



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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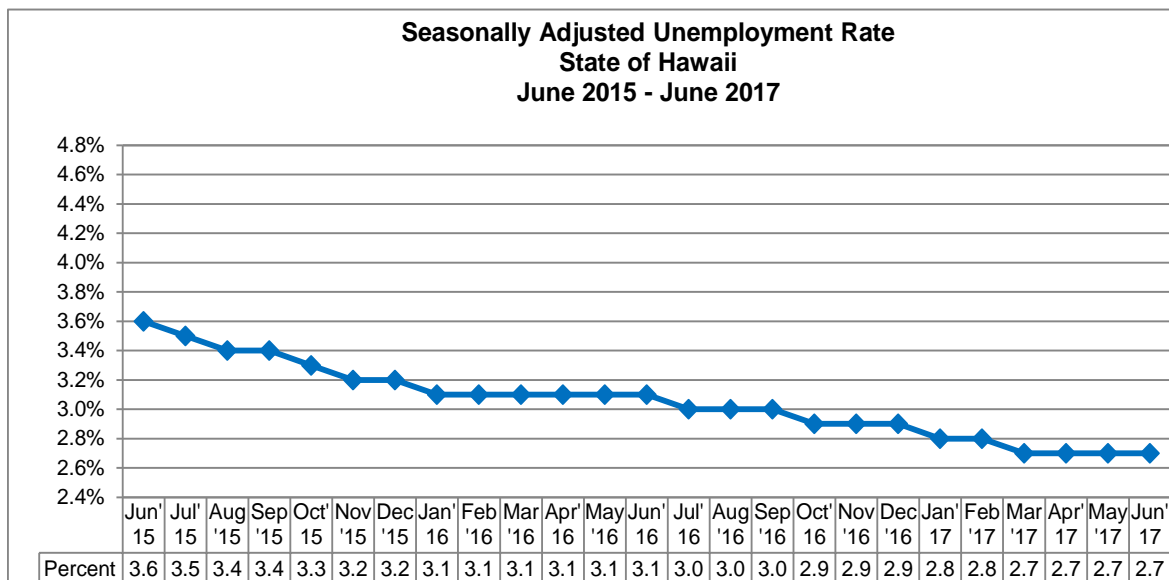
FOR IMMEDIATE RELEASE

July 20, 2017

HAWAII'S UNEMPLOYMENT RATE REMAINS AT 2.7 PERCENT IN JUNE

For Fourth Consecutive Month

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for June was 2.7 percent, for the fourth successive month. Statewide, 676,500 were employed and 19,100 unemployed in June for a total seasonally adjusted labor force of 695,600. “Hawaii’s economy continues to hold steady at a low 2.7 percent unemployment rate for a fourth consecutive month,” said Linda Chu Takayama, director of the state Department of Labor and Industrial Relations. Nationally, the seasonally adjusted unemployment rate was 4.4 percent in June, compared to 4.3 percent in May.



Both initial claims and weeks claims increased by 52 or 4.0 percent and by 564 or 7.7 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims rose by 8.8 percent and 2.3 percent respectively in June 2017.

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 3.2 percent in June, compared to the revised rate of 2.8 percent in May.

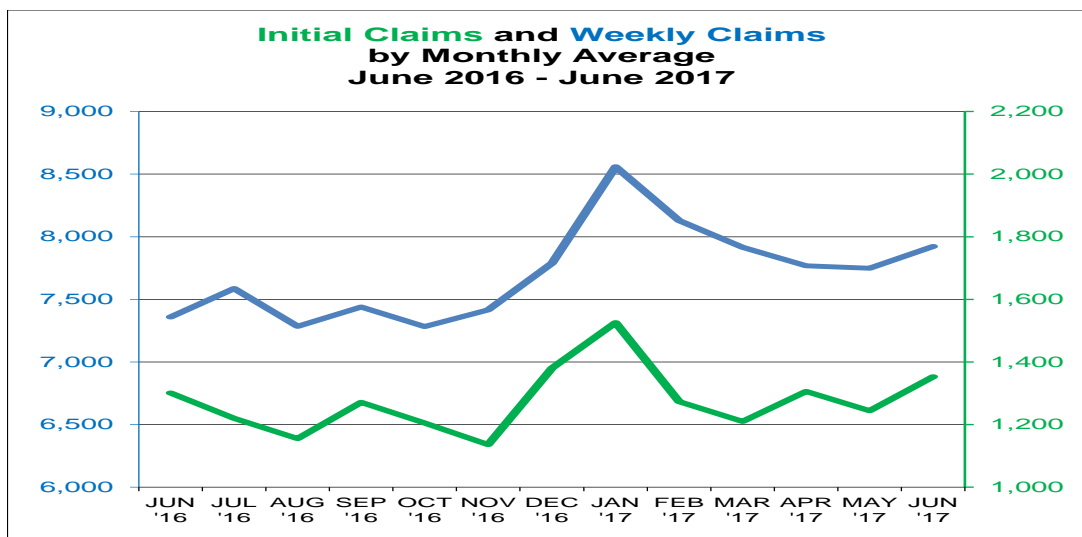
State of Hawaii Seasonally Adjusted Labor Force Data**				
	<u>Jun 2017</u>	<u>May 2017</u>	<u>Jun 2016*</u>	
Labor Force	695,600	697,450	683,950	
Employment	676,500	678,250	662,950	
Unemployment	19,100	19,200	21,050	
* benchmarked data **totals may not add due to rounding				

	JUN 2017	MAY 2017	JUN* 2016
<u>Seasonally Adjusted</u>			
STATE	2.7	2.7	3.1
U. S.	4.4	4.3	4.9
<u>Not Seasonally Adjusted</u>			
STATE	3.2	2.8	3.6
HONOLULU	3.1	2.6	3.4
HAWAII COUNTY	4.0	3.3	4.7
KAUAI	3.2	3.0	3.8
MAUI COUNTY	3.4	3.0	3.7
Maui Island	3.2	2.9	3.4
Molokai	10.4	6.7	10.7
Lanai	6.1	3.4	7.1
U. S.	4.5	4.1	5.1
county & island rates are not seasonally adjusted			
* benchmarked data			

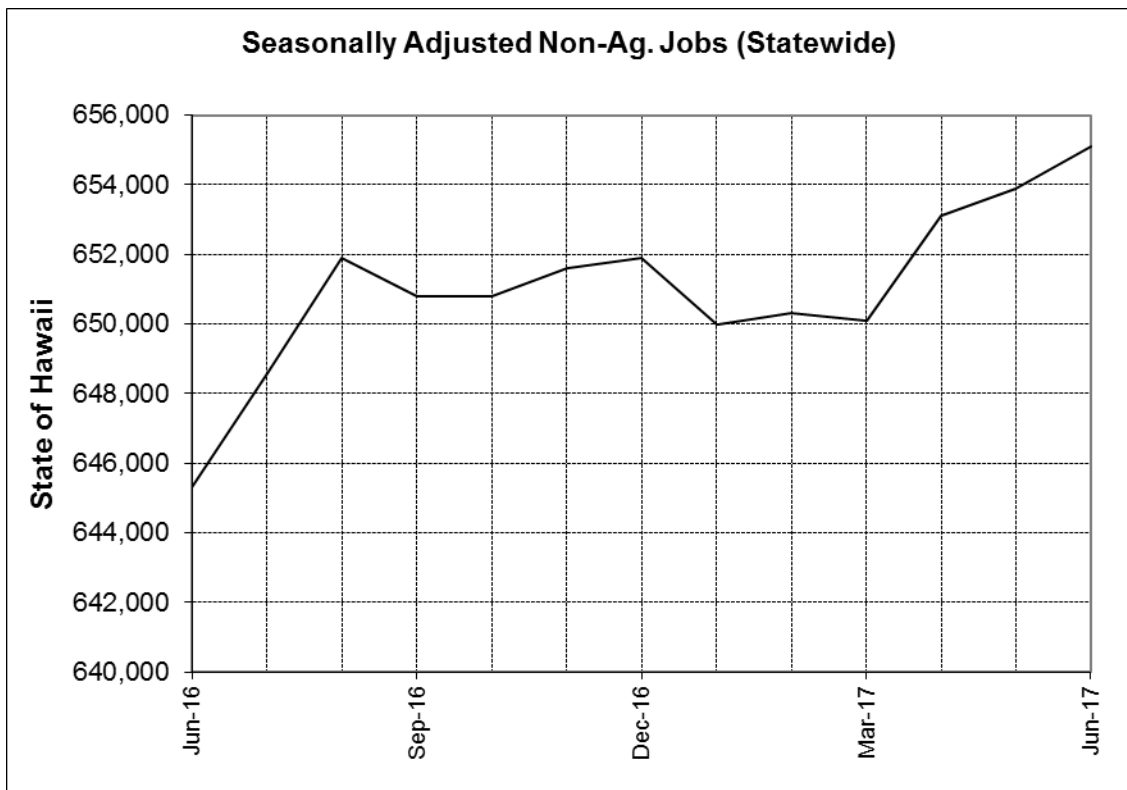
Industry Payroll Employment (Establishment Survey)

In a separate measure of employment, total nonagricultural jobs increased by 1,200 in June over May. Among the major industry groupings, there were job gains in Professional & Business Services (+1,000), Leisure & Hospitality (+900), Financial Activities (+400), and Other Services (+400). Employment remained unchanged in the Trade, Transportation & Utilities grouping, as well as in the Manufacturing and Information sectors. Job losses took place in Educational & Health Services (-100) and Construction (-500). Government employment

declined by 900, primarily due to a strong seasonal drop in the University of Hawaii system. In comparison with June 2016, total nonfarm jobs have expanded by 9,800.



Seasonally Adjusted Non-Ag. Jobs (Statewide)			
SELECTED SERIES:	Jun-17	May-17	Jun-16*
MINING, LOGGING & CONSTRUCTION	37,100	37,600	37,800
MANUFACTURING	13,800	13,800	14,000
Durable Goods	3,700	3,700	3,700
Non-Durable Goods	10,100	10,100	10,300
TRADE, TRANSPORTATION & UTILITIES	122,100	122,100	119,300
Wholesale Trade	17,200	17,200	17,800
Retail Trade	72,600	72,700	70,100
INFORMATION	9,000	9,000	8,600
FINANCIAL ACTIVITIES	28,200	27,800	28,300
Finance & Insurance	15,900	15,800	16,000
Real Estate & Rental & Leasing	12,300	12,000	12,300
PROFESSIONAL & BUSINESS SERVICES	84,800	83,800	83,000
Professional, Scientific, Tech Svcs	23,900	23,800	24,300
Administrative & Support & Waste Mgmt	50,900	50,800	50,100
EDUCATIONAL & HEALTH SERVICES	84,100	84,200	83,100
Educational Services	15,700	15,600	14,600
Health Care & Social Assistance	68,400	68,600	68,500
LEISURE & HOSPITALITY	122,800	121,900	117,800
Arts, Entertainment & Recreation	12,300	12,300	12,000
Accommodation & Food Services	110,500	109,600	105,800
OTHER SERVICES	27,600	27,200	27,300
GOVERNMENT	125,600	126,500	126,100
Federal Government	33,200	33,400	33,100
State Government	73,300	74,200	74,000
Local Government	19,100	18,900	19,000
TOTAL: STATEWIDE	655,100	653,900	645,300



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 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 2012-2016 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 2016 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, Second Quarter of 2016 through First Quarter of 2017 Averages.

Alternative Measures of Labor Underutilization for US and Hawaii, Second Quarter of 2016 through First Quarter of 2017 Averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.9	2.3	4.8	5.1	5.8	9.5
Hawaii	1.0	1.2	2.9	3.2	4.1	7.1

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
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