



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

DAVID Y. IGE
GOVERNOR

SCOTT T. MURAKAMI
DIRECTOR

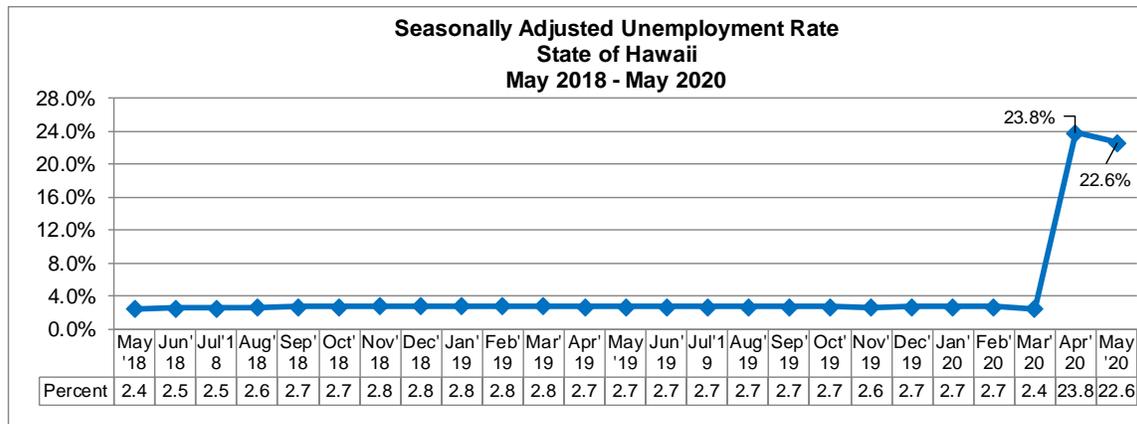
FOR IMMEDIATE RELEASE

June 18, 2020

HAWAI'I'S UNEMPLOYMENT RATE AT 22.6 PERCENT IN MAY

Jobs declined by 131,600 over-the-year

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for May was 22.6 percent compared to the revised rate of 23.8 percent in April. Statewide, 490,700 were employed and 143,150 unemployed in May for a total seasonally adjusted labor force of 633,850. Nationally, the seasonally adjusted unemployment rate was 13.3 percent in May, down from 14.7 percent in April.



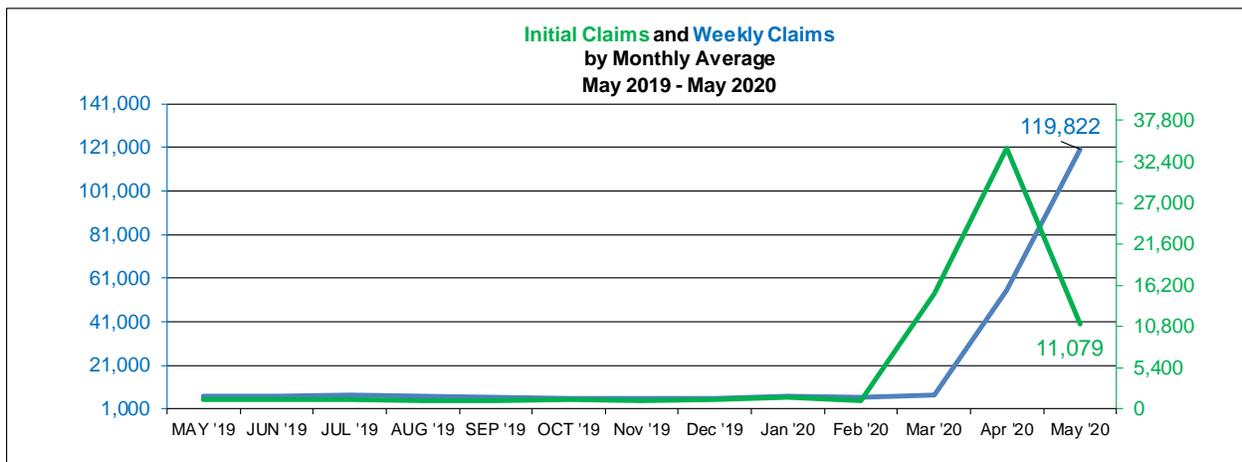
The unemployment rate figures for the State of Hawai'i and the U.S. in this release are seasonally adjusted, in accordance with the U.S. Bureau of Labor Statistics (BLS) methodology. The not seasonally adjusted rate for the State was 22.5 percent in May, compared to the revised rate of 23.6 percent in April.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	May 2020	Apr 2020	May 2019*
Labor Force	633,850	633,700	662,550
Employment	490,700	482,800	644,350
Unemployment	143,150	150,900	18,200

* benchmarked data **totals may not add due to rounding

	MAY 2020	APR 2020	MAY*
<u>Seasonally Adjusted</u>			
STATE	22.6	23.8	2.7
U. S.	13.3	14.7	3.6
<u>Not Seasonally Adjusted</u>			
STATE	22.5	23.6	2.6
HONOLULU	19.9	20.5	2.5
HAWAII COUNTY	21.1	23.3	3.2
KAUAI	29.9	33.0	2.4
MAUI COUNTY	33.4	34.6	2.5
Maui Island	34.5	35.7	2.4
Molokai	14.0	12.3	5.9
Lanai	5.0	4.2	0.9
U. S.	13.0	14.4	3.4
county & island rates are not seasonally adjusted			
* benchmarked data			

Unemployment Insurance (UI) Claims



While initial claims for unemployment insurance set records in March and April, initial claims in May declined by 67.6 percent. Weeks claims, however, expanded by 116.1 percent as more claims were being processed by the DLIR and many businesses remained shuttered due to COVID-19. Compared to one year ago, initial claims grew by 9,866 or 813% and weeks claims expanded by 113,033 or 1,665%.

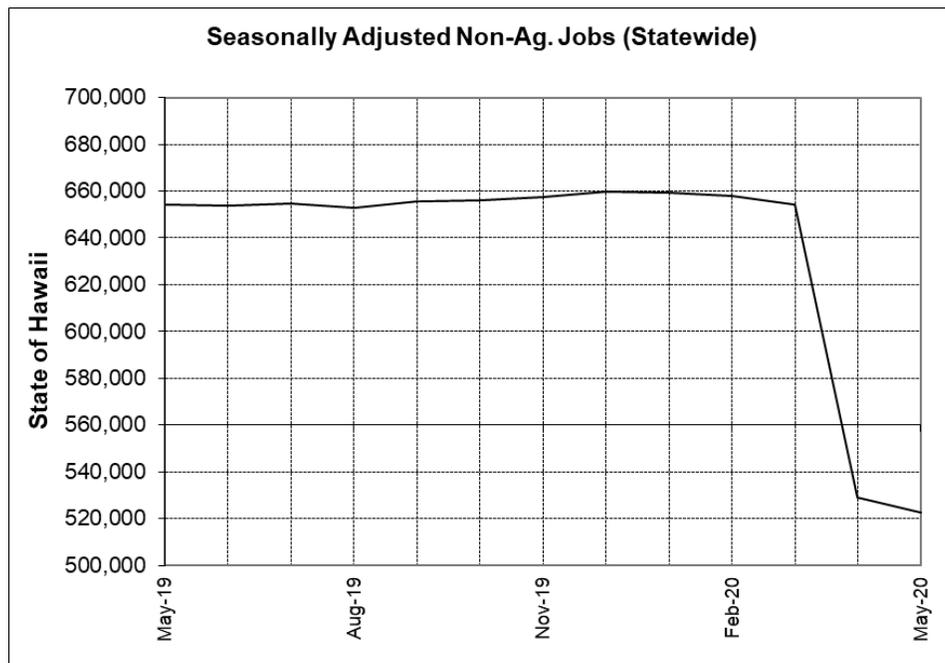
Industry Payroll Employment (Establishment Survey)

In another measure of employment, total nonagricultural jobs decreased by 6,000 over-the-month. Job losses were experienced in Information (-200), Financial Activities (-200),

Construction (-700), Trade, Transportation, & Utilities (-1,700), and Leisure & Hospitality (-4,500). Continued job reduction in Air Transportation and Accommodation were the primary reason for the drops in Trade, Transportation & Utilities, and Leisure & Hospitality. Government employment went down by 2,800 jobs, primarily in the Department of Education. Compared with one year ago, there has been a decline of 131,600 (-20.1%) nonfarm jobs, while the comparison with just two months ago (March) has the job count contracting by virtually the same amount, 131,500 or -20.1%.

Among the major industries, job gains occurred in Manufacturing (+1,500), Professional & Business Services (+1,300), Other Services (+700), and Education & Health Services (+600). Within Manufacturing, employment rose most strongly in Food Manufacturing, while in Professional & Business Services, hiring was robust in several subsectors within Administrative and Support and Waste Management and Remediation Services.

Seasonally Adjusted Non-Ag. Jobs (Statewide)			
	May-20	Apr-20	May-19
MINING, LOGGING & CONSTRUCTION	36,500	37,200	37,100
MANUFACTURING	12,100	10,600	14,100
Durable Goods	3,300	3,200	3,800
Non-Durable Goods	8,800	7,400	10,300
TRADE, TRANSPORTATION & UTILITIES	102,300	104,000	123,600
Wholesale Trade	15,500	15,800	18,200
Retail Trade	61,600	61,400	71,500
Transportation, Warehousing, & Utilities	25,200	26,800	33,900
INFORMATION	7,600	7,800	8,500
FINANCIAL ACTIVITIES	27,500	27,700	29,900
Finance & Insurance	16,400	16,400	16,700
Real Estate & Rental & Leasing	11,100	11,300	13,200
PROFESSIONAL & BUSINESS SERVICES	65,500	64,200	73,500
Professional, Scientific, Tech Svcs	23,100	23,100	24,600
Management of Companies & Enterprises	8,500	8,600	9,000
Administrative & Support & Waste Mgmt	33,900	32,500	39,900
EDUCATION & HEALTH SERVICES	82,600	82,000	86,900
Educational Services	11,500	11,500	14,100
Health Care & Social Assistance	71,100	70,500	72,800
LEISURE & HOSPITALITY	52,700	57,200	126,200
Arts, Entertainment & Recreation	7,200	5,500	13,800
Accommodation & Food Services	45,500	51,700	112,400
OTHER SERVICES	24,500	23,800	28,300
GOVERNMENT	111,500	114,300	126,300
Federal Government	33,900	34,100	34,200
State Government	58,900	61,400	73,000
Local Government	18,700	18,800	19,100
TOTAL: STATEWIDE	522,800	528,800	654,400
TOTAL: HONOLULU MSA	384,900	386,300	471,300
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	55,400	58,500	79,700



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 2010-2019 have revised inputs and have been re-estimated to reflect revised population controls and model re-estimation.

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 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. BLS can be reached at (202) 691-6533 for any questions about these estimates.

The not seasonally adjusted job estimates for Hawai'i 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.

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

###

View DLIR news releases:

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

Media Contact:

Bill Kunstman

Department of Labor and Industrial Relations

(808) 586-8845

william.g.kunstman@hawaii.gov

<http://labor.hawaii.gov>