

Hawaii Economic Update

October 21, 2016

Summary

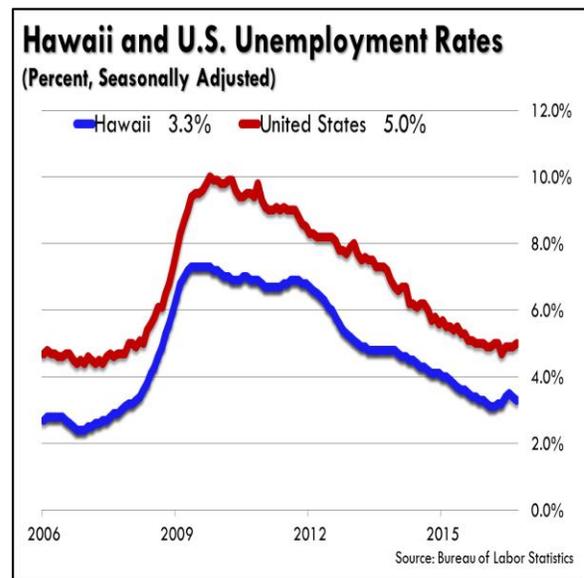
Nonfarm payroll employment in Hawaii increased by 200 jobs, and the unemployment rate fell to 3.3 percent in September according to data released by the Bureau of Labor Statistics (BLS).

Hawaii Unemployment Rate

During September, the unemployment rate in Hawaii declined by 0.1 percentage point to 3.3 percent. The number of people counted as unemployed fell by 1,029 in September to 22,526, while the labor force grew by 2,915 to 687,517. Among the 50 states and the District of Columbia, only 4 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 rose by 0.1 percentage point to 5.0 percent in September. September'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 increased by 200 jobs, or 0.03 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls increased by 2,700. Over the past 12 months, nonfarm payrolls in Hawaii increased by 15,900, or 2.49 percent. Hawaii nonfarm payroll employment has increased in 10 of the past 12 months.

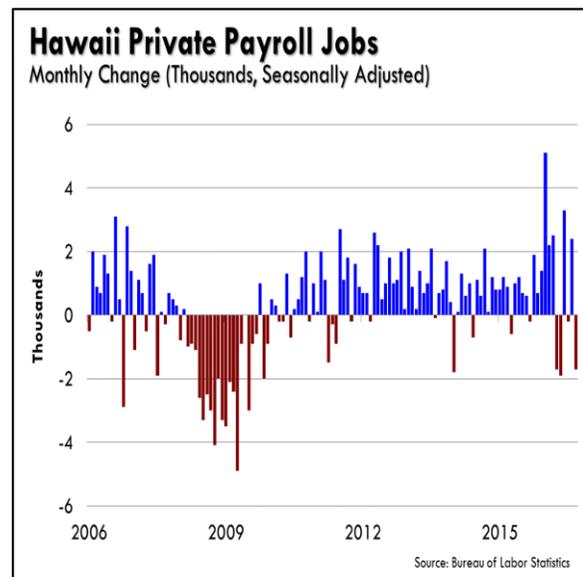
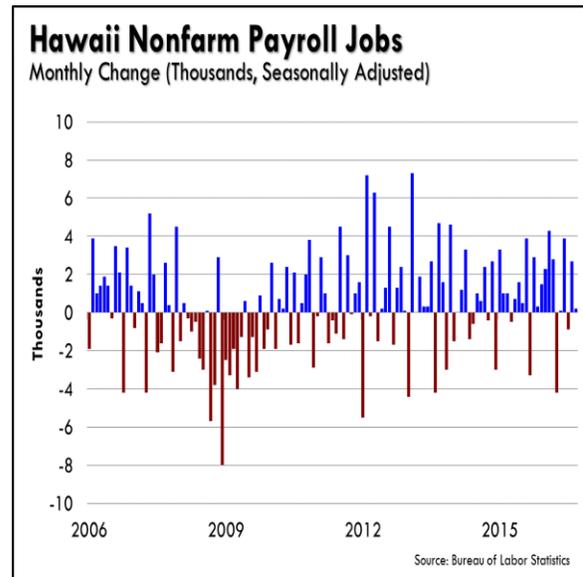
Nationally, nonfarm payrolls increased by 156,000 jobs in September, or 0.11 percent. Over the 12-month period ending September 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. Hawaii ranks 11th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During September, Hawaii private-sector payrolls declined by 1,700, or 0.32 percent. Private-sector payrolls increased by 2,400 jobs in the prior month. Over the past 12 months, private-sector payrolls in Hawaii increased by 14,000, or 2.74 percent. Hawaii private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 167,000 jobs in September, or 0.14 percent. Over the past 12 months, the nation's economy has added 2,302,000 jobs in the private-sector, an increase of 1.91 percent. Hawaii ranks 12th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

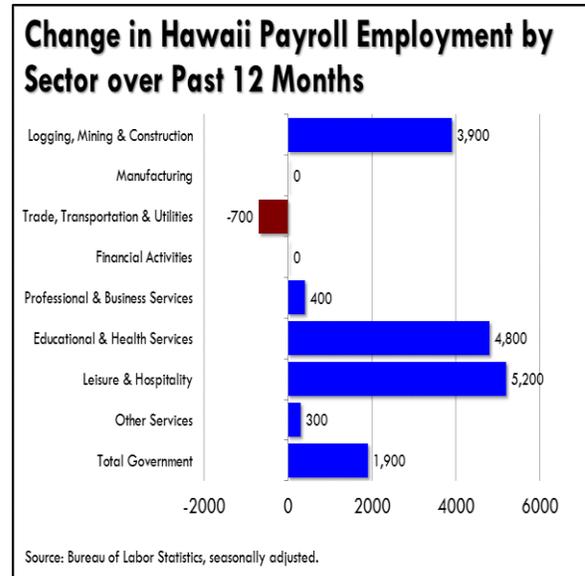
During September, total government payroll employment in Hawaii increased by 1,900, or 1.51 percent. Federal government payroll employment increased by 100, or 0.30 percent. State government payroll employment increased by 1,700, or 2.31 percent, while local government payroll employment increased by 100, or 0.53 percent.

Over the past year, total government payroll employment increased by 1,900, or 1.51 percent. State government payroll employment increased by 1,100, or 1.48 percent. Local government payroll employment increased by 100, or 0.53 percent.



The best performing sectors on a seasonally adjusted basis during September were Total Government (+1,900) and Educational & Health Services (+800). The poorest performing sectors during the month were Trade, Transportation & Utilities (-600) and Financial Activities (-600).

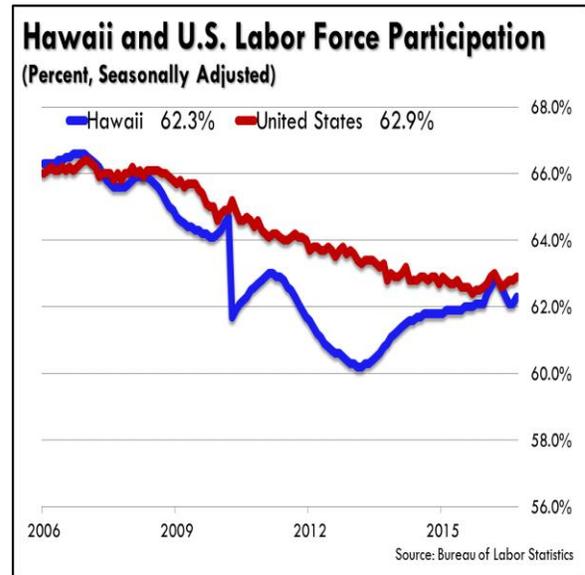
The best performing sectors during the last twelve months were Leisure & Hospitality (+5,200) and Educational & Health Services (+4,800). The poorest performing sectors during the last twelve months were Trade, Transportation & Utilities (-700), Manufacturing (unchanged), and Financial Activities (unchanged).



Other Hawaii Labor Force Statistics

The labor force participation rate in Hawaii rose to 62.3 percent in September from 62.1 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 0.3 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 rose by 0.1 percentage point to 62.9 percent in September, 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 60.3

percent in September from 60.0 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 0.4 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 57.0 percent in June 2012. The

series low for the employment-to-population ratio occurred in July 2012 when the employment-to-population ratio was 57.0 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.8 percent in September. That rate was 0.5 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 October is scheduled for release on November 18, 2016. The national employment situation report for October will be released on Friday, November 4, 2016.

