trade	18,100	18,100	17,800
Retail Trade	71,200	71,500	69,800
FINANCIAL ACTIVITIES	27,900	28,400	27,300
Real Estate & Rental & Leasing	12,500	12,800	11,900
PROFESSIONAL & BUSINESS SERVICES	83,500	83,300	82,800
Professional, Scientific, Tech Svcs	23,800	23,700	23,900
Administrative & Support & Waste Mgmt	51,200	51,000	50,500
EDUCATIONAL & HEALTH SERVICES	81,200	80,500	79,200
Educational Services	13,700	13,800	13,900
Health Care & Social Assistance	67,500	66,700	65,300
LEISURE & HOSPITALITY	114,800	115,200	113,400
Arts, Entertainment & Recreation	12,600	12,400	12,200
Accommodation & Food Services	102,200	102,800	101,200
OTHER SERVICES	28,100	27,300	26,000
GOVERNMENT	124,800	123,800	125,000
Federal Government	32,700	32,400	33,000
State Government	73,200	72,600	73,100
Local Government	18,900	18,800	18,900
<b>TOTAL: STATEWIDE</b>	<b>637,100</b>	<b>634,500</b>	<b>625,200</b>



## 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 12<sup>th</sup> 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 Hawaii 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 data for 1976-2014 and substate data for 1990-2014 have been re-estimated using a new generation of time series models. See “Report on Revision to State and Area Time-Series Models” at [www.bls.gov/lauschanges2015.htm](http://www.bls.gov/lauschanges2015.htm).

### **Change to Monthly Employment Estimates**

This release incorporates revised job count figures from 1990 through 2014 for the seasonally adjusted series. The reconstructed data reflects data from historical corrections applied to unadjusted supersector or sector level series. For years, analysts with the State DLIR's Research and Statistics Office have developed monthly employment estimates for Hawaii and our metropolitan areas. 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, Honolulu and Kahului-Wailuku-Lahaina 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 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 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 BLS is publishing smoothed seasonally adjusted civilian labor force and unemployment estimates for all metropolitan areas, which includes the City and County of Honolulu. BLS releases this data each month in the *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 2014 through Third Quarter of 2015 Averages.*

### **Alternative Measures of Labor Underutilization for US and Hawaii, Fourth Quarter of 2014 through Third Quarter of 2015 Averages** (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	2.4	2.7	5.4	5.9	6.7	10.8
Hawaii	1.5	1.8	3.9	4.3	5.3	9.7

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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<http://labor.hawaii.gov/blog/category/news/>

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