



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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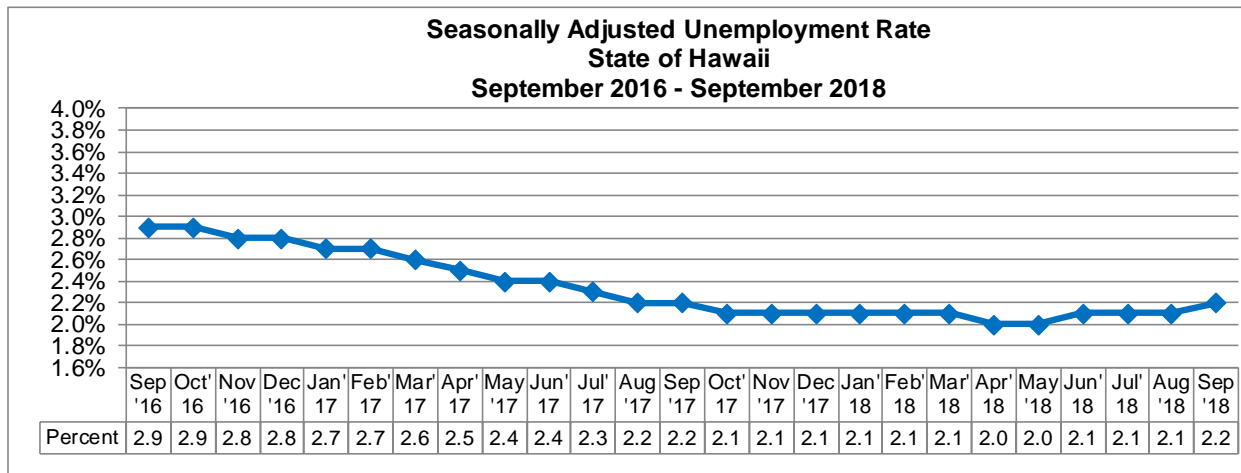
FOR IMMEDIATE RELEASE

October 18, 2018

**HAWAII'S UNEMPLOYMENT RATE AT
2.2 PERCENT IN SEPTEMBER**

Jobs Increase 11,600 Over the Year

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for September was 2.2 percent compared to 2.1 percent in June through August. Statewide, 671,750 were employed and 15,050 unemployed in September for a total seasonally adjusted labor force of 686,800. Nationally, the seasonally adjusted unemployment rate was 3.7 percent in September, compared to 3.9 percent in August.



Initial claims increased by 166 or 14.4 percent, while weeks claims decreased by 640 or -8.5 percent for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims rose by 25.5 percent and 2.7 percent respectively in September 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 2.5 percent in September, compared to 2.2 percent in August.

State of Hawaii Seasonally Adjusted Labor Force Data**					
	<u>Sep 2018</u>	<u>Aug 2018</u>	<u>Sep 2017*</u>		
Labor Force	686,800	687,350	682,750		
Employment	671,750	672,750	668,000		
Unemployment	15,050	14,650	14,800		

* benchmarked data

**totals may not add due to rounding

	SEP	AUG	SEP*
	2018	2018	2017
<u>Seasonally Adjusted</u>			
STATE	2.2	2.1	2.2
U. S.	3.7	3.9	4.2
<u>Not Seasonally Adjusted</u>			
STATE	2.5	2.2	2.3
HONOLULU	2.4	2.1	2.2
HAWAII COUNTY	3.0	2.7	2.6
KAUAI	2.9	2.4	2.1
MAUI COUNTY	2.5	2.1	2.4
Maui Island	2.3	2.0	2.2
Molokai	6.8	5.8	6.2
Lanai	3.4	2.2	4.0
U. S.	3.6	3.9	4.1

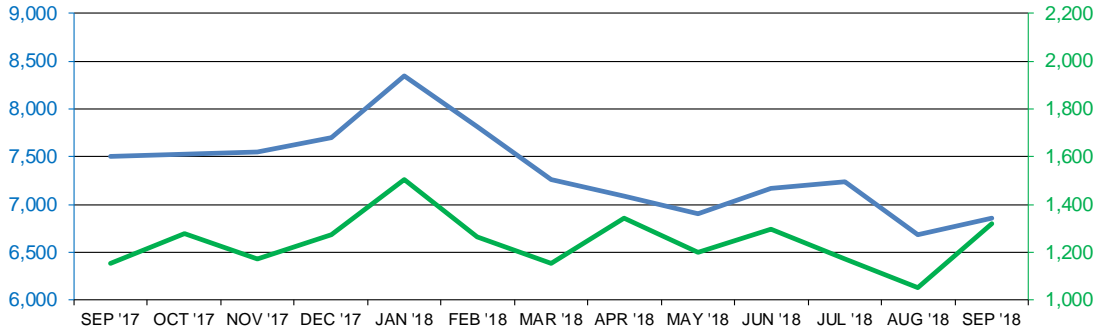
county & island rates are not seasonally adjusted

* benchmarked data

Industry Payroll Employment (Establishment Survey)

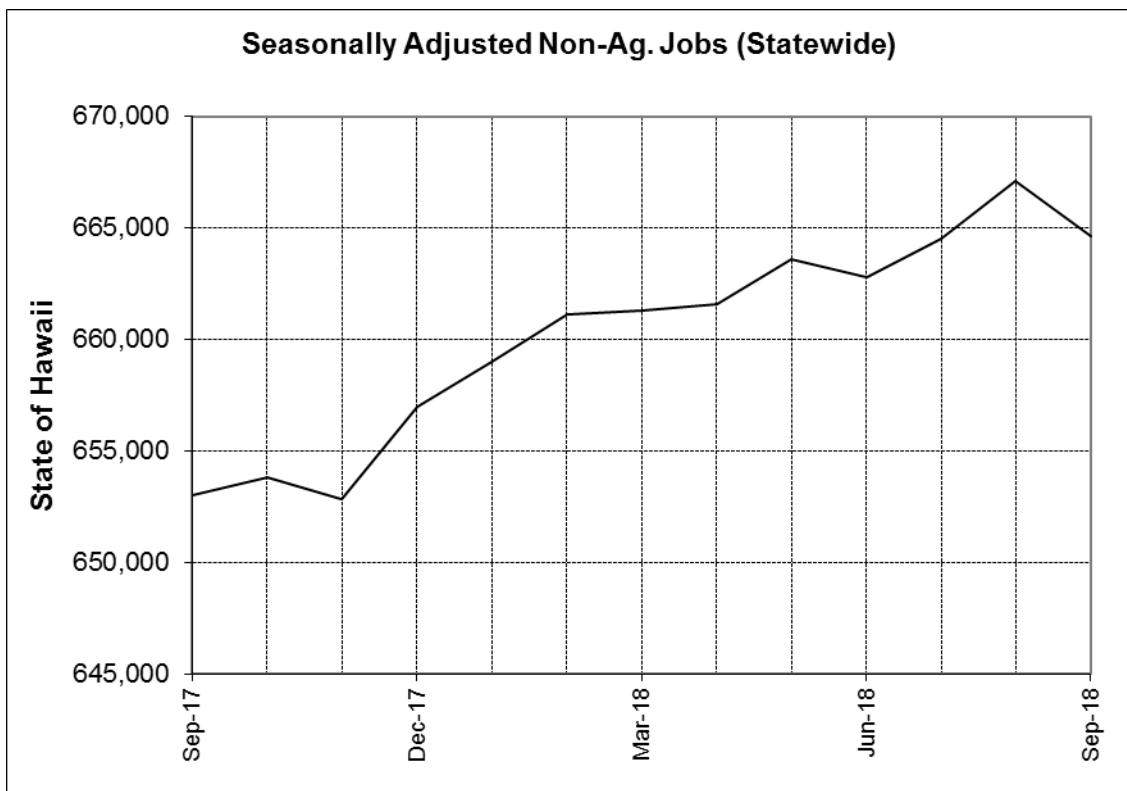
In another measure of employment, there was a decline of 2,500 jobs over-the-month. Within the major sectors, job gains were experienced in Professional & Business Services (+1,400), with the bulk of the increase coming from Professional Employer Organizations. Employment in Trade, Transportation, & Utilities and Information remained unchanged. Job losses occurred in Education & Health Services (-100), Other Services (-100), Financial Activities (-200), Manufacturing (-200), Construction (-300), and Leisure & Hospitality (-500). Government contracted by 2,500 jobs, largely due to the release of primary election workers. In comparison with one year ago, total nonfarm jobs have expanded by 11,600, or 1.8 percent.

**Initial Claims and Weekly Claims
by Monthly Average
September 2017 - September 2018**



Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Sep-18	Aug-18	Sep-17
MINING, LOGGING & CONSTRUCTION	36,000	36,300	35,600
MANUFACTURING	13,500	13,700	14,100
Durable Goods	3,700	3,700	3,800
Non-Durable Goods	9,800	10,000	10,300
TRADE, TRANSPORTATION & UTILITIES	122,700	122,700	122,200
Wholesale Trade	18,200	18,400	17,900
Retail Trade	71,200	70,900	71,100
Transportation, Warehousing, & Utilities	33,300	33,400	33,200
INFORMATION	9,100	9,100	9,100
FINANCIAL ACTIVITIES	29,800	30,000	28,500
Finance & Insurance	16,700	16,800	16,100
Real Estate & Rental & Leasing	13,100	13,200	12,400
PROFESSIONAL & BUSINESS SERVICES	85,200	83,800	82,100
Professional, Scientific, Tech Svcs	24,300	24,200	24,300
Administrative & Support & Waste Mgmt	52,100	50,400	48,900
EDUCATION & HEALTH SERVICES	86,500	86,600	84,800
Educational Services	14,500	14,300	14,000
Health Care & Social Assistance	72,000	72,300	70,800
LEISURE & HOSPITALITY	128,500	129,000	123,000
Arts, Entertainment & Recreation	12,700	12,700	12,400
Accommodation & Food Services	115,800	116,300	110,600
OTHER SERVICES	28,000	28,100	27,700
GOVERNMENT	125,300	127,800	125,900
Federal Government	33,500	33,400	33,400
State Government	72,600	75,200	73,300
Local Government	19,200	19,200	19,200
TOTAL: STATEWIDE	664,600	667,100	653,000
TOTAL: HONOLULU MSA	484,800	484,500	476,200
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	78,100	78,500	76,400



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 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, Third Quarter of 2017 through Second Quarter of 2018 Averages.

Alternative Measures of Labor Underutilization for US and Hawaii, Third Quarter of 2017 through Second Quarter of 2018 Averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.5	2.0	4.1	4.4	5.0	8.1
Hawaii	0.8	1.3	2.2	2.4	3.1	5.5

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

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UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

	SEP 2018	AUG 2018	SEP* 2017
STATE	2.5	2.2	2.3
HONOLULU	2.4	2.1	2.2
HAWAII COUNTY	3.0	2.7	2.6
KAUAI	2.9	2.4	2.1
MAUI COUNTY	2.5	2.1	2.4
Maui Island	2.3	2.0	2.2
Molokai	6.8	5.8	6.2
Lanai	3.4	2.2	4.0
U. S.	3.6	3.9	4.1

	SEP 2018	AUG 2018	SEP* 2017
STATE	2.2	2.1	2.2
U. S.	3.7	3.9	4.2

* benchmarked data

	Sep 2018	Aug 2018	Sep 2017*
Labor Force	686,800	687,350	682,750
Employment	671,750	672,750	668,000
Unemployment	15,050	14,650	14,800

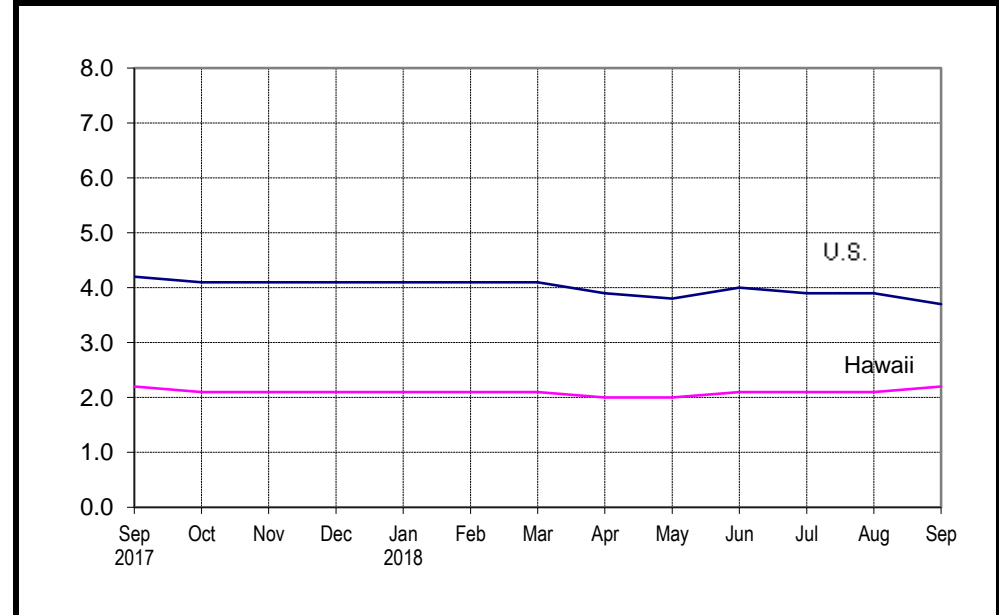
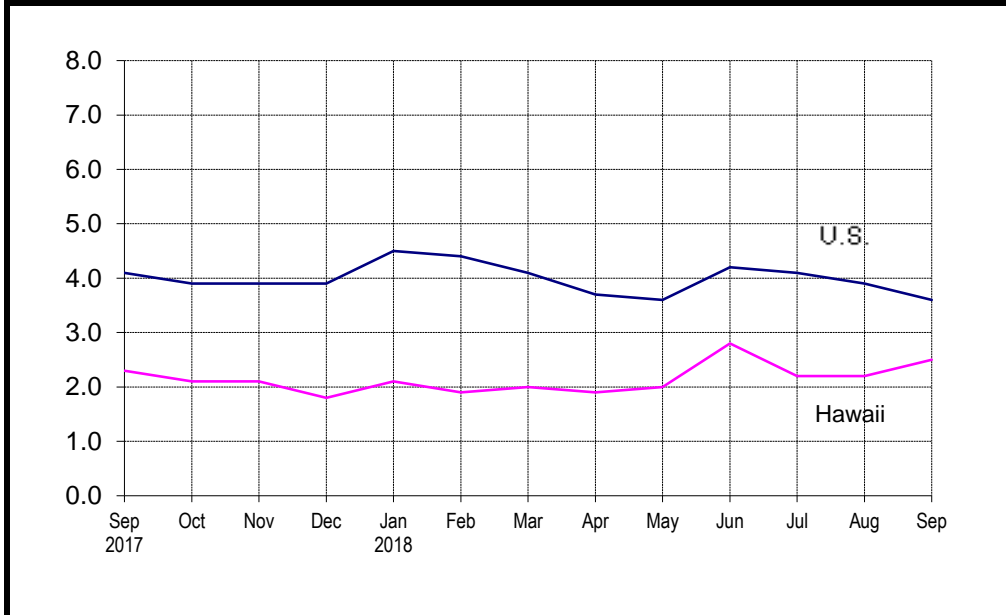
* benchmarked data

**totals may not add due to rounding

* benchmarked data

	Sep 2017	Oct	Nov	Dec	Jan 2018	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
U. S.	4.1	3.9	3.9	3.9	4.5	4.4	4.1	3.7	3.6	4.2	4.1	3.9	3.6
Hawai'i	2.3	2.1	2.1	1.8	2.1	1.9	2.0	1.9	2.0	2.8	2.2	2.2	2.5

	Sep 2017	Oct	Nov	Dec	Jan 2018	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
U. S.	4.2	4.1	4.1	4.1	4.1	4.1	4.1	3.9	3.8	4.0	3.9	3.9	3.7
Hawai'i	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.0	2.0	2.1	2.1	2.1	2.2



Not Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Sep-18	Aug-18	Sep-17
MINING, LOGGING & CONSTRUCTION	35,800	36,700	36,000
MANUFACTURING	13,600	13,700	14,200
Durable Goods	3,700	3,700	3,800
Non-Durable Goods	9,900	10,000	10,400
TRADE, TRANSPORTATION & UTILITIES	122,100	122,400	121,500
Wholesale Trade	18,100	18,400	17,900
Retail Trade	70,600	70,300	70,500
Transportation, Warehousing, & Utilities	33,400	33,700	33,100
INFORMATION	9,100	9,100	9,100
FINANCIAL ACTIVITIES	29,800	30,200	28,500
Finance & Insurance	16,700	16,900	16,100
Real Estate & Rental & Leasing	13,100	13,300	12,400
PROFESSIONAL & BUSINESS SERVICES	85,500	83,900	82,000
Professional, Scientific, Tech Svcs	24,200	24,300	24,000
Administrative & Support & Waste Mgmt	52,200	50,500	49,100
EDUCATION & HEALTH SERVICES	86,500	85,800	85,300
Educational Services	14,300	13,500	14,100
Health Care & Social Assistance	72,200	72,300	71,200
LEISURE & HOSPITALITY	127,700	129,900	123,100
Arts, Entertainment & Recreation	12,700	12,800	12,500
Accommodation & Food Services	115,000	117,100	110,600
OTHER SERVICES	28,100	28,100	27,800
GOVERNMENT	123,800	119,000	124,300
Federal Government	33,300	33,300	33,300
State Government	71,500	65,900	72,000
Local Government	19,000	19,800	19,000
TOTAL: STATEWIDE	662,000	658,800	651,800
TOTAL: HONOLULU MSA	484,300	478,100	476,200
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	77,500	78,800	75,900

Seasonally Adjusted Non-Ag. Jobs (Statewide)

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MINING, LOGGING & CONSTRUCTION	36,000	36,300	35,600
MANUFACTURING	13,500	13,700	14,100
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Non-Durable Goods	9,800	10,000	10,300
TRADE, TRANSPORTATION & UTILITIES	122,700	122,700	122,200
Wholesale Trade	18,200	18,400	17,900
Retail Trade	71,200	70,900	71,100
Transportation, Warehousing, & Utilities	33,300	33,400	33,200
INFORMATION	9,100	9,100	9,100
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