

Hawaii Economic Update

October 20, 2015

Summary

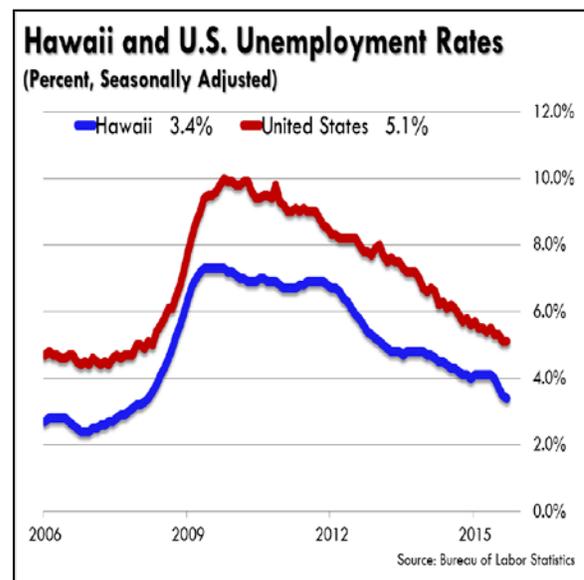
Nonfarm payroll employment in Hawaii declined by 8,100 jobs and the unemployment rate fell to 3.4 percent in September according to data released by the Bureau of Labor Statistics (BLS).

Hawaii Unemployment Rate

During September, the unemployment rate in Hawaii declined by 0.1 percentage point to 3.4 percent. The number of people counted as unemployed fell by 608 in September to 23,148, while the labor force grew by 1,823 to 675,064. Among the 50 states and the District of Columbia, only 2 posted lower unemployment rates. A year earlier, the unemployment rate in Hawaii stood at 4.2 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 was unchanged at 5.1 percent in September. September's unemployment rate was 0.8 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Hawaii Payroll Employment

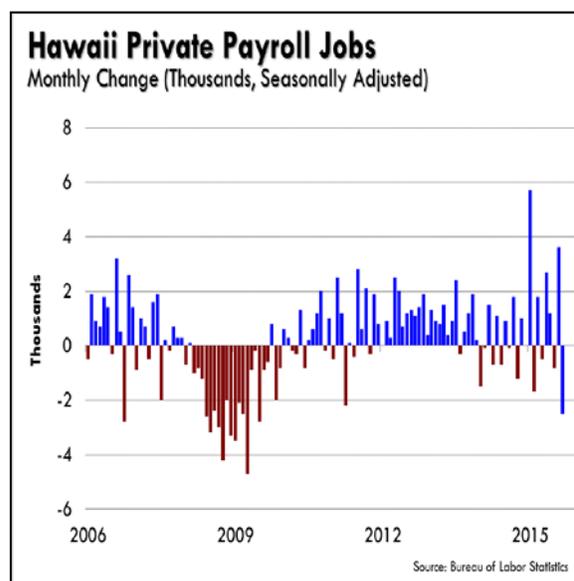
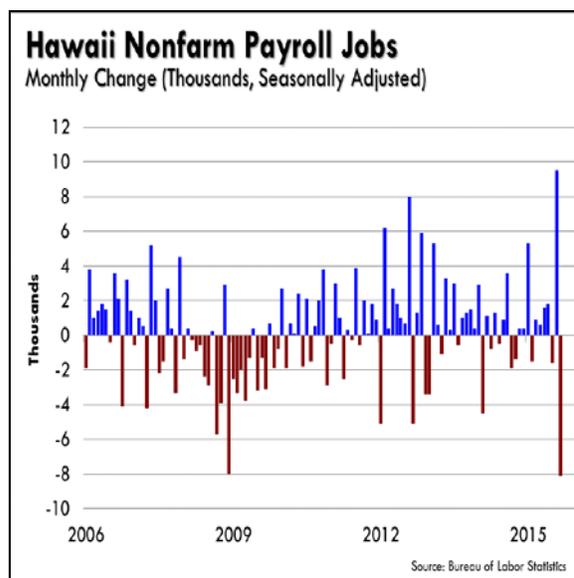
Hawaii nonfarm payrolls declined by 8,100 jobs, or 1.26 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls increased by 9,500. Over the past 12 months nonfarm payrolls in Hawaii increased by 7,900, or 1.26 percent. Hawaii nonfarm payroll employment has increased in 8 of the past 12 months.

Nationally nonfarm payrolls increased by 142,000 jobs in September, or 0.10 percent. Over the 12 month period ending in September 2015 nonfarm payrolls grew by 2,752,000 jobs, or 1.97 percent. Hawaii ranks 30th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During September, Hawaii private sector payrolls declined by 2,500, or 0.49 percent. Private sector payrolls increased by 3,600 jobs in the prior month. Over the past 12 months, private sector payrolls in Hawaii increased by 9,300, or 1.85 percent. Hawaii private sector payroll employment has increased in 6 of the past 12 months.

Nationally private-sector payroll jobs increased by 118,000 jobs in September, or 0.10 percent. Over the past 12 months, the nation's economy has added 2,603,000 jobs in the private sector, an increase of 2.21 percent. Hawaii ranks 19th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During September, total government payroll employment in Hawaii declined by 5,600, or 4.33 percent. Federal government payroll employment declined by 100, or 0.31 percent. State government payroll employment declined by 5,400, or 6.92 percent, while local government payroll employment declined by 100, or 0.53 percent.



Over the past year, total government payroll employment declined by 1,400, or 1.12 percent. State government payroll employment declined by 800, or 1.09 percent. Local government payroll employment was unchanged.

The best performing sectors on a seasonally adjusted basis during September were Professional & Business Services (+1,200) and Financial Activities (+200). The poorest performing sectors during the month were Total Government (-5,600) and Trade, Transportation & Utilities (-1,600).

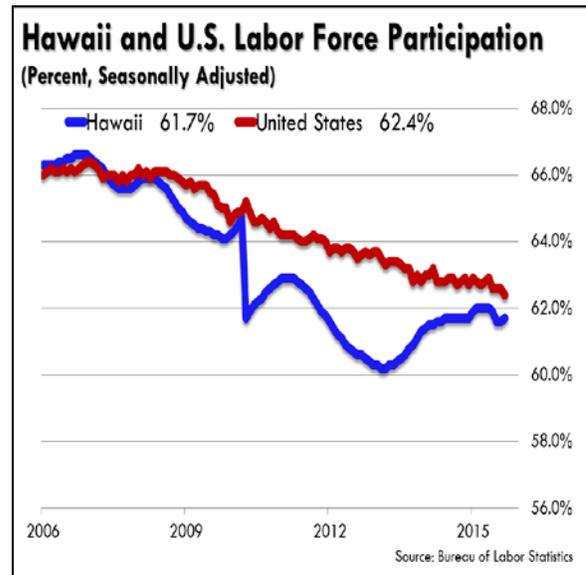
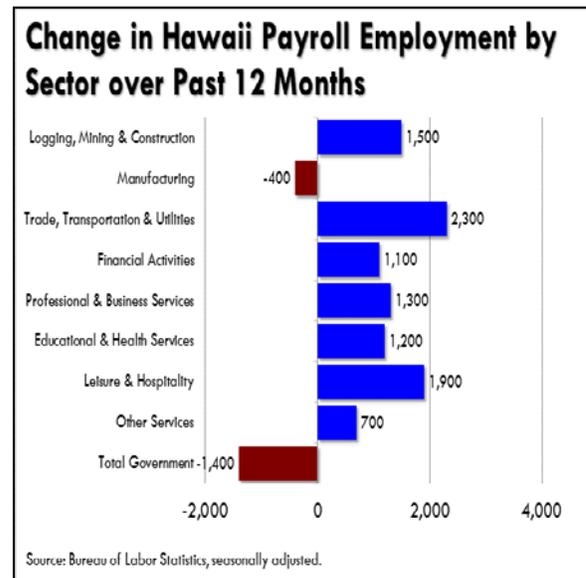
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+2,300) and Leisure & Hospitality (+1,900). The poorest performing sectors for the year were Total Government (-1,400) and Manufacturing (-400).

Other Hawaii Labor Force Statistics

The labor force participation rate in Hawaii rose to 61.7 percent in September from 61.6 percent the prior month. Among the 50 states and the District of Columbia, 33 have a higher labor force participation rate than Hawaii. The labor force participation rate in Hawaii is unchanged from 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 0.2 percentage point to 62.4 percent in September. That rate was 0.3 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.



The employment-to-population ratio, or the percentage of the Hawaii civilian noninstitutionalized population 16 years and older counted as employed, rose to 59.6 percent in September from 59.4 percent the prior month. Among the 50 states and the District of Columbia, 27 have higher employment-to-population ratios than Hawaii. The employment-to-population ratio in Hawaii is 0.5 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Hawaii was 65.0 percent in December 2006. The series high for the employment-to-population ratio in Hawaii

occurred in May 1991 when the employment-to-population ratio hit 67.3 percent. The 10 year low for the employment-to-population ratio was 57.1 percent in July 2012. The series low for the employment-to-population ratio occurred in August 2012 when the employment-to-population ratio hit 57.1 percent.

The national employment-to-population ratio declined by 0.2 percentage point to 59.2 percent in September. That rate was 0.2 percentage point higher than a year earlier. The employment-to-population ratio stood at 59.4 percent when the recession ended in June 2009 and at 62.7 percent when it began in December 2007. The all-time high for the employment-to-population ratio was 64.7 percent 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 posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for October is scheduled for release on Friday, November 20. The national employment situation report for October will be released on Friday, November 6.

