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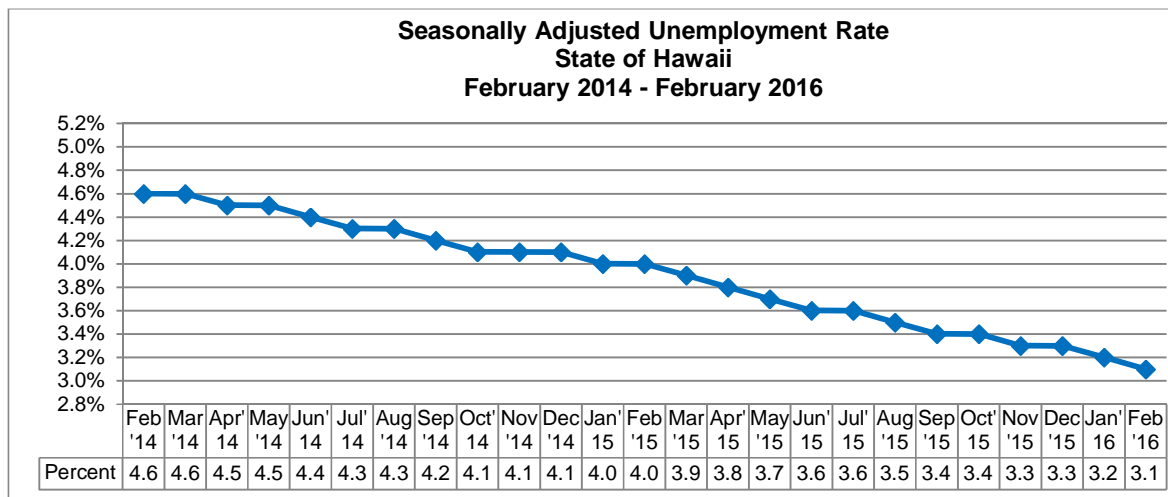
FOR IMMEDIATE RELEASE

March 24, 2016

**HAWAII'S UNEMPLOYMENT RATE DROPS TO
3.1 PERCENT IN FEBRUARY**

Non-Agricultural Jobs up 15,600 over-the-year

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for February was 3.1 percent, down from 3.2 percent in January. The last time the seasonally adjusted unemployment rate was at 3.1 percent was in November 2007. Statewide, 666,400 were employed and 21,150 unemployed in February for a total seasonally adjusted labor force of 687,550. Nationally, the seasonally adjusted unemployment rate was 4.9 percent in February, unchanged from January.



Both initial claims and weeks claims decreased by 329 or -23.4 percent and 2,502 or -27.6 percent respectively for unemployment benefits compared to one year ago. Over the month, both initial claims and weeks claims also decreased by -20.4 percent and -6.7 percent respectively from January 2016.

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 also 3.1 percent in February, down from 3.2 percent in January.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Feb 2016</u>	<u>Jan 2016</u>	<u>Feb 2015*</u>
Labor Force	687,550	684,350	674,150
Employment	666,400	662,700	647,450
Unemployment	21,150	21,600	26,700

* benchmarked data

**totals may not add due to rounding

	FEB	JAN	FEB*
	2016	2016	2015
<u>Seasonally Adjusted</u>			
STATE	3.1	3.2	4.0
U. S.	4.9	4.9	5.5
<u>Not Seasonally Adjusted</u>			
STATE	3.1	3.2	3.9
HONOLULU	2.8	3.0	3.6
HAWAII COUNTY	3.8	3.8	4.9
KAUAI	3.6	3.6	4.4
MAUI COUNTY	3.4	3.4	4.2
Maui Island	3.2	3.3	4.0
Molokai	8.4	6.2	9.0
Lanai	5.8	2.8	3.7
U. S.	5.2	5.3	5.8

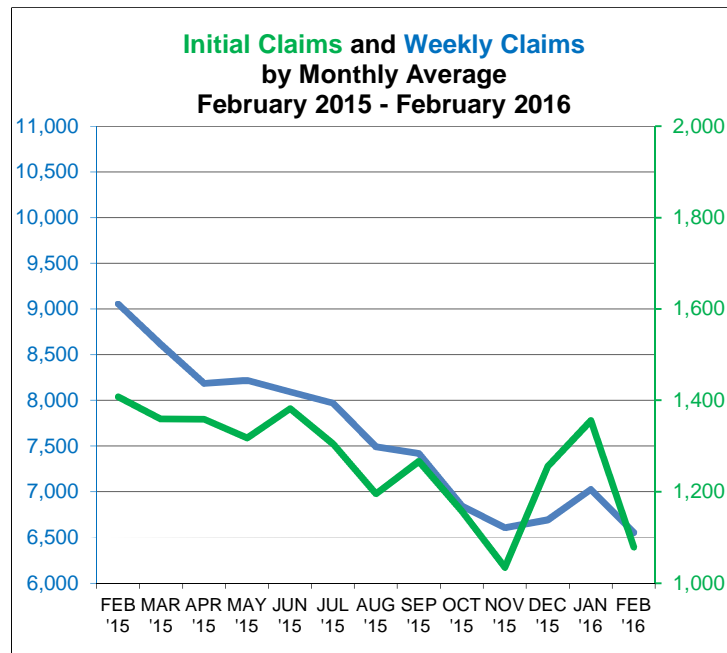
county & island rates are not seasonally adjusted

* benchmarked data

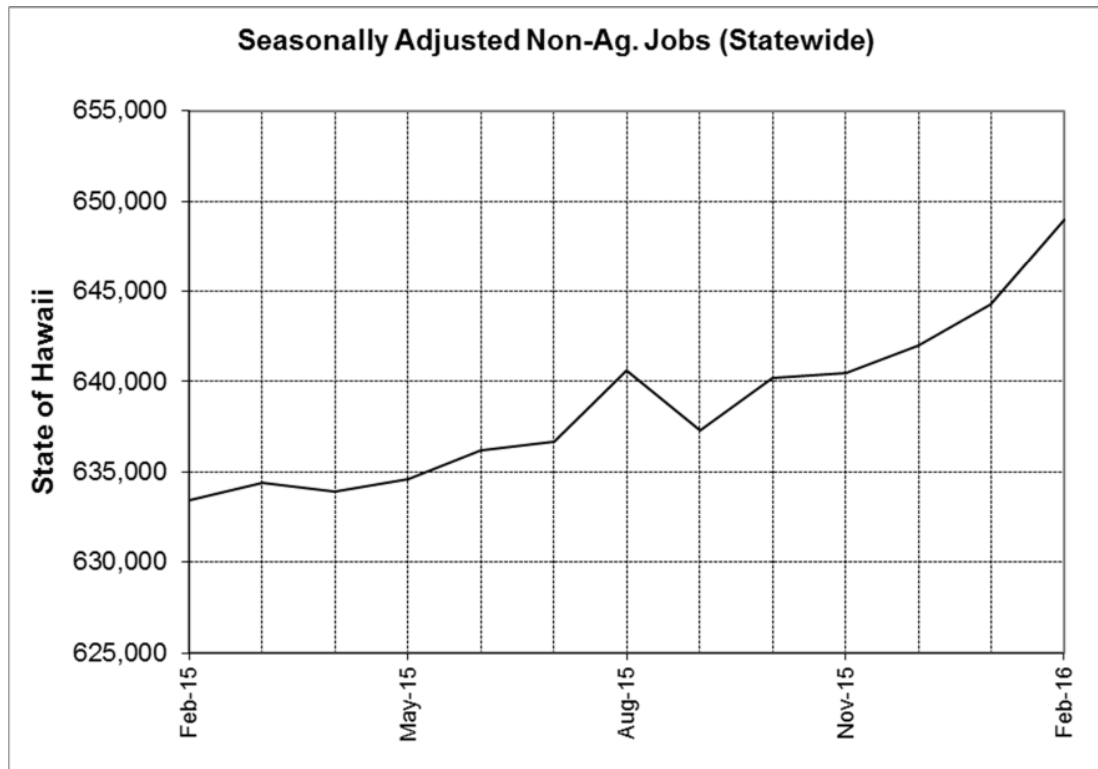
Industry Payroll Employment (Establishment Survey)

In a separate measure of employment, there was an increase of 4,700 nonagricultural jobs over-the-month. Within major industry sectors, there were job gains in Trade, Transportation, & Utilities (+800), Construction (+800), Leisure & Hospitality (+300), Educational & Health Services (+200), Manufacturing (+200), Other Services (+200), and Financial Activities (+100). Most of the expansion in Trade, Transportation, & Utilities was concentrated in Retail Trade. Job losses occurred in Business & Professional Services (-100). Government went up by 2,100 jobs, mostly the result of variation in seasonal shifts in employment at the Department of Education

and the University of Hawaii System. In comparison with February 2015, total nonfarm jobs have gone up by 15,600, or 2.5 percent.



Seasonally Adjusted Non-Ag. Jobs (Statewide)			
SELECTED SERIES:	Feb-16	Jan-16	Feb-15*
MINING, LOGGING & CONSTRUCTION	39,300	38,500	33,000
MANUFACTURING	14,300	14,100	14,200
Non-Durable Goods	10,500	10,200	10,500
TRADE, TRANSPORTATION & UTILITIES	120,000	119,200	119,200
Wholesale Trade	18,000	18,000	18,000
Retail Trade	70,900	70,000	70,500
FINANCIAL ACTIVITIES	28,500	28,400	28,000
Finance & Insurance	16,400	16,300	16,000
Real Estate & Rental & Leasing	12,100	12,100	12,000
PROFESSIONAL & BUSINESS SERVICES	84,100	84,200	83,200
Professional, Scientific, Tech Svcs	24,700	24,800	24,500
Administrative & Support & Waste Mgmt	50,800	50,700	50,300
EDUCATIONAL & HEALTH SERVICES	83,400	83,200	80,700
Educational Services	14,500	14,300	14,100
Health Care & Social Assistance	68,900	68,900	66,600
LEISURE & HOSPITALITY	117,200	116,900	113,800
Arts, Entertainment & Recreation	12,100	12,000	11,900
Accommodation & Food Services	105,100	104,900	101,900
OTHER SERVICES	27,200	27,000	26,800
GOVERNMENT	126,200	124,100	125,900
Federal Government	33,100	33,100	33,100
State Government	74,000	72,100	73,800
Local Government	19,100	18,900	19,000
TOTAL: STATEWIDE	649,000	644,300	633,400



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 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 and substate data for 2011-2015 have been re-estimated to reflect revised population controls, model reestimation and for seasonally adjusted data, new seasonal adjustment.

Change to Monthly Employment Estimates

This release incorporates revised job count figures from 1990 through 2015 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, 2015 Annual Averages.

Alternative Measures of Labor Underutilization for US and Hawaii, 2015 Annual Averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	2.3	2.6	5.3	5.7	6.4	10.4
Hawaii	1.5	1.6	3.7	4.1	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.

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

TDD/TTY Dial 711 then ask for (808) 586-8866

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