



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

**News Release**

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**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE AT 7.2 PERCENT IN AUGUST**  
**National Unemployment Rate at 9.7 percent**

**HONOLULU-** The Hawai'i State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for August was 7.2 percent, an increase of 0.2 percentage point over July's rate of 7.0 percent. In comparison, the U.S. seasonally adjusted unemployment rate also increased, going from 9.4% in July to 9.7% in August. For the first eight months of 2009, Hawaii and the U.S. had average seasonally adjusted unemployment rates of 6.9 percent and 8.9 percent respectively. Hawaii's seasonally adjusted labor force totaled 643,400 in August, and was comprised of 597,400 employed and 46,050 unemployed.

State of Hawai'i Seasonally Adjusted Labor Force Data			
	<u>Aug 2009</u>	<u>Jul 2009</u>	<u>Aug 2008</u>
Labor Force	643,400	645,450	655,050
Employment	597,400	600,200	627,850
Unemployment	46,050	45,200	27,200

	AUG 2009	JUL 2009	AUG 2008
STATE	7.2	7.0	4.2
HONOLULU	6.0	6.1	3.8
HAWAII COUNTY	10.3	10.4	6.3
KAUAI	9.6	9.8	4.4
MAUI COUNTY	9.3	9.2	4.8
Maui Island	9.1	8.9	4.5
Moloka'i	15.1	16.3	13.7
Lana'i	11.9	10.1	4.8
U. S.	9.7	9.4	6.2

county & island rates are non-seasonally adjusted

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 figures for the counties and islands are not seasonally adjusted as the BLS currently does not utilize a model for these smaller areas.

### **Industry Payroll Employment (Establishment Survey)**

In another measure of employment, total seasonally adjusted nonagricultural jobs declined by 6,500 to 594,500 from July. Educational and Health Services increased slightly over the month (+100). The industries in the private sector experiencing job losses included Other Services (-200), Financial Activities (-300), Construction (-400), Professional and Business Services (-800), Leisure and Hospitality (-1,000) and Trade, Transportation and Utilities (-1,600).

Government also reported job losses predominantly in the State Government in the Dept. of Education. Over-the-year, from August 2008, the seasonally adjusted job count contracted by 22,400 jobs, mainly in the private sector. The industries posting job declines were Leisure and Hospitality (-6,000); Trade, Transportation and Utilities (-5,500); and Construction (-5,100).

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

<b>SELECTED SERIES:</b>	<b>Aug-09</b>	<b>Jul-09</b>	<b>Aug-08*</b>
MINING, LOGGING AND AND CONSTRUCTION	32,400	32,800	37,500
TRADE, TRANSPORTATION & UTILITIES	111,600	113,200	117,100
Wholesale Trade	17,900	18,100	18,800
Retail Trade	66,700	67,800	70,000
FINANCIAL ACTIVITIES **	28,000	28,300	29,200
Real Estate & Rental & Leasing **	11,400	11,600	12,400
PROFESSIONAL & BUSINESS SERVICES **	72,300	73,100	74,800
Professional, Scientific, Tech Svcs **	24,900	25,100	25,000
EDUCATIONAL & HEALTH SERVICES	75,300	75,200	74,400
Educational Services	15,000	15,100	14,700
Health Care & Social Assistance	60,300	60,100	59,700
LEISURE & HOSPITALITY	100,200	101,200	106,200
Arts, Entertainment & Recreation	10,800	10,900	11,500
Accommodation & Food Services	89,400	90,300	94,700
OTHER SERVICES	26,000	26,200	26,900
GOVERNMENT	124,400	127,200	125,700
Federal Government	33,300	33,200	32,400
State Government	72,100	74,900	74,600
Local Government	19,000	19,100	18,700
<b>TOTAL: STATEWIDE</b>	<b>594,500</b>	<b>601,000</b>	<b>616,900</b>

\* Benchmarked Data

\*\* New Series (started publishing in 2009)

❖ **Educational and Health Services (+100)**

This major industry edged up slightly after recording a modest decrease a month ago.

Health Care and Social Assistance added 200 jobs in physician offices and outpatient care centers. Educational Services fell by 100 jobs mainly in elementary and secondary private schools.

❖ **Other Services (-200)**

This miscellaneous sector reported job losses for the sixth consecutive month. Over-the-month, the minimal drop occurred in grantmaking and giving services.

❖ **Financial Activities (-300)**

This new industrial series trended downward for the fifth month in a row. Finance and Insurance fell by 100 jobs in insurance carriers. Real Estate and Rental and Leasing comprised the remaining 200 job loss mainly in real estate property managers.

❖ **Construction (-400)**

Construction trended down for the second straight month shaving 400 jobs in August. Job losses were in nonresidential building construction in construction of buildings as well as in electrical contractors and plumbing, heating, and air conditioning contractors in special trade contractors. Over-the-year from August 2008, this industry lost 5,100 jobs partly due to the continual weakened economy and reduced number of contract activities.

❖ **Professional and Business Services (-800)**

This new major industrial series declined by 800 jobs after registering a moderate gain in July. Professional, Scientific and Technical Services descended by 200 jobs in various services such as legal services; offices of certified public accountants; and environmental consulting services. Administrative and Support Services comprised the balance of the job losses falling by 600 jobs in travel arrangement and reservation services; investigation and security services; and services to buildings and dwellings.

❖ **Leisure and Hospitality (-1,000)**

Leisure and Hospitality dipped by 1,000 jobs. Arts, Entertainment and Recreation edged down by a modest 100 jobs in performing arts companies. The bulk of the job reduction was concentrated in Accommodation and Food Services. Accommodation accounted for part of this decrease as hotel operators continued to report low occupancy rates and less international visitor arrivals. Food Services composed most of the job losses in both full-service restaurants and limited service eating places.

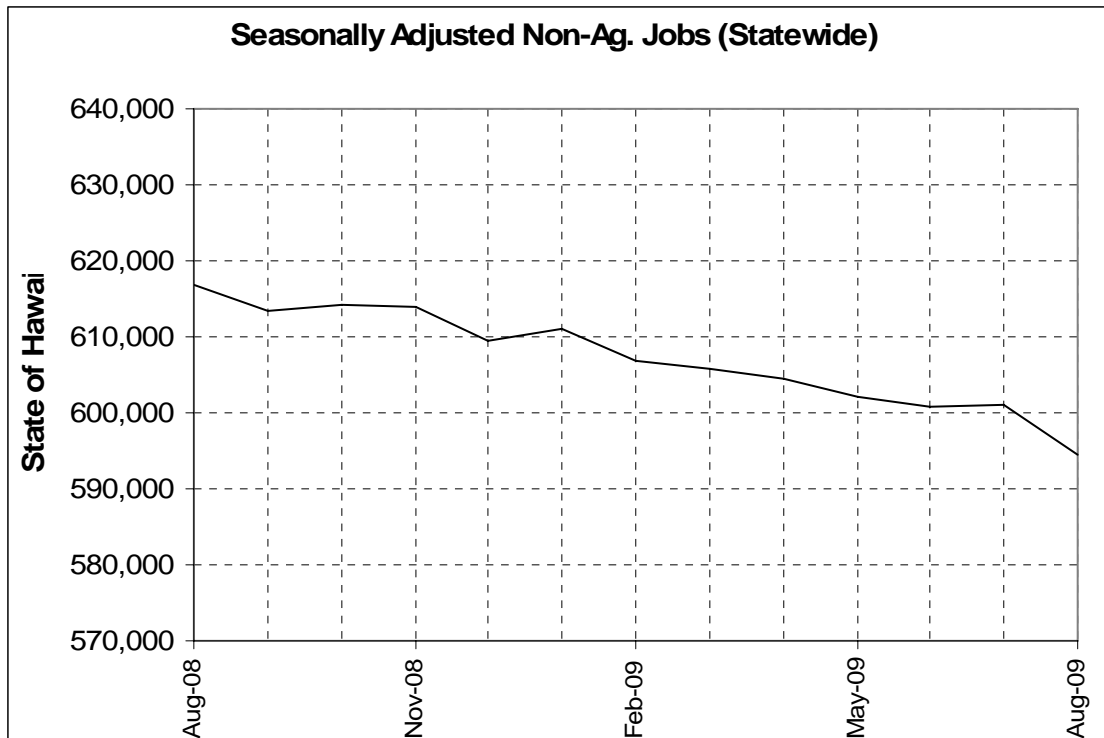
❖ **Trade, Transportation, and Utilities (-1,600)**

This major group contracted by 1,600 jobs after exhibiting job gain a month ago. Wholesale Trade trimmed by 200 jobs in paper and paper product merchant wholesalers; industrial supplies merchant wholesalers; and petroleum and petroleum products merchant

wholesalers. Retail Trade comprised a 1,100 job loss in variety of entities including food and beverage stores; health and personal care stores; clothing and clothing accessories stores; and building material and supplies dealers. Transportation made up the remaining 300 job decrease in scenic and sightseeing transportation, water; specialized freight trucking; and transit and ground passenger transportation.

❖ **Government (-2,800)**

Government contracted by the largest jobs in August. Federal Government rose by a minimal 100 jobs while Local Government fell by the same number of jobs. State Government comprised the bulk of the decline predominantly in the State Department of Education due to its year round calendar schedule.



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 Survey (CPS) (Household Survey)**

The labor force statistics are derived from a survey based on the week including the 12<sup>th</sup> 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.

