



**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

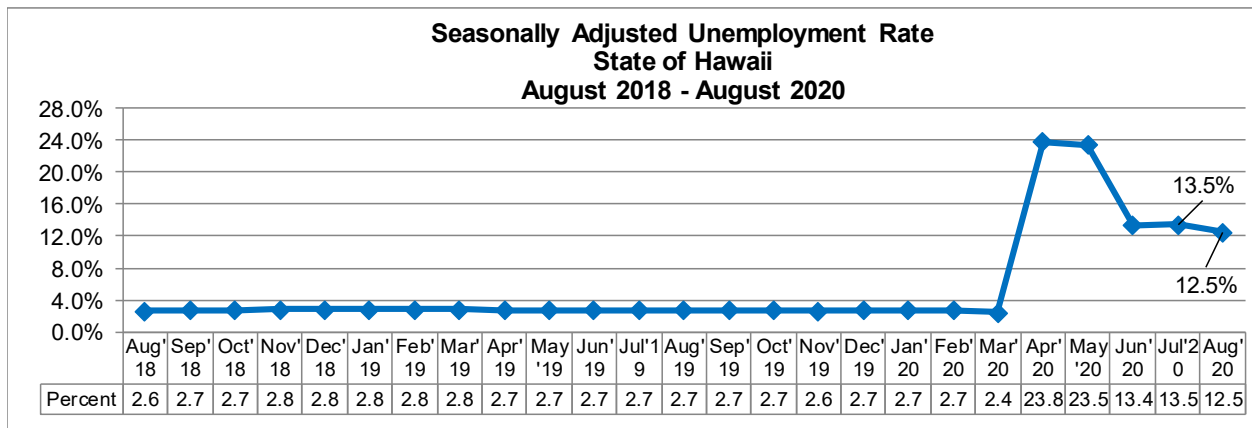
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**FOR IMMEDIATE RELEASE**  
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**HAWAII'S UNEMPLOYMENT RATE AT 12.5 PERCENT IN AUGUST**  
**Jobs declined by 105,200 over-the-year**

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for August was 12.5 percent compared to the revised rate of 13.5 percent in July. Statewide, 557,200 were employed and 79,700 unemployed in August for a total seasonally adjusted labor force of 636,900. Nationally, the seasonally adjusted unemployment rate was 8.4 percent in August, down from 10.2 percent in July.



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 12.5 percent in August, compared to the revised rate of 13.5 percent in July.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Aug 2020</u>	<u>Jul 2020</u>	<u>Aug 2019*</u>
Labor Force	636,900	638,100	664,650
Employment	557,200	552,050	646,600
Unemployment	79,700	86,100	18,050

\* benchmarked data

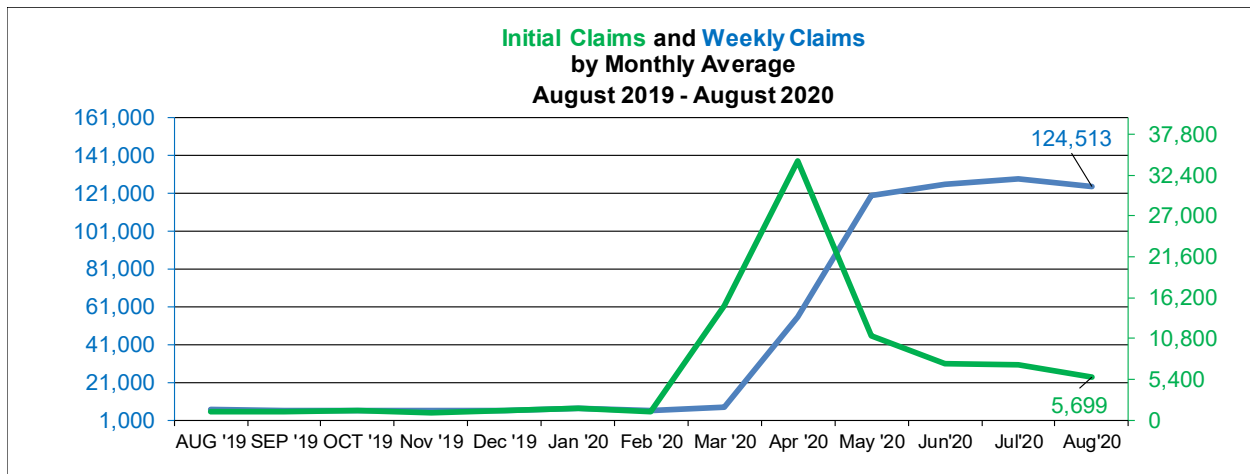
\*\*totals may not add due to rounding

	AUG 2020	JUL 2020	AUG*
<u>Seasonally Adjusted</u>			
STATE	12.5	13.5	2.7
U. S.	8.4	10.2	3.7
<u>Not Seasonally Adjusted</u>			
STATE	12.5	13.5	2.7
HONOLULU	10.6	11.5	2.6
HAWAII COUNTY	11.8	13.1	3.4
KAUAI	17.8	19.1	2.6
MAUI COUNTY	20.7	21.8	2.5
Maui Island	21.4	22.6	2.4
Molokai	6.9	8.1	7.2
Lanai	8.6	4.6	2.4
U. S.	8.5	10.5	3.8

county & island rates are not seasonally adjusted

\* benchmarked data

### Unemployment Insurance (UI) Claims



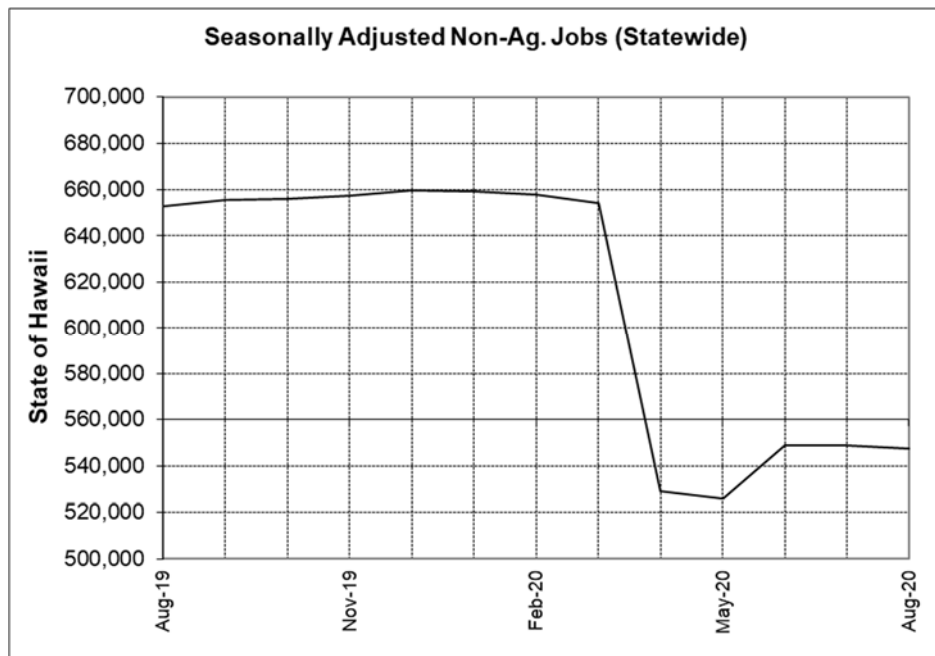
Initial claims for unemployment benefits continued its descent, falling by 21.2 percent over the month. Weeks claims also dropped, trending down by 3.3 percent even while establishments remained closed due to COVID-19.

In contrast to one year ago, initial claims grew by 4,576 or 408 percent and weeks claims rose by 117,853 or 1,770 percent.

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

In a separate measure of employment, total nonagricultural jobs decreased by 1,300 in August over July. Job losses occurred in Construction (-1,300), Trade, Transportation, & Utilities (-600), Leisure & Hospitality (-500), and Manufacturing (-300). Employment in Information and Professional & Business Services remained unchanged. Job gains were experienced in Financial Activities (+500), Education & Health Services (+200), and Other Services (+200). Government employment rose by 500, due to a rise in Federal Census work. Compared with one year ago, there has been a decline of 105,200 (-16.1 percent) nonfarm jobs, while compared with just three months ago (March) the job count contracted by 106,700 (-16.3 percent).

<b>Seasonally Adjusted Non-Ag. Jobs (Statewide)</b>			
	<b>Aug-20</b>	<b>Jul-20</b>	<b>Aug-19</b>
MINING, LOGGING & CONSTRUCTION	36,300	37,600	36,700
MANUFACTURING	11,100	11,400	13,900
Durable Goods	3,100	3,200	3,700
Non-Durable Goods	8,000	8,200	10,200
TRADE, TRANSPORTATION & UTILITIES	104,900	105,500	123,400
Wholesale Trade	15,400	15,600	18,100
Retail Trade	65,800	65,800	71,100
Transportation, Warehousing, & Utilities	23,700	24,100	34,200
INFORMATION	7,500	7,500	8,700
FINANCIAL ACTIVITIES	28,200	27,700	29,800
Finance & Insurance	16,800	16,600	16,700
Real Estate & Rental & Leasing	11,400	11,100	13,100
PROFESSIONAL & BUSINESS SERVICES	66,700	66,700	74,000
Professional, Scientific, Tech Svcs	24,100	24,200	24,600
Management of Companies & Enterprises	8,500	8,600	9,200
Administrative & Support & Waste Mgmt	34,100	33,900	40,200
EDUCATION & HEALTH SERVICES	83,300	83,100	86,900
Educational Services	11,600	11,200	14,000
Health Care & Social Assistance	71,700	71,900	72,900
LEISURE & HOSPITALITY	60,300	60,800	126,600
Arts, Entertainment & Recreation	8,400	8,300	13,800
Accommodation & Food Services	51,900	52,500	112,800
OTHER SERVICES	25,500	25,300	28,200
GOVERNMENT	123,800	123,300	124,600
Federal Government	35,700	33,800	34,300
State Government	69,700	71,100	71,200
Local Government	18,400	18,400	19,100
<b>TOTAL: STATEWIDE</b>	<b>547,600</b>	<b>548,900</b>	<b>652,800</b>
<b>TOTAL: HONOLULU MSA</b>	<b>405,500</b>	<b>407,900</b>	<b>471,300</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>57,400</b>	<b>57,200</b>	<b>79,700</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 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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View DLIR news releases:

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

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