

**DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM**

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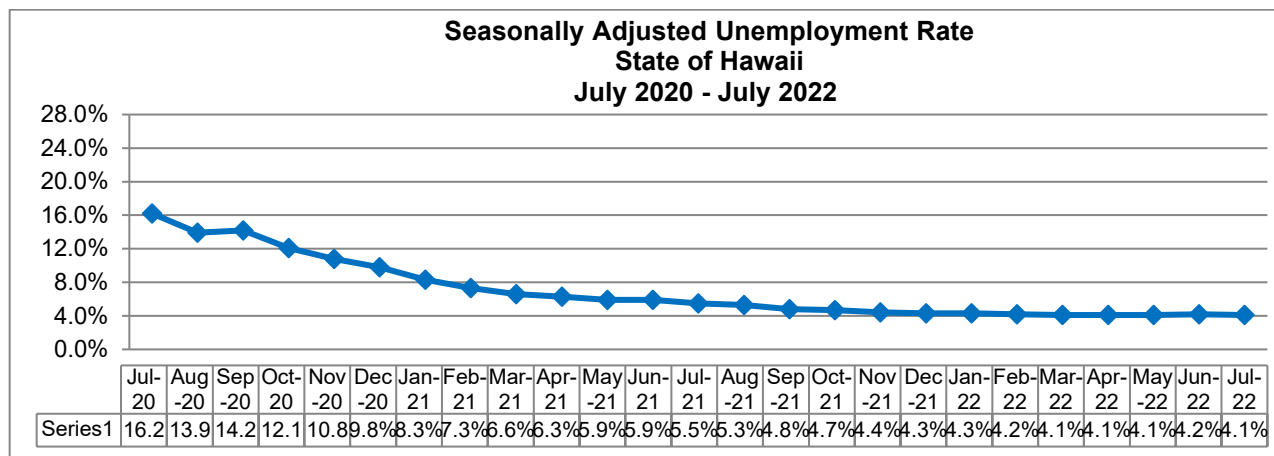
**FOR IMMEDIATE RELEASE**

August 18, 2022

**HAWAII'S UNEMPLOYMENT RATE AT 4.1 PERCENT IN JULY**

*Jobs increased by 10,700 over-the-year*

HONOLULU — The Hawaii State Department of Business, Economic Development & Tourism (DBEDT) today announced that the seasonally adjusted unemployment rate for July was 4.1 percent, compared to the revised rate of 4.2 percent in June. Statewide, 649,550 were employed and 27,500 unemployed in July for a total seasonally adjusted labor force of 677,050. Nationally, the seasonally adjusted unemployment rate was 3.5 percent in July down from 3.6 percent in June.



The unemployment rate figures for the State of Hawaii 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 3.8 percent in July, compared to the revised rate of 4.1 percent in June.

<b>State of Hawaii Seasonally Adjusted Labor Force Data**</b>			
	<u>Jul 2022</u>	<u>Jun 2022</u>	<u>Jul 2021*</u>
Labor Force	677,050	676,650	673,350
Employment	649,550	648,350	636,150
Unemployment	27,500	28,300	37,200

\* benchmarked data

\*\*totals may not add due to rounding

	<b>JUL</b>	<b>JUN</b>	<b>JUL*</b>
	2022	2022	2021
<b><u>Seasonally Adjusted</u></b>			
<b>STATE</b>	<b>4.1</b>	<b>4.2</b>	<b>5.5</b>
<b>U. S.</b>	<b>3.5</b>	<b>3.6</b>	<b>5.4</b>
<b><u>Not Seasonally Adjusted</u></b>			
<b>STATE</b>	<b>3.8</b>	<b>4.1</b>	<b>5.6</b>
HONOLULU	3.6	3.9	5.2
HAWAII COUNTY	4.0	4.3	5.6
KAUAI	4.4	4.9	7.3
MAUI COUNTY	4.2	4.8	7.1
Maui Island	4.0	4.5	7.2
Molokai	11.4	14.1	6.7
Lanai	5.3	4.3	2.9
<b>U. S.</b>	<b>3.8</b>	<b>3.8</b>	<b>5.7</b>

county & island rates are not seasonally adjusted

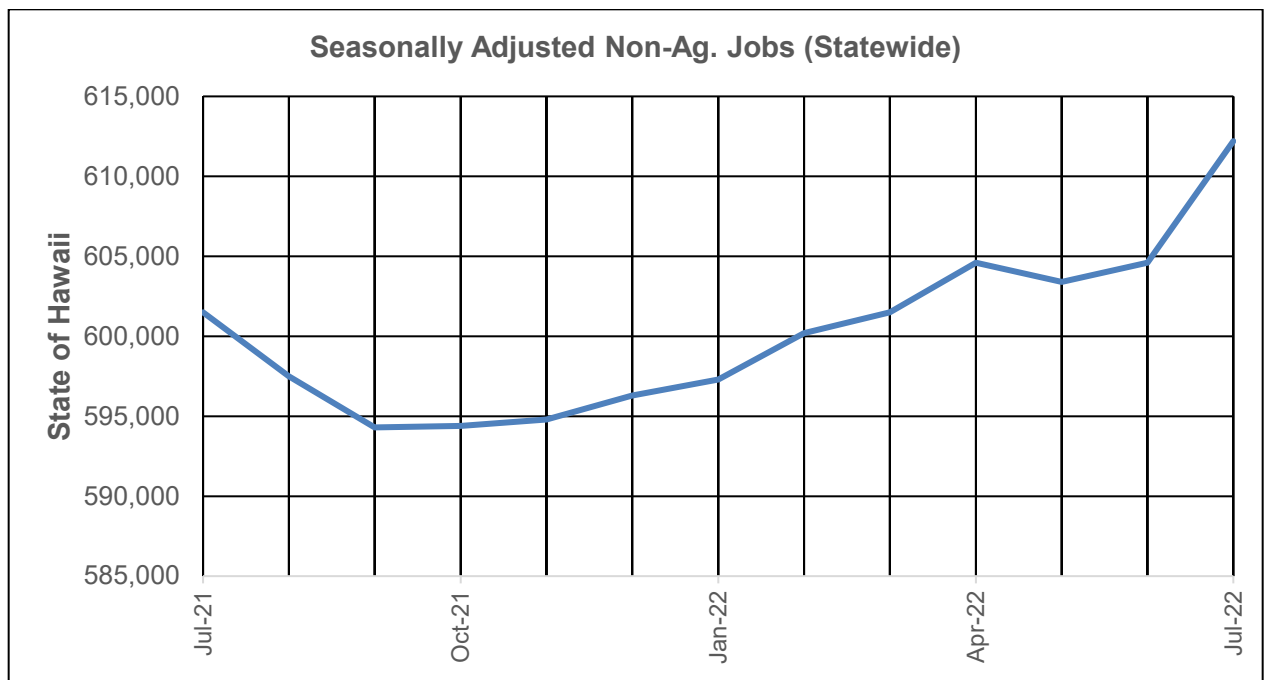
\* benchmarked data

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

In another measure of employment, total nonagricultural jobs increased by 7,600 over-the-month. Job gains occurred in Leisure & Hospitality (+2,100); Education & Health Services (+1,800); Professional & Business Services (+800); Trade, Transportation, & Utilities (+700); Financial Activities (+200); and Other Services (+100). Within Leisure & Hospitality, the bulk of the gains were in Food Services & Drinking Places and to a lesser extent, Accommodation. Within Education & Health Services, the expansion was primarily in Ambulatory Health Care Services, while secondarily in Hospitals; Nursing & Residential Care Facilities; and Social Assistance. Within Professional & Business Services, employment went up in the Administrative & Support & Waste Management & Remediation Services subsector. Within the combined Trade, Transportation, & Utilities grouping, gains were concentrated in Retail Trade.

Job losses were experienced in Manufacturing (-100); Information (-100); and Construction (-300). Government employment rose by 2,400 jobs, mostly because of a smaller June-July seasonal drop at the Department of Education. Over-the-year (July 2021 was the 16th month of pandemic effects), nonfarm jobs have gone up by 10,700, or 1.8 percent. However, in comparison with March 2020 (last month prior to pandemic effects), nonfarm jobs were down by 43,100 or -6.6 percent.

<b>Seasonally Adjusted Non-Ag. Jobs (Statewide)</b>			
	<b>Jul-22</b>	<b>Jun-22</b>	<b>Jul-21</b>
MINING, LOGGING & CONSTRUCTION	35,200	35,500	36,700
MANUFACTURING	12,300	12,400	12,400
Durable Goods	3,100	3,100	3,400
Non-Durable Goods	9,200	9,300	9,000
TRADE, TRANSPORTATION & UTILITIES	111,900	111,200	111,600
Wholesale Trade	15,800	16,000	16,600
Retail Trade	64,700	64,000	63,800
Transportation, Warehousing, & Utilities	31,400	31,200	31,200
INFORMATION	8,500	8,600	7,700
FINANCIAL ACTIVITIES	26,200	26,000	27,400
Finance & Insurance	15,200	15,100	16,000
Real Estate & Rental & Leasing	11,000	10,900	11,400
PROFESSIONAL & BUSINESS SERVICES	70,200	69,400	68,300
Professional, Scientific, Tech Svcs	25,400	25,300	25,200
Management of Companies & Enterprises	8,700	8,800	8,400
Administrative & Support & Waste Mgmt	36,100	35,300	34,700
EDUCATION & HEALTH SERVICES	86,800	85,000	85,300
Educational Services	13,800	14,000	13,100
Health Care & Social Assistance	73,000	71,000	72,200
LEISURE & HOSPITALITY	112,900	110,800	102,600
Arts, Entertainment & Recreation	10,000	10,100	10,300
Accommodation & Food Services	102,900	100,700	92,300
OTHER SERVICES	25,400	25,300	24,700
GOVERNMENT	122,800	120,400	124,800
Federal Government	35,000	35,000	34,800
State Government	69,500	67,000	71,500
Local Government	18,300	18,400	18,500
<b>TOTAL: STATEWIDE</b>	<b>612,200</b>	<b>604,600</b>	<b>601,500</b>
<b>TOTAL: HONOLULU MSA</b>	<b>441,200</b>	<b>436,700</b>	<b>434,200</b>
<b>TOTAL: KAHULUI-WAILUKU-LAHAINA MSA</b>	<b>72,700</b>	<b>72,200</b>	<b>71,700</b>



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 4 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 12<sup>th</sup> 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 Hawaii 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 ones 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 2010-2021 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 2021. For years, analysts with the State DLIR's Research and Statistics Office have developed monthly employment estimates for Hawaii and its metropolitan areas. These estimates were based on a monthly survey of Hawaii businesses and analysts' knowledge about our local economies. Beginning with the production of preliminary estimates for March 2011, responsibility for the State and metropolitan area (MSA) estimates were transitioned from individual state agencies to the U.S Bureau of Labor Statistics (BLS). For Hawaii, this means the transition of statewide, Honolulu and Kahului-Wailuku-Lahaina 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 Hawaii's counties and islands. BLS can be reached at (202) 691-6533 for any questions about these estimates.

The not seasonally adjusted job estimates for Hawaii County, Kauai County, Maui Island, Molokai, and Lānai are produced by the State of Hawaii 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, Second Quarter of 2021 through First Quarter of 2022 Averages*

State	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
<b>United States</b>	2.3	2.6	4.7	5.0	5.7	8.4
<b>Hawaii</b>	2.8	3.1	4.8	5.1	5.8	9.6

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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