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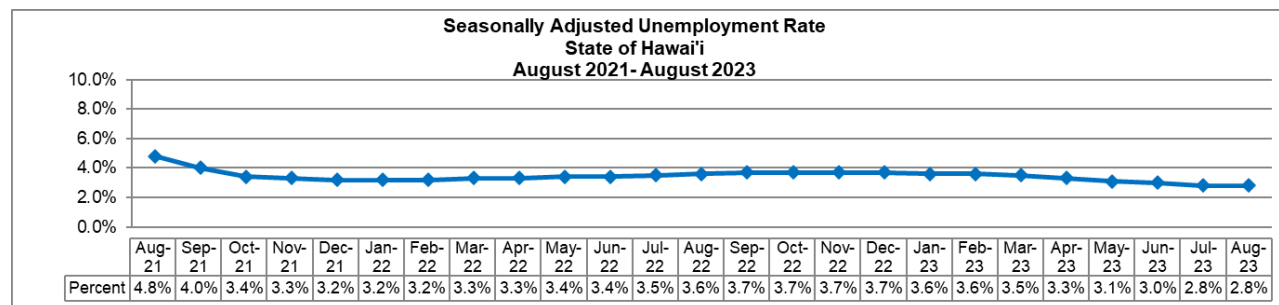
September 18, 2023

HAWAII'S AUGUST UNEMPLOYMENT RATE AT 2.8 PERCENT

Jobs increased by 7,100 year-over-year

HONOLULU — The Hawai'i State Department of Business, Economic Development and Tourism (DBEDT) today announced that the seasonally adjusted unemployment rate for August was 2.8 percent, the same as in July. In August, 657,350 persons were employed and 19,050 were unemployed, for a total seasonally adjusted labor force of 676,400 statewide. Nationally, the seasonally adjusted unemployment rate was 3.8 percent in August, up from 3.5 percent in July.

NOTE: Individuals who did any work for pay or profit during the survey reference week would be counted as employed. For August 2023, the reference week is the week ending August 12.



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 was 3.1 percent in August, compared to 2.7 percent in July.

State of Hawai'i Seasonally Adjusted Labor Force Data**					
		<u>Aug 2023</u>		<u>Jul 2023</u>	
					<u>Aug 2022*</u>
Labor Force		676,400		677,600	680,150
Employment		657,350		658,350	655,850
Unemployment		19,050		19,300	24,300
* benchmarked data					
**totals may not add due to rounding					

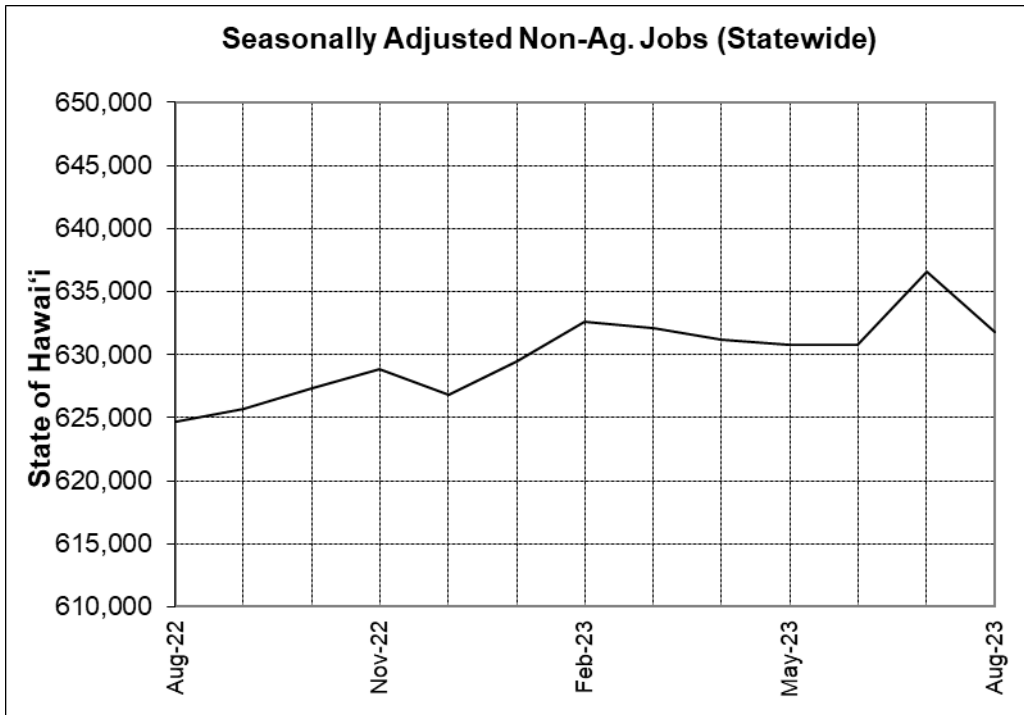
			AUG		JUL		AUG*
			2023		2023		2022
<u>Seasonally Adjusted</u>							
STATE			2.8		2.8		3.6
U. S.			3.8		3.5		3.7
<u>Not Seasonally Adjusted</u>							
STATE			3.1		2.7		3.7
HONOLULU			2.9		2.6		3.7
HAWAI'I COUNTY			3.3		3.2		3.9
KAUA'I			2.7		2.4		3.7
MAUI COUNTY			4.1		2.5		3.4
Maui Island			4.2		2.4		3.3
Moloka'i			2.5		6.6		9.3
Lāna'i			1.9		3.3		1.7
U. S.			3.9		3.8		3.8
county & island rates are not seasonally adjusted							
* benchmarked data							

Industry Payroll Employment (Establishment Survey)

In a separate measure of employment, total nonagricultural jobs decreased by 4,800 month-over-month, from July 2023 to August 2023. Job gains were experienced in Private Education & Health Services (+300); and Other Services (+300). Employment remained stable in Manufacturing; Trade, Transportation, & Utilities; Information; and Leisure & Hospitality. Job losses occurred in Financial Activities (-100); Construction (-300); and Professional & Business Services (-600). Within Professional & Business Services, contraction was concentrated in the Administrative & Support & Waste Management & Remediation Services subsector, more specifically in Professional Employer Organizations and Employment Placement Agencies. Government employment went down by 4,400 jobs. The drop in Government was in State Government, due to a higher than seasonal average release of workers in the Department of Education. Year-over-year (August 2022 was the 29th month of pandemic effects), nonfarm jobs have gone up by 7,100, or 1.1 percent. However, in comparison with March 2020 (the last month prior to pandemic effects), nonfarm jobs were down by 23,400, or -3.6 percent.

NOTE: Data are collected each month from sample establishments for the single pay period that includes the 12th of the month. The length of this pay period is specific to each business and depends on how frequently it pays its employees. Pay periods can be weekly, biweekly (every two weeks), semimonthly (twice a month), or monthly. *If an employee worked any amount of time during the pay period including the 12th of the reference month, they are included in the employment estimates.*

Seasonally Adjusted Non-Ag. Jobs (Statewide)			
	Aug-23	Jul-23	Aug-22
MINING, LOGGING & CONSTRUCTION	37,600	37,900	37,100
MANUFACTURING	12,800	12,800	12,600
Durable Goods	3,300	3,200	3,300
Non-Durable Goods	9,500	9,600	9,300
TRADE, TRANSPORTATION & UTILITIES	117,000	117,000	116,500
Wholesale Trade	17,700	17,400	17,400
Retail Trade	65,700	65,600	65,400
Transportation, Warehousing, & Utilities	33,600	34,000	33,700
INFORMATION	9,100	9,100	8,600
FINANCIAL ACTIVITIES	26,900	27,000	27,900
Finance & Insurance	14,800	14,900	15,600
Real Estate & Rental & Leasing	12,100	12,100	12,300
PROFESSIONAL & BUSINESS SERVICES	71,700	72,300	72,000
Professional, Scientific, Tech Svcs	27,100	27,100	26,100
Management of Companies & Enterprises	8,700	8,700	8,600
Administrative & Support & Waste Mgmt	35,900	36,500	37,300
PRIVATE EDUCATION & HEALTH SERVICES	87,800	87,500	86,000
Private Educational Services	15,500	15,400	13,900
Health Care & Social Assistance	72,300	72,100	72,100
LEISURE & HOSPITALITY	119,300	119,300	113,900
Arts, Entertainment & Recreation	12,600	12,700	12,200
Accommodation & Food Services	106,700	106,600	101,700
OTHER SERVICES	27,300	27,000	26,400
GOVERNMENT	122,300	126,700	123,700
Federal Government	35,200	35,200	34,800
State Government	68,200	72,700	70,500
Local Government	18,900	18,800	18,400
TOTAL: STATEWIDE	631,800	636,600	624,700
TOTAL: HONOLULU MSA	454,100	455,600	446,600
TOTAL: KAHULUI-WAILUKU-LĀHAINĀ MSA	75,700	75,700	75,000



Technical Notes:

Labor Force Components

The concepts and definitions used by the Local Area Unemployment Statistics (LAUS) program are the same as those used in the Current Population Survey for the national labor force data:

- *Civilian labor force.* Included are all persons in the civilian noninstitutional population ages 16 and older classified as either employed or unemployed. (See the definitions below.)
- *Employed persons.* These are all persons who, during the reference week (the week including the 12th day of the month), (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their family, or (b) were not working but who had jobs from which they were temporarily absent because of vacation, illness, bad weather, childcare problems, maternity or paternity leave, labor-management dispute, job training, or other family or personal reasons, whether or not they were paid for the time off or were seeking other jobs. Each employed person is counted only once, even if he or she holds more than one job.
- *Unemployed persons.* Included are all persons who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the four-week period ending with the reference week. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed.
- *Unemployment rate.* The unemployed percent of the civilian labor force [i.e., 100 times (unemployed/civilian labor force)].

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 12th 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 Hawai'i 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 those 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 2010-2022 have revised inputs and have been re-estimated to reflect revised population controls and model re-estimation.

Change to Monthly Employment Estimates

This release incorporates revised job count figures for the seasonally adjusted series. The revised data reflects historical corrections applied to unadjusted super sector or sector level series dating back from 1990 through 2022. For years, analysts with the State of Hawai'i Department of Labor and Industrial Relations' Research and Statistics Office have developed monthly employment estimates for Hawai'i and its metropolitan areas. These estimates were based on a monthly survey of Hawai'i 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 were transitioned from individual state agencies to the U.S Bureau of Labor Statistics (BLS).

For Hawai'i, this means the transition of statewide, Honolulu and Kahului-Wailuku-Lāhainā MSA estimates for both the seasonally adjusted and not seasonally adjusted areas are produced by BLS. 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 Hawai'i's counties and islands. BLS can be reached at (202) 691-6555 for any questions about these estimates.

The not-seasonally adjusted job estimates for Hawai'i County, Kaua'i County, Maui, Moloka'i, and Lāna'i are produced by the State of Hawai'i Department of Business, Economic Development, & Tourism.

Seasonally Adjusted Labor Force & Unemployment Estimates for Honolulu & Maui Co.

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, Third Quarter of 2022 through Second Quarter of 2023 averages

Area	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.2	1.6	3.6	3.8	4.4	6.7
Hawai'i	1.2	1.2	3.3	3.4	4.0	6.5

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 childcare or transportation problems, for example. Discouraged workers are a subset of the marginally attached.

Please 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 four-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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