



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE
DECLINES TO 3.0 PERCENT IN JULY**

**Low Unemployment Rate and Continued Job Growth Mark Good
Beginning to Second Half of 2006**

HONOLULU- The Hawaii State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for July was 3.0 percent, a decrease from 3.1 percent in June. In contrast, the U.S. seasonally adjusted unemployment rate went from 4.6 percent in June to 4.8 percent in July. For 52 consecutive months, Hawaii's seasonally adjusted monthly unemployment rate has been at least one and one-half percentage points lower than the national seasonally adjusted monthly unemployment rate. In July, Hawaii's seasonally adjusted labor force totaled 651,950 and was comprised of 632,200 employed and 19,750 unemployed.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Jul 2006</u>	<u>Jun 2006</u>	<u>Jul 2005</u>
Labor Force	651,950	650,650	634,950
Employment	632,200	630,500	617,550
Unemployment	19,750	20,150	17,400

	JUL 2006	JUN 2006	JUL 2005
STATE	3.0	3.1	2.7
HONOLULU*	3.2	3.6	2.9
HAWAII COUNTY*	3.9	4.5	3.8
KAUAI*	3.3	3.5	2.9
MAUI COUNTY*	3.1	3.5	2.8
Maui Island*	3.0	3.4	2.5
Molokai*	7.0	8.6	10.6
Lanai*	1.4	1.2	0.5
U. S.	4.8	4.6	5.0

**Non-Seasonally Adjusted*

Industry Payroll Employment

In a separate measure of employment, total nonagricultural jobs declined over-the-month by 800, or 0.1 percent, to 616,700. However, comparatively speaking, 6,000 new jobs have been added since the beginning of the year (January 2006), while 14,300 new jobs have been created in the last 12 months (July 2005).

❖ **Construction**

In July over June, within the seasonally adjusted industry series, the most prominent rise in industry employment occurred in Construction, which added 400 new jobs. The majority of these jobs occurred in residential & non residential construction as well as special trades.

❖ **Trade, Transportation, & Utilities**

Hawaii's retail stores saw significant hiring activity as the Trade, Transportation, and Utilities industry added 200 new jobs in July.

❖ **Manufacturing**

Manufacturing (+100) also posted over-the-month job expansion.

❖ **Government**

Government employment losses were in part affected by the shifting of the school calendar in the public schools. The new unified calendar school session implemented by

the State Department of Education, which began at the end of July meant a shortened summer break. Due to the short interval between the end of the school on June 8 and the start of the new year on July 27, only a limited number of schools offered summer school programs. This accounted for a substantial drop in the number of staff hired during this session in comparison to a year earlier. In addition, there were larger number of clerical and support staff let go during this period.

❖ **Education & Health Services**

The loss of 700 jobs in the Educational & Health Services was primarily due to the ongoing nurses' strike on Kauai, as well as small decreases in employment that have been taking effect in private schools and social services programs.

❖ **Leisure & Hospitality**

The Leisure and Hospitality Industry experienced a decrease of 700 jobs mainly in Accommodations and Food Services (restaurants) which are most likely the result of shift from a less pronounced visitor industry seasonal trend to a more constant flow of visitor arrivals throughout the year. This industry also experienced losses in arts, amusement and recreation-type jobs.

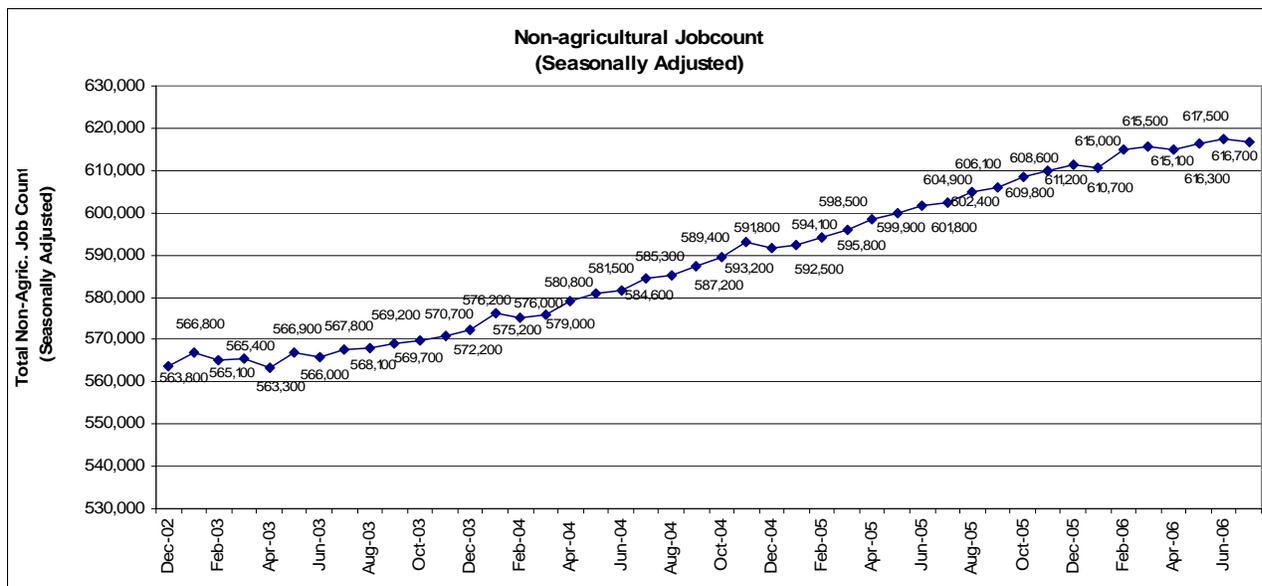
❖ **Other Services**

Other Services remained stable over-the-month.

	Jul-06	Jun-06	Jul-05
NAT. RESOURCES, MINING & CONSTR.	36,300	35,900	33,400
MANUFACTURING	15,300	15,200	15,100
TRADE, TRANSPORTATION & UTILITIES	122,300	122,100	118,200
EDUCATIONAL AND HEALTH SERVICES	70,800	71,500	69,700
LEISURE & HOSPITALITY	108,200	108,900	106,400
OTHER SERVICES	25,600	25,600	25,000
GOVERNMENT	119,900	120,600	119,800
TOTAL	616,700	617,500	602,400

"Hawaii's economy continues to grow, with historical highs in employment and one of the lowest unemployment rates in the nation," said Nelson B. Befitel, Director of Labor and Industrial Relations. "The Lingle-Aiona Administration approach to stimulating the economy four years ago with pro-business and pro-worker policies, has helped pave the way for Hawaii to enjoy and sustain long-term job growth."

Since December of 2002, the month the Lingle-Aiona Administration took office, to July of 2006, Hawaii's economy has added 52,900 new jobs.



Unemployment Trust Fund

To keep the public informed on the status of the state's Unemployment Compensation Fund (Fund), from which unemployment benefits are paid to qualified claimants, the following is the status of the Fund and its projected balance at the end of the year.

Fund Balance as of end of July 2006:	\$495,809,019
Taxes received year-to-date through end of July:	\$81,582,718
Interest received year-to-date through end of July:	\$11,100,666
Benefits paid year-to-date through end of July:	\$54,116,883
Current Tax Schedule (for calendar year 2006):	Schedule "C"

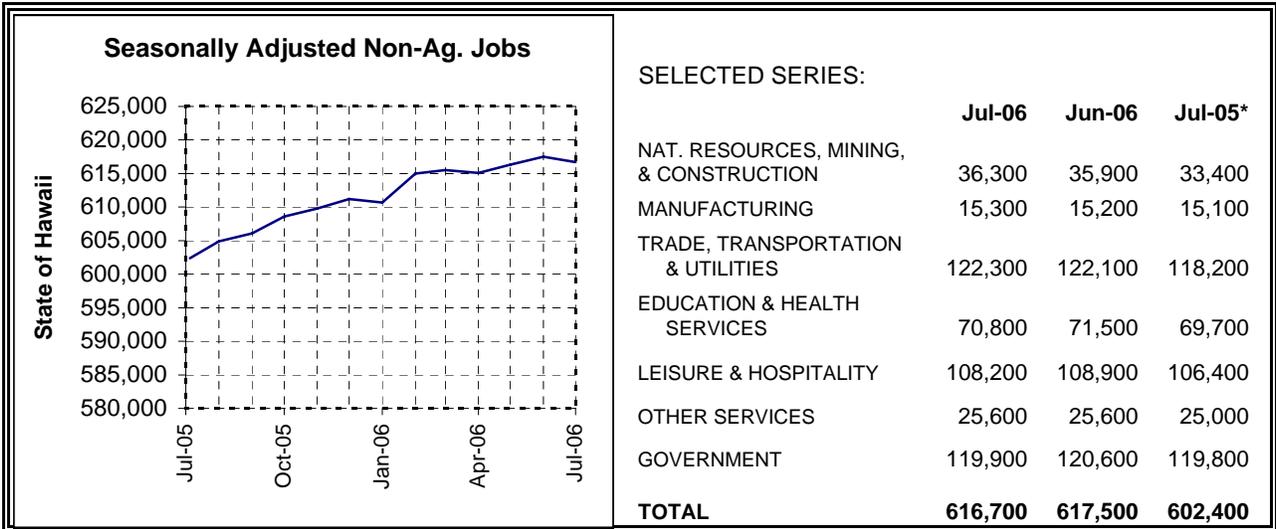
Fund projections (as of end of July) for calendar year 2006 and projected calendar year 2007 tax schedule:

Fund Balance, end of 2006:	\$529,100,000 (projected)
Taxes for calendar year 2006:	\$143,300,000 (projected)
Interest for calendar year 2006:	\$23,000,000 (projected)
Benefits for calendar year 2006:	\$94,400,000 (projected)
Projected Tax Schedule for calendar year 2007:	Schedule "B" (projected)

For comparison purposes, in calendar year 2005 the Fund collected \$130.2 million in taxes and paid out \$82.3 million in benefits.

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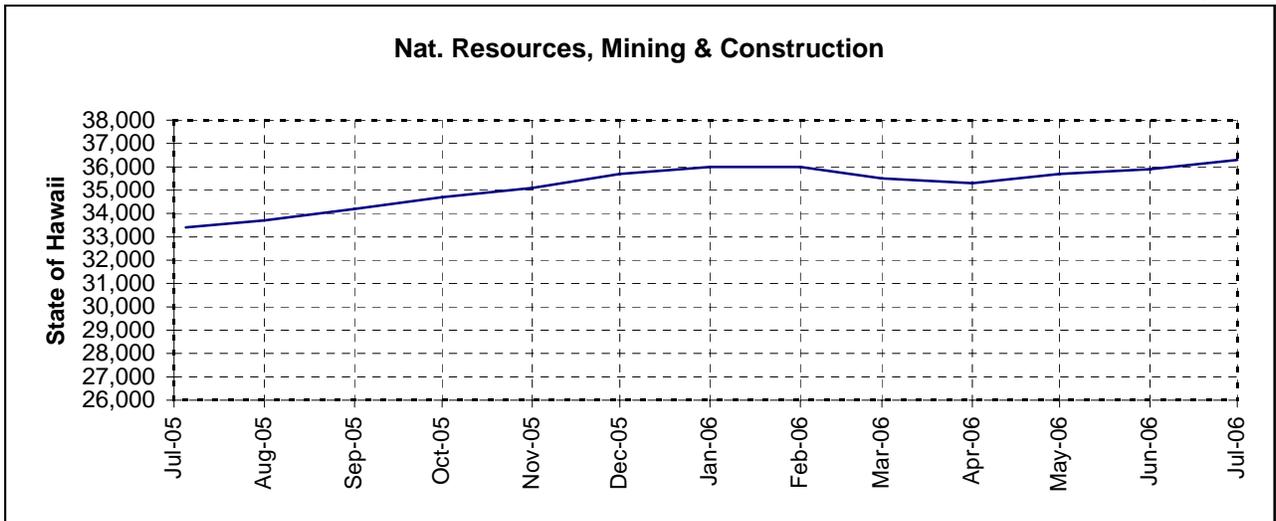
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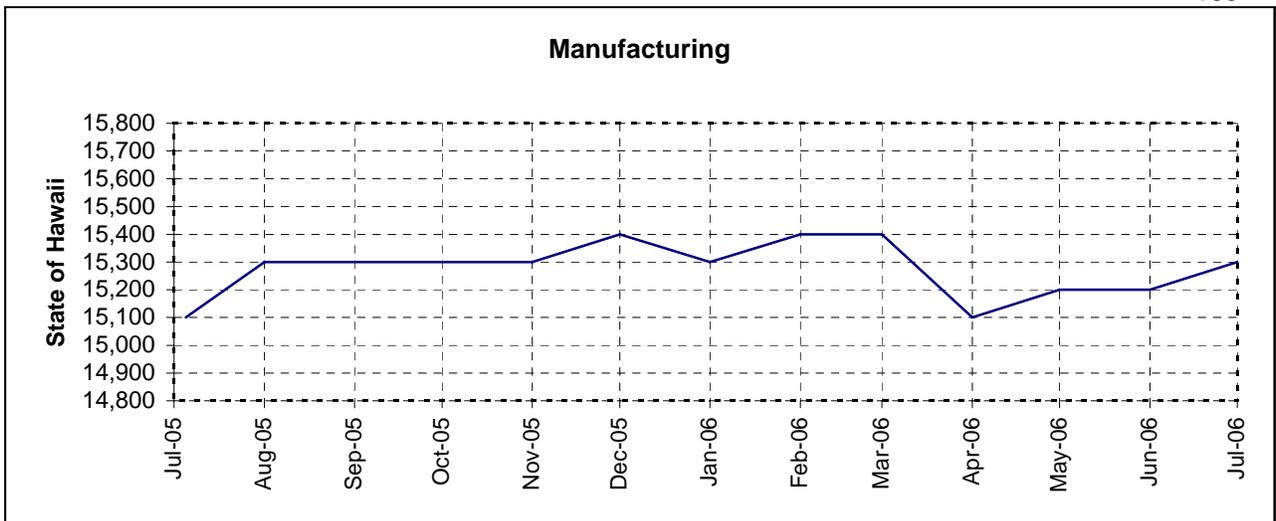
Jun-06 - Jul-06 (-800, -.1%)

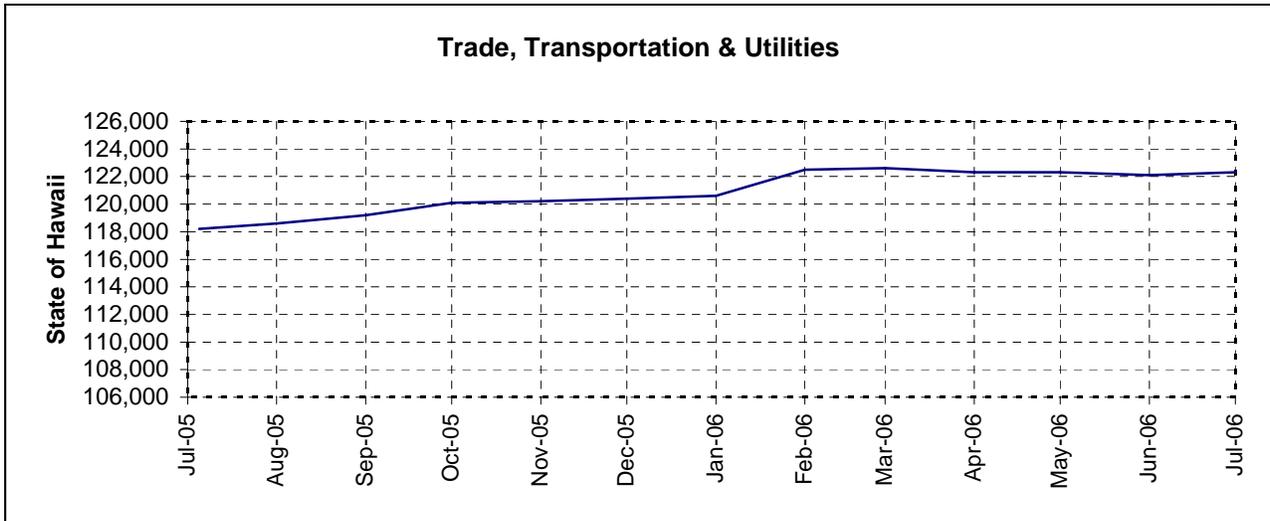
* BENCHMARKED DATA

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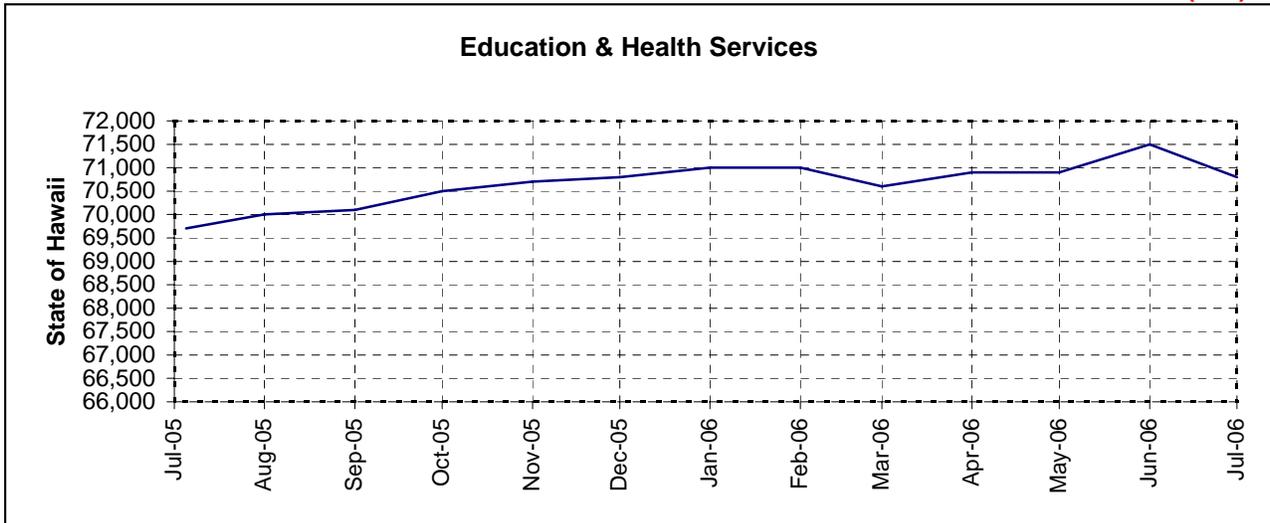


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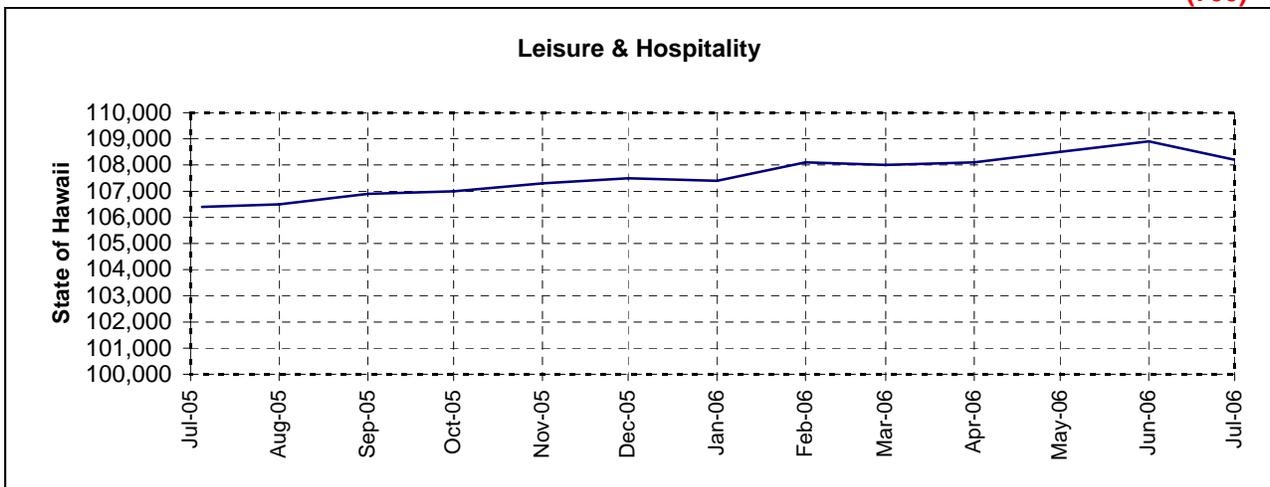


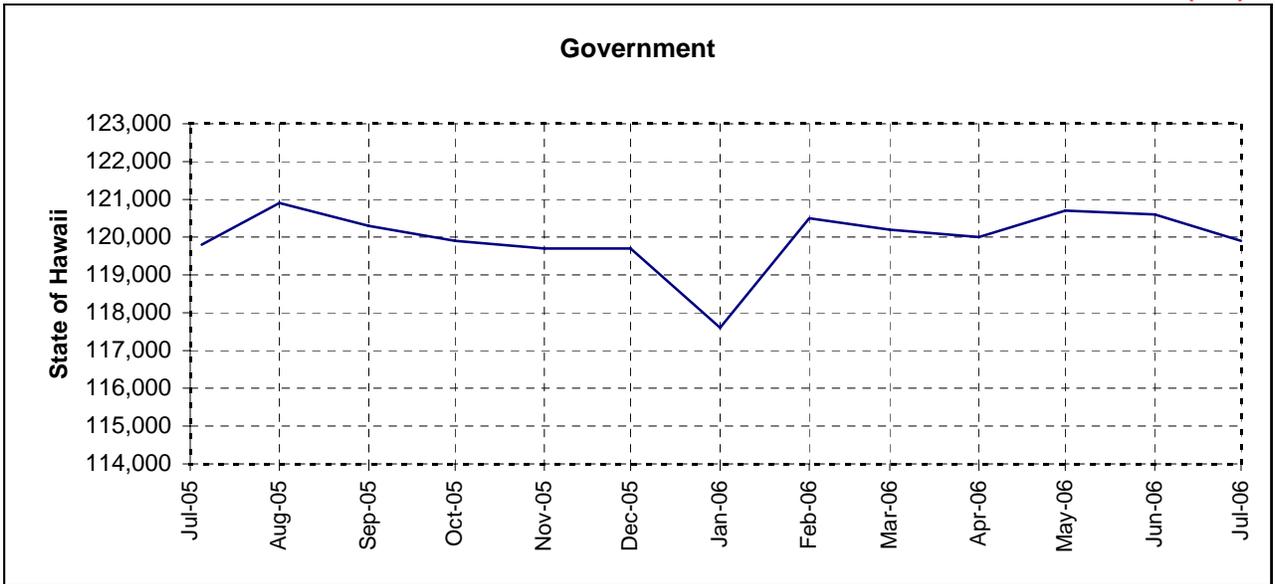
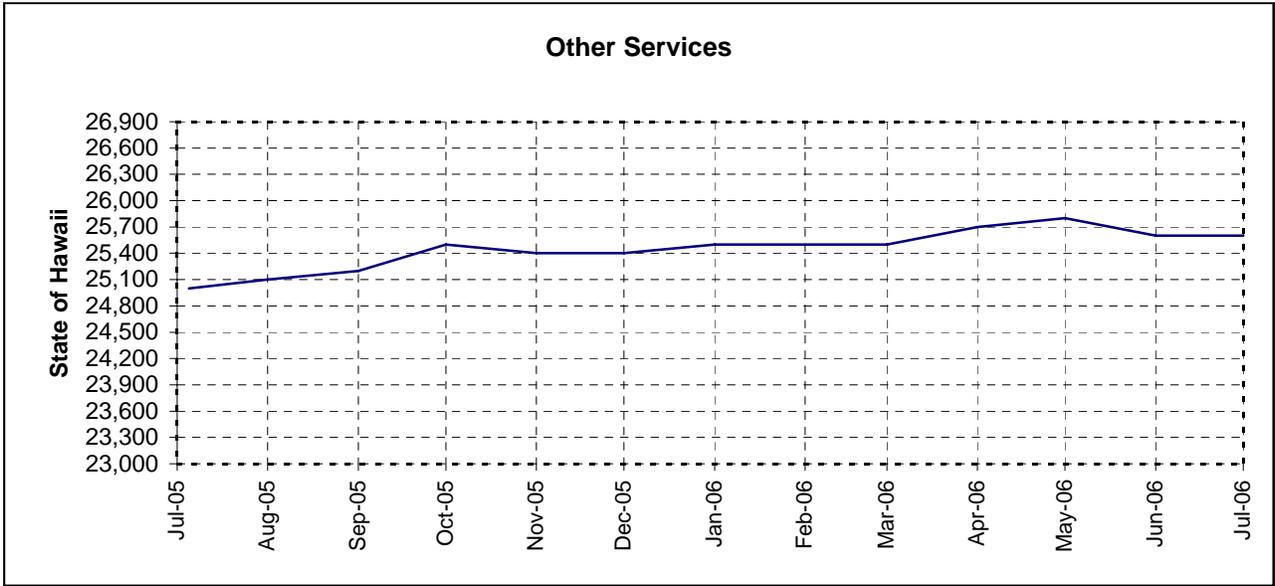


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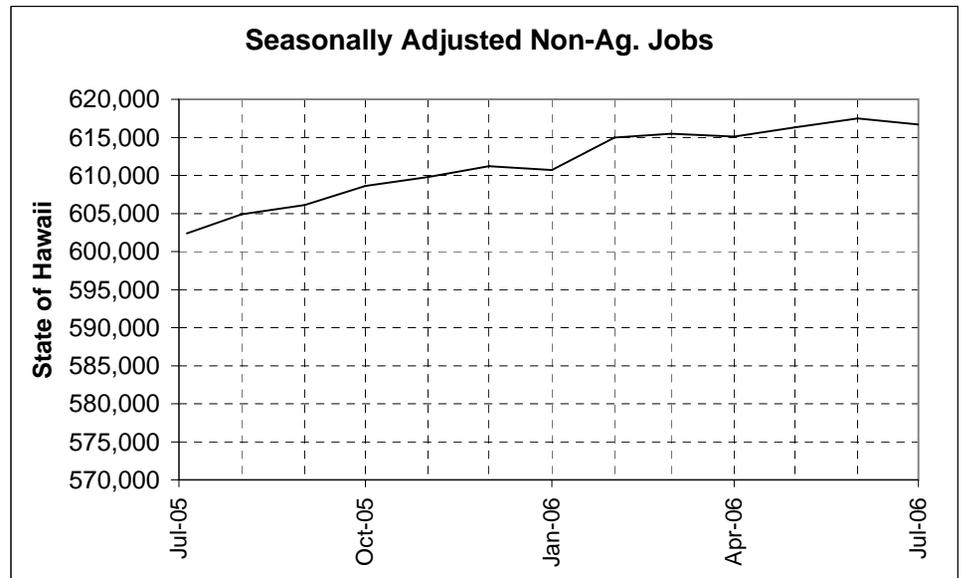
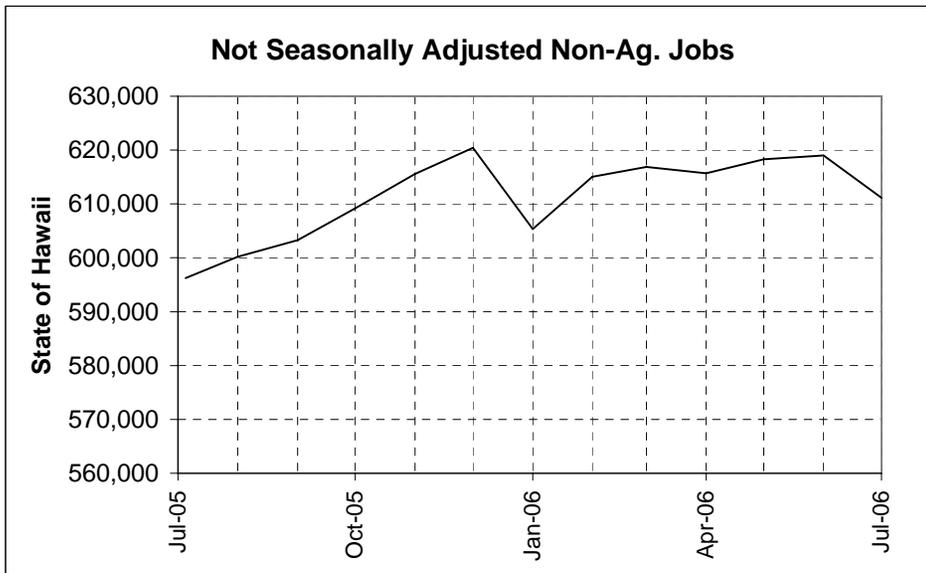
Not Seasonally Adjusted Non-Ag. Jobs

	Jul-06	Jun-06	Jul-05*
NAT. RESOURCES, MINING & CONSTR.	36,500	36,100	33,900
MANUFACTURING	15,300	15,300	15,100
TRADE, TRANSPORTATION & UTILITIES	121,900	121,550	118,000
INFORMATION	11,150	11,200	10,500
FINANCIAL ACTIVITIES	30,150	30,050	29,450
PROFESSIONAL & BUSINESS SERVICES	77,200	77,000	74,050
EDUCATIONAL & HEALTH SERVICES	70,200	71,000	69,400
LEISURE & HOSPITALITY	108,800	108,850	106,850
OTHER SERVICES	25,700	25,850	25,050
GOVERNMENT	114,300	122,100	113,950
TOTAL	611,150	619,000	596,250

Seasonally Adjusted Non-Ag. Jobs

	Jul-06	Jun-06	Jul-05*
NAT. RESOURCES, MINING & CONSTR.	36,300	35,900	33,400
MANUFACTURING	15,300	15,200	15,100
TRADE, TRANSPORTATION & UTILITIES	122,300	122,100	118,200
EDUCATIONAL AND HEALTH SERVICES	70,800	71,500	69,700
LEISURE & HOSPITALITY	108,200	108,900	106,400
OTHER SERVICES	25,600	25,600	25,000
GOVERNMENT	119,900	120,600	119,800
TOTAL	616,700	617,500	602,400

* BENCHMARKED DATA



LABOR FORCE AND JOBCOUNT ESTIMATES
July 2006 Report, Statewide

	DEPARTMENT OF LABOR -- LABOR FORCE ESTIMATES							
	STATEWIDE							
	(NOT SEASONALLY ADJUSTED)							
	Jul-06	Jun-06	Jul-05	CHANGE FROM ONE MONTH AGO		CHANGE FROM ONE YEAR AGO		
CIVILIAN LABOR FORCE	659.4	655.0	641.0	4.4	0.7%	18.4	2.9%	
TOTAL EMPLOYED	637.8	630.5	621.5	7.3	1.2%	16.3	2.6%	
UNEMPLOYED	21.7	24.5	19.5	-2.8	-11.4%	2.2	11.3%	
percent of Labor Force	3.3%	3.7%	3.0%					
Total Nonfarm	619.1	618.3	604.1	0.8	0.1%	15.0	2.5%	
Total Private	497.1	494.6	482.6	2.5	0.5%	14.5	3.0%	
Goods Producing	51.5	51.3	48.7	0.2	0.4%	2.8	5.8%	
Service-Providing	567.6	567.0	555.4	0.6	0.1%	12.2	2.2%	
Private Service-Providing	445.6	443.3	434.0	2.3	0.5%	11.6	2.7%	
Nat. Res & Construct	36.2	36.0	33.5	0.2	0.6%	2.7	8.0%	
Construction of Buildings	11.5	11.4	10.4	0.1	1.8%	1.1	6.3%	
Special Trade Contractors	19.4	19.3	18.1	0.1	0.9%	1.3	10.3%	
Manufacturing	15.3	15.3	15.2	0.0	0.0%	0.1	0.9%	
Durable Goods	4.5	4.5	4.4	0.0	0.2%	0.1	2.0%	
Non-Durable Goods	10.8	10.8	10.7	0.0	-0.1%	0.0	0.5%	
Trade, Transportation,	121.5	121.1	117.3	0.3	0.3%	4.2	3.6%	
Wholesale Trade	18.3	18.1	17.6	0.1	0.8%	0.7	4.0%	
Retail Trade	70.2	70.0	68.3	0.2	0.3%	1.9	2.7%	
Food and Beverage Sto	13.0	12.9	12.8	0.1	0.4%	0.2	1.3%	
Grocery Stores	10.8	10.7	10.7	0.1	0.5%	0.1	0.6%	
Clothing and Clothing	11.4	11.3	11.1	0.1	0.5%	0.3	2.8%	
General Merchandise S	12.1	12.1	11.6	0.0	0.1%	0.4	3.8%	
Department Stores	9.2	9.2	8.7	0.0	0.1%	0.5	5.8%	
Trans,Warehouse, Util	33.0	33.0	31.4	0.0	0.0%	1.6	5.2%	
Utilities	2.9	2.9	2.9	0.0	0.4%	0.0	1.0%	
Transport & Warehouse	30.1	30.1	28.5	0.0	0.0%	1.6	5.7%	
Air Transportation	10.2	10.2	10.2	0.0	0.3%	0.0	0.4%	
Information	11.3	11.4	10.5	-0.1	-1.0%	0.8	7.6%	
Telecommunications	4.2	4.1	3.9	0.0	0.8%	0.3	6.9%	
Financial Activities	30.0	29.8	29.2	0.2	0.6%	0.8	2.6%	
Finance and Insurance	16.9	16.8	16.4	0.1	0.6%	0.4	2.6%	
Real Estate and Renta	13.1	13.0	12.8	0.1	0.7%	0.3	2.6%	
Professional and Busin	77.1	76.4	74.0	0.8	1.0%	3.2	4.3%	
Professional, Scienti	23.7	23.4	23.1	0.3	1.3%	0.6	2.7%	
Management of Compani	7.5	7.4	7.4	0.1	0.9%	0.1	1.1%	
Administrative and Su	46.0	45.6	43.6	0.4	0.9%	2.5	5.6%	
Employment Services	17.9	17.5	15.9	0.3	1.9%	2.0	12.3%	
Educational and Health	71.1	71.1	70.2	0.0	0.0%	0.9	1.3%	
Educational Services	13.8	14.2	13.6	-0.3	-2.3%	0.2	1.8%	
Elementary and Second	7.2	7.3	7.1	-0.1	-1.9%	0.0	0.4%	
Health Care and Socia	57.3	57.0	56.6	0.3	0.5%	0.7	1.1%	
Ambulatory Health Car	22.8	22.7	22.6	0.1	0.3%	0.2	0.9%	
Hospitals	14.0	14.0	14.2	0.0	0.0%	-0.2	-1.1%	
Nursing and Residenti	6.9	6.8	6.7	0.0	0.6%	0.2	2.9%	
Social Assistance	13.6	13.4	13.2	0.2	1.5%	0.4	3.1%	
Leisure and Hospitalit	108.7	107.7	107.4	1.0	0.9%	1.3	1.2%	
Arts, Entertainment,	12.1	11.9	11.9	0.2	1.6%	0.2	1.9%	
Accommodation and Foo	96.6	95.8	95.5	0.8	0.8%	1.0	1.1%	
Accommodation	39.2	38.9	38.8	0.3	0.7%	0.4	1.1%	
Food Services and Dri	57.4	56.9	56.8	0.5	0.9%	0.6	1.0%	
Full-Service Restaura	29.5	29.3	29.2	0.3	0.9%	0.4	1.2%	
Other Services	25.9	25.8	25.3	0.1	0.5%	0.6	2.2%	
Government	122.0	123.7	121.5	-1.7	-1.3%	0.5	0.4%	
Federal Government	31.6	31.6	31.2	0.0	-0.1%	0.4	1.3%	
Ship Building & Repai	4.3	4.2	4.2	0.1	0.5%	0.2	1.4%	
Department of Defense	16.6	16.5	16.4	0.1	1.7%	0.1	2.0%	
State Government	72.8	74.8	72.8	-2.0	-2.7%	0.0	0.0%	
State Govt. Education	48.9	50.6	49.1	-1.8	-3.5%	-0.3	-0.5%	
Local Government	17.6	17.3	17.5	0.4	2.1%	0.1	0.8%	

UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

	JUL 2006	JUN 2006	JUL 2005
STATE	3.3	3.7	3.0
HONOLULU	3.2	3.6	2.9
HAWAII COUNTY	3.9	4.5	3.8
KAUAI	3.3	3.5	2.9
MAUI COUNTY	3.1	3.5	2.8
Maui Island	3.0	3.4	2.5
Molokai	7.0	8.6	10.6
Lanai	1.4	1.2	0.5
U. S.	5.0	4.8	5.2

	JUL 2006	JUN 2006	JUL 2005
STATE	3.0	3.1	2.7
U. S.	4.8	4.6	5.0

	<u>Jul 2006</u>	<u>Jun 2006</u>	<u>Jul 2005</u>
Labor Force	651,950	650,650	634,950
Employment	632,200	630,500	617,550
Unemployment	19,750	20,150	17,400

** totals may not add up due to rounding

	Jul 2005	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul 2006
U. S.	5.2	4.9	4.8	4.6	4.8	4.6	5.1	5.1	4.8	4.5	4.4	4.8	5.0
Hawaii	3.0	2.8	3.1	2.7	2.7	2.4	2.2	2.3	2.5	2.8	2.8	3.7	3.3

	Jul 2005	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul 2006
U. S.	5.0	4.9	5.1	4.9	5.0	4.9	4.7	4.8	4.7	4.7	4.6	4.6	4.8
Hawaii	2.7	2.7	2.8	2.8	2.7	2.7	2.4	2.5	2.6	2.8	3.0	3.1	3.0

