



**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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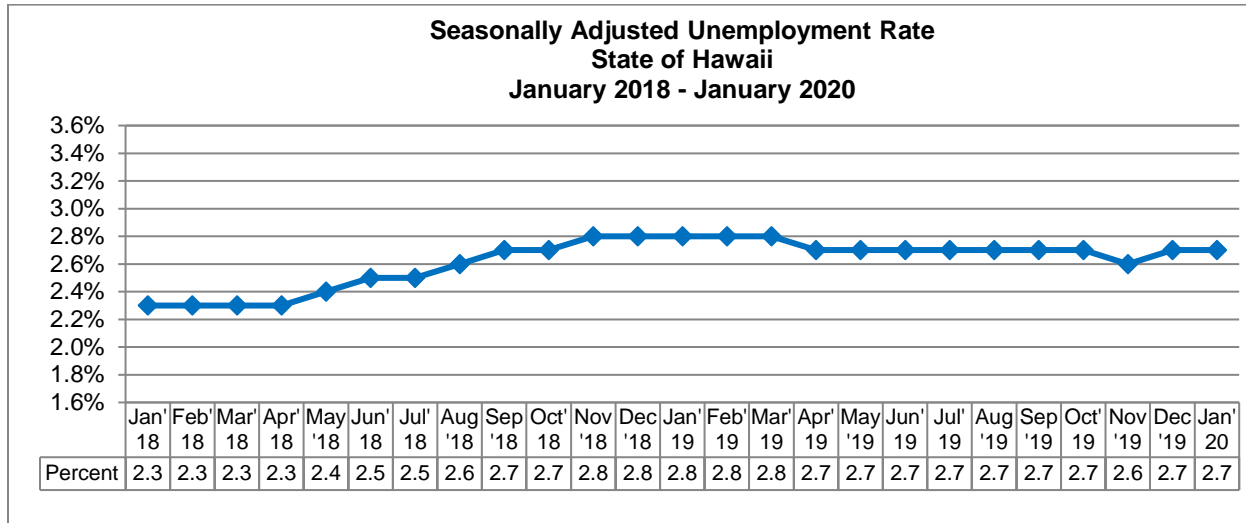
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**FOR IMMEDIATE RELEASE**  
March 13, 2020

**HAWAII'S UNEMPLOYMENT RATE AT  
2.7 PERCENT IN JANUARY**

**Jobs Increase by 1,500 Over-the-Year**

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for January was 2.7 percent, the same as the revised rate for December. Statewide, 650,350 were employed and 17,750 unemployed in January for a total seasonally adjusted labor force of 668,100. Nationally, the seasonally adjusted unemployment rate was 3.6 percent in January, compared to 3.5 percent in December.



Both Initial claims and weeks claims decreased by -28 or -1.9 percent and -112 or -1.6 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims increased by 21.6 percent and 17.2 percent respectively in January 2020.

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 2.9 percent in January, compared to 2.2 percent in December.

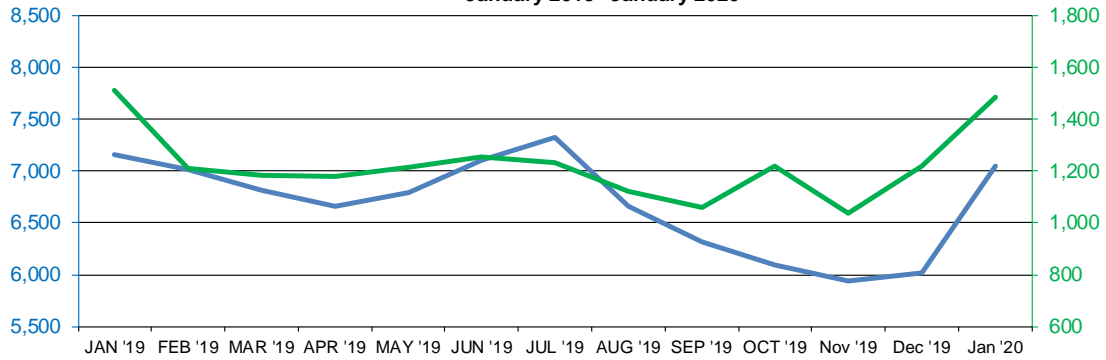
State of Hawaii Seasonally Adjusted Labor Force Data**									
			<u>Jan 2020</u>		<u>Dec 2019*</u>		<u>Jan 2019*</u>		
Labor Force			668,100		666,550		666,950		
Employment			650,350		648,850		648,450		
Unemployment			17,750		17,650		18,500		
* benchmarked data   **totals may not add due to rounding									

			JAN		DEC*		JAN*
			2020		2019		2019
<u>Seasonally Adjusted</u>							
<b>STATE</b>			<b>2.7</b>		<b>2.7</b>		<b>2.8</b>
<b>U. S.</b>			<b>3.6</b>		<b>3.5</b>		<b>4.0</b>
<u>Not Seasonally Adjusted</u>							
<b>STATE</b>			<b>2.9</b>		<b>2.2</b>		<b>2.9</b>
HONOLULU			2.7		2.1		2.7
HAWAII COUNTY			3.5		2.8		3.6
KAUAI			3.0		2.4		2.9
MAUI COUNTY			2.8		2.2		2.8
	Maui Island		2.8		2.1		2.8
	Molokai		4.3		5.5		4.2
	Lanai		2.6		0.9		1.4
<b>U. S.</b>			<b>4.0</b>		<b>3.4</b>		<b>4.4</b>
county & island rates are not seasonally adjusted							
* benchmarked data							

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

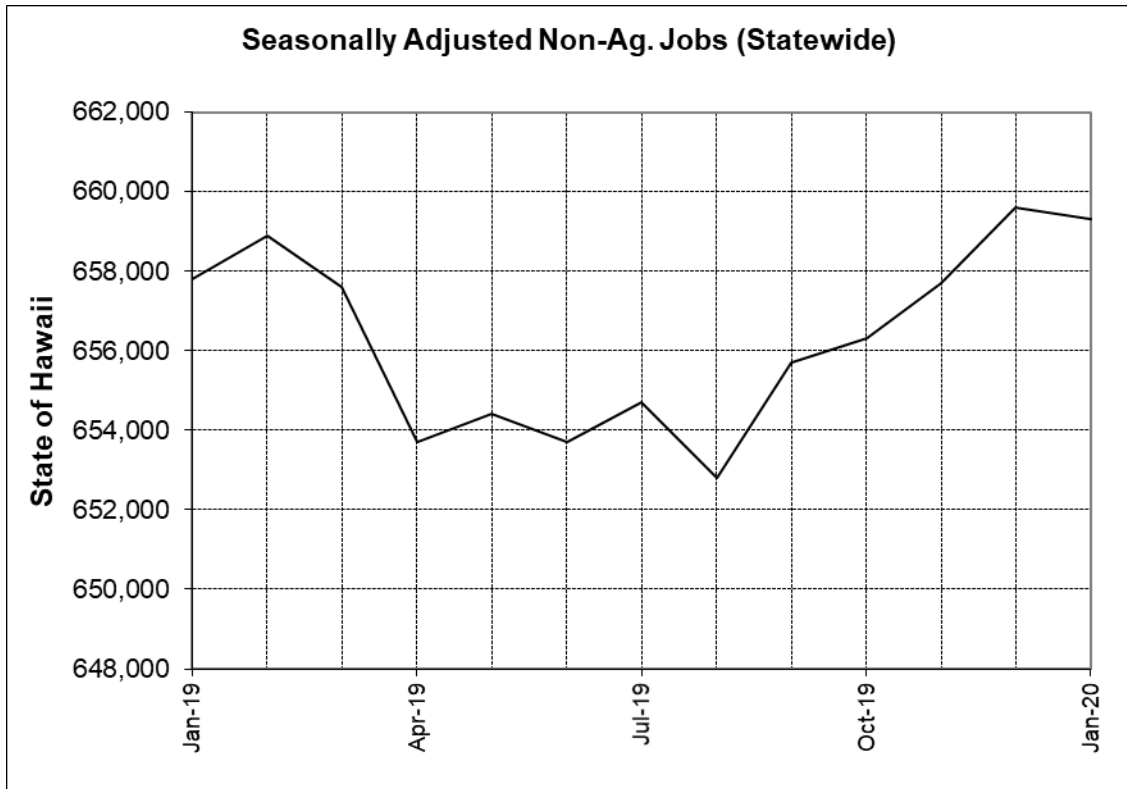
In another measure of employment, total nonagricultural jobs decreased by 300 over-the-month. Within the major industries, there were job gains in Leisure & Hospitality (+400), Education & Health Services (+200), Trade, Transportation, & Utilities (+100), and Other Services (+100). Employment in Manufacturing remained unchanged. Job losses occurred in Professional & Business Services (-100), Information (-200), Financial Activities (-400) and Construction (-500). Government employment increased by 100 jobs. In comparison with January 2019, total nonfarm jobs have risen by 1,500, or 0.2 percent.

**Initial Claims and Weekly Claims  
by Monthly Average  
January 2019 - January 2020**



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

	Jan-20	Dec-19	Jan-19
MINING, LOGGING & CONSTRUCTION	36,800	37,300	37,200
MANUFACTURING	14,000	14,000	14,300
Durable Goods	3,500	3,700	3,900
Non-Durable Goods	10,500	10,300	10,400
TRADE, TRANSPORTATION & UTILITIES	123,800	123,700	124,500
Wholesale Trade	18,000	18,100	18,400
Retail Trade	70,900	70,900	72,100
Transportation, Warehousing, & Utilities	34,900	34,700	34,000
INFORMATION	8,400	8,600	9,200
FINANCIAL ACTIVITIES	29,400	29,800	29,700
Finance & Insurance	16,500	16,600	16,300
Real Estate & Rental & Leasing	12,900	13,200	13,400
PROFESSIONAL & BUSINESS SERVICES	75,000	75,100	74,700
Professional, Scientific, Tech Svcs	24,400	24,400	25,100
Management of Companies & Enterprises	9,000	9,000	9,400
Administrative & Support & Waste Mgmt	41,600	41,700	40,200
EDUCATION & HEALTH SERVICES	88,300	88,100	86,700
Educational Services	14,400	14,300	14,300
Health Care & Social Assistance	73,900	73,800	72,400
LEISURE & HOSPITALITY	127,900	127,500	126,800
Arts, Entertainment & Recreation	13,900	13,800	13,900
Accommodation & Food Services	114,000	113,700	112,900
OTHER SERVICES	28,300	28,200	28,600
GOVERNMENT	127,400	127,300	126,100
Federal Government	34,500	34,800	34,000
State Government	74,000	73,600	73,100
Local Government	18,900	18,900	19,000
<b>TOTAL: STATEWIDE</b>	<b>659,300</b>	<b>659,600</b>	<b>657,800</b>
<b>TOTAL: HONOLULU MSA</b>	<b>474,500</b>	<b>473,500</b>	<b>473,500</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>80,600</b>	<b>80,500</b>	<b>80,800</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 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 2010-2019 have revised inputs and have been re-estimated to reflect revised population controls and model reestimation.

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

This release incorporates revised job count figures for the seasonally adjusted series. The revised data reflects historical corrections applied to unadjusted supersector or sector level series dating back from 1993 through 2019. 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, 2019 Annual Averages.*

### **Alternative Measures of Labor Underutilization for US and Hawai'i, 2019 Annual Averages** (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.3	1.7	3.7	3.9	4.5	7.2
Hawai'i	0.9	1.2	2.8	3.0	3.8	6.8

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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View DLIR news releases:

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

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