



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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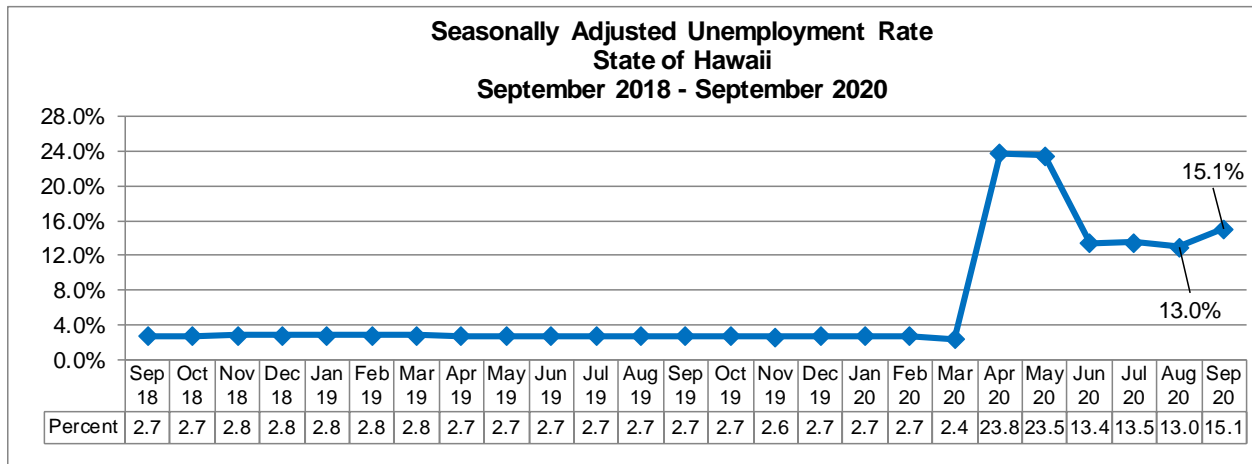
FOR IMMEDIATE RELEASE

October 19, 2020

HAWAII'S UNEMPLOYMENT RATE AT 15.1 PERCENT IN SEPTEMBER

Jobs Declined by 120,800 Over-the-Year

HONOLULU — The Hawai'i State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for September was 15.1 percent compared to the revised rate of 13.0 percent in August. Statewide, 520,200 were employed and 92,550 unemployed in September for a total seasonally adjusted labor force of 612,750. Nationally, the seasonally adjusted unemployment rate was 7.9 percent in September, down from 8.4 percent in August.



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 15.3 percent in September, compared to the revised rate of 12.9 percent in August.

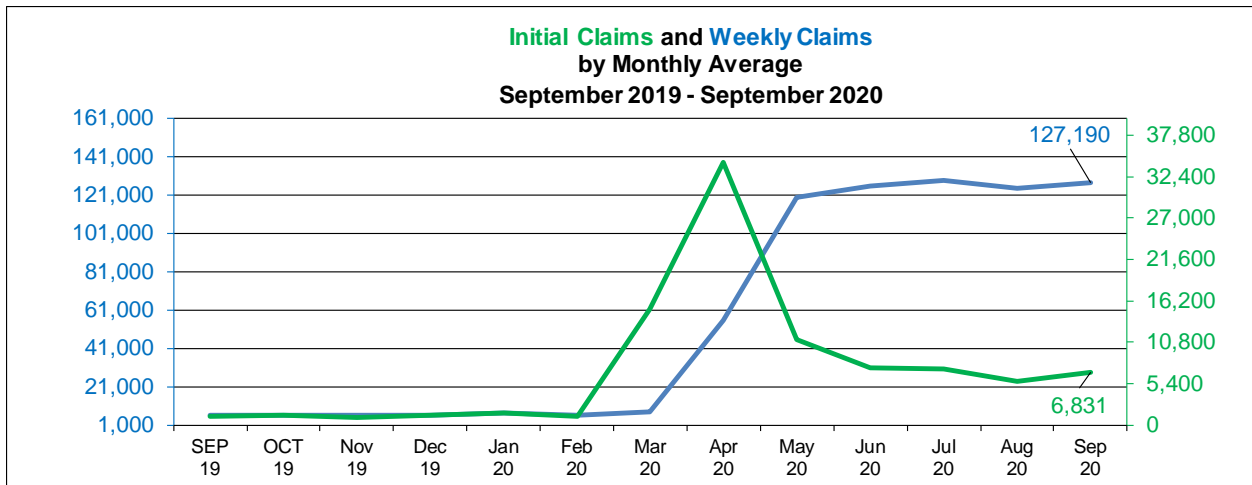
State of Hawaii Seasonally Adjusted Labor Force Data**			
	Sep 2020	Aug 2020	Sep 2019*
Labor Force	612,750	639,550	665,800
Employment	520,200	556,750	647,900
Unemployment	92,550	82,800	17,900
* benchmarked data **totals may not add due to rounding			

	SEP	AUG	SEP*
	2020	2020	2019
<u>Seasonally Adjusted</u>			
STATE	15.1	13.0	2.7
U. S.	7.9	8.4	3.5
<u>Not Seasonally Adjusted</u>			
STATE	15.3	12.9	2.8
HONOLULU	13.6	11.0	2.7
HAWAII COUNTY	13.6	12.3	3.5
KAUAI	20.5	18.3	2.7
MAUI COUNTY	23.6	21.1	2.7
Maui Island	24.0	21.8	2.6
Molokai	8.4	7.1	6.6
Lanai	25.0	8.8	1.6
U. S.	7.7	8.5	3.3
county & island rates are not seasonally adjusted			
* benchmarked data			

Unemployment Insurance (UI) Claims

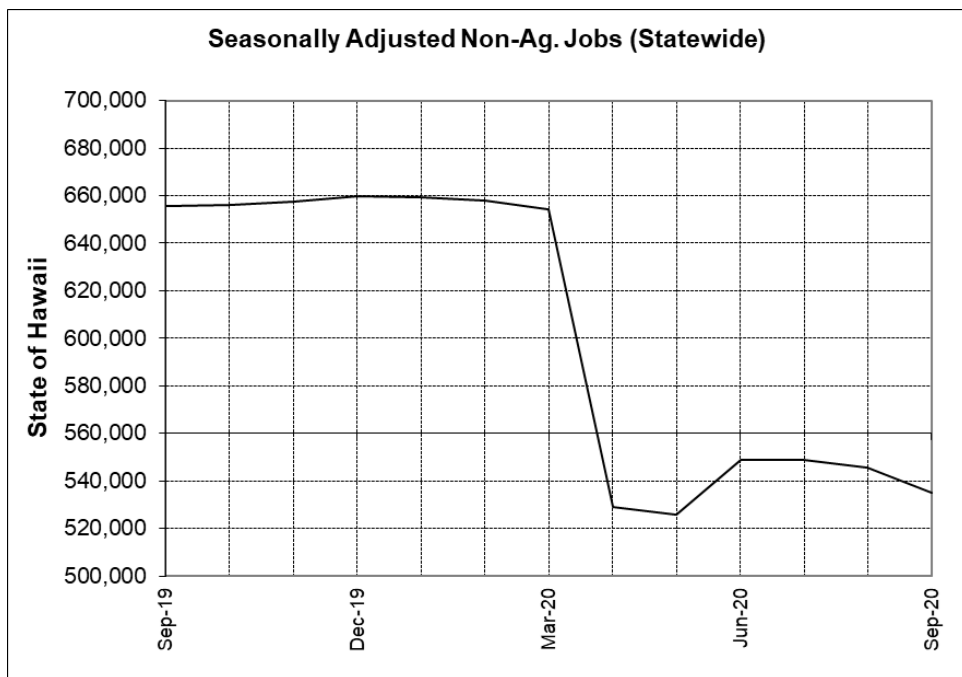
Initial claims for unemployment benefits were up 1,132 claims or nearly 20 percent over the month. Weeks claims, which represent the current number of insured unemployed workers filing weekly claims, also rose by 2,673, an increase of 2.1 percent. The increases were due to the multiple state and county orders regarding restrictions on businesses and travel. Establishments that had to remain closed could no longer retain furloughed employees or offer employees alternative work and began to implement permanent layoffs.

In comparison to one year ago, initial claims rose by 5,772 or 545 percent and weeks claims grew by 120,876 or 1,914 percent.



Industry Payroll Employment (Establishment Survey)

In another measure of employment, total nonagricultural jobs decreased by 10,700 over-the-month. Job losses were experienced in Leisure & Hospitality (-4,100), Trade, Transportation, & Utilities (-2,100), Education & Health Services (-900), Financial Activities (-400), Other Services (-200), and Information (-100). In Leisure & Hospitality, about two-thirds of the decline was in Accommodation & Food Services, with the remaining losses in Arts, Entertainment, & Recreation. In Trade, Transportation, & Utilities, job contraction was largely concentrated in Retail Trade. Employment in Manufacturing remained stable. Job gains occurred in Construction (+400) and Professional & Business Services (+100). Government employment contracted by 3,400, primarily due to less seasonal hiring in the Department of Education and the University of Hawai'i system. Compared to one year ago, nonfarm jobs declined by 120,800 (-18.4 percent), while compared to March, when the COVID-19 pandemic shutdown orders began, the job count contracted by 119,400 (-18.2 percent).



Seasonally Adjusted Non-Ag. Jobs (Statewide)			
	Sep-20	Aug-20	Sep-19
MINING, LOGGING & CONSTRUCTION	37,400	37,000	36,700
MANUFACTURING	11,200	11,200	14,000
Durable Goods	3,200	3,100	3,700
Non-Durable Goods	8,000	8,100	10,300
TRADE, TRANSPORTATION & UTILITIES	103,300	105,400	123,400
Wholesale Trade	15,000	15,400	18,100
Retail Trade	64,100	66,000	71,100
Transportation, Warehousing, & Utilities	24,200	24,000	34,200
INFORMATION	7,500	7,600	8,700
FINANCIAL ACTIVITIES	27,500	27,900	29,800
Finance & Insurance	16,500	16,700	16,700
Real Estate & Rental & Leasing	11,000	11,200	13,100
PROFESSIONAL & BUSINESS SERVICES	66,400	66,300	73,800
Professional, Scientific, Tech Svcs	24,200	24,100	24,500
Management of Companies & Enterprises	8,200	8,400	9,100
Administrative & Support & Waste Mgmt	34,000	33,800	40,200
EDUCATION & HEALTH SERVICES	82,500	83,400	87,100
Educational Services	11,000	11,600	14,000
Health Care & Social Assistance	71,500	71,800	73,100
LEISURE & HOSPITALITY	53,600	57,700	126,700
Arts, Entertainment & Recreation	6,800	8,200	13,700
Accommodation & Food Services	46,800	49,500	113,000
OTHER SERVICES	25,200	25,400	28,100
GOVERNMENT	120,300	123,700	127,400
Federal Government	34,900	35,600	34,400
State Government	66,300	69,700	73,700
Local Government	19,100	18,400	19,300
TOTAL: STATEWIDE	534,900	545,600	655,700
TOTAL: HONOLULU MSA	394,900	404,200	471,900
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	56,500	57,100	80,200

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.

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