

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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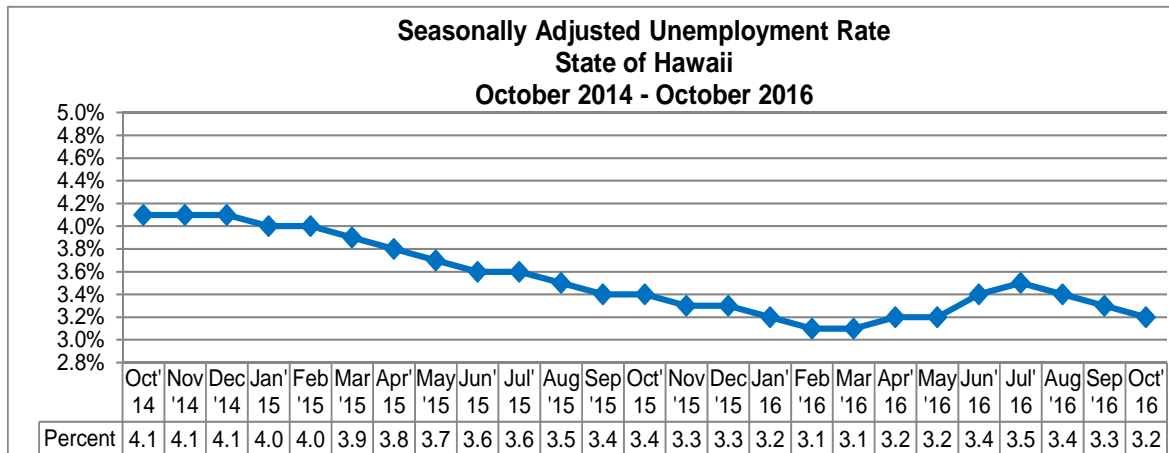
**FOR IMMEDIATE RELEASE**

November 17, 2016

**HAWAII'S UNEMPLOYMENT RATE AT  
3.2 PERCENT IN OCTOBER**

**Non-Agricultural Jobs up 14,000 over-the-year**

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for October was 3.2 percent, down from 3.3 percent in September. Statewide, 670,950 were employed and 21,850 unemployed in October for a total seasonally adjusted labor force of 692,800. Nationally, the seasonally adjusted unemployment rate was 4.9 percent in October, down from 5.0 percent in September.



Both initial claims and weeks claims increased by 47 or 4.1 percent and 435 or 6.4 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims decreased by -5.2 percent and -2.1 percent from September 2016.

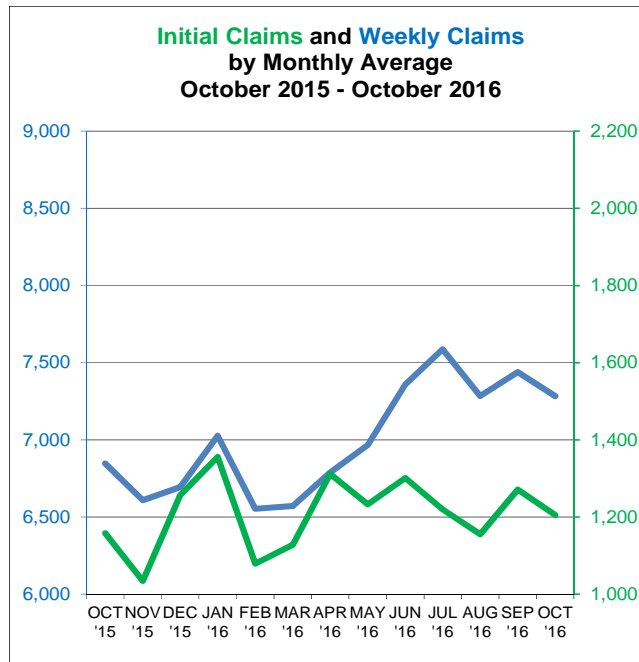
The unemployment rate figures for the State of Hawaii and the U.S. in this release are seasonally adjusted, in accordance with the U.S. Bureau of Labor Statistics (BLS) methodology. The not seasonally adjusted rate for the State was 3.1 percent in October, down from 3.2 percent in September.

State of Hawaii Seasonally Adjusted Labor Force Data**				
	<u>Oct 2016</u>	<u>Sep 2016</u>	<u>Oct 2015*</u>	
Labor Force	692,800	687,700	679,900	
Employment	670,950	665,100	657,000	
Unemployment	21,850	22,600	22,950	
* benchmarked data                      **totals may not add due to rounding				

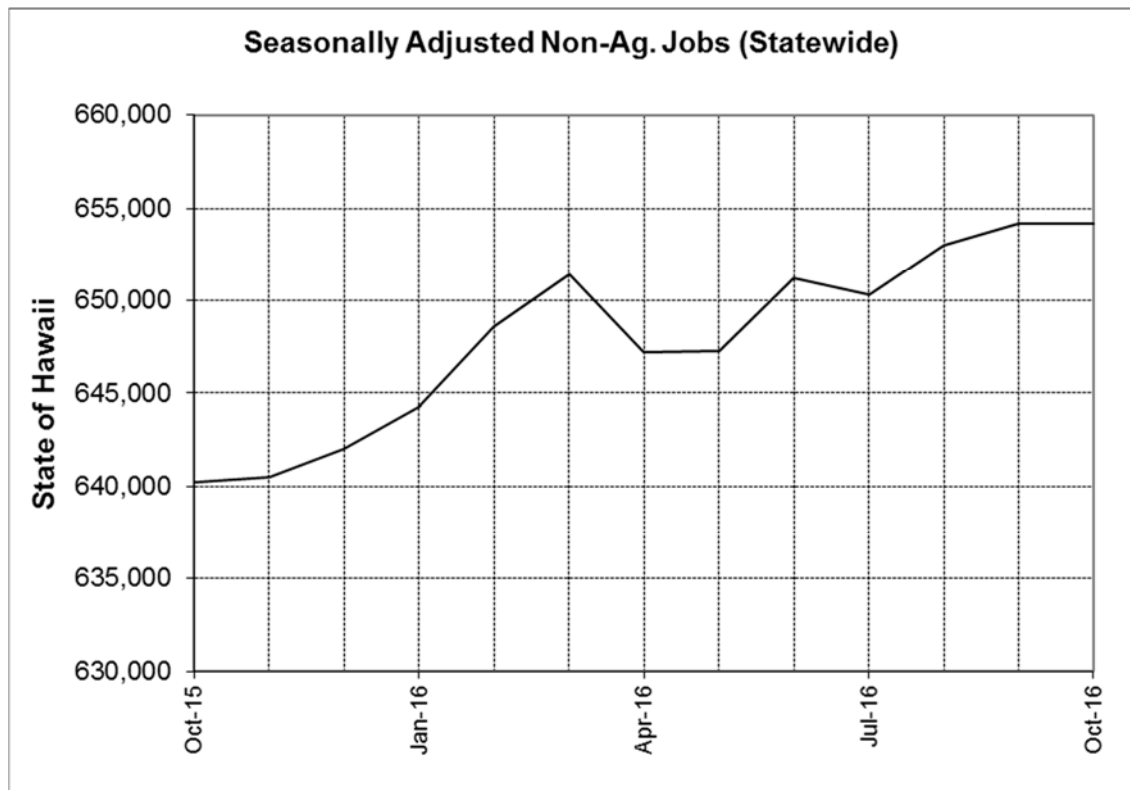
	OCT	SEP	OCT*
	2016	2016	2015
<u>Seasonally Adjusted</u>			
<b>STATE</b>	<b>3.2</b>	<b>3.3</b>	<b>3.4</b>
<b>U. S.</b>	<b>4.9</b>	<b>5.0</b>	<b>5.0</b>
<u>Not Seasonally Adjusted</u>			
<b>STATE</b>	<b>3.1</b>	<b>3.2</b>	<b>3.4</b>
HONOLULU	2.9	3.0	3.2
HAWAII COUNTY	3.7	3.7	4.1
KAUAI	3.3	3.3	3.9
MAUI COUNTY	3.3	3.4	3.5
Maui Island	3.1	3.2	3.3
Molokai	10.0	7.5	9.9
Lanai	4.1	4.0	6.4
<b>U. S.</b>	<b>4.7</b>	<b>4.8</b>	<b>4.8</b>
county & island rates are not seasonally adjusted			
* benchmarked data			

### **Industry Payroll Employment (Establishment Survey)**

In a separate measure of employment, total nonagricultural jobs remained unchanged over-the-month. Within the major industries, there were job gains in Leisure & Hospitality (+1,800), Construction (+400), and in Financial Activities (+400). Within Leisure & Hospitality, the bulk of the rise in employment occurred in Food Services & Drinking Places. Jobs in Trade, Transportation, & Utilities remained stable. Job losses were experienced in Manufacturing (-100), Other Services (-200), Professional & Business Services (-600), and Educational & Health Services (-1,100). The majority of the drop in Educational & Health Services was specifically in Health Care & Social Assistance. Government employment went down by 700 jobs, mostly in State Education (DOE & UH system). Over-the-year, total nonfarm jobs is up 14,000, or 2.2 percent.



<b>Seasonally Adjusted Non-Ag. Jobs (Statewide)</b>			
<b>SELECTED SERIES:</b>	<b>Oct-16</b>	<b>Sep-16</b>	<b>Oct-15*</b>
MINING, LOGGING & CONSTRUCTION	39,400	39,000	36,900
MANUFACTURING	13,800	13,900	13,800
Non-Durable Goods	10,200	10,400	10,100
TRADE, TRANSPORTATION & UTILITIES	119,200	119,200	118,800
Wholesale Trade	17,500	17,100	18,100
Retail Trade	70,400	70,300	70,300
FINANCIAL ACTIVITIES	28,600	28,200	27,800
Finance & Insurance	16,500	16,300	16,000
Real Estate & Rental & Leasing	12,100	11,900	11,800
PROFESSIONAL & BUSINESS SERVICES	83,900	84,500	83,600
Professional, Scientific, Tech Svcs	24,200	24,000	24,200
Administrative & Support & Waste Mgmt	51,100	51,600	51,100
EDUCATIONAL & HEALTH SERVICES	84,800	85,900	82,100
Educational Services	14,600	14,900	14,300
Health Care & Social Assistance	70,200	71,000	67,800
LEISURE & HOSPITALITY	121,500	119,700	114,900
Arts, Entertainment & Recreation	12,700	12,600	11,900
Accommodation & Food Services	108,800	107,100	103,000
OTHER SERVICES	26,900	27,100	26,600
GOVERNMENT	127,400	128,100	127,200
Federal Government	33,700	33,800	33,400
State Government	74,700	75,300	74,800
Local Government	19,000	19,000	19,000
<b>TOTAL: STATEWIDE</b>	<b>654,200</b>	<b>654,200</b>	<b>640,200</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 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 and Maui County**

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, fourth quarter of 2015 through third quarter of 2016 averages.*

## Alternative Measures of Labor Underutilization for US and Hawaii, fourth quarter of 2015 through third quarter of 2016 averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	2.0	2.4	4.9	5.3	6.0	9.8
Hawaii	1.2	1.4	3.2	3.6	4.6	8.3

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

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

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**UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED**

**UNEMPLOYMENT RATES- SEASONALLY ADJUSTED**

	OCT 2016	SEP 2016	OCT* 2015
<b>STATE</b>	<b>3.1</b>	<b>3.2</b>	<b>3.4</b>
HONOLULU	2.9	3.0	3.2
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<b>U. S.</b>	<b>4.9</b>	<b>5.0</b>	<b>5.0</b>

\* benchmarked data

	<u>Oct 2016</u>	<u>Sep 2016</u>	<u>Oct 2015*</u>
Labor Force	692,800	687,700	679,900
Employment	670,950	665,100	657,000
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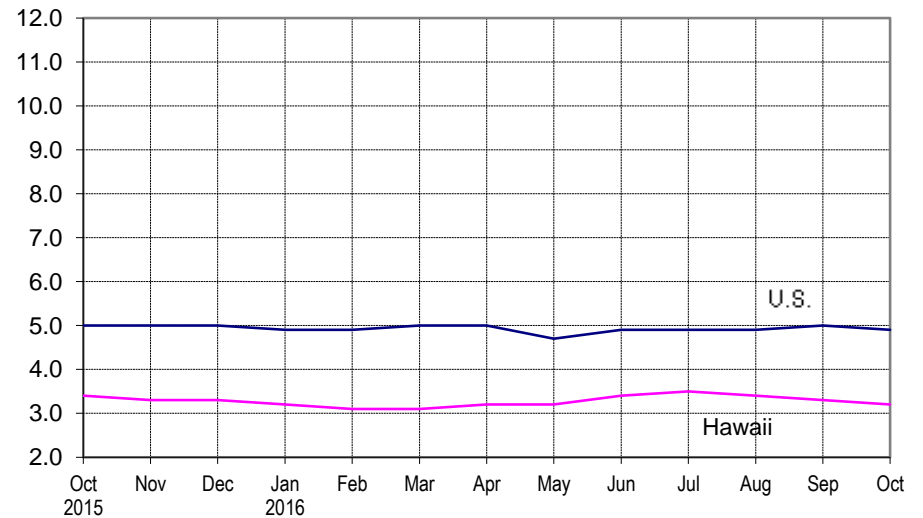
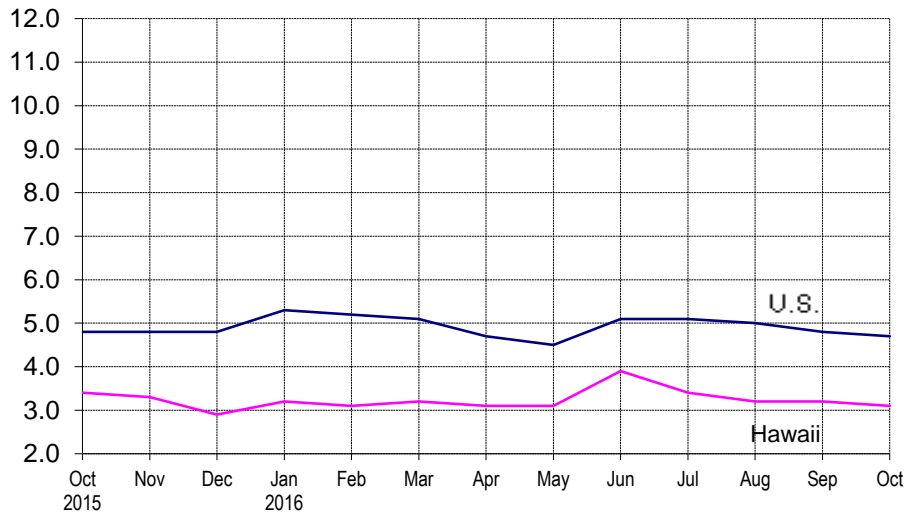
\* benchmarked data

\*\*totals may not add due to rounding

\* benchmarked data

	Oct 2015	Nov	Dec	Jan 2016	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
U. S.	4.8	4.8	4.8	5.3	5.2	5.1	4.7	4.5	5.1	5.1	5.0	4.8	4.7
Hawai'i	3.4	3.3	2.9	3.2	3.1	3.2	3.1	3.1	3.9	3.4	3.2	3.2	3.1

	Oct 2015	Nov	Dec	Jan 2016	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
U. S.	5.0	5.0	5.0	4.9	4.9	5.0	5.0	4.7	4.9	4.9	4.9	5.0	4.9
Hawai'i	3.4	3.3	3.3	3.2	3.1	3.1	3.2	3.2	3.4	3.5	3.4	3.3	3.2



**Not Seasonally Adjusted Non-Ag. Jobs (Statewide)**

	<b>Oct-16</b>	<b>Sep-16</b>	<b>Oct-15*</b>
MINING, LOGGING & CONSTRUCTION	39,700	39,300	37,200
MANUFACTURING	13,900	14,000	14,000
Non-Durable Goods	10,400	10,500	10,300
TRADE, TRANSPORTATION & UTILITIES	119,600	119,200	118,700
Wholesale Trade	17,500	17,000	18,000
Retail Trade	70,400	70,000	70,000
INFORMATION	8,700	8,600	8,500
FINANCIAL ACTIVITIES	28,600	28,300	27,800
Finance & Insurance	16,500	16,400	16,000
Real Estate & Rental & Leasing	12,100	11,900	11,800
PROFESSIONAL & BUSINESS SERVICES	84,500	84,700	84,200
Professional, Scientific, Tech Svcs	24,100	24,000	24,200
Administrative & Support & Waste Mgmt	51,400	51,700	51,500
EDUCATIONAL & HEALTH SERVICES	85,200	85,500	82,400
Educational Services	14,900	14,700	14,400
Health Care & Social Assistance	70,300	70,800	68,000
LEISURE & HOSPITALITY	121,200	119,800	114,700
Arts, Entertainment & Recreation	12,700	12,600	12,000
Accommodation & Food Services	108,500	107,200	102,700
OTHER SERVICES	27,000	27,200	26,900
GOVERNMENT	128,300	126,000	128,100
Federal Government	33,800	33,600	33,500
State Government	75,700	73,600	75,800
Local Government	18,800	18,800	18,800
<b>TOTAL: STATEWIDE</b>	<b>656,700</b>	<b>652,600</b>	<b>642,500</b>
<b>TOTAL: HONOLULU MSA</b>	<b>483,300</b>	<b>479,400</b>	<b>473,800</b>

\* BENCHMARKED DATA

**Seasonally Adjusted Non-Ag. Jobs (Statewide)**

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TRADE, TRANSPORTATION & UTILITIES	119,200	119,200	118,800
Wholesale Trade	17,500	17,100	18,100
Retail Trade	70,400	70,300	70,300
FINANCIAL ACTIVITIES	28,600	28,200	27,800
Finance & Insurance	16,500	16,300	16,000
Real Estate & Rental & Leasing	12,100	11,900	11,800
PROFESSIONAL & BUSINESS SERVICES	83,900	84,500	83,600
Professional, Scientific, Tech Svcs	24,200	24,000	24,200
Administrative & Support & Waste Mgmt	51,100	51,600	51,100
EDUCATIONAL & HEALTH SERVICES	84,800	85,900	82,100
Educational Services	14,600	14,900	14,300
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Federal Government	33,700	33,800	33,400
State Government	74,700	75,300	74,800
Local Government	19,000	19,000	19,000
<b>TOTAL: STATEWIDE</b>	<b>654,200</b>	<b>654,200</b>	<b>640,200</b>
<b>TOTAL: HONOLULU MSA</b>	<b>480,300</b>	<b>481,700</b>	<b>470,900</b>

