



## DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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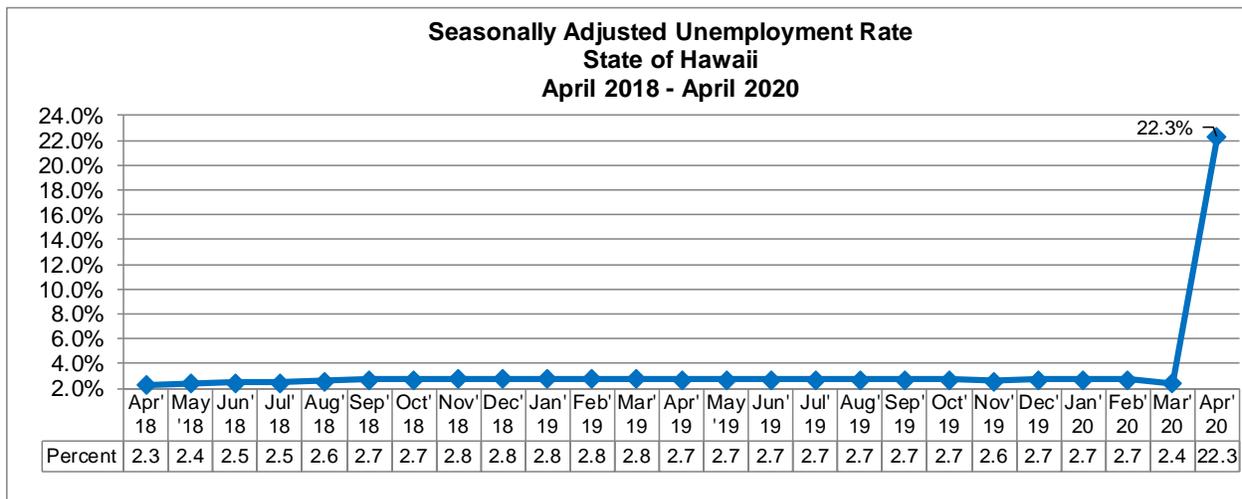
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**FOR IMMEDIATE RELEASE**  
May 21, 2020

### HAWAII'S UNEMPLOYMENT RATE AT 22.3 PERCENT IN APRIL

#### Jobs declined by 121,800 over-the-month

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for April was 22.3 percent. The historic increase from the revised rate of 2.4 percent in March reflects the economic impact of COVID-19 in Hawai'i. Statewide, 487,550 were employed and 139,900 unemployed in April for a total seasonally adjusted labor force of 627,450. Nationally, the seasonally adjusted unemployment rate was 14.7 percent in April, rising from 4.4 percent in March.

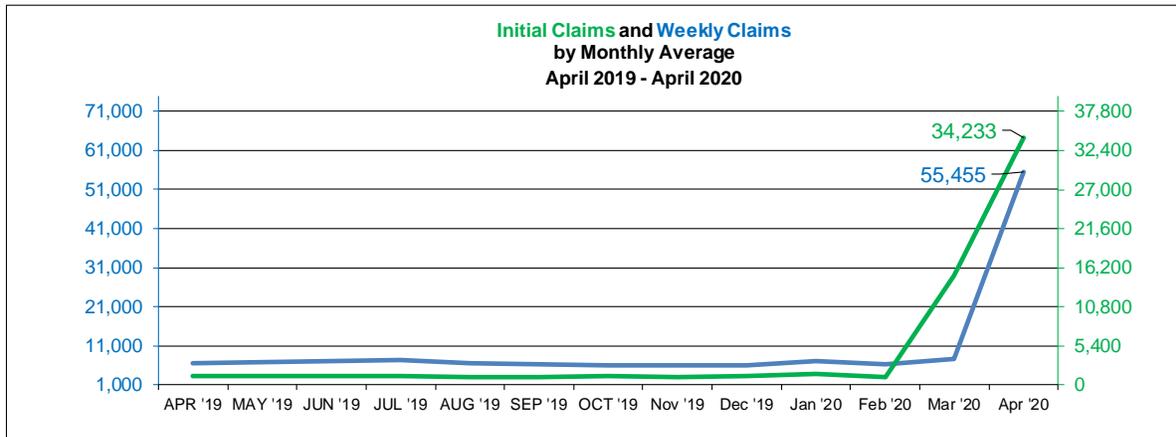


Initial claims for unemployment benefits increased by 13,900 or 1,173.0 percent compared to one year ago. Over-the-month initial claims also jumped by 1,250.5 percent as businesses shut down or reduced operations when the COVID-19 state of emergency mandated statewide closures and stay-at-home orders took effect.



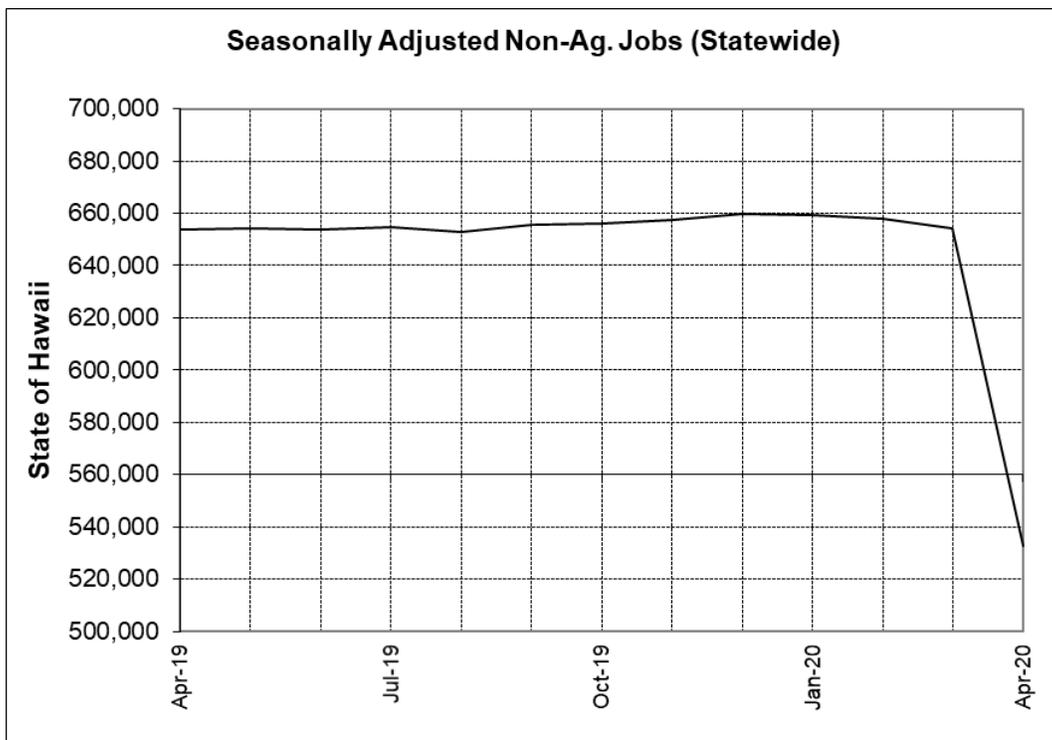
## Industry Payroll Employment (Establishment Survey)

In a separate measure of employment, total nonagricultural jobs decreased by 121,800 in April over March. Among the major industries, there were job losses in Leisure & Hospitality (-70,000), Trade, Transportation, & Utilities (-16,100), Professional & Business Services (-6,600), Other Services (-5,900), Educational & Health Services (-4,900), Manufacturing (-3,200), Financial Activities (-1,600), and Construction (-800). Employment in Information remained unchanged. Government employment went down by 12,700 jobs, primarily in the Department of Education and the University of Hawaii system. In comparison with April 2019, total nonfarm jobs are lower by 121,200, or -18.5 percent.



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

	Apr-20	Mar-20	Apr-19
MINING, LOGGING & CONSTRUCTION	37,400	38,200	37,400
MANUFACTURING	10,800	14,000	14,100
Durable Goods	3,200	3,500	3,800
Non-Durable Goods	7,600	10,500	10,300
TRADE, TRANSPORTATION & UTILITIES	106,200	122,300	123,600
Wholesale Trade	16,900	17,900	18,300
Retail Trade	61,500	69,700	71,400
Transportation, Warehousing, & Utilities	27,800	34,700	33,900
INFORMATION	8,300	8,300	8,200
FINANCIAL ACTIVITIES	27,800	29,400	30,000
Finance & Insurance	16,400	16,400	16,700
Real Estate & Rental & Leasing	11,400	13,000	13,300
PROFESSIONAL & BUSINESS SERVICES	67,500	74,100	73,500
Professional, Scientific, Tech Svcs	22,900	24,200	24,500
Management of Companies & Enterprises	8,500	9,000	9,000
Administrative & Support & Waste Mgmt	36,100	40,900	40,000
EDUCATION & HEALTH SERVICES	82,700	87,600	86,500
Educational Services	12,300	14,100	13,900
Health Care & Social Assistance	70,400	73,500	72,600
LEISURE & HOSPITALITY	55,800	125,800	126,200
Arts, Entertainment & Recreation	7,900	13,600	13,700
Accommodation & Food Services	47,900	112,200	112,500
OTHER SERVICES	21,700	27,600	28,300
GOVERNMENT	114,300	127,000	125,900
Federal Government	34,100	35,000	33,700
State Government	61,300	73,000	73,200
Local Government	18,900	19,000	19,000
<b>TOTAL: STATEWIDE</b>	<b>532,500</b>	<b>654,300</b>	<b>653,700</b>
<b>TOTAL: HONOLULU MSA</b>	<b>392,900</b>	<b>470,500</b>	<b>470,200</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>60,100</b>	<b>79,400</b>	<b>80,400</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 estimates for both the seasonally adjusted and not seasonally adjusted areas are produced by BLS. 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 thinks 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. BLS can be reached at (202) 691-6533 for any questions about these estimates.

The not seasonally adjusted job estimates for Hawaii County, Kauai County, Maui Island, Molokai, and Lanai are produced by the State of Hawaii Department of Labor & Industrial Relations.

### **Seasonally Adjusted Labor Force & Unemployment Estimates for Honolulu & Maui Co.**

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, second quarter of 2019 through first quarter of 2020 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	1.0	1.1	2.6	2.8	3.5	6.4

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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