



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII POSTS LOWEST UNEMPLOYMENT RATE IN THE NATION
FOR MONTH OF MAY**

**Hawaii's Seasonally Adjusted Unemployment Rate of 3.0% Lowest
Unemployment Rate in Nearly 13 years**

HONOLULU - The Hawaii State Department of Labor and Industrial Relations (DLIR) announced today that the State of Hawaii posted the lowest unemployment rate in the nation for the month of May as the statewide seasonally adjusted unemployment rate fell to 3.0 percent, a decline of 0.6 percentage point over April. It is the lowest unemployment rate Hawaii has seen since October 1991, when the state posted an unemployment rate of 2.9 percent.

In comparison, the national seasonally adjusted unemployment rate for May remained unchanged at 5.6 percent. One year ago, the Hawaii and U.S. seasonally adjusted unemployment rates stood at 4.3 percent and 6.1 percent respectively.

In January of this year DLIR switched from using non-seasonally adjusted to seasonally adjusted unemployment rates. Seasonally adjusted unemployment rates takes into account recurring seasonal changes in employment that take place every year, such as support staff leaving due to closing of schools; and new hirings during the holiday season. This method

eliminates the effects of events that follow a more or less regular pattern each year. This makes the series smoother and permits easier observation and analysis of cyclical, trend and other non-seasonal movements.

In May, Hawaii's seasonally adjusted labor force totaled 629,800, and was comprised of 610,750 employed and 19,050 unemployed. Since December 2003, the statewide seasonally adjusted unemployed population has gone down by 8,750, while the seasonally adjusted employed population has expanded by 11,100.

"The first year and a half of the Lingle-Aiona Administration have been marked with consistently low unemployment and steady job growth," said Nelson B. Befitel, Director of Labor and Industrial Relations. "This positive trend reflects the state's improving economy and the business community's high confidence and optimism of the direction that our state is being led. Consistent low unemployment will lead to better paying jobs for our working families."

In a separate measure of employment, total seasonally adjusted non-agricultural jobs decreased slightly over-the-month by 700 to 577,000. The job losses were primarily concentrated in government, which declined by 1,300 jobs, due to decreased hiring for support positions at the Department of Education. The remainder of the other seasonally adjusted industry series showed little change, with Trade, Transportation, and Utilities gaining 400 jobs and Education & Health Services and Leisure & Hospitality each adding 100 jobs. Over-the-year, the Trade, Transportation, & Utilities and Leisure & Hospitality industry series have each gone up by 3.1 percent, expanding by 3,300 and 3,100 jobs respectfully. Since May 2003, Hawaii's seasonally adjusted job count has risen by 11,700, or 2.1 percent.

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