



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE
FALLS TO 6.3 PERCENT IN JUNE**

National Unemployment Rate Declines to 9.5 Percent

HONOLULU – The Hawai'i State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for June was 6.3 percent, a decline of 0.3 percentage point from 6.6 percent in May. Nationally, the seasonally adjusted unemployment rate dropped to 9.5 in June from 9.7 percent in May. Hawai'i has the sixth lowest unemployment rate in the nation. In Hawai'i, there were 596,000 employed and 40,350 unemployed persons in June, for a total seasonally adjusted labor force of 636,350.

State of Hawai'i Seasonally Adjusted Labor Force Data**			
	<u>Jun 2010</u>	<u>May 2010</u>	<u>Jun 2009*</u>
Labor Force	636,350	636,900	638,400
Employment	596,000	595,150	593,850
Unemployment	40,350	41,750	44,600

* benchmarked data

**totals may not add due to rounding

	JUNE 2010	MAY 2010	JUNE* 2009
<u>Seasonally Adjusted</u>			
STATE	6.3	6.6	7.0
U. S.	9.5	9.7	9.5
<u>Not Seasonally Adjusted</u>			
STATE	6.9	6.3	7.7
HONOLULU	5.8	5.2	6.6
HAWAII COUNTY	10.4	9.6	10.9
KAUA'I	9.1	8.5	10.5
MAUI COUNTY	8.5	8.2	9.4
Maui Island	8.4	8.0	9.1
Moloka'i	12.2	12.7	16.1
Lana'i	7.9	5.8	10.7
U. S.	9.6	9.3	9.7

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 not seasonally adjusted rate for the State increased to 6.9 percent in June from 6.3 percent in May.

Industry Payroll Employment (Establishment Survey)

In another measure of employment, total seasonally adjusted nonagricultural jobs decreased by 5,700 or -1.0 percent to 587,900 in June. The sectors registering job increases included Leisure and Hospitality (+200); and Trade, Transportation and Utilities (+100). Financial Activities remained unchanged. The industries posting job decreases were Other Services (-200); Construction (-900); Professional and Business Services (-1,200); and Educational and Health Services (-1,400). Government employment declined both in Federal Government and State

Government. For the first six months of 2010, the seasonally adjusted job count averaged 588,700. Since June 2009, the seasonally adjusted job count has dropped by 3,100 jobs or -0.5 percent. The sectors registering job decreases in the private sectors were Professional and Business Services (-3,600) and Construction (-1,300). The loss of jobs due to the recent merger of two local newspapers will be reflected in the July 2010 total seasonal adjusted nonfarm job count and are not included in the June 2010 figures.

Seasonally Adjusted Non-Ag. Jobs (Statewide)			
SELECTED SERIES:	Jun-10	May-10	Jun-09*
MINING, LOGGING AND AND CONSTRUCTION	30,200	31,100	31,500
TRADE, TRANSPORTATION & UTILITIES	111,400	111,300	110,700
Wholesale Trade	17,200	17,300	17,700
Retail Trade	67,200	67,200	66,100
FINANCIAL ACTIVITIES	27,400	27,400	27,700
Real Estate & Rental & Leasing	11,500	11,600	11,400
PROFESSIONAL & BUSINESS SERVICES	67,400	68,600	71,000
Professional, Scientific, Tech Svcs	23,600	24,000	24,500
EDUCATIONAL & HEALTH SERVICES	75,500	76,900	74,500
Educational Services	14,800	15,800	14,500
Health Care & Social Assistance	60,700	61,100	60,000
LEISURE & HOSPITALITY	103,200	103,000	100,400
Arts, Entertainment & Recreation	10,500	10,200	10,600
Accommodation & Food Services	92,700	92,800	89,800
OTHER SERVICES	26,300	26,500	25,800
GOVERNMENT	124,200	126,400	126,700
Federal Government	35,100	36,600	33,100
State Government	70,300	71,300	74,800
Local Government	18,800	18,500	18,800
TOTAL: STATEWIDE	587,900	593,600	591,000

* Benchmarked Data

❖ **Leisure and Hospitality (+200)**

Leisure and Hospitality rose slightly from May growing for the fifth consecutive month. Arts, Entertainment and Recreation reported a 300 job increase in amusement recreation industries. Accommodation and Food Services registered a 100 job loss in Food Services in full-service restaurants.

❖ **Trade, Transportation, & Utilities (+100)**

This major industrial group edged up modestly after falling the month earlier. Wholesale Trade slipped by 100 jobs in professional and commercial equipment and supplies merchant wholesaler. Retail Trade remained unchanged. The increase in health and personal care stores was offset by the decrease in clothing stores. Transportation, Warehousing, and Utilities comprised a 200 net gain in transit and ground passenger transportation; and scenic and sightseeing transportation, water.

❖ **Financial Activities (No change)**

Financial Activities remained stable from May after falling for three straight months. Finance and Insurance edged upward by 100 jobs in depository credit intermediation. Real Estate, Rental and Leasing countered this increase edging downward by the same amount in passenger car rental.

❖ **Other Services (-200)**

This miscellaneous series dropped by 200 jobs followed by a three month increase. The job losses were in business, professional, labor, political and similar organizations; as well as in personal care services.

❖ **Construction (-900)**

Construction dipped by 900 jobs after increasing a month ago. Job gains were noted in construction of buildings in residential building construction. However, this was offset by notable job losses in special trade contractors in various entities including building finishing contractors; building equipment contractors; site preparation contractors; and foundation, structure, and building exterior contractors.

❖ **Professional and Business Services (-1,200)**

This major industrial group descended by 1,200 jobs in all series after edging up by a nominal 100 jobs. Professional, Scientific, and Technical Services trended down by 400 jobs in veterinary services; and scientific research and development services. Management of Companies and Enterprises fell in corporate, subsidiary, and regional managing offices. The bulk of the descent occurred in Administrative and Support and Waste Management

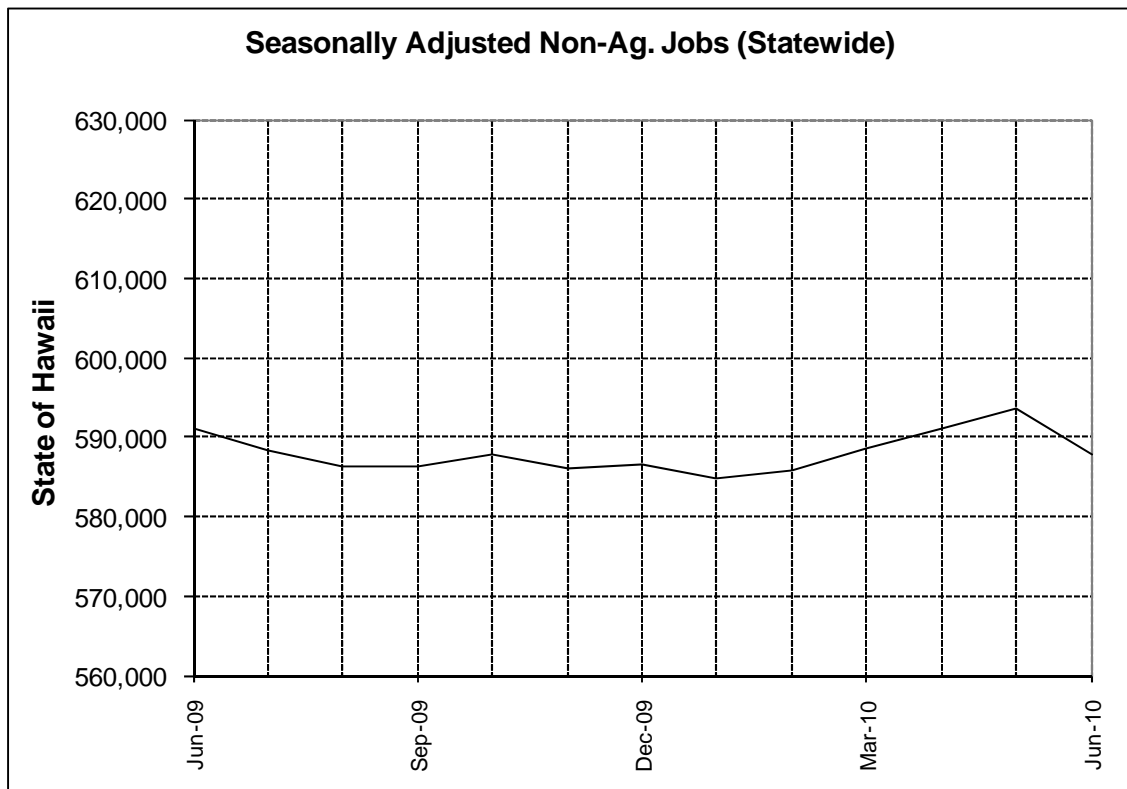
and Remediation Services in various aspects including employment services; travel arrangement and reservation services; remediation services; investigation and security services.

❖ **Educational and Health Services (-1,400)**

This major industrial series contracted by 1,400 jobs sliding for the second consecutive month. Educational Services composed a 1,000 job decline in elementary and secondary schools; sports and recreation instruction; exam preparation and tutoring; and junior colleges. Health Care and Social Assistance comprised the remaining 400 job loss. In Health Care, jobs were trimmed in community care facilities for the elderly. In Social Assistance, jobs subsided in child day care services; and temporary shelters.

❖ **Government (-2,200)**

Government declined by 2,200 jobs in June. Federal Government dropped by a substantial 1,500 jobs predominantly due to releasing temporary census employees. State Government fell by 1,000 primarily in the Department of Education due to its year round school session. Meanwhile, Local Government added 300 jobs.



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 their 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.