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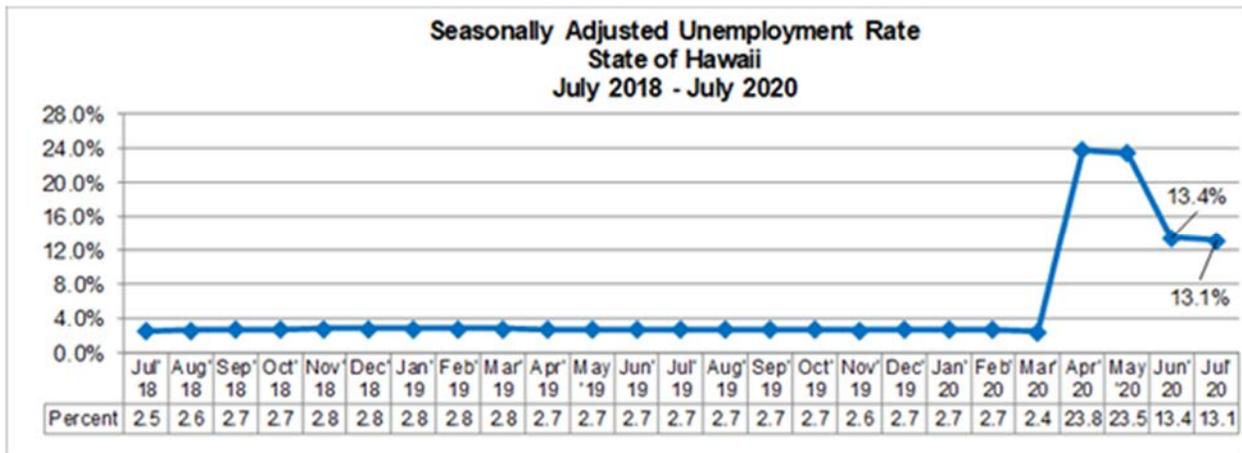
FOR IMMEDIATE RELEASE

August 20, 2020

HAWAII'S UNEMPLOYMENT RATE AT 13.1 PERCENT IN JULY

Jobs declined by 105,500 over-the-year

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for July was 13.1 percent compared to the revised rate of 13.4 percent in June. Statewide, 551,750 were employed and 83,250 unemployed in July for a total seasonally adjusted labor force of 635,000. Nationally, the seasonally adjusted unemployment rate was 10.2 percent in July, down from 11.1 percent in June.



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 also 13.1 percent in July, compared to the revised rate of 13.9 percent in June.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Jul 2020</u>	<u>Jun 2020</u>	<u>Jul 2019*</u>
Labor Force	635,000	630,800	663,550
Employment	551,750	546,300	645,400
Unemployment	83,250	84,500	18,150

* benchmarked data

**totals may not add due to rounding

	<u>JUL</u>	<u>JUN</u>	<u>JUL*</u>
	2020	2020	2019
<u>Seasonally Adjusted</u>			
STATE	13.1	13.4	2.7
U. S.	10.2	11.1	3.7
<u>Not Seasonally Adjusted</u>			
STATE	13.1	13.9	2.8
HONOLULU	11.1	12.2	2.6
HAWAII COUNTY	12.8	13.2	3.7
KAUAI	18.7	19.4	2.6
MAUI COUNTY	21.3	21.6	2.6
Maui Island	22.0	22.3	2.5
Molokai	7.9	9.6	8.0
Lanai	4.8	3.6	1.0
U. S.	10.5	11.2	4.0

county & island rates are not seasonally adjusted

* benchmarked data

Unemployment Insurance (UI) Claims



Initial claims for unemployment benefits continued to contract, dropping by 3.8 percent over the month. Weeks claims continued to rise, growing by 2.5 percent as establishments remained closed due to COVID-19.

In comparison to one year ago, initial claims increased by 5,999 or 487 percent and weeks claims trended up by 121,487 or 1,659 percent.

Industry Payroll Employment (Establishment Survey)

In another measure of employment, total nonagricultural jobs increased by 200 over-the-month. Job losses were experienced in Leisure & Hospitality (-4,600), Professional & Business Services (-1,900), Trade, Transportation, & Utilities (-400), Manufacturing (-300), and Construction (-200). Within Leisure & Hospitality, job contraction was attributed to numerous layoffs in Accommodation. In the Professional & Business Services sector, the vast majority of the decline was in Administrative and Support & Waste Management & Remediation Services. Employment in Information, Financial Activities, and Other Services remained unchanged. Job gains took place in Education & Health Services (+500). Government employment rose by 7,100, largely the result of an atypical June-July modest gain in the Department of Education whereas there is normally a significant June-July drop off. Compared with one year ago, there has been a decline of 105,500 (-16.1 percent) nonfarm jobs, while compared with just three months ago (March) the job count has contracted by nearly the same amount, at -105,100 (-16.1 percent).

Seasonally Adjusted Non-Ag. Jobs (Statewide)			
	Jul-20	Jun-20	Jul-19
MINING, LOGGING & CONSTRUCTION	37,900	38,100	36,900
MANUFACTURING	11,300	11,600	13,900
Durable Goods	3,100	3,200	3,700
Non-Durable Goods	8,200	8,400	10,200
TRADE, TRANSPORTATION & UTILITIES	105,300	105,700	123,500
Wholesale Trade	15,600	15,500	18,100
Retail Trade	65,700	65,600	71,300
Transportation, Warehousing, & Utilities	24,000	24,600	34,100
INFORMATION	7,500	7,500	8,300
FINANCIAL ACTIVITIES	27,600	27,600	29,900
Finance & Insurance	16,400	16,400	16,700
Real Estate & Rental & Leasing	11,200	11,200	13,200
PROFESSIONAL & BUSINESS SERVICES	66,700	68,600	73,900
Professional, Scientific, Tech Svcs	24,300	24,300	24,600
Management of Companies & Enterprises	8,500	8,600	9,100
Administrative & Support & Waste Mgmt	33,900	35,700	40,200
EDUCATION & HEALTH SERVICES	83,400	82,900	86,800
Educational Services	11,300	11,300	14,100
Health Care & Social Assistance	72,100	71,600	72,700
LEISURE & HOSPITALITY	60,800	65,400	126,700
Arts, Entertainment & Recreation	8,300	8,400	13,900
Accommodation & Food Services	52,500	57,000	112,800
OTHER SERVICES	25,400	25,400	28,300
GOVERNMENT	123,300	116,200	126,500
Federal Government	33,800	34,300	34,300
State Government	71,100	63,400	73,100
Local Government	18,400	18,500	19,100
TOTAL: STATEWIDE	549,200	549,000	654,700
TOTAL: HONOLULU MSA	408,200	404,200	471,700
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	57,600	58,900	79,900



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 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 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 Hawai'i 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, third quarter of 2019 through second quarter of 2020 averages (percent).

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.3	4.1	5.9	6.2	6.9	10.4
Hawai'i	1.0	5.1	6.5	6.6	7.3	11.4

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

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