



## DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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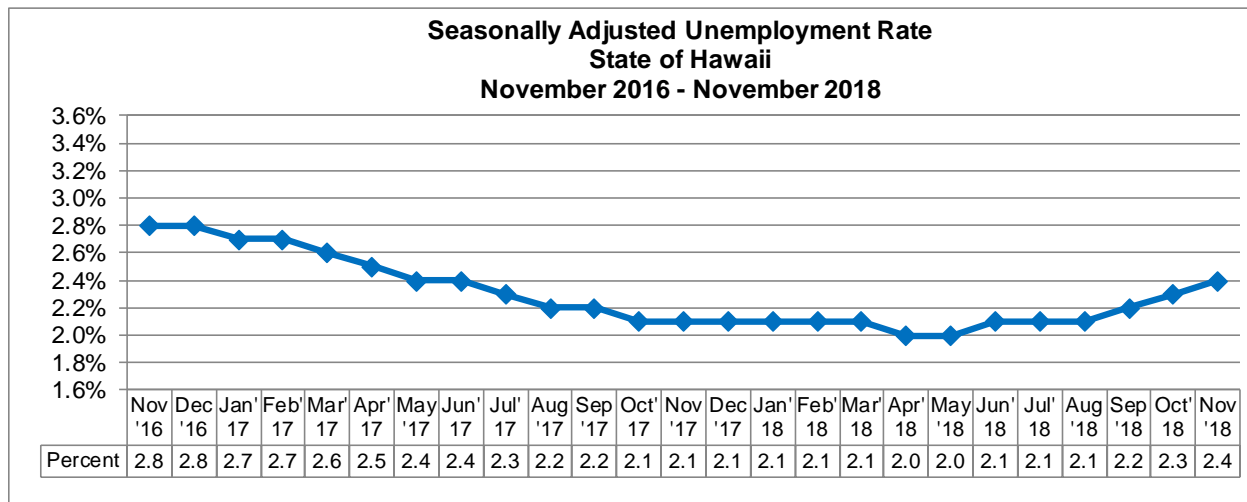
**FOR IMMEDIATE RELEASE**

December 20, 2018

### HAWAII'S UNEMPLOYMENT RATE AT 2.4 PERCENT IN NOVEMBER

#### Jobs Increase 13,300 Over the Year

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for November was 2.4 percent compared to 2.3 percent in October. Statewide, 668,800 were employed and 16,350 unemployed in November for a total seasonally adjusted labor force of 685,150. Nationally, the seasonally adjusted unemployment rate was 3.7 percent in November, the same as in October.



Both Initial claims and weeks claims decreased by 49 or -4.2 percent and 587 or -7.8 percent respectively for unemployment benefits compared to one year ago. Over-the-month initial claims dropped by 24.5 percent and weeks claims increased by 4.6 percent in November 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 2.6 percent in November, compared to 2.5 percent in October.

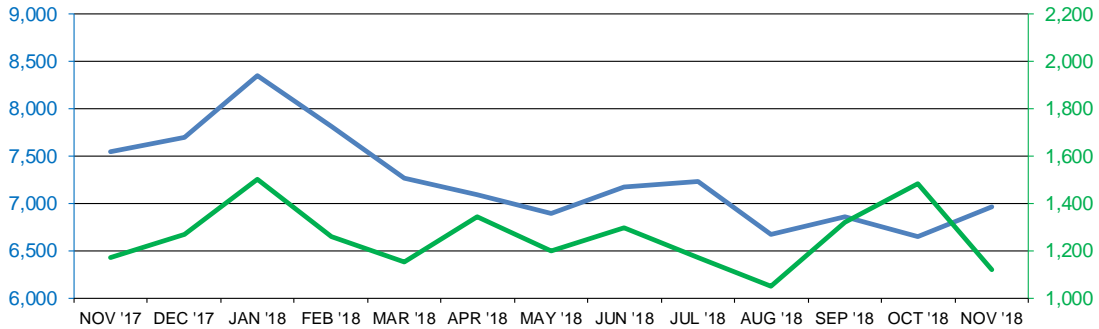
State of Hawaii Seasonally Adjusted Labor Force Data**				
	Nov 2018	Oct 2018	Nov 2017*	
Labor Force	685,150	686,200	683,250	
Employment	668,800	670,450	668,700	
Unemployment	16,350	15,750	14,500	
* benchmarked data      **totals may not add due to rounding				

	NOV 2018	OCT 2018	NOV*	2017
<b>Seasonally Adjusted</b>				
<b>STATE</b>	<b>2.4</b>	<b>2.3</b>	<b>2.1</b>	
<b>U. S.</b>	<b>3.7</b>	<b>3.7</b>	<b>4.1</b>	
<b>Not Seasonally Adjusted</b>				
<b>STATE</b>	<b>2.6</b>	<b>2.5</b>	<b>2.1</b>	
HONOLULU	2.5	2.3	2.0	
HAWAII COUNTY	3.3	3.5	2.5	
KAUAI	2.7	2.8	2.1	
MAUI COUNTY	2.6	2.6	2.2	
Maui Island	2.6	2.5	2.1	
Molokai	4.6	6.4	5.5	
Lanai	1.5	1.6	0.7	
<b>U. S.</b>	<b>3.5</b>	<b>3.5</b>	<b>3.9</b>	
county & island rates are not seasonally adjusted				
* benchmarked data				

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

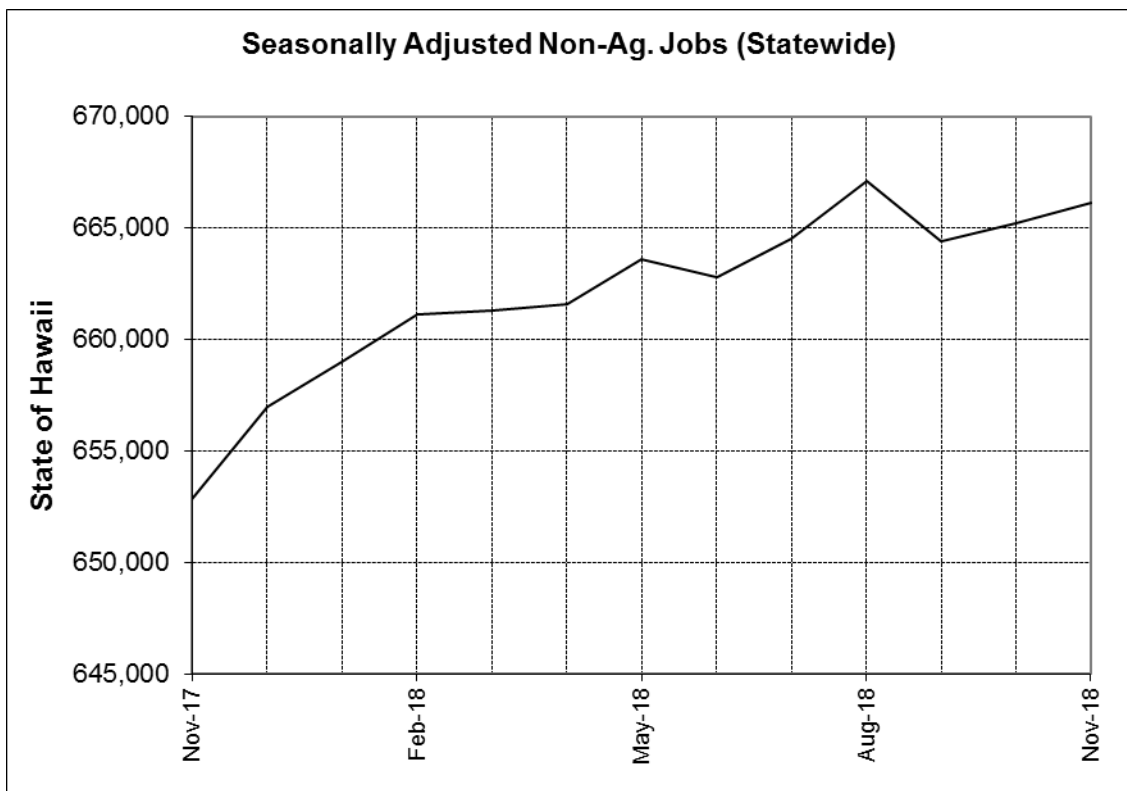
In another measure of employment, total nonfarm jobs increased by 900 over-the-month. Among the major industries, job gains occurred in Professional & Business Services (+400), Information (+100), Financial Activities (+100) and Other Services (+100). Employment in Manufacturing and Education & Health Services remained unchanged. Job losses were experienced in Leisure & Hospitality (-200), Trade, Transportation, & Utilities (-500) and Construction (-900). Within Leisure & Hospitality, a large drop in employment in Accommodation due to a labor dispute was mostly countered by strong hiring in Food Services & Drinking Places. Government rose by 1,800 jobs, mostly due to general election workers. In comparison with November 2017, total nonagricultural jobs have expanded by 13,300, or 2.0 percent.

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



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

	<b>Nov-18</b>	<b>Oct-18</b>	<b>Nov-17</b>
MINING, LOGGING & CONSTRUCTION	35,900	36,800	37,300
MANUFACTURING	13,700	13,700	14,200
Durable Goods	3,800	3,800	3,900
Non-Durable Goods	9,900	9,900	10,300
TRADE, TRANSPORTATION & UTILITIES	121,400	121,900	121,100
Wholesale Trade	18,300	18,300	17,900
Retail Trade	70,100	70,600	70,000
Transportation, Warehousing, & Utilities	33,000	33,000	33,200
INFORMATION	9,300	9,200	9,000
FINANCIAL ACTIVITIES	30,100	30,000	28,300
Finance & Insurance	16,900	16,800	16,000
Real Estate & Rental & Leasing	13,200	13,200	12,300
PROFESSIONAL & BUSINESS SERVICES	85,700	85,300	81,500
Professional, Scientific, Tech Svcs	24,200	24,100	24,000
Administrative & Support & Waste Mgmt	52,100	52,000	48,200
EDUCATION & HEALTH SERVICES	87,000	87,000	85,300
Educational Services	14,400	14,400	13,800
Health Care & Social Assistance	72,600	72,600	71,500
LEISURE & HOSPITALITY	128,000	128,200	125,300
Arts, Entertainment & Recreation	12,700	12,600	12,500
Accommodation & Food Services	115,300	115,600	112,800
OTHER SERVICES	28,200	28,100	27,600
GOVERNMENT	126,800	125,000	123,200
Federal Government	33,300	33,300	33,500
State Government	74,400	72,500	70,500
Local Government	19,100	19,200	19,200
<b>TOTAL: STATEWIDE</b>	<b>666,100</b>	<b>665,200</b>	<b>652,800</b>
<b>TOTAL: HONOLULU MSA</b>	<b>486,900</b>	<b>486,800</b>	<b>476,900</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>78,200</b>	<b>78,000</b>	<b>76,800</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, Fourth Quarter of 2017 through Third Quarter of 2018 Averages.*

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

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.5	1.9	4.0	4.2	4.9	7.8
Hawaii	0.8	1.2	2.4	2.6	3.2	5.8

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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