



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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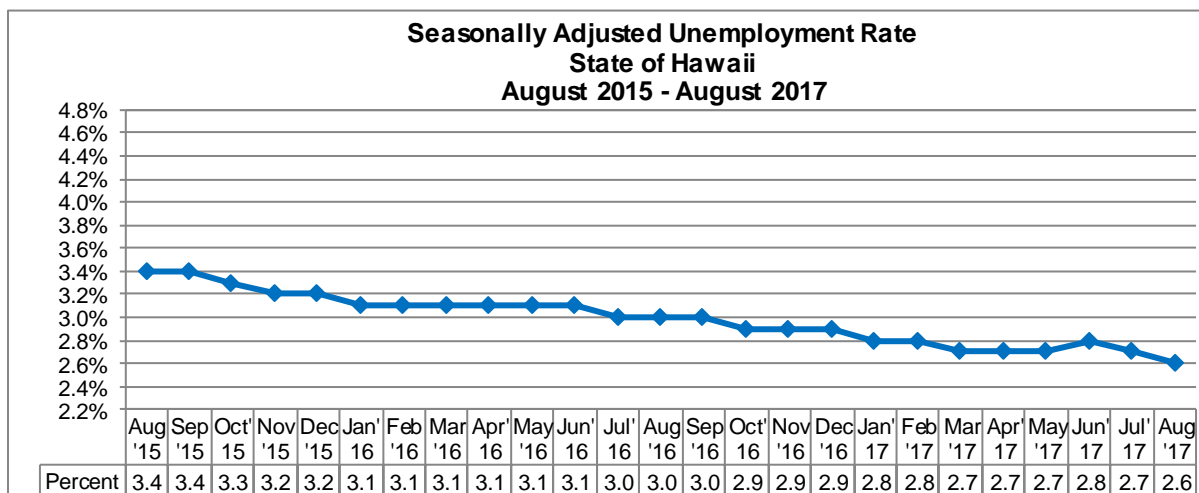
FOR IMMEDIATE RELEASE

September 14, 2017

HAWAII'S UNEMPLOYMENT RATE AT 2.6 PERCENT IN AUGUST

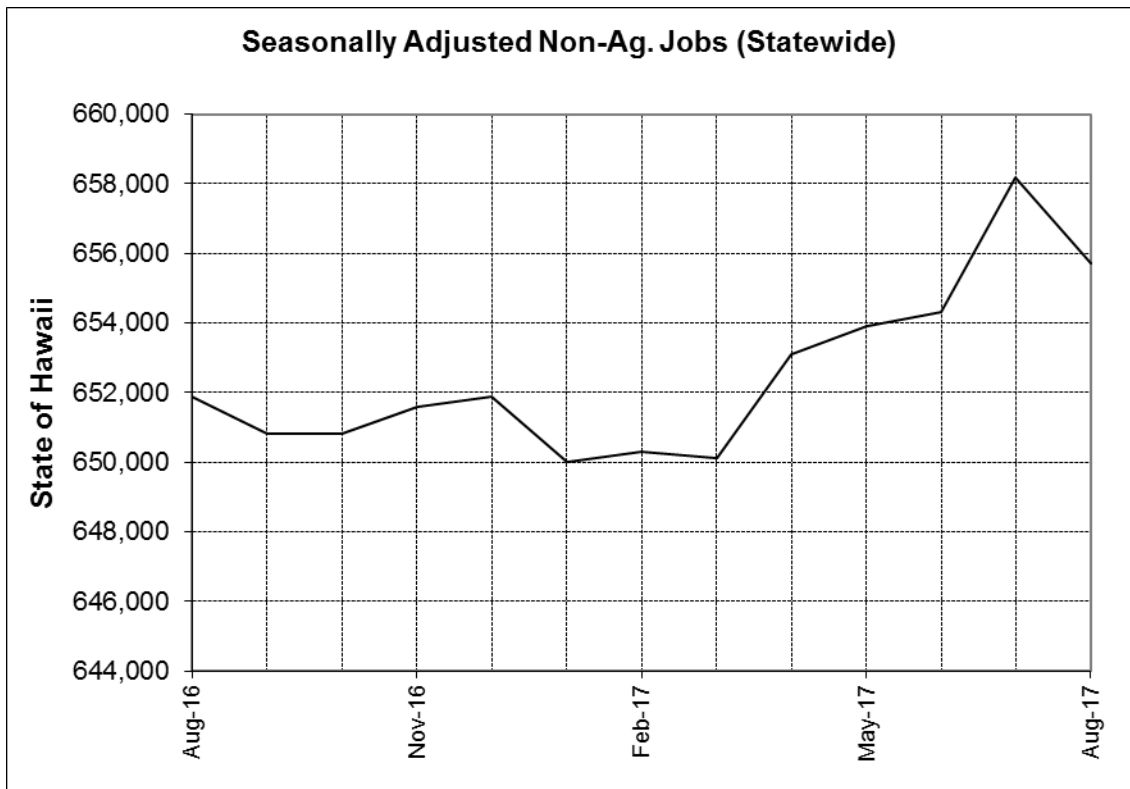
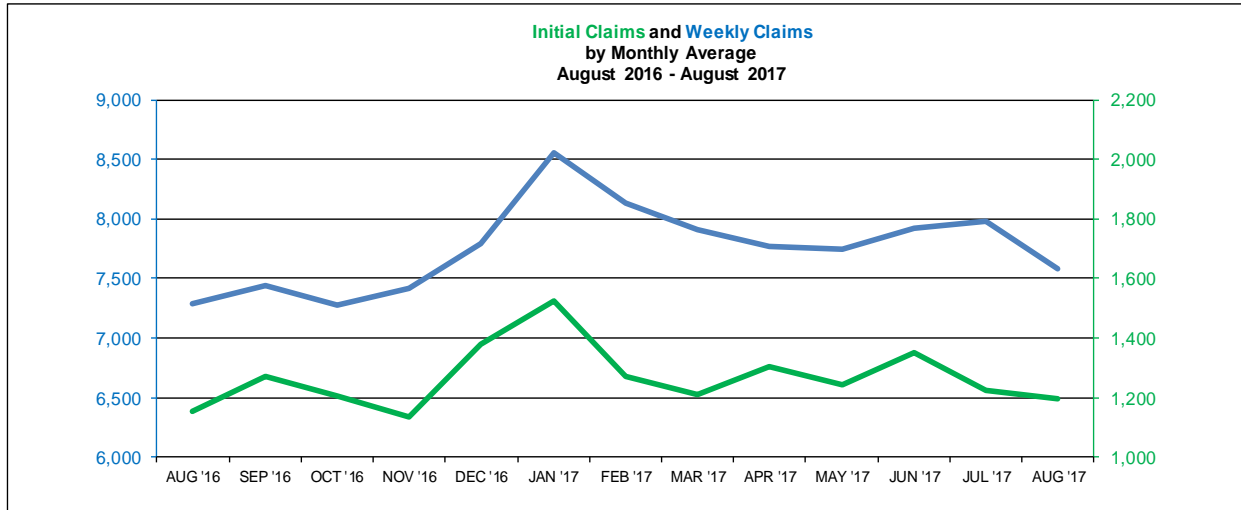
Lowest Rate since April 2007

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for August was 2.6 percent, compared to 2.7 percent for July. The last time Hawaii's unemployment rate was 2.6 percent was in April 2007. Statewide, 672,350 were employed and 18,050 unemployed in August for a total seasonally adjusted labor force of 690,400. "A 2.6 percent unemployment rate is essentially full employment according to conventional economic theory," said Linda Chu Takayama, DLIR Director. Nationally, the seasonally adjusted unemployment rate was 4.4 percent in August, compared to 4.3 percent in July.



Both Initial claims and weeks claims increased by 43 or 3.7 percent and by 294 or 4.0 percent respectively for unemployment benefits compared to one year ago. Over-the-month both initial claims and weeks claims decreased by -2.1 percent and -5.0 percent respectively in August 2017.

Services (+1,300) and Construction (+400). Most of the employment expansion in Professional & Business Services was in Administrative & Support & Waste Management & Remediation Services, more specifically in Temporary Help Services. Job losses occurred in Information (-100), Manufacturing (-300), Financial Activities (-400), Other Services (-400), Leisure & Hospitality (-800), Educational & Health Services (-1,300), and Trade, Transportation, & Utilities (-1,400). Within Educational & Health Services, much of the decline was in Health Care and Social Assistance, most notably in Ambulatory Health Care Services. Job contraction in Retail Trade was the largest factor in the drop in Trade, Transportation, & Utilities. Government employment rose by 500 jobs. Over-the-year, total nonfarm jobs have expanded by 3,800.



Seasonally Adjusted Non-Ag. Jobs (Statewide)			
SELECTED SERIES:	Aug-17	Jul-17	Aug-16*
MINING, LOGGING & CONSTRUCTION	37,400	37,000	38,000
MANUFACTURING	13,700	14,000	14,100
Durable Goods	3,700	3,700	3,700
Non-Durable Goods	10,000	10,300	10,400
TRADE, TRANSPORTATION & UTILITIES	122,500	123,900	120,400
Wholesale Trade	16,700	17,000	17,800
Retail Trade	73,500	74,400	70,600
INFORMATION	9,100	9,200	9,600
FINANCIAL ACTIVITIES	27,500	27,900	28,400
Finance & Insurance	15,600	15,800	16,000
Real Estate & Rental & Leasing	11,900	12,100	12,400
PROFESSIONAL & BUSINESS SERVICES	87,400	86,100	83,700
Professional, Scientific, Tech Svcs	24,600	24,300	24,300
Administrative & Support & Waste Mgmt	53,200	52,300	50,600
EDUCATIONAL & HEALTH SERVICES	84,700	86,000	83,900
Educational Services	15,500	15,600	15,300
Health Care & Social Assistance	69,200	70,400	68,600
LEISURE & HOSPITALITY	122,200	123,000	118,500
Arts, Entertainment & Recreation	12,100	12,400	12,000
Accommodation & Food Services	110,100	110,600	106,500
OTHER SERVICES	27,200	27,600	27,300
GOVERNMENT	124,000	123,500	128,000
Federal Government	33,400	33,400	33,200
State Government	71,600	71,000	75,800
Local Government	19,000	19,100	19,000
TOTAL: STATEWIDE	655,700	658,200	651,900

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 Hawaii 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 2012-2016 have been re-estimated to reflect revised population controls, model reestimation and for seasonally adjusted data, new seasonal adjustment.

Change to Monthly Employment Estimates

This release incorporates revised job count figures from 1990 through 2016 for the seasonally adjusted series. The reconstructed data reflects data from historical corrections applied to unadjusted supersector or sector level series. For years, analysts with the State DLIR's Research and Statistics Office have developed monthly employment estimates for Hawaii and our metropolitan areas. These estimates were based on a monthly survey of Hawaii businesses and analysts' knowledge about our local economies. Beginning with the production of preliminary estimates for March 2011, responsibility to produce State and metropolitan area (MSA) estimates was transitioned from individual state agencies to the U.S Bureau of Labor Statistics (BLS).

For Hawaii, this means the transition of statewide, Honolulu and Kahului-Wailuku-Lahaina MSA areas. 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 Hawaii's counties and islands.

Seasonally Adjusted Labor Force and Unemployment Estimates for Honolulu and Maui County

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 2016 through Second Quarter of 2017 Averages.

Alternative Measures of Labor Underutilization for US and Hawaii, Third Quarter of 2016 through Second Quarter of 2017 Averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.8	2.3	4.7	5.0	5.7	9.2
Hawaii	0.9	1.1	2.8	3.2	3.9	6.8

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. Thus, 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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UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

	AUG 2017	JUL 2017	AUG* 2016
STATE	2.4	2.5	2.9
HONOLULU	2.3	2.3	2.7
HAWAII COUNTY	2.8	3.3	3.8
KAUAI	2.3	2.4	3.1
MAUI COUNTY	2.5	2.7	3.1
Maui Island	2.3	2.4	2.9
Molokai	7.6	9.2	7.3
Lanai	3.1	6.0	5.5
U. S.	4.5	4.6	5.0

	AUG 2017	JUL 2017	AUG* 2016
STATE	2.6	2.7	3.0
U. S.	4.4	4.3	4.9

* benchmarked data

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Aug 2017</u>	<u>Jul 2017</u>	<u>Aug 2016*</u>
Labor Force	690,400	693,250	687,050
Employment	672,350	674,600	666,450
Unemployment	18,050	18,650	20,600

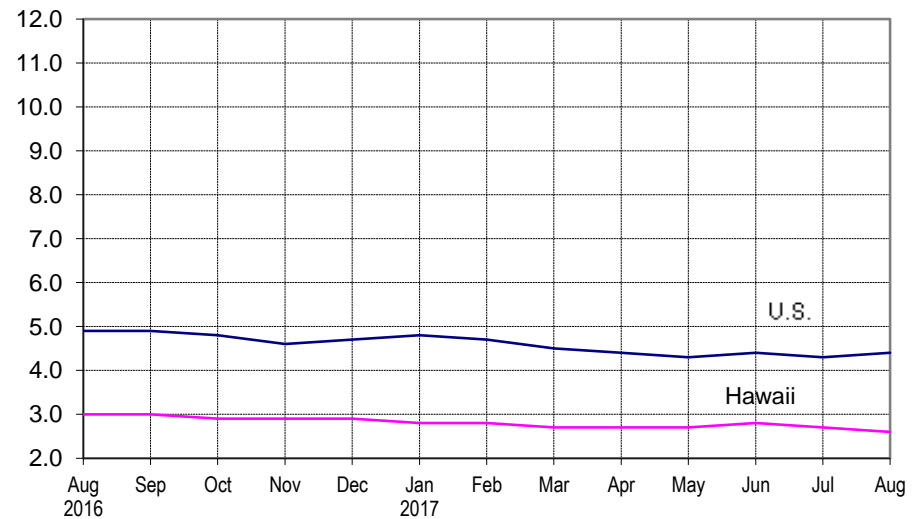
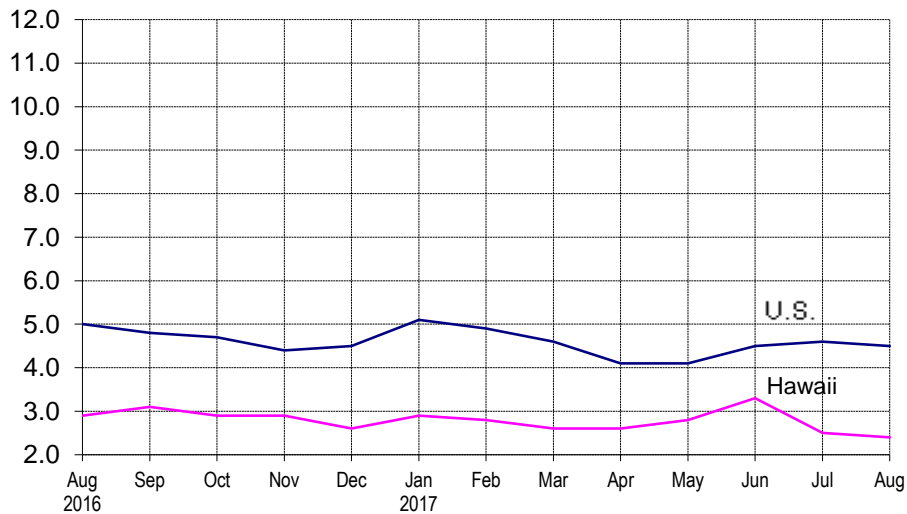
* benchmarked data

**totals may not add due to rounding

* benchmarked data

	Aug 2016	Sep	Oct	Nov	Dec	Jan 2017	Feb	Mar	Apr	May	Jun	Jul	Aug
U. S.	5.0	4.8	4.7	4.4	4.5	5.1	4.9	4.6	4.1	4.1	4.5	4.6	4.5
Hawai'i	2.9	3.1	2.9	2.9	2.6	2.9	2.8	2.6	2.6	2.8	3.3	2.5	2.4

	Aug 2016	Sep	Oct	Nov	Dec	Jan 2017	Feb	Mar	Apr	May	Jun	Jul	Aug
U. S.	4.9	4.9	4.8	4.6	4.7	4.8	4.7	4.5	4.4	4.3	4.4	4.3	4.4
Hawai'i	3.0	3.0	2.9	2.9	2.9	2.8	2.8	2.7	2.7	2.7	2.8	2.7	2.6



Not Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Aug-17	Jul-17	Aug-16*
MINING, LOGGING & CONSTRUCTION	38,000	37,400	38,300
MANUFACTURING	13,800	14,000	14,200
Durable Goods	3,700	3,700	3,700
Non-Durable Goods	10,100	10,300	10,500
TRADE, TRANSPORTATION & UTILITIES	122,400	123,400	119,800
Wholesale Trade	16,800	17,100	17,900
Retail Trade	73,200	73,900	70,000
INFORMATION	9,000	9,000	9,600
FINANCIAL ACTIVITIES	27,600	27,800	28,600
Finance & Insurance	15,600	15,700	16,100
Real Estate & Rental & Leasing	12,000	12,100	12,500
PROFESSIONAL & BUSINESS SERVICES	87,300	85,700	83,500
Professional, Scientific, Tech Svcs	24,600	24,300	24,100
Administrative & Support & Waste Mgmt	53,200	52,100	50,600
EDUCATIONAL & HEALTH SERVICES	84,500	85,000	82,900
Educational Services	14,900	15,100	14,500
Health Care & Social Assistance	69,600	69,900	68,400
LEISURE & HOSPITALITY	122,600	123,200	119,400
Arts, Entertainment & Recreation	12,200	12,400	12,200
Accommodation & Food Services	110,400	110,800	107,200
OTHER SERVICES	27,200	27,400	27,200
GOVERNMENT	114,400	117,300	119,800
Federal Government	33,300	33,400	33,200
State Government	61,600	64,200	67,200
Local Government	19,500	19,700	19,400
TOTAL: STATEWIDE	646,800	650,200	643,300
TOTAL: HONOLULU MSA	473,100	475,600	470,900

Seasonally Adjusted Non-Ag. Jobs (Statewide)

SELECTED SERIES:	Aug-17	Jul-17	Aug-16*
MINING, LOGGING & CONSTRUCTION	37,400	37,000	38,000
MANUFACTURING	13,700	14,000	14,100
Durable Goods	3,700	3,700	3,700
Non-Durable Goods	10,000	10,300	10,400
TRADE, TRANSPORTATION & UTILITIES	122,500	123,900	120,400
Wholesale Trade	16,700	17,000	17,800
Retail Trade	73,500	74,400	70,600
INFORMATION	9,100	9,200	9,600
FINANCIAL ACTIVITIES	27,500	27,900	28,400
Finance & Insurance	15,600	15,800	16,000
Real Estate & Rental & Leasing	11,900	12,100	12,400
PROFESSIONAL & BUSINESS SERVICES	87,400	86,100	83,700
Professional, Scientific, Tech Svcs	24,600	24,300	24,300
Administrative & Support & Waste Mgmt	53,200	52,300	50,600
EDUCATIONAL & HEALTH SERVICES	84,700	86,000	83,900
Educational Services	15,500	15,600	15,300
Health Care & Social Assistance	69,200	70,400	68,600
LEISURE & HOSPITALITY	122,200	123,000	118,500
Arts, Entertainment & Recreation	12,100	12,400	12,000
Accommodation & Food Services	110,100	110,600	106,500
OTHER SERVICES	27,200	27,600	27,300
GOVERNMENT	124,000	123,500	128,000
Federal Government	33,400	33,400	33,200
State Government	71,600	71,000	75,800
Local Government	19,000	19,100	19,000
TOTAL: STATEWIDE	655,700	658,200	651,900
TOTAL: HONOLULU MSA	479,500	484,100	478,300

* BENCHMARKED DATA

