



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

RESEARCH AND ECONOMIC ANALYSIS DIVISION

JOSH GREEN, M.D.
GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DR. EUGENE TIAN
CHIEF STATE ECONOMIST

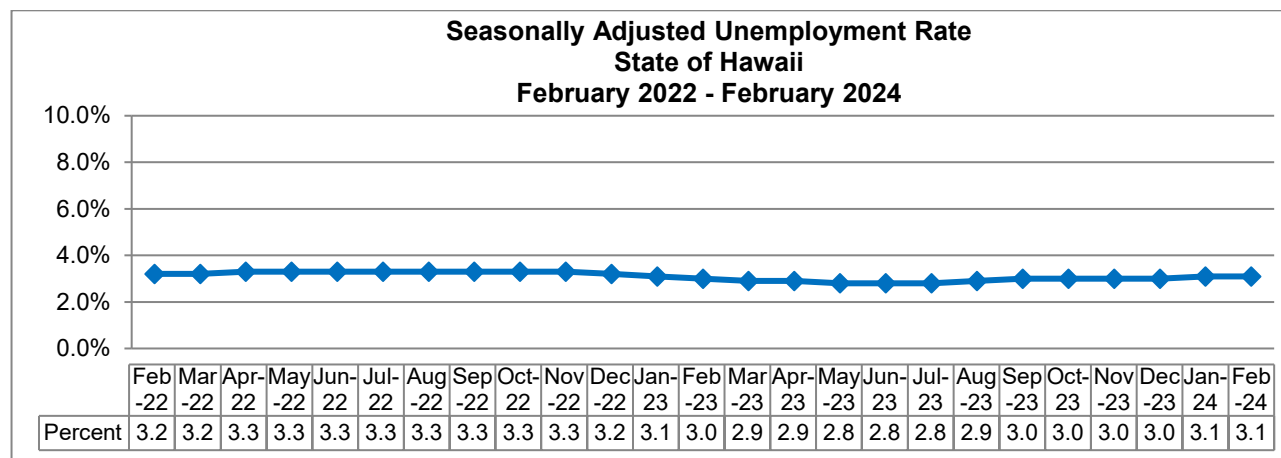
FOR IMMEDIATE RELEASE

March 21, 2024

HAWAII FEBRUARY UNEMPLOYMENT RATE AT 3.1 PERCENT

Jobs increased by 500 year-over-year

HONOLULU — The Hawaii State Department of Business, Economic Development and Tourism (DBEDT) today announced that the seasonally adjusted unemployment rate for February was 3.1 percent, the same as in January. In February, 653,500 persons were employed and 21,150 were unemployed, for a total seasonally adjusted labor force of 674,650 statewide. Nationally, the seasonally adjusted unemployment rate was 3.9 percent in February, up from 3.7 percent in January.



The unemployment rate figures for the state of Hawaii and the U.S. in this release are seasonally adjusted, in accordance with U.S. Bureau of Labor Statistics (BLS) methodology. The not-seasonally adjusted rate for the state was also 3.1 percent in February, unchanged from January.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Feb 2024</u>	<u>Jan 2024</u>	<u>Feb 2023*</u>
Labor Force	674,650	674,750	676,200
Employment	653,500	653,900	655,600
Unemployment	21,150	20,850	20,600

* benchmarked data

**totals may not add due to rounding

	FEB 2024	JAN 2024	FEB* 2023
<u>Seasonally Adjusted</u>			
STATE	3.1	3.1	3.0
U. S.	3.9	3.7	3.6
<u>Not Seasonally Adjusted</u>			
STATE	3.1	3.1	2.9
HONOLULU	2.7	2.7	2.9
HAWAII COUNTY	2.9	2.8	3.2
KAUAI	2.5	2.5	2.9
MAUI COUNTY	5.6	5.9	2.9
Maui Island	5.8	6.2	2.9
Molokai	1.2	1.4	4.3
Lanai	1.6	0.9	1.8
U. S.	4.2	4.1	3.9

County and island rates are not seasonally adjusted

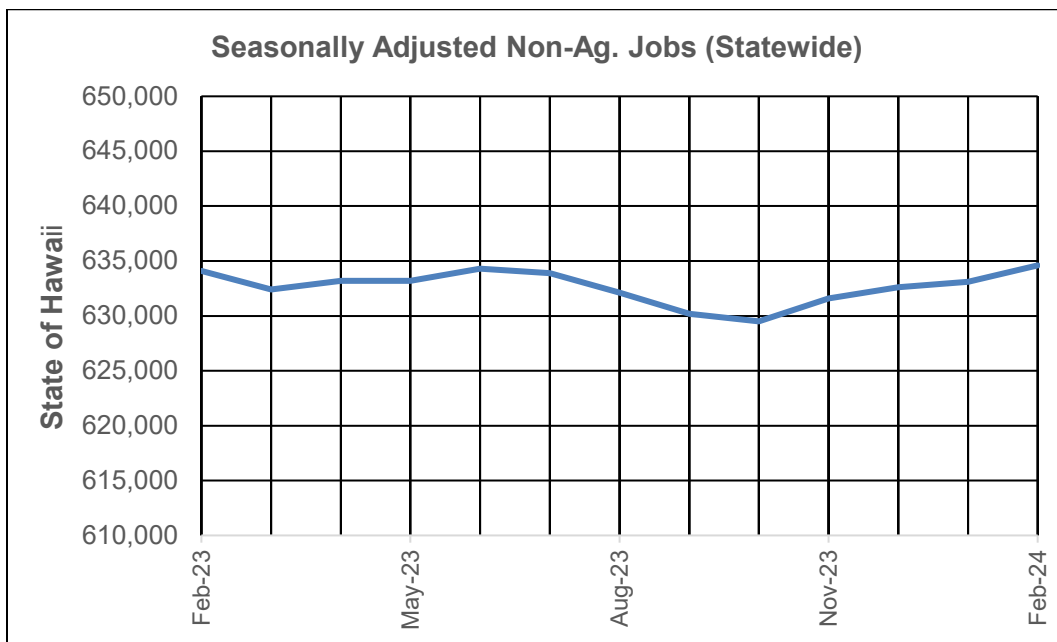
* benchmarked data

Industry Payroll Employment (Establishment Survey)

In a separate measure of employment, total nonagricultural jobs increased by 1,500 month-over-month, from January 2024 to February 2024. Job gains were experienced in Other Services (+400); Construction (+300); Private Education & Health Services (+300); and Manufacturing (+200). Employment remained stable in Trade, Transportation & Utilities; and Financial Activities. Job losses occurred in Information (-100); Leisure & Hospitality (-100); and Professional & Business Services (-300). Government employment rose by 800 jobs, primarily due to a higher-than-average seasonal increase in the University of Hawaii system. Year-over-year (February 2023 was the 35th month of pandemic effects), nonfarm jobs have gone up by 500, or 0.1 percent. However, in comparison with March 2020 (the last month prior to pandemic effects), nonfarm jobs were down by 21,200, or -3.2 percent.

Seasonally Adjusted Non-Ag. Jobs (Statewide)

	Feb-24	Jan-24	Feb-23
MINING, LOGGING & CONSTRUCTION	40,000	39,700	38,300
MANUFACTURING	12,700	12,500	12,800
Durable Goods	3,400	3,200	3,400
Non-Durable Goods	9,300	9,300	9,400
TRADE, TRANSPORTATION & UTILITIES	115,100	115,100	117,600
Wholesale Trade	17,000	17,000	17,500
Retail Trade	64,100	64,100	65,600
Transportation, Warehousing & Utilities	34,000	34,000	34,500
INFORMATION	6,900	7,000	9,800
FINANCIAL ACTIVITIES	27,000	27,000	27,900
Finance & Insurance	15,200	15,300	15,600
Real Estate & Rental & Leasing	11,800	11,700	12,300
PROFESSIONAL & BUSINESS SERVICES	71,500	71,800	72,100
Professional, Scientific, Tech Svcs	26,100	26,200	26,600
Management of Companies & Enterprises	8,700	8,700	8,800
Administrative & Support & Waste Mgmt	36,700	36,900	36,700
PRIVATE EDUCATION & HEALTH SERVICES	90,200	89,900	88,000
Private Educational Services	14,900	14,800	14,400
Health Care & Social Assistance	75,300	75,100	73,600
LEISURE & HOSPITALITY	119,400	119,500	118,500
Arts, Entertainment & Recreation	13,000	13,000	12,900
Accommodation & Food Services	106,400	106,500	105,600
OTHER SERVICES	26,000	25,600	26,600
GOVERNMENT	125,800	125,000	122,500
Federal Government	35,500	35,500	34,900
State Government	71,300	70,600	69,000
Local Government	19,000	18,900	18,600
TOTAL: STATEWIDE	634,600	633,100	634,100
TOTAL: HONOLULU MSA	459,400	460,100	455,300
TOTAL: KAHULUI-WAILUKU-LAHAINA MSA	71,400	71,000	77,200



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 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 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 sub-state data for 2019 to 2023 have revised inputs and data for 2010 to 2023 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 2019 through 2023. For years, analysts with the state of Hawaii Department of Labor and Industrial Relations 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 production of 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 toward 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 202-691-6555 for any questions about these estimates.

The not-seasonally adjusted job estimates for Hawaii County, Kaua'i County, Maui, Moloka'i, and Lāna'i are produced by DBEDT.

Seasonally Adjusted Labor Force and Unemployment Estimates for Honolulu and Maui County.

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

<i>Alternative Measures of Labor Underutilization for States, 2023 annual averages</i>						
Area	Measure					
	U-1	U-2	U-3	U-4	U-5	U-6
United States	1.3	1.7	3.6	3.9	4.5	6.9
Hawaii	1.2	1.3	3.0	3.1	3.8	6.1

The six alternative labor underutilization state measures based on the Current Population Survey (CPS) and compiled on a four-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.

###

Media Contacts:

Dr. Eugene Tian

Research and Economic Analysis Division

Department of Business, Economic Development and Tourism

808-586-2470

eugene.x.tian@hawaii.gov

dbedt.hawaii.gov/economic

Laci Goshi

Department of Business, Economic Development and Tourism

808-587-9006

lacianne.a.goshi@hawaii.gov

dbedt.hawaii.gov