



## DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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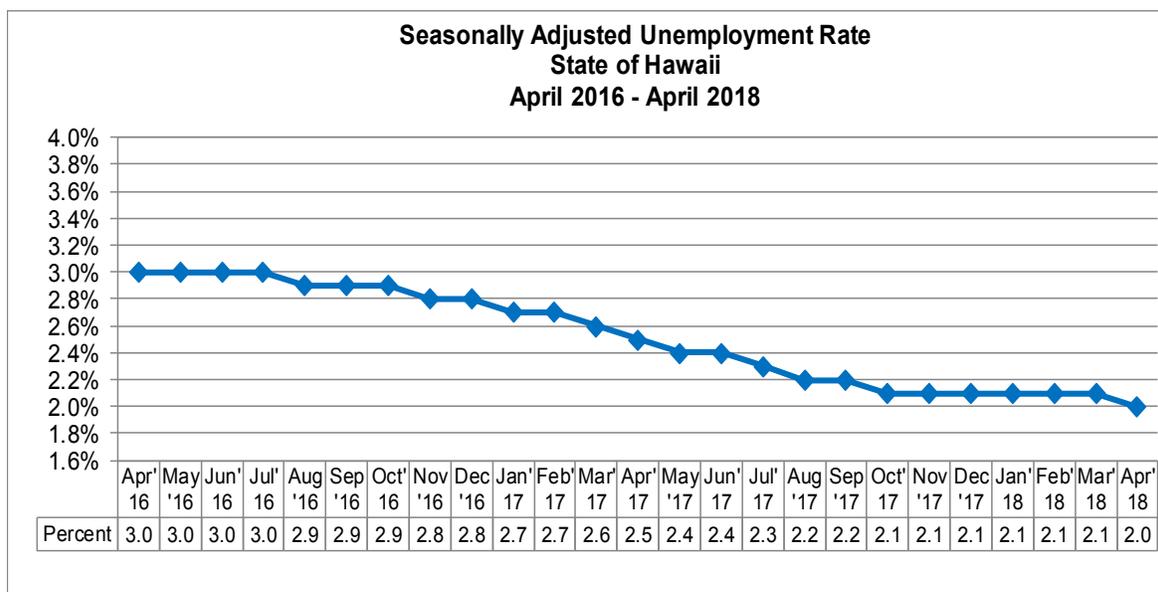
**FOR IMMEDIATE RELEASE**  
May 17, 2018

### HAWAII'S UNEMPLOYMENT RATE AT NEW RECORD 2.0 PERCENT IN APRIL

#### Jobs Increase 8,600 Over the Year

HONOLULU — The Hawaii State Department of Labor & Industrial Relations (DLIR) today announced that the seasonally adjusted unemployment rate for April was 2.0 percent, compared to 2.1 percent for October 2017 through March 2018. Statewide, 671,700 were employed and 14,000 unemployed in April for a total seasonally adjusted labor force of 685,700. Nationally, the seasonally adjusted unemployment rate was 3.9 percent in April, compared to 4.1 percent for October 2017 through March 2018.

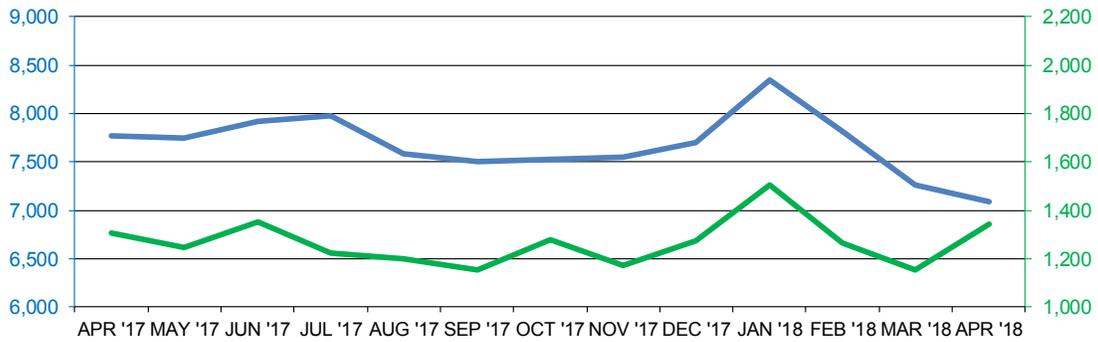
“The 2.0 percent unemployment rate is the new historical lowest unemployment rate on record dating back to 1976, under current methodology” said Leonard Hoshijo, DLIR Director.



Initial claims increased by 36 or 2.8 percent and weeks claims decreased by 676 or -8.7 percent respectively for unemployment benefits compared to one year ago. Over-the-month initial claims grew by 16.3 percent while weeks claims dropped by -2.4 percent respectively in April 2018.

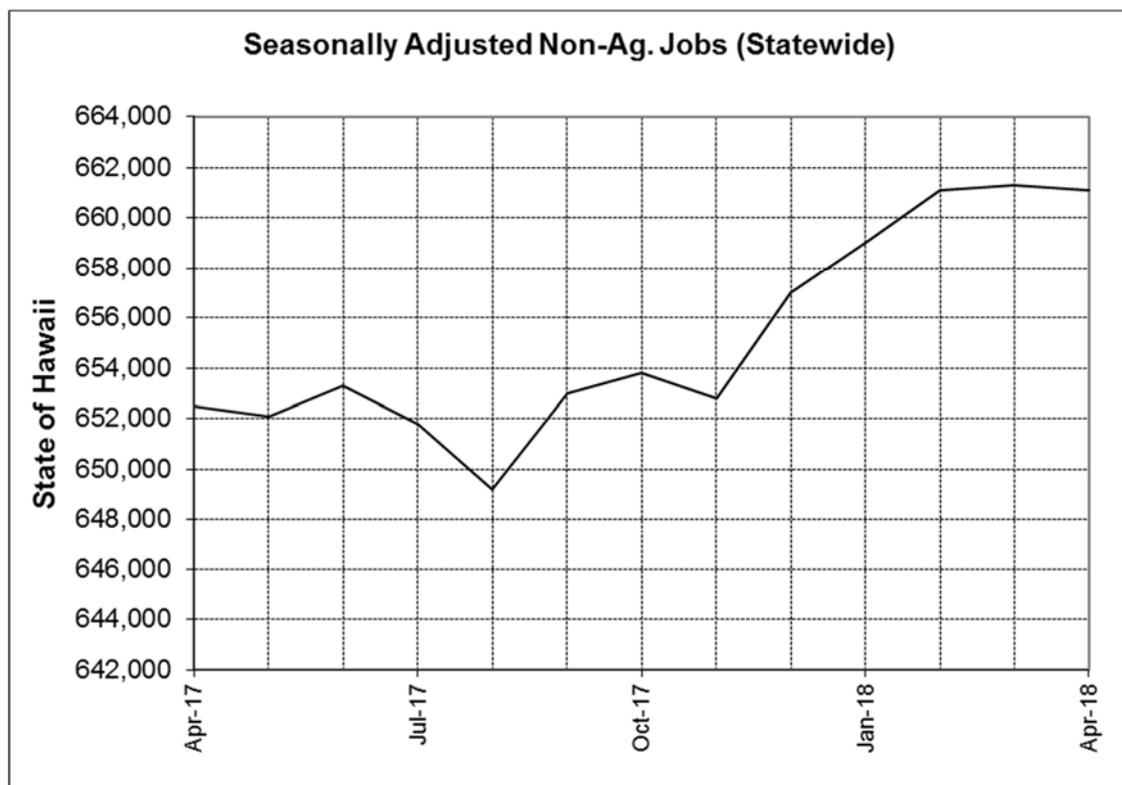


**Initial Claims and Weekly Claims**  
by Monthly Average  
April 2017 - April 2018



**Seasonally Adjusted Non-Ag. Jobs (Statewide)**

	<b>Apr-18</b>	<b>Mar-18</b>	<b>Apr-17</b>
MINING, LOGGING & CONSTRUCTION	35,600	35,900	36,300
MANUFACTURING	14,000	14,000	14,200
Durable Goods	3,800	3,800	3,800
Non-Durable Goods	10,200	10,200	10,400
TRADE, TRANSPORTATION & UTILITIES	121,300	121,600	121,400
Wholesale Trade	18,200	18,300	17,900
Retail Trade	69,800	69,900	71,100
Transportation, Warehousing, & Utilities	33,300	33,400	32,400
INFORMATION	8,900	8,900	9,300
FINANCIAL ACTIVITIES	28,900	28,700	28,700
Finance & Insurance	16,300	16,200	16,200
Real Estate & Rental & Leasing	12,600	12,500	12,500
PROFESSIONAL & BUSINESS SERVICES	84,200	83,900	81,500
Professional, Scientific, Tech Svcs	24,300	24,400	24,300
Administrative & Support & Waste Mgmt	50,600	50,500	48,400
EDUCATION & HEALTH SERVICES	86,700	86,600	83,500
Educational Services	14,000	14,000	14,200
Health Care & Social Assistance	72,700	72,600	69,300
LEISURE & HOSPITALITY	128,100	128,100	122,500
Arts, Entertainment & Recreation	12,700	12,600	12,600
Accommodation & Food Services	115,400	115,500	109,900
OTHER SERVICES	28,200	28,100	27,700
GOVERNMENT	125,200	125,500	127,400
Federal Government	33,500	33,500	33,400
State Government	72,300	72,700	75,100
Local Government	19,400	19,300	18,900
<b>TOTAL: STATEWIDE</b>	<b>661,100</b>	<b>661,300</b>	<b>652,500</b>
<b>TOTAL: HONOLULU MSA</b>	<b>483,400</b>	<b>483,300</b>	<b>477,200</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>77,200</b>	<b>77,600</b>	<b>75,900</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 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, Second Quarter of 2017 through First Quarter of 2018 Averages.*

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

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.6	2.1	4.2	4.5	5.1	8.3
Hawaii	0.8	1.3	2.3	2.6	3.2	5.7

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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