

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII UNEMPLOYMENT RATE DROPS TO 2.7 PERCENT FOR
MONTH OF DECEMBER; LOWEST UNEMPLOYMENT RATE IN THE
NATION IN 2005**

Multiple Jobs In Hawaii Remain Steady at 7.6 Percent for 2004

HONOLULU- The Hawaii State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for December was 2.7 percent, a decline of 0.1 percentage point over November. The U.S. seasonally adjusted unemployment rate also dipped over-the-month by the same amount, going from 5.0 percent in November to 4.9 percent in December. One year ago, Hawaii's seasonally adjusted unemployment rate was 3.0 percent, while the national seasonally adjusted unemployment rate was 5.4 percent. In December, the seasonally adjusted labor force totaled 650,150 and was comprised of 632,300 employed and 17,850 unemployed.

For 2005, Hawaii's annual average unemployment rate was 2.8 percent, the lowest in the nation. In comparison, the annual average unemployment rates for Hawaii in 2002-04 were 4.1 percent (2002), 3.9 percent (2003) and 3.3 percent (2004). In terms of annual averages, the

labor force expanded by 19,450 and employment grew by 21,850, in 2005 over 2004.

Unemployment decreased by 2,400, reducing the unemployment rate by 0.5 percentage point.

| <u>ANN AVG</u> | <u>LABOR FORCE</u> | <u>O-T-Y CHG</u> | <u>EMPLOYED</u> | <u>O-T-Y CHG</u> | <u>UNEMPLOYED</u> | <u>O-T-Y CHG</u> | <u>UNEMP RATE</u> | <u>O-T-Y CHG</u> |
|----------------|--------------------|------------------|-----------------|------------------|-------------------|------------------|-------------------|------------------|
| 2002 | 608,800 | | 584,050 | | 24,750 | | 4.1 | |
| 2003 | 612,500 | 3,700 | 588,650 | 4,600 | 23,850 | -900 | 3.9 | -0.2 |
| 2004 | 615,800 | 3,300 | 595,750 | 7,100 | 20,050 | -3,800 | 3.3 | -0.6 |
| 2005 | 635,250 | 19,450 | 617,600 | 21,850 | 17,650 | -2,400 | 2.8 | -0.5 |

Construction added 3,600 new jobs in 2005

In a separate measure of employment, total non-agricultural jobs rose over-the-month in December by 1,700, or 0.3 percentage point, to 607,600. Since December 2004, the jobcount has increased by 16,300, or 2.8 percent. At the end of the prior two years, December over-the-year job expansion was measured at 1.5 percent (+8,500, 2002-03) and 3.3 percent (+19,000, 2003-04). In December over November of 2005, within the seasonally adjusted industry series, job gains were experienced in Construction (+300), Manufacturing (+300), Government (+300), Education & Health Services (+200), and Other Services (+100). Small over-the-month job declines occurred in Trade, Transportation, & Utilities (-100) and Leisure & Hospitality (-100). Over-the-year, Trade, Transportation & Utilities (+4,600, +4.0 percent) has added the most jobs, while Construction (+3,600, +11.8 percent) has expanded by the highest percentage. Since December of 2002, 43,800 new jobs have been added to the economy.

"The 2005 numbers indicate a year of exceptional economic growth for Hawaii," said Nelson B. Befitel, Director of Labor and Industrial Relations. "We had the largest workforce in the history of our state as our workforce grew by almost 20,000. The economic indicators are strong and businesses and employees are optimistic about our future."

Multiple Jobs

The DLIR also announced that while 24 states in the nation saw increases in multiple jobholding rates, the percentage workers in Hawaii holding two or more jobs held steady at 7.6 percent, or 45,277 individuals, in 2004 over 2003. The multiple job holder population maintained this rate despite the increase in the size of Hawaii's workforce in 2004. Hawaii's

employed population increased by 7,100 individuals in 2004 over 2003, for a total employed workforce of 595,750.

In comparison, Hawaii's multiple jobholders in 2001 numbered 57,502 and accounted for 9.8 percent of the total employed population. Nationally, multiple job holders increased from 5.3 percent to 5.4 percent of the total employed population in 2004 over 2003. 12 states recorded a higher percentage of multiple job holders than Hawaii, with North Dakota posting the highest rate of 10.1 percent.

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LABOR FORCE AND JOBCOUNT ESTIMATES
December 2005 Report, Statewide

| | DEPARTMENT OF LABOR -- LABOR FORCE ESTIMATES | | | | | | | |
|---------------------------|--|--------|--------|------------------------------|--------|-----------------------------|-------|--|
| | STATEWIDE | | | | | | | |
| | (NOT SEASONALLY ADJUSTED) | | | | | | | |
| | Dec-05 | Nov-05 | Dec-04 | CHANGE FROM ONE MONTH AGO | | CHANGE FROM ONE YEAR AGO | | |
| CIVILIAN LABOR FORCE | 650.0 | 649.3 | 620.0 | 0.7 | 0.1% | 30.0 | 4.8% | |
| TOTAL EMPLOYED | 634.1 | 631.0 | 603.1 | 3.1 | 0.5% | 31.0 | 5.1% | |
| UNEMPLOYED | 15.8 | 18.3 | 16.9 | -2.5 | -13.7% | -1.1 | -6.5% | |
| percent of Labor Force | 2.4% | 2.8% | 2.7% | | | | | |
| Total Nonfarm | 615.4 | 611.1 | 598.9 | 4.3 | 0.7% | 16.5 | 2.8% | |
| Total Private | 492.8 | 489.5 | 476.1 | 3.4 | 0.7% | 16.7 | 3.5% | |
| Goods Producing | 49.5 | 49.3 | 46.1 | 0.2 | 0.4% | 3.4 | 7.4% | |
| Service-Providing | 565.9 | 561.9 | 552.8 | 4.1 | 0.7% | 13.1 | 2.4% | |
| Private Service-Providing | 443.4 | 440.2 | 430.0 | 3.2 | 0.7% | 13.3 | 3.1% | |
| Nat. Res & Construct | 34.1 | 34.0 | 30.5 | 0.1 | 0.4% | 3.6 | 11.9% | |
| Construction of Buildings | 10.6 | 10.5 | 9.7 | 0.1 | -0.4% | 0.9 | 7.3% | |
| Special Trade Contractors | 18.7 | 18.6 | 16.3 | 0.0 | 0.8% | 2.4 | 9.2% | |
| Manufacturing | 15.3 | 15.2 | 15.6 | 0.1 | 0.5% | -0.2 | -1.5% | |
| Durable Goods | 4.4 | 4.3 | 4.4 | 0.1 | 1.7% | 0.0 | -0.7% | |
| Non-Durable Goods | 10.9 | 10.9 | 11.1 | 0.0 | 0.1% | -0.2 | -1.9% | |
| Trade, Transportation, | 123.0 | 120.9 | 118.4 | 2.1 | 1.7% | 4.6 | 3.9% | |
| Wholesale Trade | 17.8 | 17.7 | 17.3 | 0.1 | 0.5% | 0.5 | 2.7% | |
| Retail Trade | 73.6 | 71.6 | 71.9 | 2.0 | 2.8% | 1.6 | 2.3% | |
| Food and Beverage Sto | 13.4 | 12.9 | 13.0 | 0.5 | 4.2% | 0.4 | 3.0% | |
| Grocery Stores | 11.3 | 10.8 | 10.8 | 0.5 | 4.6% | 0.5 | 4.2% | |
| Clothing and Clothing | 12.3 | 11.7 | 11.2 | 0.6 | 5.1% | 1.1 | 9.8% | |
| General Merchandise S | 13.4 | 13.0 | 14.2 | 0.3 | 2.7% | -0.9 | -6.2% | |
| Department Stores | 9.9 | 9.7 | 10.4 | 0.2 | 1.8% | -0.5 | -5.0% | |
| Trans,Warehouse, Util | 31.6 | 31.6 | 29.1 | 0.0 | 0.0% | 2.5 | 8.7% | |
| Utilities | 2.9 | 2.9 | 2.8 | 0.0 | 0.5% | 0.1 | 4.4% | |
| Transport & Warehouse | 28.7 | 28.7 | 26.3 | 0.0 | 0.0% | 2.4 | 9.2% | |
| Air Transportation | 10.3 | 10.3 | 10.3 | 0.0 | 0.1% | 0.0 | -0.3% | |
| Information | 10.8 | 10.8 | 11.2 | 0.0 | -0.1% | -0.4 | -3.2% | |
| Telecommunications | 4.0 | 4.0 | 3.8 | 0.0 | -0.4% | 0.2 | 4.5% | |
| Financial Activities | 29.5 | 29.5 | 28.8 | 0.1 | 0.2% | 0.7 | 2.5% | |
| Finance and Insurance | 16.5 | 16.5 | 16.4 | 0.0 | 0.1% | 0.1 | 0.5% | |
| Real Estate and Renta | 13.0 | 13.0 | 12.4 | 0.0 | 0.3% | 0.6 | 5.2% | |
| Professional and Busin | 75.3 | 74.7 | 72.2 | 0.6 | 0.8% | 3.1 | 4.3% | |
| Professional, Scienti | 23.9 | 23.5 | 23.5 | 0.5 | 1.9% | 0.4 | 1.5% | |
| Management of Compani | 7.3 | 7.3 | 7.0 | 0.0 | 0.1% | 0.3 | 4.4% | |
| Administrative and Su | 44.1 | 44.0 | 41.6 | 0.1 | 0.3% | 2.4 | 5.9% | |
| Employment Services | 16.8 | 16.7 | 15.3 | 0.1 | 0.8% | 1.5 | 10.0% | |
| Educational and Health | 70.9 | 70.9 | 69.3 | 0.0 | 0.0% | 1.6 | 2.3% | |
| Educational Services | 14.1 | 14.2 | 13.8 | -0.1 | -0.6% | 0.3 | 2.1% | |
| Elementary and Second | 7.3 | 7.3 | 7.1 | -0.1 | -0.7% | 0.2 | 2.3% | |
| Health Care and Socia | 56.8 | 56.7 | 55.5 | 0.1 | 0.1% | 1.3 | 2.4% | |
| Ambulatory Health Car | 22.2 | 22.2 | 21.7 | 0.0 | -0.2% | 0.5 | 2.2% | |
| Hospitals | 14.2 | 14.2 | 14.1 | 0.0 | -0.2% | 0.1 | 0.5% | |
| Nursing and Residenti | 6.7 | 6.7 | 6.5 | 0.0 | 0.1% | 0.2 | 3.3% | |
| Social Assistance | 13.7 | 13.5 | 13.1 | 0.2 | 1.2% | 0.5 | 4.1% | |
| Leisure and Hospitalit | 108.6 | 108.3 | 106.1 | 0.3 | 0.3% | 2.5 | 2.4% | |
| Arts, Entertainment, | 11.7 | 11.7 | 11.7 | 0.0 | 0.0% | 0.0 | -0.3% | |
| Accommodation and Foo | 96.9 | 96.6 | 94.4 | 0.3 | 0.4% | 2.6 | 2.7% | |
| Accommodation | 39.1 | 39.0 | 38.7 | 0.1 | 0.2% | 0.4 | 1.0% | |
| Food Services and Dri | 57.8 | 57.5 | 55.6 | 0.3 | 0.4% | 2.2 | 3.9% | |
| Full-Service Restaura | 29.5 | 29.4 | 28.6 | 0.2 | 0.6% | 0.9 | 3.3% | |
| Other Services | 25.2 | 25.0 | 24.1 | 0.1 | 0.4% | 1.1 | 4.6% | |
| Government | 122.6 | 121.7 | 122.8 | 0.9 | 0.7% | -0.2 | -0.2% | |
| Federal Government | 31.6 | 31.6 | 31.5 | -0.1 | -0.2% | 0.1 | 0.3% | |
| Ship Building & Repai | 4.1 | 4.1 | 4.2 | 0.0 | 0.1% | 0.0 | -0.4% | |
| Department of Defense | 16.6 | 16.6 | 16.6 | 0.0 | -0.1% | 0.0 | 0.1% | |
| State Government | 73.6 | 72.9 | 74.3 | 0.8 | 1.0% | -0.6 | -0.8% | |
| State Govt. Education | 49.8 | 49.2 | 50.4 | 0.6 | 1.1% | -0.6 | -1.1% | |
| Local Government | 17.4 | 17.2 | 17.1 | 0.2 | 1.1% | 0.3 | 1.7% | |

STATE OF HAWAII
Annual Average
Seasonally Adjusted Job Count and Labor Force & Unemp. Rates
YEAR 2002 thru 2005:

| YEAR | Nonagricultural Jobcount | Unemployment Rate |
|-------------|-------------------------------------|--------------------------|
| 2002 | 556,800 | 4.1 |
| 2003 | 567,600 | 3.9 |
| 2004 | 582,300 | 3.3 |
| 2005 | 598,700 | 2.8 |

Change betw.
 2002 & 2005 - NonAg Jobs (+41,900 or 7.5%)

| YEAR | Labor Force | Employed | Unemployed | Unemp. Rate |
|------------------------------|--------------------|-------------------|--------------------|--------------------|
| 2002 | 608,800 | 584,050 | 24,750 | 4.1 |
| 2003 | 612,500 | 588,650 | 23,850 | 3.9 |
| 2004 | 615,800 | 595,750 | 20,050 | 3.3 |
| 2005 | 635,250 | 617,600 | 17,650 | 2.8 |
| Change betw. 2002 & 2005: | (+26,450 or 4.3%) | (+33,550 or 5.7%) | (-7,100 or -28.7%) | -1.3% |

Not Seasonally Adjusted Non-Ag. Jobs

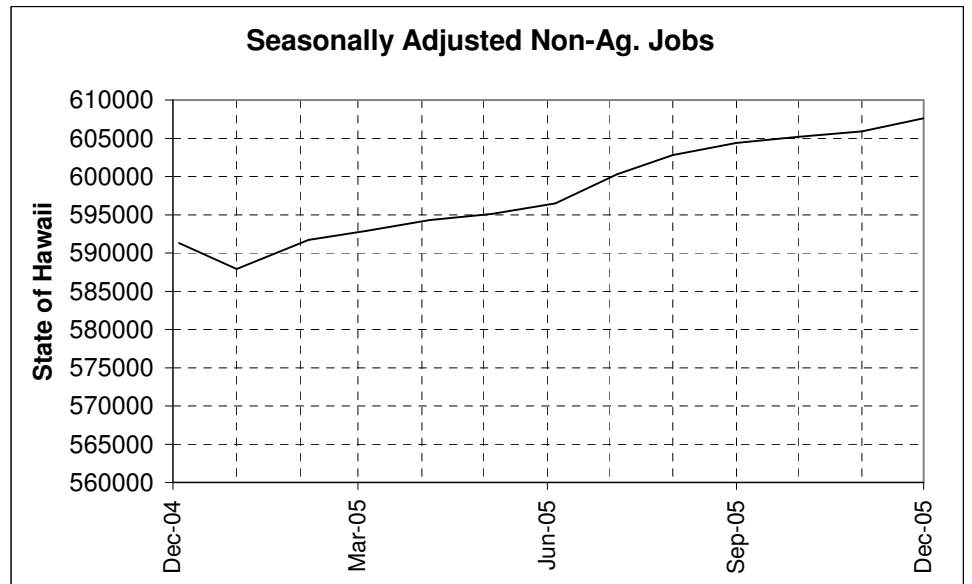
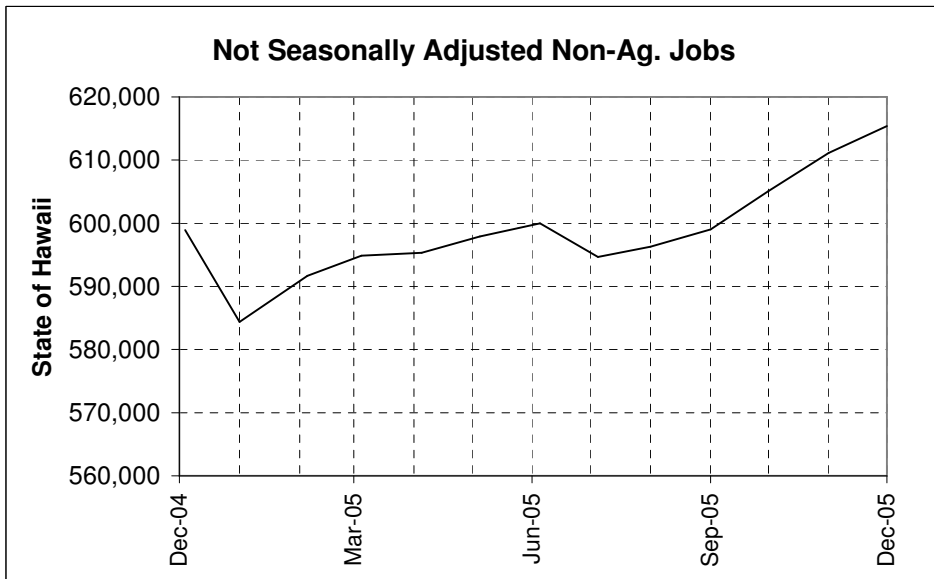
| | Dec-05 | Nov-05 | Dec-04* |
|-----------------------------------|----------------|----------------|----------------|
| NAT. RESOURCES, MINING & CONSTR. | 34,150 | 34,000 | 30,500 |
| MANUFACTURING | 15,300 | 15,250 | 15,550 |
| TRADE, TRANSPORTATION & UTILITIES | 123,000 | 120,950 | 118,400 |
| INFORMATION | 10,800 | 10,850 | 11,200 |
| FINANCIAL ACTIVITIES | 29,550 | 29,500 | 28,800 |
| PROFESSIONAL & BUSINESS SERVICES | 75,300 | 74,750 | 72,200 |
| EDUCATIONAL & HEALTH SERVICES | 70,900 | 70,750 | 69,300 |
| LEISURE & HOSPITALITY | 108,600 | 108,250 | 106,100 |
| OTHER SERVICES | 25,150 | 25,050 | 24,050 |
| GOVERNMENT | 122,600 | 121,700 | 122,850 |
| TOTAL | 615,400 | 611,150 | 598,900 |

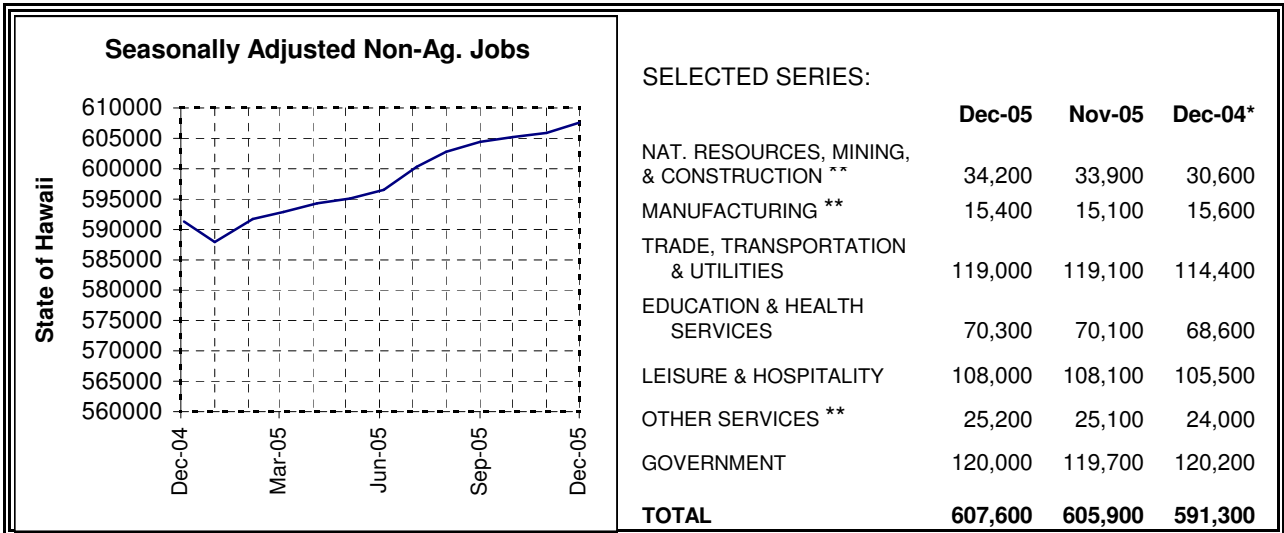
* BENCHMARKED DATA

Seasonally Adjusted Non-Ag. Jobs

| | Dec-05 | Nov-05 | Dec-04* |
|-------------------------------------|----------------|----------------|----------------|
| NAT. RESOURCES, MINING & CONSTR. ** | 34,200 | 33,900 | 30,600 |
| MANUFACTURING ** | 15,400 | 15,100 | 15,600 |
| TRADE, TRANSPORTATION & UTILITIES | 119,000 | 119,100 | 114,400 |
| EDUCATIONAL AND HEALTH SERVICES | 70,300 | 70,100 | 68,600 |
| LEISURE & HOSPITALITY | 108,000 | 108,100 | 105,500 |
| OTHER SERVICES ** | 25,200 | 25,100 | 24,000 |
| GOVERNMENT | 120,000 | 119,700 | 120,200 |
| TOTAL | 607,600 | 605,900 | 591,300 |

** NEW SEASONALLY ADJUSTED SERIES

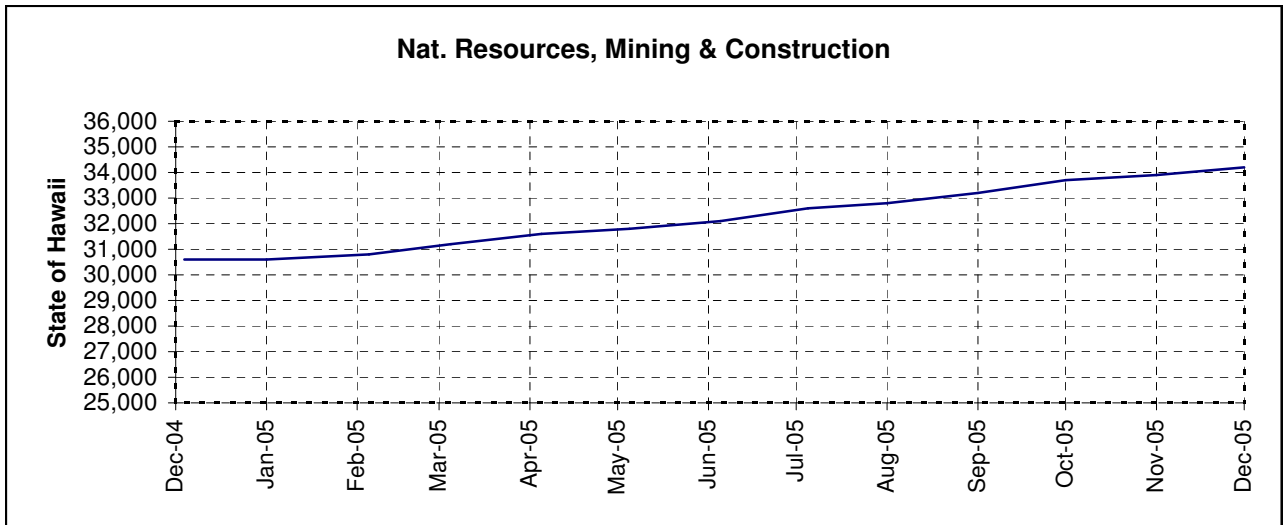




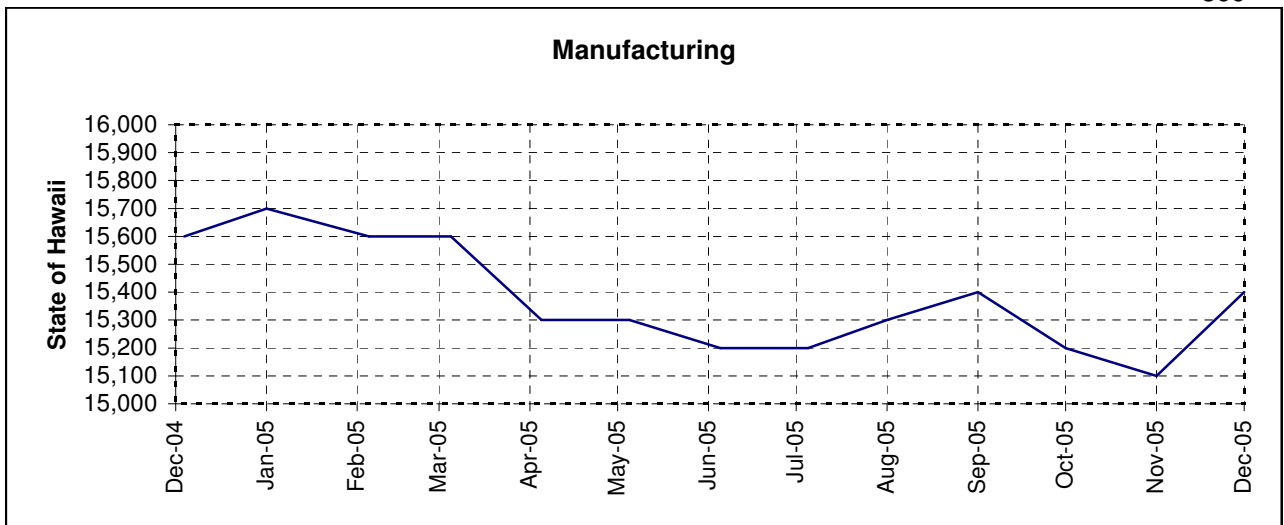
Nov-05 - Dec-05 (+1700)

* BENCHMARKED DATA; ** NEW SEASONALLY ADJUSTED SERIES

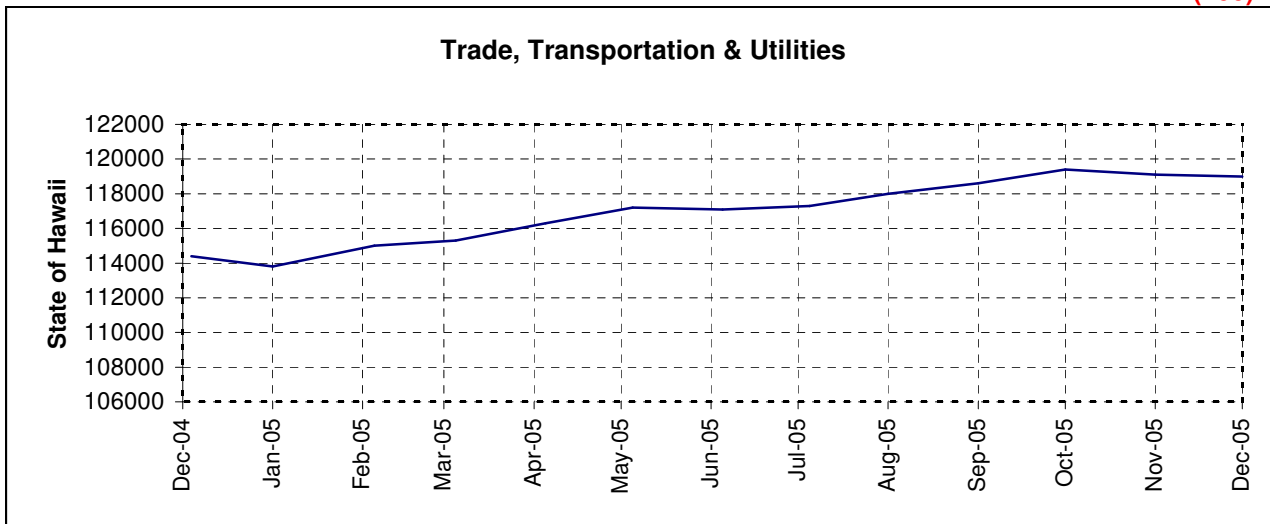
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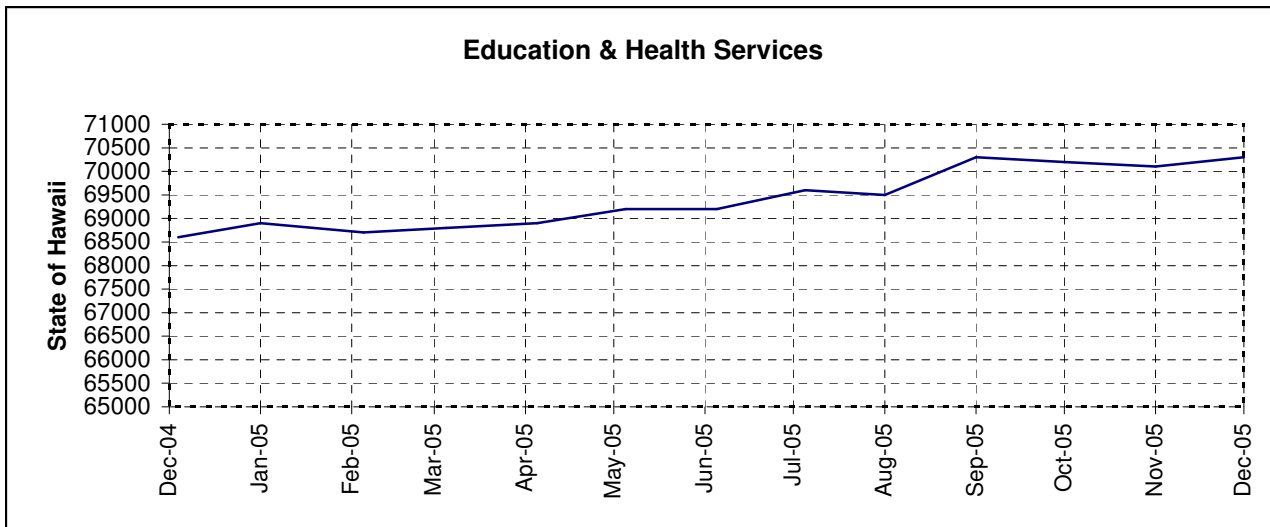
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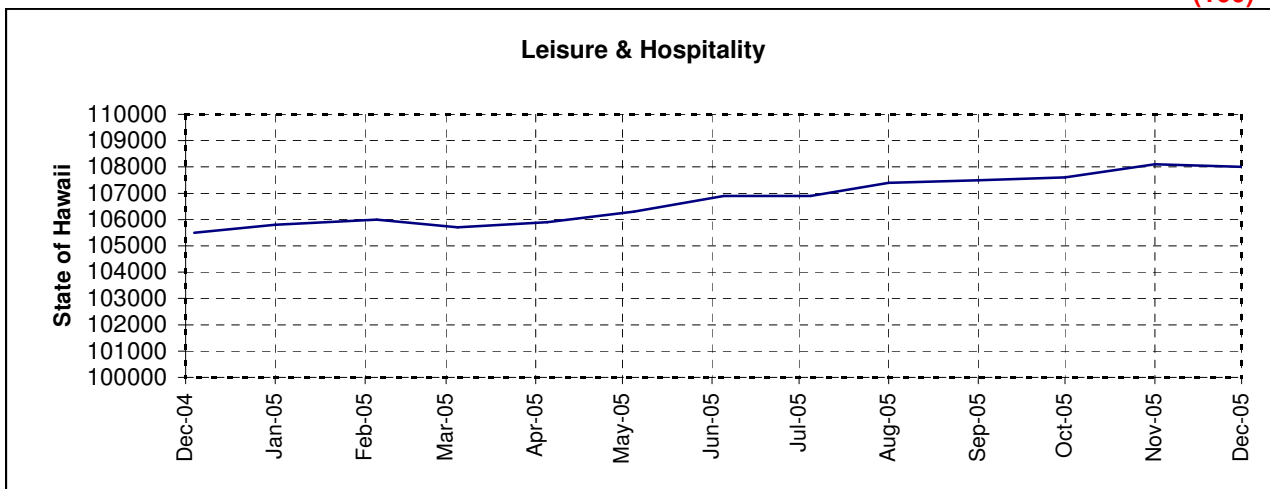
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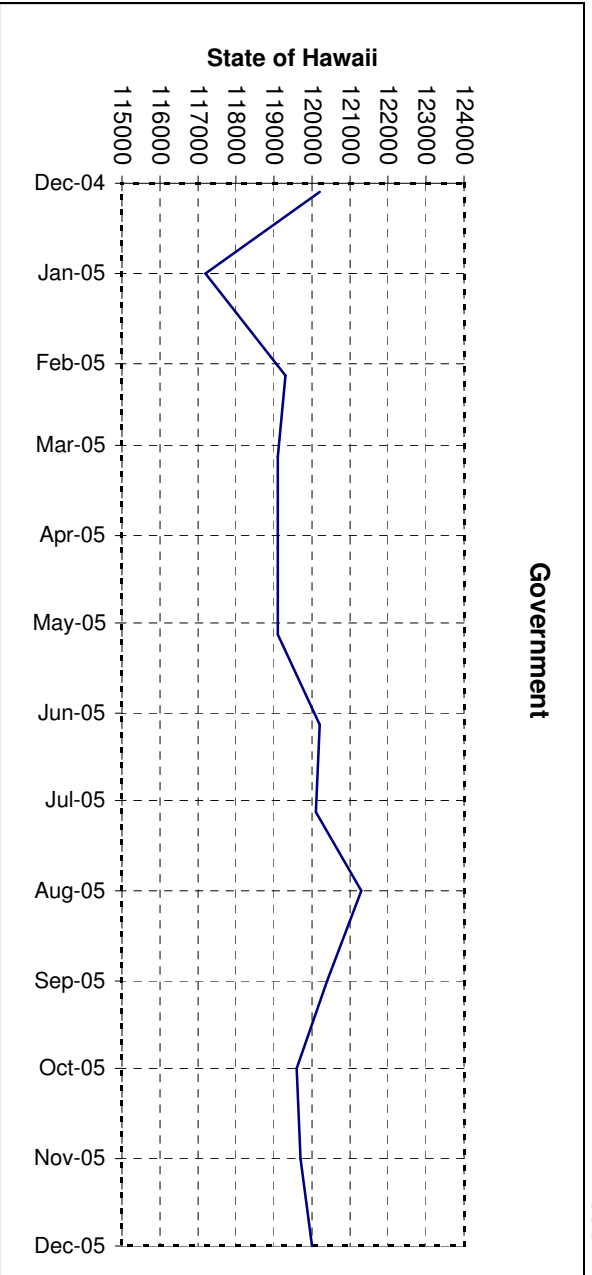
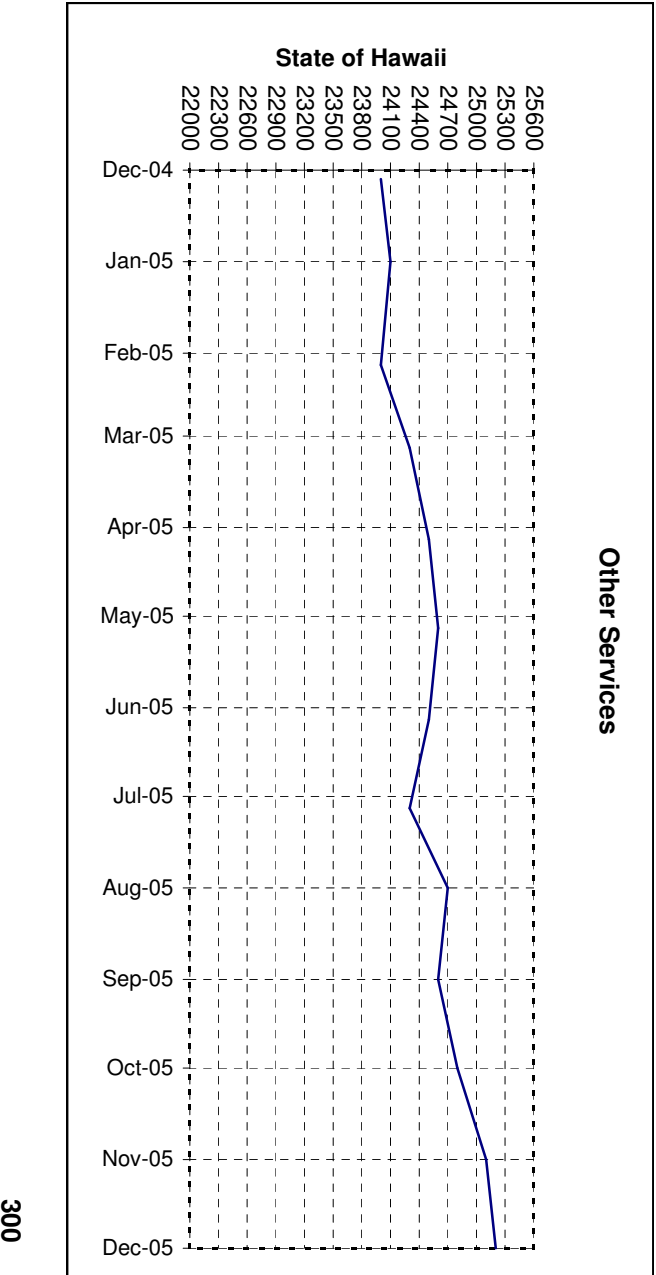


200



(100)





UNEMPLOYMENT RATES- NOT SEASONALLY ADJUSTED

UNEMPLOYMENT RATES- SEASONALLY ADJUSTED

| | DEC 2005 | NOV 2005 | DEC 2004 |
|---------------|-------------|-------------|-------------|
| STATE | 2.4 | 2.8 | 2.7 |
| HONOLULU | 2.4 | 2.8 | 2.7 |
| HAWAII COUNTY | 2.8 | 3.1 | 3.1 |
| KAUAI | 2.5 | 2.6 | 2.8 |
| MAUI COUNTY | 2.4 | 2.8 | 2.5 |
| Maui Island | 2.3 | 2.5 | 2.3 |
| Molokai | 6.3 | 9.0 | 8.3 |
| Lanai | 2.0 | 3.0 | 2.6 |
| U. S. | 4.6 | 4.8 | 5.1 |

| | DEC 2005 | NOV 2005 | DEC 2004 |
|--------------|-------------|-------------|-------------|
| STATE | 2.7 | 2.8 | 3.0 |
| U. S. | 4.9 | 5.0 | 5.4 |

| | <u>Dec 2005</u> | <u>Nov 2005</u> | <u>Dec 2004</u> |
|--------------|-----------------|-----------------|-----------------|
| Labor Force | 650,150 | 649,050 | 618,350 |
| Employment | 632,300 | 630,800 | 599,500 |
| Unemployment | 17,850 | 18,200 | 18,800 |

** totals may not add up due to rounding

| | Dec 2004 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec 2005 |
|--------|-------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| U. S. | 5.1 | 5.7 | 5.8 | 5.4 | 4.9 | 4.9 | 5.2 | 5.2 | 4.9 | 4.8 | 4.6 | 4.8 | 4.6 |
| Hawaii | 2.7 | 2.8 | 2.7 | 2.6 | 2.8 | 2.4 | 3.3 | 3.0 | 2.7 | 3.0 | 2.7 | 2.8 | 2.4 |

| | Dec 2004 | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec 2005 |
|--------|-------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|
| U. S. | 5.4 | 5.2 | 5.4 | 5.2 | 5.2 | 5.1 | 5.0 | 5.0 | 4.9 | 5.1 | 5.0 | 5.0 | 4.9 |
| Hawaii | 3.0 | 2.9 | 3.0 | 2.8 | 2.9 | 2.7 | 2.7 | 2.7 | 2.6 | 2.7 | 2.7 | 2.8 | 2.7 |

