

Hawaii Economic Update

November 18, 2016

Summary

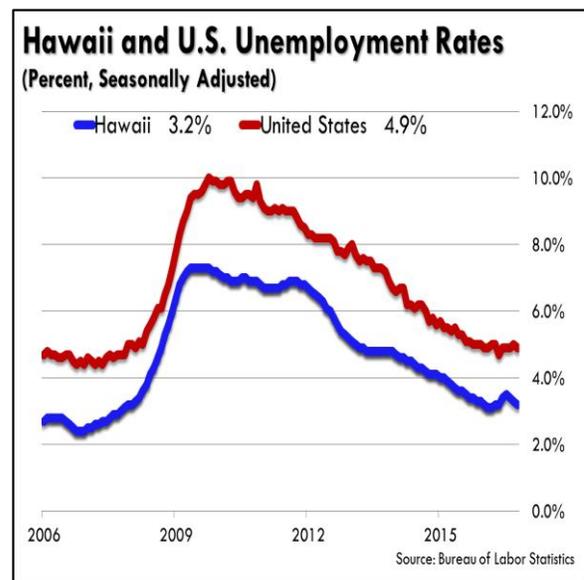
Nonfarm payroll employment in Hawaii was unchanged, and the unemployment rate fell to 3.2 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Hawaii Unemployment Rate

During October, the unemployment rate in Hawaii declined by 0.1 percentage point to 3.2 percent. The number of people counted as unemployed fell by 751 in October to 21,837, while the labor force grew by 5,096 to 692,792. Among the 50 states and the District of Columbia, only 3 posted lower unemployment rates. A year earlier, the unemployment rate in Hawaii stood at 3.4 percent.

The 10-year peak for the unemployment rate in Hawaii was 7.3 percent in October 2009. The series high for the unemployment rate in Hawaii occurred in January 1976 when the unemployment rate reached 10.4 percent. The 10-year low for the unemployment rate was 2.4 percent in December 2006. This also represents the series low for the unemployment rate in Hawaii. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 4.9 percent in October. October's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Hawaii Payroll Employment

Hawaii nonfarm payrolls was unchanged. on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 1,200. Over the past 12 months, nonfarm payrolls in Hawaii increased by 14,000, or 2.19 percent. Hawaii nonfarm payroll employment has increased in 9 of the past 12 months.

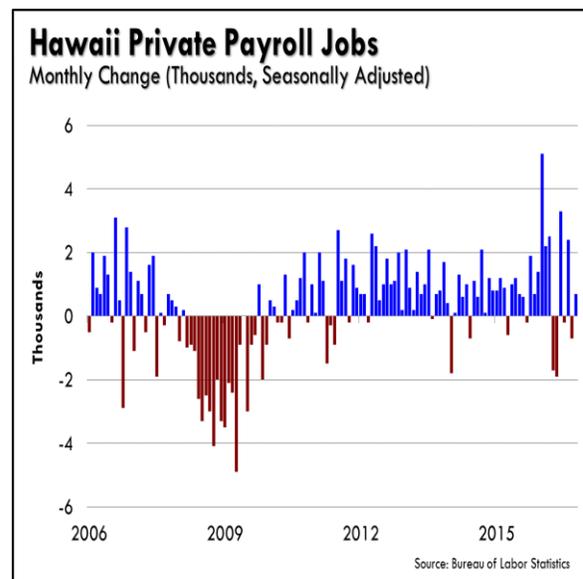
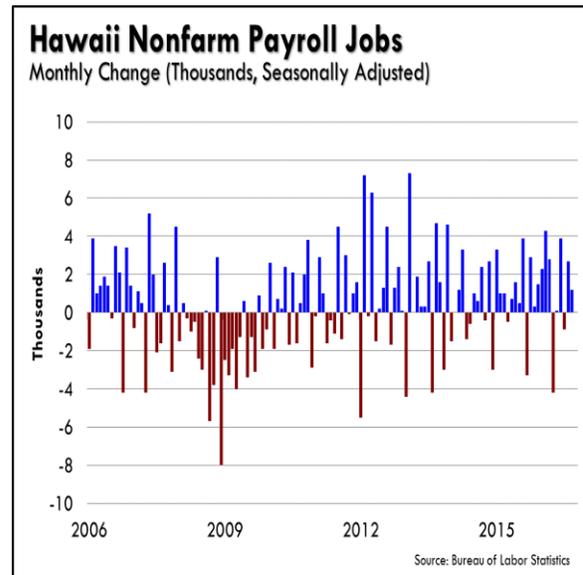
Nationally, nonfarm payrolls increased by 161,000 jobs in October, or 0.11 percent. Over the 12-month period ending October 2016, nonfarm payrolls grew by 2,357,000 jobs, or 1.65 percent. Hawaii ranks 12th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Hawaii private-sector payrolls increased by 700, or 0.13 percent. Private-sector payrolls declined by 700 jobs in the prior month. Over the past 12 months, private-sector payrolls in Hawaii increased by 13,800, or 2.69 percent. Hawaii private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 142,000 jobs in October, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,149,000 jobs in the private-sector, an increase of 1.78 percent. Hawaii ranks 7th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

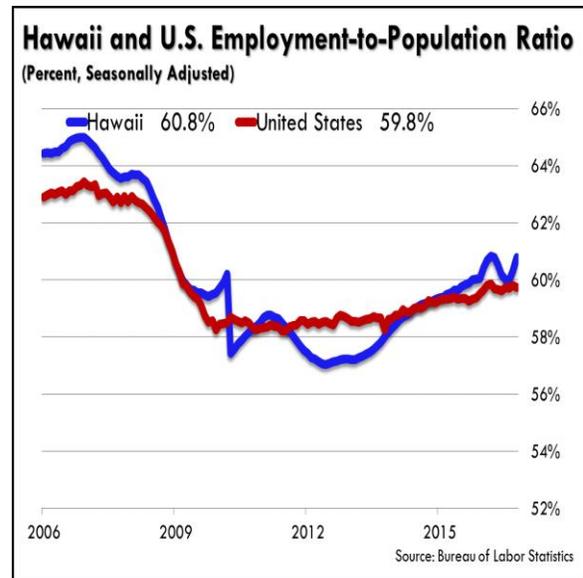
During October, total government payroll employment in Hawaii declined by 700, or 0.55 percent. Federal government payroll employment declined by 100, or 0.30 percent. State government payroll employment declined by 600, or 0.80 percent, while local government payroll employment was unchanged.

Over the past year, total government payroll employment increased by 200, or 0.16 percent. State government payroll employment declined by 100, or 0.13 percent. Local government payroll employment was unchanged.



The best performing sectors on a seasonally adjusted basis during October were Leisure & Hospitality (+1,800) and Financial Activities (+400). The poorest performing sectors during the month were Educational & Health Services (-1,100) and Total Government (-700).

The best performing sectors during the last twelve months were Leisure & Hospitality (+6,600) and Educational & Health Services (+2,700). The poorest performing sectors during the last twelve months were Manufacturing (unchanged) and Total Government (+200).



Other Hawaii Labor Force Statistics

The labor force participation rate in Hawaii rose to 62.8 percent in October from 62.4 percent the prior month. Among the 50 states and the District of Columbia, 30 have a higher labor force participation rate than Hawaii. The labor force participation rate in Hawaii is 0.7 percentage point higher than a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Hawaii was 66.6 percent in December 2006. The series high for the labor force participation rate in Hawaii occurred in January 1976 when the labor force participation rate hit 69.9 percent. The 10-year low for the labor force participation rate was 60.2 percent in March 2013. This also represents the series low for the labor force participation rate in Hawaii.



The national labor force participation rate declined by 0.1 percentage point to 62.8 percent in October 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Hawaii civilian noninstitutionalized population 16 years and older counted as employed, rose to 60.8 percent in October from 60.3 percent the prior month. Among the 50 states and the

District of Columbia, 23 have higher employment-to-population ratios than Hawaii. The employment-to-population ratio in Hawaii is 0.8 percentage point higher than a year earlier.

The 10-year high for the employment-to-population ratio in Hawaii was 65.0 percent in November 2006. The series high for the employment-to-population ratio in Hawaii occurred in April 1991 when the employment-to-population ratio hit 67.2 percent. The 10-year low for the employment-to-population ratio was 57.0 percent in July 2012. The series low for the employment-to-population ratio occurred in August 2012 when the employment-to-population ratio was 57.0 percent.

The national employment-to-population ratio declined by 0.1 percentage point to 59.7 percent in October. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on December 16, 2016. The national employment situation report for November will be released on Friday, December 2, 2016.