

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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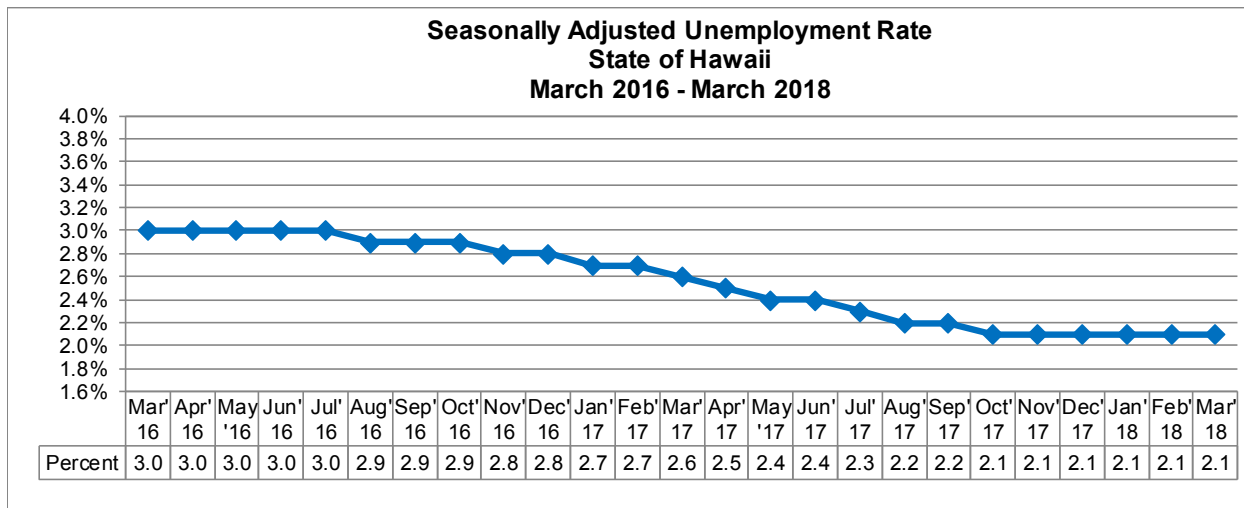
**FOR IMMEDIATE RELEASE**

April 19, 2018

**HAWAII'S UNEMPLOYMENT RATE AT  
2.1 PERCENT IN MARCH**

**Jobs Increase 8,200 Over the Year**

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for March was 2.1 percent, the same for the sixth consecutive month. Statewide, 670,500 were employed and 14,050 unemployed in March for a total seasonally adjusted labor force of 684,550. Nationally, the seasonally adjusted unemployment rate was 4.1 percent in March, also the same as in October 2017 through February.



Both initial claims and weeks claims decreased by 56 or -4.6 percent and by 652 or -8.2 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims also decreased by -8.6 percent and -7.0 percent respectively in March 2018.

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 1.9 percent in March, compared to the revised rate of 1.9 percent in February.

State of Hawaii Seasonally Adjusted Labor Force Data**				
	<u>Mar 2018</u>	<u>Feb 2018</u>	<u>Mar 2017*</u>	
Labor Force	684,550	683,550	688,550	
Employment	670,500	669,400	670,700	
Unemployment	14,050	14,150	17,850	
* benchmarked data		**totals may not add due to rounding		

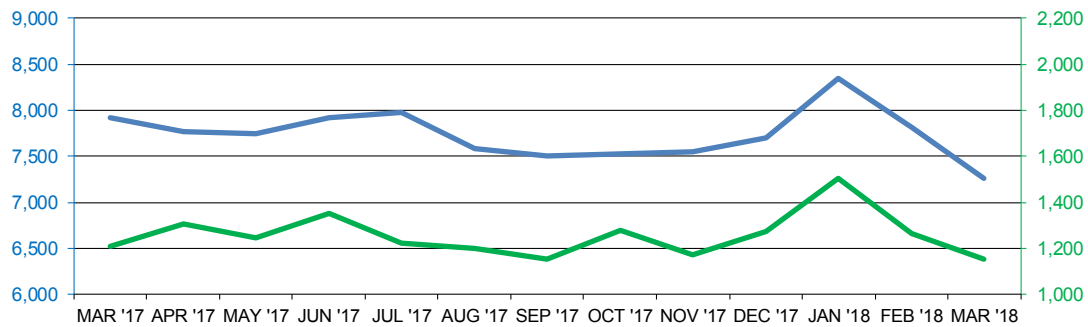
	<u>MAR</u>	<u>FEB</u>	<u>MAR*</u>
	2018	2018	2017
<u>Seasonally Adjusted</u>			
<b>STATE</b>	<b>2.1</b>	<b>2.1</b>	<b>2.6</b>
<b>U. S.</b>	<b>4.1</b>	<b>4.1</b>	<b>4.5</b>
<u>Not Seasonally Adjusted</u>			
<b>STATE</b>	<b>1.9</b>	<b>1.9</b>	<b>2.5</b>
HONOLULU	1.9	1.9	2.3
HAWAII COUNTY	2.3	2.2	2.9
KAUAI	1.8	1.8	2.6
MAUI COUNTY	1.9	2.0	2.7
Maui Island	1.9	2.0	2.6
Molokai	3.8	4.0	5.1
Lanai	2.7	2.2	3.4
<b>U. S.</b>	<b>4.1</b>	<b>4.4</b>	<b>4.6</b>
county & island rates are not seasonally adjusted			
* benchmarked data			

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

In another measure of employment, there was an increase of 200 jobs over-the-month. Among the major industries, job gains occurred in Leisure & Hospitality (+600), Trade, Transportation, & Utilities (+500), Financial Activities (+400), and Education & Health Services (+100).

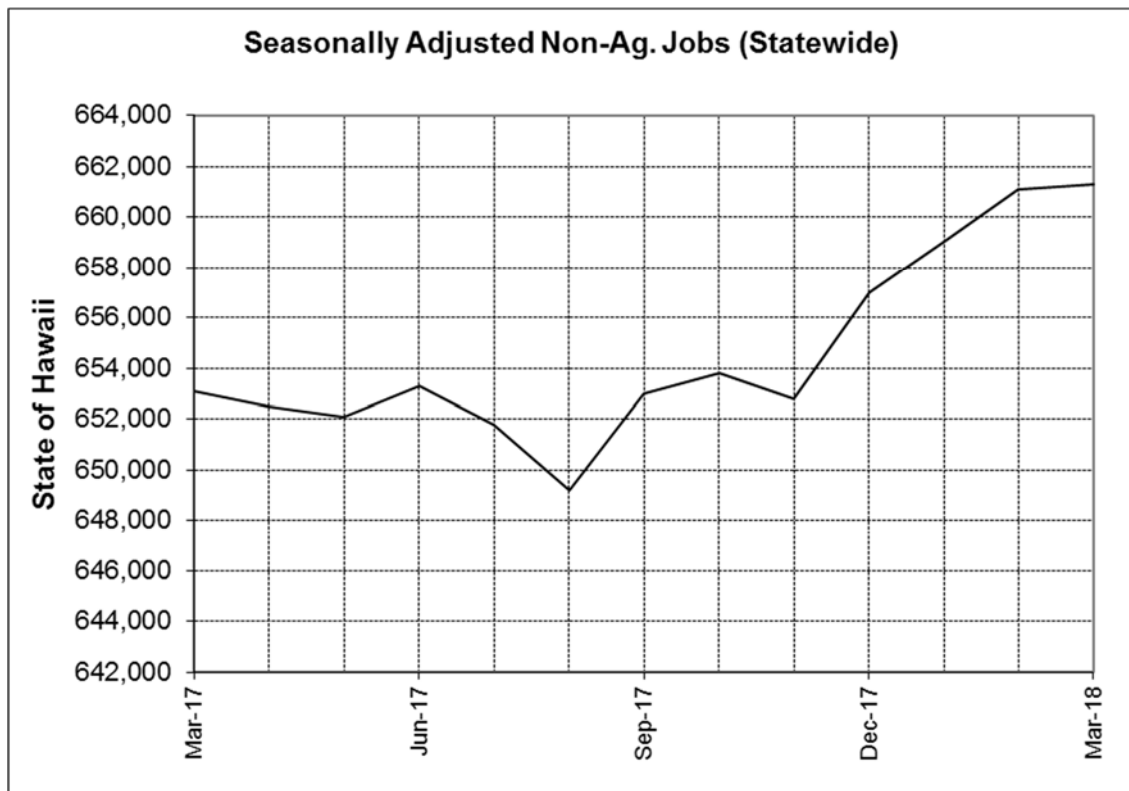
Employment in both the Professional & Business Services and Information sectors remained unchanged. Job losses were experienced in Manufacturing (-100), Other Services (-100), and Construction (-700). Government employment dropped by 500 jobs, with most of the decline in the Department of Education. In comparison with one year ago, total nonfarm jobs have expanded by 8,200, or 1.3 percent.

Initial Claims and Weekly Claims  
by Monthly Average  
March 2017 - March 2018



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

	<b>Mar-18</b>	<b>Feb-18</b>	<b>Mar-17</b>
MINING, LOGGING & CONSTRUCTION	35,900	36,600	36,800
MANUFACTURING	14,000	14,100	14,200
Durable Goods	3,800	3,800	3,800
Non-Durable Goods	10,200	10,300	10,400
TRADE, TRANSPORTATION & UTILITIES	121,700	121,200	121,200
Wholesale Trade	18,300	18,200	17,900
Retail Trade	69,800	69,500	70,800
Transportation, Warehousing, & Utilities	33,600	33,500	32,500
INFORMATION	8,900	8,900	9,400
FINANCIAL ACTIVITIES	28,900	28,500	28,800
Finance & Insurance	16,300	16,100	16,200
Real Estate & Rental & Leasing	12,600	12,400	12,600
PROFESSIONAL & BUSINESS SERVICES	84,100	84,100	82,000
Professional, Scientific, Tech Svcs	24,400	24,400	24,300
Administrative & Support & Waste Mgmt	50,800	50,600	48,900
EDUCATION & HEALTH SERVICES	86,500	86,400	83,600
Educational Services	14,000	14,100	14,200
Health Care & Social Assistance	72,500	72,300	69,400
LEISURE & HOSPITALITY	127,900	127,300	122,700
Arts, Entertainment & Recreation	12,600	12,600	12,700
Accommodation & Food Services	115,300	114,700	110,000
OTHER SERVICES	28,100	28,200	27,700
GOVERNMENT	125,300	125,800	126,700
Federal Government	33,500	33,500	33,500
State Government	72,600	73,100	74,300
Local Government	19,200	19,200	18,900
<b>TOTAL: STATEWIDE</b>	<b>661,300</b>	<b>661,100</b>	<b>653,100</b>
<b>TOTAL: HONOLULU MSA</b>	<b>483,500</b>	<b>483,300</b>	<b>477,100</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>77,500</b>	<b>77,500</b>	<b>76,300</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 2013-2017 have been re-estimated to reflect revised population controls, model reestimation and for seasonally adjusted data, new seasonal adjustment for 1976-2017.

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

This release incorporates revised job count figures from 1990 through 2017 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, 2017 Annual Averages.*

### **Alternative Measures of Labor Underutilization for US and Hawaii, 2017 Annual Averages (percent)**

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.7	2.1	4.4	4.6	5.3	8.5
Hawaii	0.7	1.2	2.4	2.7	3.4	6.0

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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