



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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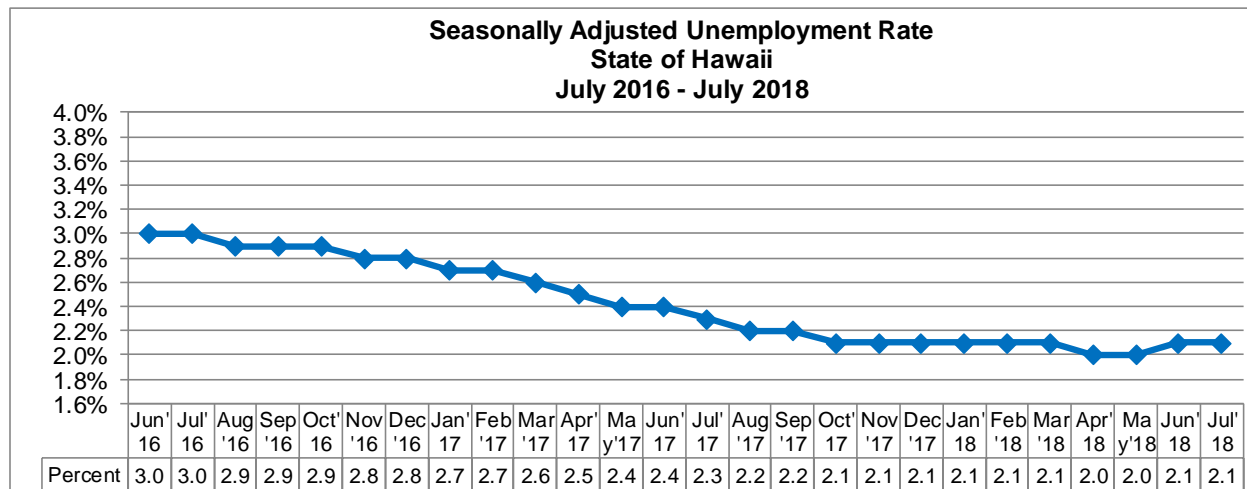
FOR IMMEDIATE RELEASE

August 16, 2018

HAWAII'S UNEMPLOYMENT RATE AT 2.1 PERCENT IN JULY

Jobs Increase 12,700 Over the Year

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for July was 2.1 percent, the same as in June. Statewide, 673,350 were employed and 14,350 unemployed in July for a total seasonally adjusted labor force of 687,700. Nationally, the seasonally adjusted unemployment rate was 3.9 percent in July, compared to 4.0 percent in June.



Both initial claims and weeks claims decreased by 51 or -4.2 percent and by 745 or -9.3 percent respectively for unemployment benefits compared to one year ago. Over-the-month initial claims dropped by 9.6 percent and weeks claims increased by 0.9 percent in July 2018.

The unemployment rate figures for the State of Hawaii 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 2.2 percent in July, compared to the revised rate of 2.8 percent in June.

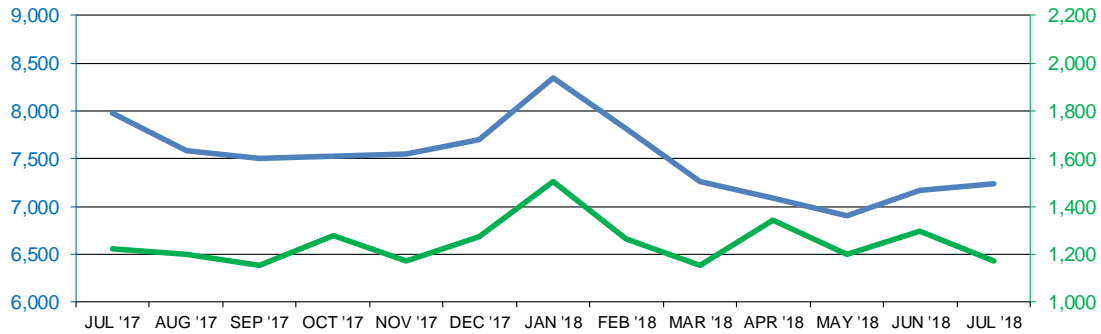
State of Hawaii Seasonally Adjusted Labor Force Data**									
			Jul 2018		Jun 2018		Jul 2017*		
Labor Force			687,700		687,550		684,300		
Employment			673,350		673,350		668,700		
Unemployment			14,350		14,200		15,600		
* benchmarked data			**totals may not add due to rounding						

				JUL		JUN		JUL *
				2018		2018		2017
<u>Seasonally Adjusted</u>								
STATE				2.1		2.1		2.3
U. S.				3.9		4.0		4.3
<u>Not Seasonally Adjusted</u>								
STATE				2.2		2.8		2.4
HONOLULU				2.0		2.6		2.2
HAWAII COUNTY				3.0		3.5		3.1
KAUAI				2.3		2.9		2.2
MAUI COUNTY				2.1		2.7		2.5
	Maui Island			2.0		2.6		2.3
	Molokai			6.0		7.3		8.7
	Lanai			1.0		2.6		5.7
U. S.				4.1		4.2		4.6
county & island rates are not seasonally adjusted								
* benchmarked data								

Industry Payroll Employment (Establishment Survey)

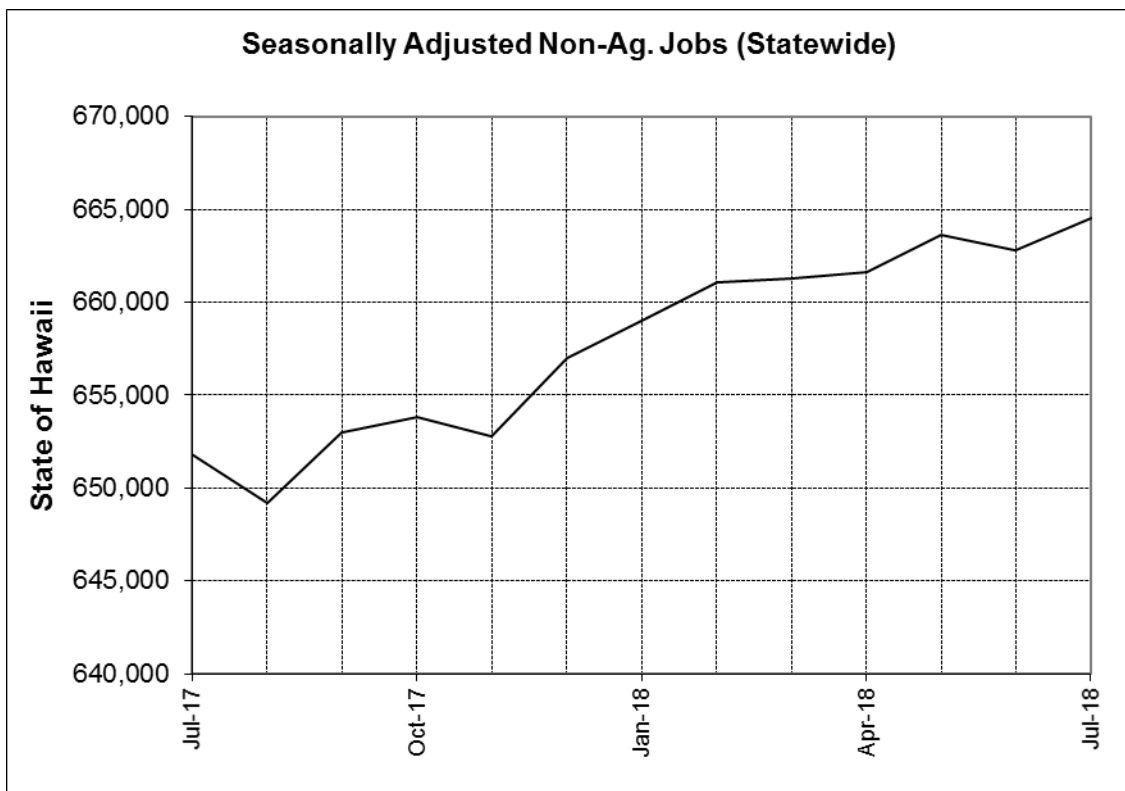
In another measure of employment, there was an increase of 1,700 total nonagricultural jobs over-the-month. Among the major industries, there were job gains in Trade, Transportation, & Utilities (+600), Financial Activities (+600), Construction (+300), and Leisure & Hospitality (+300). Within Trade, Transportation, & Utilities, most of the job expansion was spread among several categories of Retail Trade. Gains in Financial Activities were equally split between Finance & Insurance and Real Estate & Rental & Leasing. Employment remained unchanged in Information and Other Services. Job losses occurred in Manufacturing (-100), Professional & Business Services (-100), and in Education & Health Services (-300). Government went up by 400 jobs. In comparison with one year ago, total nonfarm jobs have increased by 12,700, or 1.9 percent.

Initial Claims and Weekly Claims
by Monthly Average
July 2017 - July 2018



Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Jul-18	Jun-18	Jul-17
MINING, LOGGING & CONSTRUCTION	36,300	36,000	35,800
MANUFACTURING	13,900	14,000	14,200
Durable Goods	3,800	3,800	3,900
Non-Durable Goods	10,100	10,200	10,300
TRADE, TRANSPORTATION & UTILITIES	122,500	121,900	121,600
Wholesale Trade	18,000	18,300	17,800
Retail Trade	71,100	70,100	71,200
Transportation, Warehousing, & Utilities	33,400	33,500	32,600
INFORMATION	9,000	9,000	9,300
FINANCIAL ACTIVITIES	29,800	29,200	28,400
Finance & Insurance	16,700	16,400	16,100
Real Estate & Rental & Leasing	13,100	12,800	12,300
PROFESSIONAL & BUSINESS SERVICES	84,200	84,300	82,600
Professional, Scientific, Tech Svcs	24,300	24,300	24,300
Administrative & Support & Waste Mgmt	50,500	50,700	49,300
EDUCATION & HEALTH SERVICES	86,500	86,800	84,500
Educational Services	14,400	14,300	14,000
Health Care & Social Assistance	72,100	72,500	70,500
LEISURE & HOSPITALITY	128,100	127,800	122,900
Arts, Entertainment & Recreation	12,700	12,600	12,500
Accommodation & Food Services	115,400	115,200	110,400
OTHER SERVICES	28,200	28,200	27,700
GOVERNMENT	126,000	125,600	124,800
Federal Government	33,500	33,500	33,300
State Government	73,200	72,800	72,600
Local Government	19,300	19,300	18,900
TOTAL: STATEWIDE	664,500	662,800	651,800
TOTAL: HONOLULU MSA	484,600	484,900	475,200
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	78,300	77,800	76,300



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 2013-2017 have been re-estimated to reflect revised population controls, model reestimation and for seasonally adjusted data, new seasonal adjustment for 1976-2017.

Change to Monthly Employment Estimates

This release incorporates revised job count figures from 1990 through 2017 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 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 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 2017 through Second Quarter of 2018 Averages.

Alternative Measures of Labor Underutilization for US and Hawaii, Third Quarter of 2017 through Second Quarter of 2018 Averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.5	2.0	4.1	4.4	5.0	8.1
Hawaii	0.8	1.3	2.2	2.4	3.1	5.5

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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UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

	JUL 2018	JUN 2018	JUL* 2017
STATE	2.2	2.8	2.4
HONOLULU	2.0	2.6	2.2
HAWAII COUNTY	3.0	3.5	3.1
KAUAI	2.3	2.9	2.2
MAUI COUNTY	2.1	2.7	2.5
Maui Island	2.0	2.6	2.3
Molokai	6.0	7.3	8.7
Lanai	1.0	2.6	5.7
U. S.	4.1	4.2	4.6

* benchmarked data

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

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STATE	2.1	2.1	2.3
U. S.	3.9	4.0	4.3

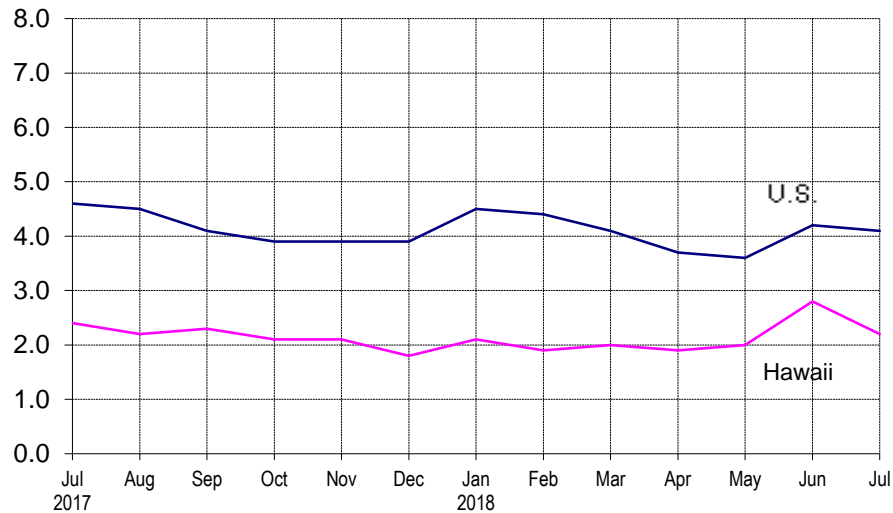
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State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Jul 2018</u>	<u>Jun 2018</u>	<u>Jul 2017*</u>
Labor Force	687,700	687,550	684,300
Employment	673,350	673,350	668,700
Unemployment	14,350	14,200	15,600

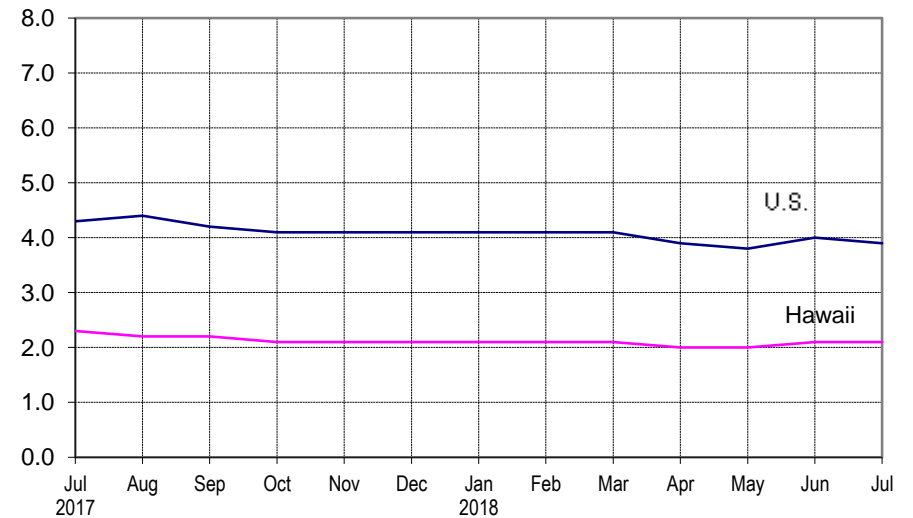
* benchmarked data

**totals may not add due to rounding

	Jul 2017	Aug	Sep	Oct	Nov	Dec	Jan 2018	Feb	Mar	Apr	May	Jun	Jul
U. S.	4.6	4.5	4.1	3.9	3.9	3.9	4.5	4.4	4.1	3.7	3.6	4.2	4.1
Hawai'i	2.4	2.2	2.3	2.1	2.1	1.8	2.1	1.9	2.0	1.9	2.0	2.8	2.2



	Jul 2017	Aug	Sep	Oct	Nov	Dec	Jan 2018	Feb	Mar	Apr	May	Jun	Jul
U. S.	4.3	4.4	4.2	4.1	4.1	4.1	4.1	4.1	4.1	3.9	3.8	4.0	3.9
Hawai'i	2.3	2.2	2.2	2.1	2.1	2.1	2.1	2.1	2.1	2.0	2.0	2.1	2.1



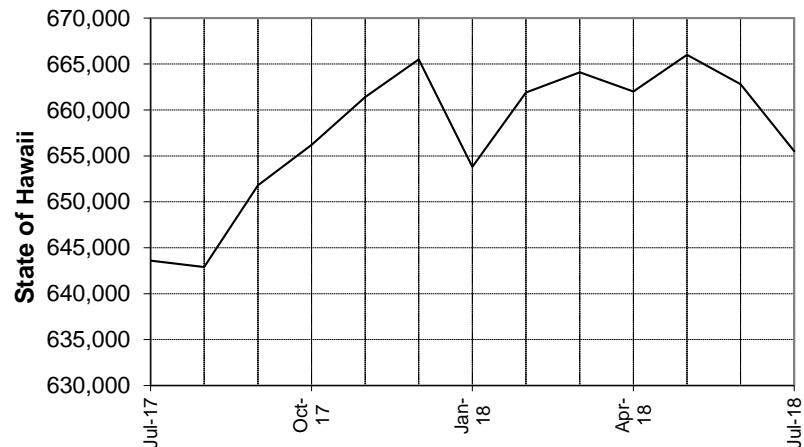
Not Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Jul-18	Jun-18	Jul-17
MINING, LOGGING & CONSTRUCTION	36,400	36,100	36,200
MANUFACTURING	14,000	13,900	14,200
Durable Goods	3,800	3,800	3,900
Non-Durable Goods	10,200	10,100	10,300
TRADE, TRANSPORTATION & UTILITIES	122,300	121,700	121,000
Wholesale Trade	18,000	18,500	17,800
Retail Trade	70,900	69,800	70,700
Transportation, Warehousing, & Utilities	33,400	33,400	32,500
INFORMATION	8,900	8,900	9,000
FINANCIAL ACTIVITIES	29,800	29,400	28,500
Finance & Insurance	16,700	16,500	16,100
Real Estate & Rental & Leasing	13,100	12,900	12,400
PROFESSIONAL & BUSINESS SERVICES	84,000	84,100	82,500
Professional, Scientific, Tech Svcs	24,300	24,200	24,200
Administrative & Support & Waste Mgmt	50,400	50,700	49,300
EDUCATION & HEALTH SERVICES	85,700	86,200	84,000
Educational Services	14,000	14,200	13,600
Health Care & Social Assistance	71,700	72,000	70,400
LEISURE & HOSPITALITY	128,500	128,800	123,400
Arts, Entertainment & Recreation	12,800	12,900	12,600
Accommodation & Food Services	115,700	115,900	110,800
OTHER SERVICES	28,100	28,300	27,700
GOVERNMENT	117,800	125,400	117,100
Federal Government	33,500	33,400	33,300
State Government	64,300	72,300	64,300
Local Government	20,000	19,700	19,500
TOTAL: STATEWIDE	655,500	662,800	643,600
TOTAL: HONOLULU MSA	476,000	483,800	467,600
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	78,500	78,100	76,200

Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Jul-18	Jun-18	Jul-17
MINING, LOGGING & CONSTRUCTION	36,300	36,000	35,800
MANUFACTURING	13,900	14,000	14,200
Durable Goods	3,800	3,800	3,900
Non-Durable Goods	10,100	10,200	10,300
TRADE, TRANSPORTATION & UTILITIES	122,500	121,900	121,600
Wholesale Trade	18,000	18,300	17,800
Retail Trade	71,100	70,100	71,200
Transportation, Warehousing, & Utilities	33,400	33,500	32,600
INFORMATION	9,000	9,000	9,300
FINANCIAL ACTIVITIES	29,800	29,200	28,400
Finance & Insurance	16,700	16,400	16,100
Real Estate & Rental & Leasing	13,100	12,800	12,300
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Professional, Scientific, Tech Svcs	24,300	24,300	24,300
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Seasonally Adjusted Non-Ag. Jobs (Statewide)

