



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE
PLUMMETS TO 2.1 PERCENT IN OCTOBER MARKING 3RD STRAIGHT
MONTH HAWAII POSTED LOWEST UNEMPLOYMENT RATE IN THE
NATION**

Unemployment rate dips by one full percentage point since June 2006

HONOLULU- The Hawaii State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for October was 2.1 percent, a decrease of 0.4 percentage point from 2.5 percent in September. The 2.1 percent unemployment rate also marked the 3rd straight month that Hawaii posted the lowest unemployment rate in the nation.

	OCT 2006	SEP 2006	OCT 2005
STATE	2.1	2.5	2.8
HONOLULU*	1.9	2.6	2.7
HAWAII COUNTY*	2.2	3.0	3.0
KAUAI*	2.0	2.5	2.5
MAUI COUNTY*	1.9	2.5	2.6
Maui Island*	1.8	2.4	2.4
Molokai*	4.4	5.5	8.6
Lanai*	1.4	2.5	1.7
U. S.	4.4	4.6	4.9

* Not Adjusted Seasonally Adjusted

October marked the fourth consecutive over-the-month drop in the seasonally adjusted unemployment rate. In comparison, the U.S. seasonally adjusted unemployment rate declined for the third straight over-the-month period, going from 4.6 percent in September to 4.4 percent in October.

Over the last 12 months, Hawaii's monthly seasonally adjusted unemployment rate has been below three percent for nine of those months, and has been on average 2.0 percentage points lower than the national seasonally adjusted unemployment rate. In October, Hawaii's seasonally adjusted labor force totaled 657,700 and was comprised of 644,000 employed and 13,700 unemployed.

State of Hawaii Seasonally Adjusted Labor Force Data**			
	<u>Oct</u> <u>2006</u>	<u>Sep</u> <u>2006</u>	<u>Oct</u> <u>2005</u>
Labor Force	657,700	659,000	642,300
Employment	644,000	642,750	624,600
Unemployment	13,700	16,200	17,700

Industry Payroll Employment

In a separate measure of employment, total seasonally adjusted nonagricultural jobs declined over-the-month by 2,400, or 0.4 percent, to 621,400. However, compared with October 2005, the seasonally adjusted jobcount has expanded by 12,800, or 2.1 percent, with the private sector accounting for an expansion of 10,500 jobs, or 82 percent of the total growth.

❖ **Construction**

This industry remained unchanged over-the-month.

❖ **Manufacturing**

Employment in manufacturing experienced no change in October over September.

❖ **Other Services**

Other services declined slightly by 100 jobs in October over September.

❖ **Trade, Transportation, & Utilities**

A slight drop of 200 jobs was due to reduction in transportation services primarily the result of less workers in the cruise industry.

❖ **Education & Health Services**

A minimal decrease in both hospitals and nursing & residential care facilities were responsible for the loss of 200 jobs this sector.

❖ **Leisure & Hospitality**

This industrial series decreased by 300 jobs due to less business in food services mainly in full service restaurants.

❖ **Government**

Employment in government declined by 1,000 jobs, mostly due to the Department of Education’s continual transition to its new fall schedule, as it released workers in the summer school program, as well as custodians, teachers, and other support staff. The University of Hawaii also reported a drop in faculty and clerical support staff.

Seasonally Adjusted Non-Ag. Jobs

	Oct-06	Sep-06	Oct-05*
NAT. RESOURCES, MINING & CONSTR.	36,000	36,000	34,700
MANUFACTURING	15,300	15,300	15,300
TRADE, TRANSPORTATION & UTILITIES	122,700	122,900	120,100
EDUCATIONAL AND HEALTH SERVICES	71,100	71,300	70,500
LEISURE & HOSPITALITY	108,400	108,700	107,000
OTHER SERVICES	25,900	26,000	25,500
GOVERNMENT	122,200	123,200	119,900
TOTAL	621,400	623,800	608,600

“We are very please to see our state unemployment rate continue to drop, which is a direct reflection of Hawaii’s vibrant and expanding economy,” said Nelson B. Befitel, Director of Labor and Industrial Relations.

Unemployment Trust Fund

To keep the public informed on the status of the state's Unemployment Compensation Fund (Fund), from which unemployment benefits are paid to qualified claimants, the following is the status of the Fund and its projected balance at the end of the year.

Fund Balance as of end of October 2006:	\$519,367,590
Taxes received year-to-date through end of October:	\$121,093,934
Interest received year-to-date through end of October:	\$17,095,281
Benefits paid year-to-date through end of October:	\$76,064,143
Current Tax Schedule (for calendar year 2006):	Schedule "C"

Fund projections (as of end of October) for calendar year 2006 and projected calendar year 2007 tax schedule:

Fund Balance, end of 2006:	\$531,400,000 (projected)
Taxes for calendar year 2006:	\$141,900,000 (projected)
Interest for calendar year 2006:	\$23,300,000 (projected)
Benefits for calendar year 2006:	\$91,100,000 (projected)
Projected Tax Schedule for calendar year 2007:	Schedule "B" (projected)

For comparison purposes, in calendar year 2005 the Fund collected \$130.2 million in taxes and paid out \$82.3 million in benefits.

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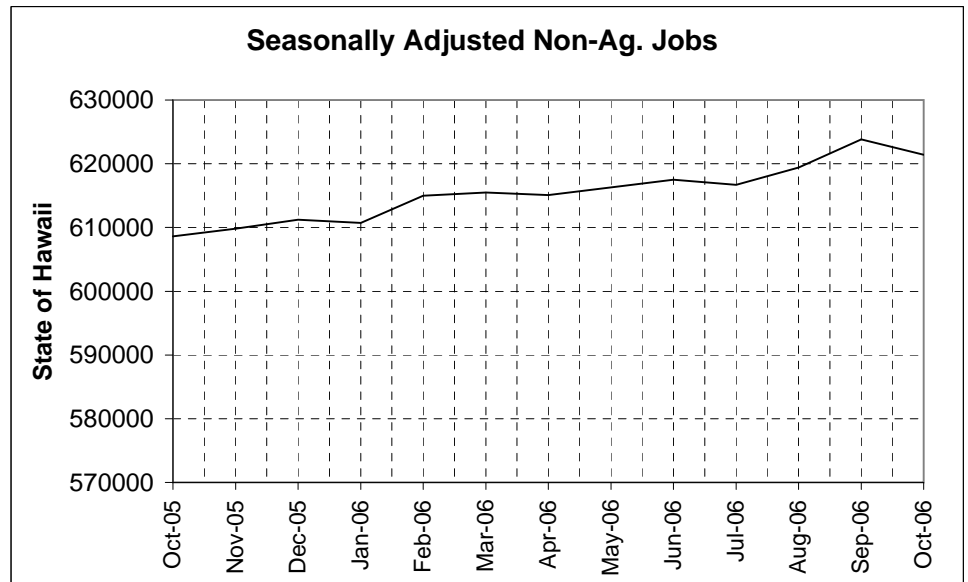
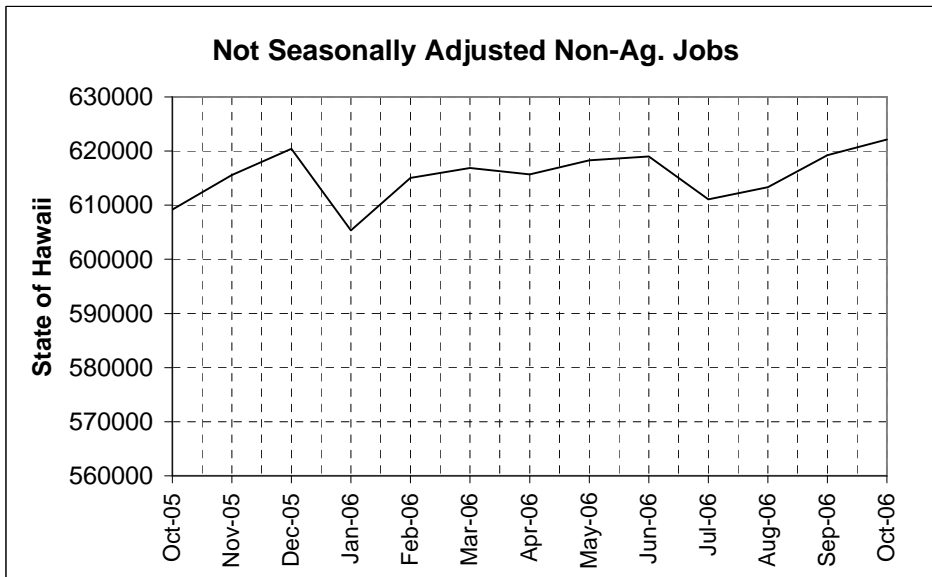
Not Seasonally Adjusted Non-Ag. Jobs

	Oct-06	Sep-06	Oct-05*
NAT. RESOURCES, MINING & CONSTR.	36,450	36,200	35,150
MANUFACTURING	15,300	15,300	15,250
TRADE, TRANSPORTATION & UTILITIES	122,750	122,400	120,100
INFORMATION	11,000	11,000	10,900
FINANCIAL ACTIVITIES	30,300	30,250	29,800
PROFESSIONAL & BUSINESS SERVICES	78,800	78,500	74,950
EDUCATIONAL & HEALTH SERVICES	71,350	71,150	70,600
LEISURE & HOSPITALITY	108,100	108,650	106,900
OTHER SERVICES	25,900	25,900	25,450
GOVERNMENT	122,250	119,850	120,050
TOTAL	622,150	619,250	609,200

Seasonally Adjusted Non-Ag. Jobs

	Oct-06	Sep-06	Oct-05*
NAT. RESOURCES, MINING & CONSTR.	36,000	36,000	34,700
MANUFACTURING	15,300	15,300	15,300
TRADE, TRANSPORTATION & UTILITIES	122,700	122,900	120,100
EDUCATIONAL AND HEALTH SERVICES	71,100	71,300	70,500
LEISURE & HOSPITALITY	108,400	108,700	107,000
OTHER SERVICES	25,900	26,000	25,500
GOVERNMENT	122,200	123,200	119,900
TOTAL	621,400	623,800	608,600

* BENCHMARKED DATA



LABOR FORCE AND JOBCOUNT ESTIMATES
October 2006 Report, Statewide

	DEPARTMENT OF LABOR -- LABOR FORCE ESTIMATES							
	STATEWIDE							
	(NOT SEASONALLY ADJUSTED)							
	Oct-06	Sep-06	Oct-05	CHANGE FROM ONE MONTH AGO		CHANGE FROM ONE YEAR AGO		
CIVILIAN LABOR FORCE	653.6	654.0	640.1	-0.4	-0.1%	13.5	2.1%	
TOTAL EMPLOYED	640.7	636.9	622.8	3.8	0.6%	17.9	2.9%	
UNEMPLOYED	12.9	17.1	17.3	-4.2	-24.6%	-4.4	-25.4%	
percent of Labor Force	2.0%	2.6%	2.7%					
Total Nonfarm	622.2	619.3	609.2	2.9	0.5%	13.0	2.1%	
Total Private	499.9	499.4	489.1	0.5	0.1%	10.8	2.2%	
Goods Producing	51.7	51.5	50.4	0.2	0.4%	1.3	2.7%	
Service-Providing	570.4	567.8	558.8	2.7	0.5%	11.6	2.1%	
Private Service-Providing	448.2	447.9	438.7	0.2	0.1%	9.4	2.2%	
Nat. Res & Construct	36.4	36.2	35.1	0.2	0.6%	1.3	3.7%	
Construction of Buildings	12.0	11.8	10.9	0.2	0.6%	1.1	3.7%	
Special Trade Contractors	19.2	19.1	19.0	0.1	1.8%	0.2	9.8%	
Manufacturing	15.3	15.3	15.3	0.0	0.0%	0.0	0.2%	
Durable Goods	4.5	4.5	4.5	0.0	-0.5%	0.0	-0.7%	
Non-Durable Goods	10.8	10.8	10.8	0.0	0.2%	0.1	0.6%	
Trade, Transportation,	122.7	122.4	120.1	0.3	0.3%	2.6	2.2%	
Wholesale Trade	18.2	18.1	18.0	0.1	0.6%	0.2	1.2%	
Retail Trade	70.7	70.5	70.0	0.2	0.2%	0.6	0.9%	
Food and Beverage Sto	13.0	13.0	13.0	0.0	0.1%	0.0	-0.2%	
Grocery Stores	10.8	10.8	10.9	0.0	-0.4%	-0.1	-1.0%	
Clothing and Clothing	11.6	11.6	11.3	0.0	0.3%	0.4	3.2%	
General Merchandise S	12.3	12.2	12.2	0.1	0.8%	0.1	0.9%	
Department Stores	9.2	9.1	9.2	0.0	0.3%	0.0	-0.1%	
Trans,Warehouse, Util	33.9	33.8	32.1	0.1	0.2%	1.8	5.6%	
Utilities	2.9	2.9	2.9	0.0	0.1%	0.1	1.9%	
Transport & Warehouse	30.9	30.9	29.2	0.1	0.2%	1.7	5.9%	
Air Transportation	10.2	10.2	10.1	0.0	0.0%	0.1	1.3%	
Information	11.0	11.0	10.9	0.0	-0.1%	0.1	0.8%	
Telecommunications	4.2	4.2	4.0	0.0	-0.2%	0.2	5.6%	
Financial Activities	30.3	30.2	29.8	0.1	0.2%	0.5	1.8%	
Finance and Insurance	17.1	17.1	16.7	0.0	0.2%	0.4	2.5%	
Real Estate and Renta	13.2	13.2	13.1	0.0	0.3%	0.1	0.9%	
Professional and Busin	78.8	78.5	75.0	0.3	0.4%	3.9	5.2%	
Professional, Scienti	24.3	24.2	23.2	0.1	0.2%	1.1	4.8%	
Management of Compani	7.6	7.7	7.5	-0.1	-0.7%	0.1	1.4%	
Administrative and Su	46.9	46.6	44.3	0.3	0.6%	2.6	6.0%	
Employment Services	18.3	18.1	16.6	0.2	1.0%	1.7	10.5%	
Educational and Health	71.3	71.2	70.6	0.2	0.2%	0.7	1.0%	
Educational Services	14.2	14.1	13.9	0.1	0.7%	0.4	2.7%	
Elementary and Second	7.4	7.5	7.1	-0.1	-2.0%	0.3	4.2%	
Health Care and Socia	57.1	57.0	56.8	0.1	0.1%	0.3	0.6%	
Ambulatory Health Car	22.9	22.9	22.7	0.0	0.1%	0.2	1.0%	
Hospitals	13.8	13.8	14.3	0.0	-0.2%	-0.5	-3.6%	
Nursing and Residenti	6.7	6.7	6.8	0.0	-0.3%	-0.1	-0.9%	
Social Assistance	13.7	13.6	13.0	0.1	0.6%	0.7	5.3%	
Leisure and Hospitalit	108.1	108.7	106.9	-0.6	-0.5%	1.2	1.1%	
Arts, Entertainment,	11.8	11.8	11.9	0.0	0.0%	-0.2	-1.4%	
Accommodation and Foo	96.3	96.9	95.0	-0.6	-0.6%	1.4	1.4%	
Accommodation	39.3	39.4	39.1	-0.1	-0.2%	0.2	0.4%	
Food Services and Dri	57.1	57.6	55.8	-0.5	-0.9%	1.2	2.2%	
Full-Service Restaura	29.3	29.6	28.7	-0.4	-1.3%	0.6	2.1%	
Other Services	25.9	25.9	25.5	0.0	-0.2%	0.4	1.6%	
Government	122.3	119.8	120.1	2.4	2.0%	2.2	1.8%	
Federal Government	31.8	31.4	31.3	0.4	1.2%	0.5	1.6%	
Ship Building & Repai	4.1	4.1	4.1	0.0	0.0%	0.0	0.0%	
Department of Defense	16.3	16.3	16.3	0.0	-0.8%	0.0	-0.8%	
State Government	73.0	71.0	71.6	2.0	2.8%	1.4	1.9%	
State Govt. Education	48.8	47.0	47.7	1.8	3.8%	1.1	2.2%	
Local Government	17.5	17.4	17.2	0.1	0.4%	0.3	1.7%	

UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

	OCT 2006	SEP 2006	OCT 2005
STATE	2.0	2.6	2.7
HONOLULU	1.9	2.6	2.7
HAWAII COUNTY	2.2	3.0	3.0
KAUAI	2.0	2.5	2.5
MAUI COUNTY	1.9	2.5	2.6
Maui Island	1.8	2.4	2.4
Molokai	4.4	5.5	8.6
Lanai	1.4	2.5	1.7
U. S.	4.1	4.4	4.6

	OCT 2006	SEP 2006	OCT 2005
STATE	2.1	2.5	2.8
U. S.	4.4	4.6	4.9

	<u>Oct 2006</u>	<u>Sep 2006</u>	<u>Oct 2005</u>
Labor Force	657,700	659,000	642,300
Employment	644,000	642,750	624,600
Unemployment	13,700	16,200	17,700

** totals may not add up due to rounding

	Oct 2005	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct 2006
U. S.	4.6	4.8	4.6	5.1	5.1	4.8	4.5	4.4	4.8	5.0	4.6	4.4	4.1
Hawaii	2.7	2.7	2.4	2.2	2.3	2.5	2.8	2.8	3.7	3.3	2.8	2.6	2.0

	Oct 2005	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct 2006
U. S.	4.9	5.0	4.9	4.7	4.8	4.7	4.7	4.6	4.6	4.8	4.7	4.6	4.4
Hawaii	2.8	2.7	2.7	2.4	2.5	2.6	2.8	3.0	3.1	3.0	2.8	2.5	2.1

