

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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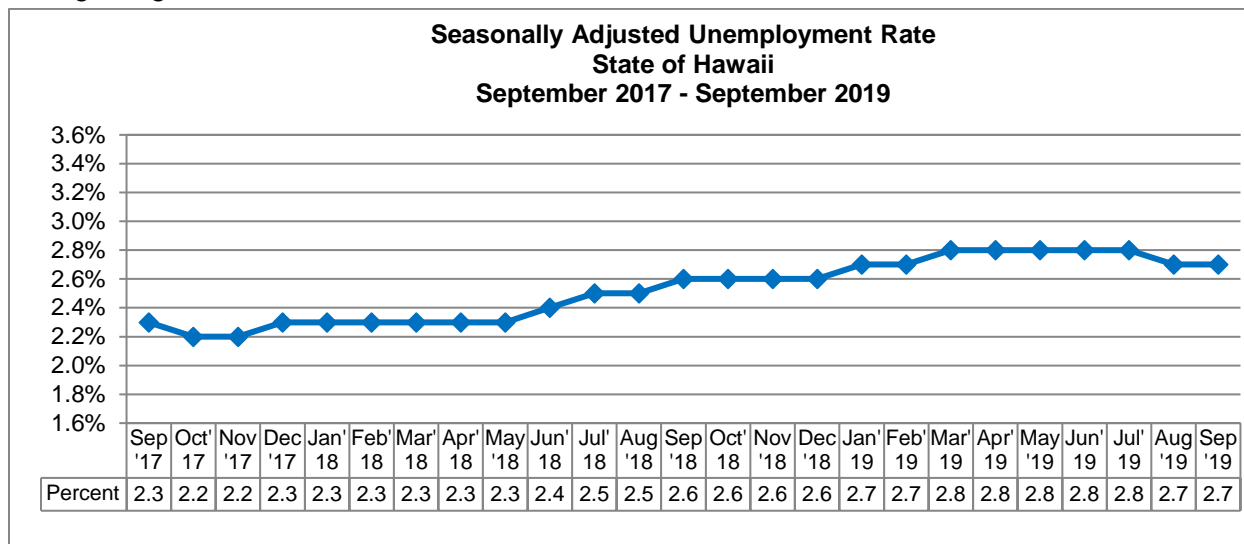
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FOR IMMEDIATE RELEASE
October 17, 2019

HAWAII'S UNEMPLOYMENT RATE REMAINS AT 2.7 PERCENT IN SEPTEMBER

Jobs Increase by 4,500 Over-the-Month

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for September was 2.7 percent, the same rate as in August. Statewide, 642,650 were employed and 17,750 unemployed in September for a total seasonally adjusted labor force of 660,400. Nationally, the seasonally adjusted unemployment rate was 3.5 percent in September, compared to 3.7 percent in June through August.



Both Initial claims and weeks claims decreased by 262 or -19.8 percent and 545 or -7.9 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims also declined by -5.7 percent and -5.2 percent respectively in September 2019.

The unemployment rate figures for the State of Hawai'i 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 2.8 percent in September, compared to the revised rate of 2.6 percent in August.

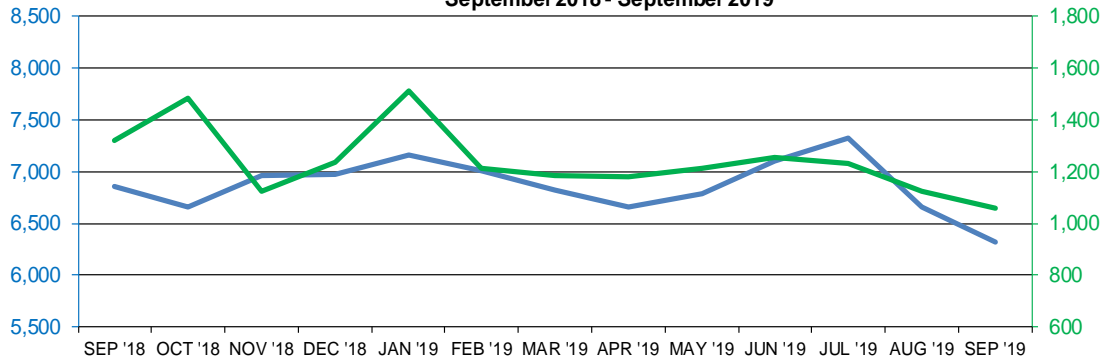
State of Hawaii Seasonally Adjusted Labor Force Data**			
	Sep 2019	Aug 2019	Sep 2018*
Labor Force	660,400	661,050	677,750
Employment	642,650	643,050	660,200
Unemployment	17,750	18,000	17,500
* benchmarked data **totals may not add due to rounding			

	SEP	AUG	SEP*
	2019	2019	2018
<u>Seasonally Adjusted</u>			
STATE	2.7	2.7	2.6
U. S.	3.5	3.7	3.7
<u>Not Seasonally Adjusted</u>			
STATE	2.8	2.6	2.7
HONOLULU	2.6	2.4	2.6
HAWAII COUNTY	3.5	3.4	3.2
KAUAI	2.7	2.5	3.1
MAUI COUNTY	2.7	2.4	2.7
Maui Island	2.6	2.3	2.5
Molokai	5.6	6.1	6.9
Lanai	1.6	2.4	3.4
U. S.	3.3	3.8	3.6
county & island rates are not seasonally adjusted			
* benchmarked data			

Industry Payroll Employment (Establishment Survey)

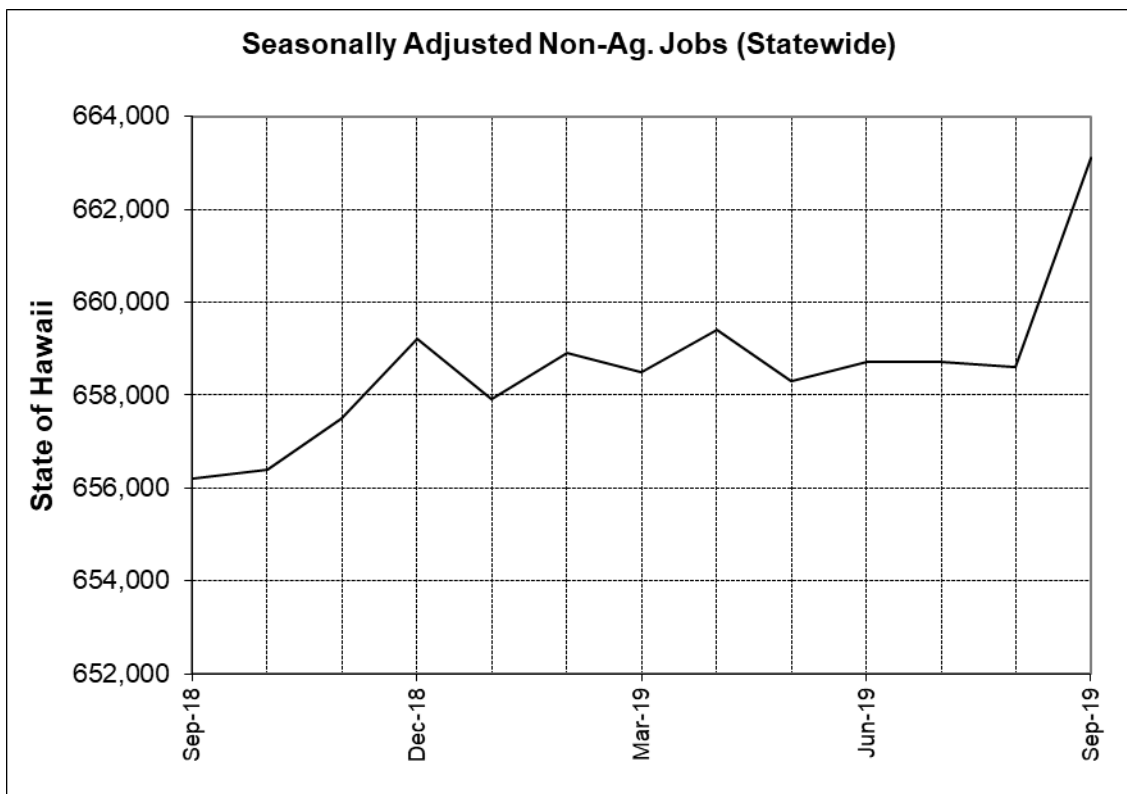
In another measure of employment, total nonagricultural jobs increased by 4,500 over-the-month. Among the major industries, there were job gains in Construction (+1,000), Financial Activities (+400), Leisure & Hospitality (+400), Professional & Business Services (+300), Manufacturing (+100), Trade, Transportation, & Utilities (+100), and Information (+100). Job losses occurred in Other Services (-100) and Education & Health Services (-200). Government went up by 2,400 jobs, as a biennial seasonal function of not needing to release primary election workers from the prior month. In comparison with September 2018, total nonfarm jobs have expanded by 6,900, or 1.1 percent.

**Initial Claims and Weekly Claims
by Monthly Average
September 2018 - September 2019**



Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Sep-19	Aug-19	Sep-18
MINING, LOGGING & CONSTRUCTION	38,400	37,400	36,100
MANUFACTURING	14,000	13,900	13,900
Durable Goods	3,800	3,800	3,700
Non-Durable Goods	10,200	10,100	10,200
TRADE, TRANSPORTATION & UTILITIES	119,200	119,100	122,800
Wholesale Trade	17,300	17,400	17,700
Retail Trade	68,900	68,600	71,600
Transportation, Warehousing, & Utilities	33,000	33,100	33,500
INFORMATION	9,500	9,400	9,600
FINANCIAL ACTIVITIES	28,800	28,400	28,600
Finance & Insurance	15,800	15,600	15,900
Real Estate & Rental & Leasing	13,000	12,800	12,700
PROFESSIONAL & BUSINESS SERVICES	83,800	83,500	82,700
Professional, Scientific, Tech Svcs	24,000	24,100	24,700
Management of Companies & Enterprises	9,300	9,200	8,900
Administrative & Support & Waste Mgmt	50,500	50,200	49,100
EDUCATION & HEALTH SERVICES	86,900	87,100	85,600
Educational Services	14,600	14,400	14,200
Health Care & Social Assistance	72,300	72,700	71,400
LEISURE & HOSPITALITY	126,500	126,100	123,700
Arts, Entertainment & Recreation	12,700	12,700	12,700
Accommodation & Food Services	113,800	113,400	111,000
OTHER SERVICES	28,500	28,600	28,000
GOVERNMENT	127,500	125,100	125,200
Federal Government	34,000	34,100	33,700
State Government	74,400	71,900	72,700
Local Government	19,100	19,100	18,800
TOTAL: STATEWIDE	663,100	658,600	656,200
TOTAL: HONOLULU MSA	484,000	482,100	477,500
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	78,400	77,900	77,100



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 Hawai'i 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 2014-2018 have been re-estimated to reflect revised population controls and model reestimation, and for seasonally adjusted data, new seasonal adjustment.

Change to Monthly Employment Estimates

This release incorporates revised job count figures for 2014-2018 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 Hawai'i and our metropolitan areas. These estimates were based on a monthly survey of Hawai'i 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 Hawai'i, 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 Hawai'i'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 2018 through second quart of 2019 averages.

Alternative Measures of Labor Underutilization for US and Hawai'i, third quarter of 2018 through second quarter of 2019 averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.4	1.8	3.8	4.0	4.7	7.4
Hawai'i	0.9	1.2	2.8	3.1	4.0	6.9

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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