



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAI‘I’S SEASONALLY ADJUSTED UNEMPLOYMENT RATE
REMAINS AT 6.4 PERCENT IN NOVEMBER**

HONOLULU – The Hawai‘i State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for November remained at 6.4 percent, unchanged for the fifth consecutive month. There were 592,150 employed and 40,750 unemployed in November, for a total seasonally adjusted labor force of 632,900. Nationally, the seasonally adjusted unemployment rate increased to 9.8 percent in November from 9.6 percent in October.

State of Hawai‘i Seasonally Adjusted Labor Force Data**			
	<u>Nov 2010</u>	<u>Oct 2010</u>	<u>Nov 2009*</u>
Labor Force	632,900	632,800	634,250
Employment	592,150	592,100	590,600
Unemployment	40,750	40,700	43,650

* benchmarked data

**totals may not add due to rounding

	NOV 2010	OCT 2010	NOV* 2009
<u>Seasonally Adjusted</u>			
STATE	6.4	6.4	6.9
U. S.	9.8	9.6	10.0
<u>Not Seasonally Adjusted</u>			
STATE	6.5	6.4	6.7
HONOLULU	5.4	5.5	5.7
HAWAI‘I COUNTY	9.7	9.3	9.5
KAUA‘I	8.7	8.5	8.6
MAUI COUNTY	8.1	7.8	8.9
Maui Island	8.0	7.7	8.7
Moloka‘i	12.9	13.1	12.2
Lana‘i	6.1	6.0	9.1
U. S.	9.3	9.0	9.4

county & island rates are not seasonally adjusted

* benchmarked data

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 unadjusted unemployment rate for the State edged up to 6.5 percent in November from 6.4 percent in October.

Industry Payroll Employment (Establishment Survey)

In another measure of employment, total seasonally adjusted nonagricultural jobs increased by 1,200 or +0.2 percent from 591,800 to 593,000 in November. The sectors reporting job growth included Professional and Business Services; and Leisure and Hospitality (+300 each); Financial Activities (+200); and Other Services (+100). The industries recording job declines were Construction (-200); Educational and Health Services (-600); and Trade, Transportation, and Utilities (-1,500). Government registered job increases mainly in State Government partly due to the hiring of poll workers in the general election. Over the year, from November 2009, the seasonally adjusted job count grew by 7,000 jobs or +1.2

percent. The industry that comprised the largest proportion of job gain in the private sector was in Leisure and Hospitality (+3,200).

Seasonally Adjusted Non-Ag. Jobs (Statewide)			
SELECTED SERIES:	Nov-10	Oct-10	Nov-09*
MINING, LOGGING AND AND CONSTRUCTION	29,900	30,100	29,600
TRADE, TRANSPORTATION & UTILITIES	109,600	111,100	109,600
Wholesale Trade	17,100	17,400	17,700
Retail Trade	66,300	66,900	65,600
FINANCIAL ACTIVITIES	27,400	27,200	27,900
Real Estate & Rental & Leasing	11,200	11,100	11,500
PROFESSIONAL & BUSINESS SERVICES	69,100	68,800	69,900
Professional, Scientific, Tech Svcs	23,800	23,600	23,700
EDUCATIONAL & HEALTH SERVICES	76,300	76,900	76,000
Educational Services	15,600	16,000	15,400
Health Care & Social Assistance	60,700	60,900	60,600
LEISURE & HOSPITALITY	104,300	104,000	101,100
Arts, Entertainment & Recreation	10,400	10,500	10,500
Accommodation & Food Services	93,900	93,500	90,600
OTHER SERVICES	26,500	26,400	26,400
GOVERNMENT	127,500	125,200	123,000
Federal Government	34,800	35,100	33,800
State Government	74,000	71,400	70,500
Local Government	18,700	18,700	18,700
TOTAL: STATEWIDE	593,000	591,800	586,000

* **Benchmarked Data**

❖ **Professional and Business Services (+300)**

This major industrial series increased by 300 jobs rising for three straight months. Professional, Scientific and Technical Services reported a 200-job gain shared between marketing research and public opinion polling and architectural services. Administrative and Support and Waste Management and Remediation Services comprised the remaining 100 jobs in employment services.

❖ **Leisure and Hospitality (+300)**

Leisure and Hospitality recorded a 300-job increase from October growing for five consecutive months. Arts, Entertainment, and Recreation edged down by a minimal 100 jobs in performing arts companies. Accommodation and Food Services accounted for the balance of 400 jobs in the industry. The majority of the job growth occurred in Accommodation as hotel establishments continued to experience increases in occupancy rates and visitor arrivals.

❖ **Financial Activities (+200)**

Financial Activities increased by a modest 200 jobs rising for the second month in a row. Finance and Insurances; and Real Estate, and Rental, and Leasing each added 100 jobs. Finance and Insurances trended up in agencies, brokerages, and other insurance related activities; while Real Estate and Rental and Leasing edged up in offices in real estate agents and brokers.

❖ **Other Services (+100)**

This miscellaneous group recorded job gains for the second straight month. The 100-job increase over the month occurred in electronic and precision equipment repair and maintenance.

❖ **Construction (-200)**

Construction fell slightly by 200 jobs after reporting two consecutive months of job growth. The majority of the drop occurred in Special Trade Contractors in structural steel and precast concrete contractors; and drywall and insulation contractors. Over the year, this volatile industry registered a 300-job gain due in part to existing construction activities.

❖ **Educational and Health Services (-600)**

This major sector contracted by 600 jobs over-the-month after reporting a large gain in October. Educational Services shaved 400 jobs primarily in exam preparation and tutoring. Health Care and Social Assistance comprised the remaining 200 jobs shared among hospitals; and nursing and residential care facilities.

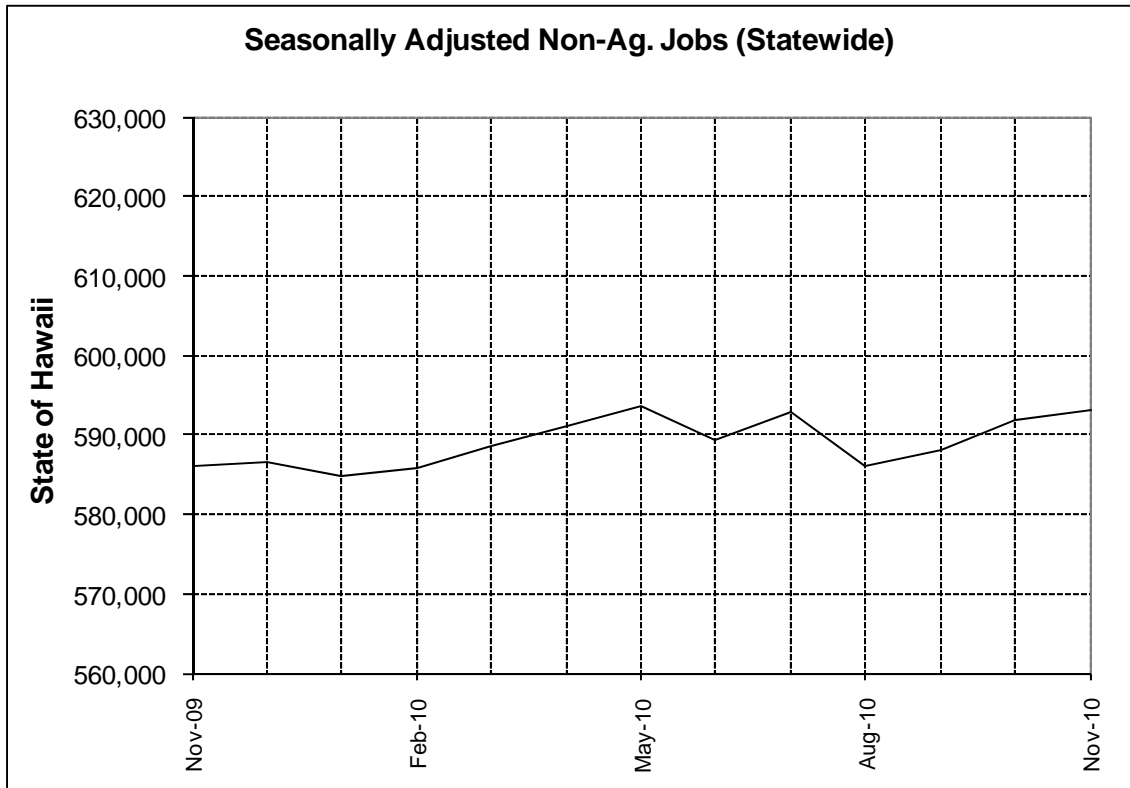
❖ **Trade, Transportation, & Utilities (-1,500)**

This major group experienced the largest decline in all sectors falling for the fourth consecutive month. Wholesale Trade slipped by 300 jobs in merchant wholesalers, nondurable goods. Retail

Trade trimmed 600 jobs in various entities including gasoline stations; furniture stores; sporting goods, hobby, and musical instrument stores; and building material and garden equipment and supplies dealers. Transportation and Warehousing trended down by 600 jobs mostly in scenic and sightseeing transportation, water; and deep sea, coastal and great lakes water transportation.

❖ **Government (+2,300)**

Government expanded in November. Federal Government slipped by 300 jobs, while Local Government remained stable. State Government grew by 2,300 jobs primarily due to the hiring of poll workers and election officials in the general election.



Technical Notes

Seasonal Adjustment

The seasonal fluctuations in the number of employed and unemployed persons reflect hiring (and layoffs) 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. To deal with such problems, a statistical technique called seasonal adjustment is used. This technique uses the past history of the series 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. When a statistical series has been seasonally adjusted, data for any month can be more meaningfully compared with data from any other month or with an annual average.

Current Population (Household) Survey (CPS)

The labor force statistics are derived from a survey based on the week including the 12th of each month of Hawai'i residents with a sample size of about 1,000 households. A series of questions are asked to assess whether a person is currently part of the labor force, and if so, what is their 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 his or her household, and 3) all persons who were temporarily absent from their regular jobs, whether they were paid or not. Persons are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks, and are currently available for work. Workers expecting to be recalled from layoff are counted as unemployed, whether or not 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.

Changes to Local Area Unemployment Statistics Data

The 2009 labor force estimates have been revised to incorporate updated inputs, updated population controls, re-estimation of models, and adjustment to new division and national control totals. The

updated population controls reflect the annual updating of population estimates by the U.S. Census Bureau.

In addition, the Local Area Unemployment Statistics program has introduced a long-run trend smoothing procedure to its seasonally adjusted data series back to January 1976. The smoothing procedure reduces month-to-month volatility in the estimates and addresses long-standing disconnection issues related to end-of-year revisions that will enhance the analytical capability of the estimates. For more information about this topic, please see the questions and answers on the Bureau of Labor Statistics website at www.bls.gov/lau/lassaqa.htm.

Alternative Measures of Labor Underutilization

Alternative Measures of Labor Underutilization for States, Fourth Quarter of 2009 through Third Quarter of 2010 Averages.

Alternative measures of labor underutilization by state, fourth quarter of 2009 through third quarter of 2010 averages (percent)

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	5.7	6.1	9.7	10.3	11.1	16.8
Hawaii	3.8	3.8	7.0	7.8	8.9	16.7

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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