

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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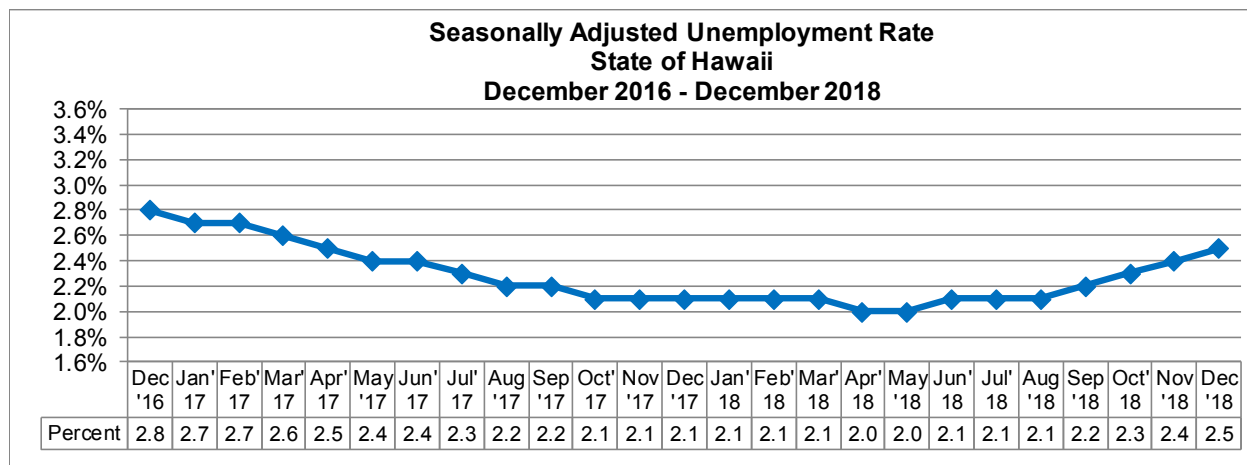
FOR IMMEDIATE RELEASE

January 17, 2019

HAWAII'S UNEMPLOYMENT RATE AT 2.5 PERCENT IN DECEMBER

Jobs Increase 9,500 Over the Year

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for December was 2.5 percent compared to 2.4 percent in November. Statewide, 666,500 were employed and 16,900 unemployed in December for a total seasonally adjusted labor force of 683,400. Nationally, the seasonally adjusted unemployment rate was 3.9 percent in December, compared to 3.7 percent in November.



Both Initial claims and weeks claims decreased by 38 or -3.0 percent and 721 or -9.4 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims increased by 10.0 percent and 0.2 percent in December 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 2.3 percent in December, compared to 2.6 percent in November.

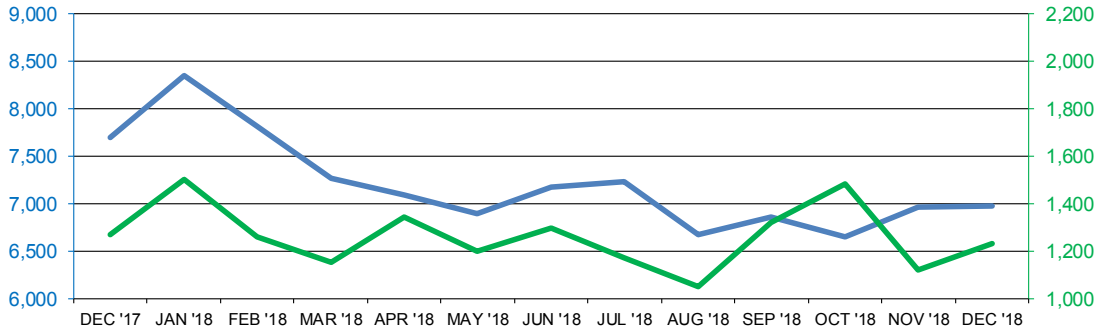
State of Hawaii Seasonally Adjusted Labor Force Data**				
	<u>Dec 2018</u>	<u>Nov 2018</u>	<u>Dec 2017*</u>	
Labor Force	683,400	685,100	682,850	
Employment	666,500	668,750	668,200	
Unemployment	16,900	16,350	14,650	
* benchmarked data		**totals may not add due to rounding		

	<u>DEC</u>	<u>NOV</u>	<u>DEC*</u>
	2018	2018	2017
<u>Seasonally Adjusted</u>			
STATE	2.5	2.4	2.1
U. S.	3.9	3.7	4.1
<u>Not Seasonally Adjusted</u>			
STATE	2.3	2.6	1.8
HONOLULU	2.2	2.5	1.7
HAWAII COUNTY	2.9	3.3	2.0
KAUAI	2.3	2.7	1.7
MAUI COUNTY	2.3	2.6	1.8
Maui Island	2.3	2.6	1.7
Molokai	4.3	4.6	3.9
Lanai	0.5	1.5	1.2
U. S.	3.7	3.5	3.9
county & island rates are not seasonally adjusted			
* benchmarked data			

Industry Payroll Employment (Establishment Survey)

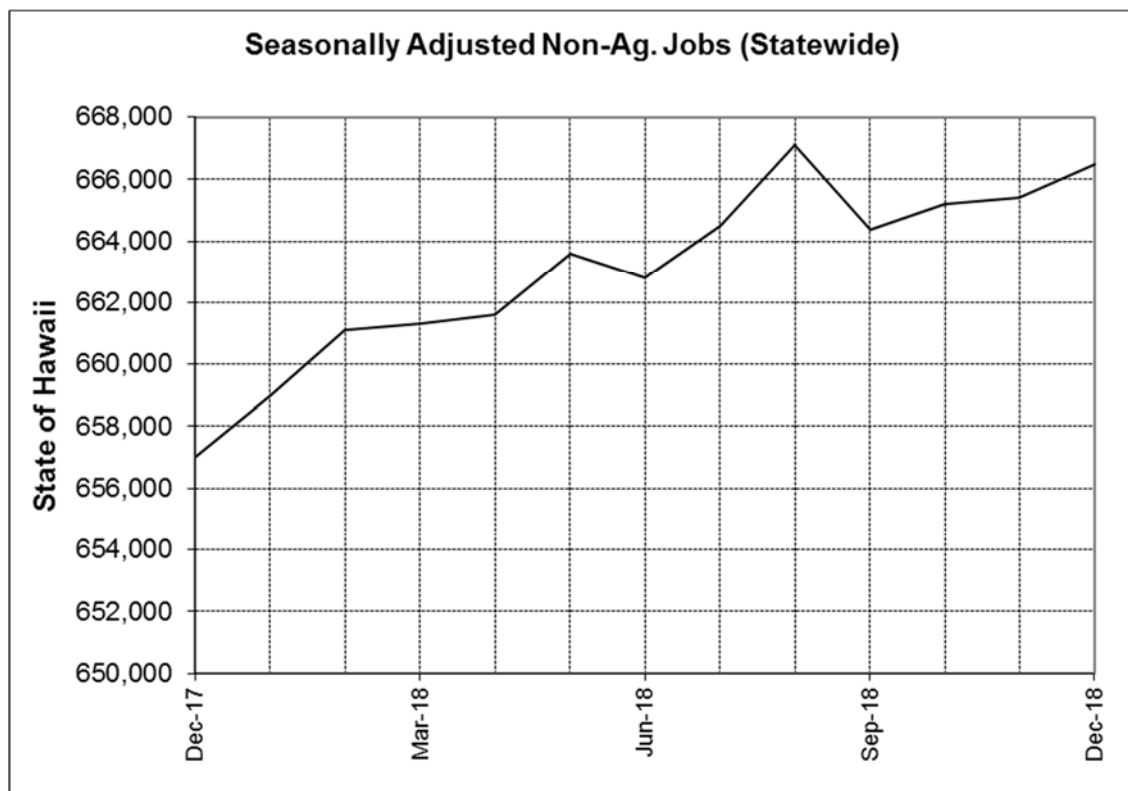
In a separate measure of employment, there was an increase of 1,100 jobs in December over November. Among the major sectors, there were job gains in Leisure & Hospitality (+1,300), Construction (+600), Education & Health Services (+400), Manufacturing (+200), and Other Services (+200). Within Leisure & Hospitality, there was a significant rise in employment in Accommodation due to the resolution of a labor dispute. Employment in Trade, Transportation, & Utilities, Information, and Financial Activities remained stable. Job losses occurred in Professional & Business Services (-200). Government decreased by 1,400 jobs, mostly as the result of the release of general election workers. Compared with one year ago, total nonagricultural jobs have expanded by 9,500 jobs, or 1.4 percent.

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



Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Dec-18	Nov-18	Dec-17
MINING, LOGGING & CONSTRUCTION	35,500	34,900	37,300
MANUFACTURING	13,900	13,700	14,000
Durable Goods	3,800	3,800	3,900
Non-Durable Goods	10,100	9,900	10,100
TRADE, TRANSPORTATION & UTILITIES	121,600	121,600	120,700
Wholesale Trade	18,500	18,300	17,900
Retail Trade	70,000	70,100	69,300
Transportation, Warehousing, & Utilities	33,100	33,200	33,500
INFORMATION	9,400	9,400	9,000
FINANCIAL ACTIVITIES	30,200	30,200	28,400
Finance & Insurance	16,900	16,900	16,000
Real Estate & Rental & Leasing	13,300	13,300	12,400
PROFESSIONAL & BUSINESS SERVICES	85,300	85,500	82,000
Professional, Scientific, Tech Svcs	24,200	24,200	24,200
Administrative & Support & Waste Mgmt	51,900	52,100	48,800
EDUCATION & HEALTH SERVICES	87,300	86,900	86,100
Educational Services	14,600	14,500	14,200
Health Care & Social Assistance	72,700	72,400	71,900
LEISURE & HOSPITALITY	128,800	127,500	126,100
Arts, Entertainment & Recreation	12,700	12,700	12,600
Accommodation & Food Services	116,100	114,800	113,500
OTHER SERVICES	28,400	28,200	27,900
GOVERNMENT	126,100	127,500	125,500
Federal Government	33,500	33,500	33,400
State Government	73,300	74,700	72,900
Local Government	19,300	19,300	19,200
TOTAL: STATEWIDE	666,500	665,400	657,000
TOTAL: HONOLULU MSA	488,300	486,700	478,600
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	78,200	78,000	77,300



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 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.

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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