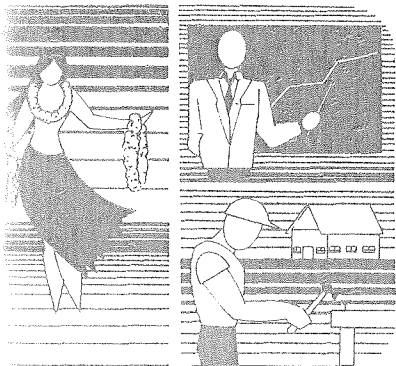
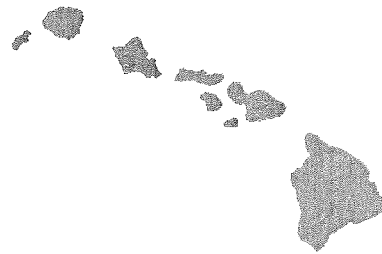
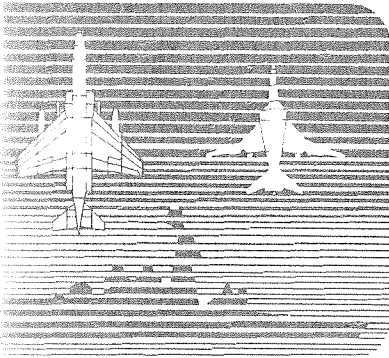
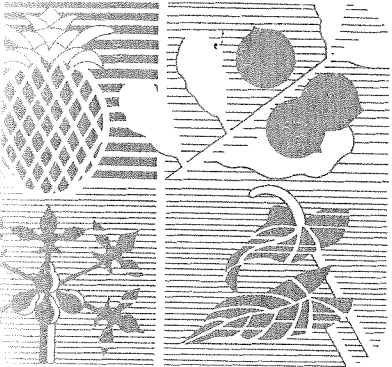


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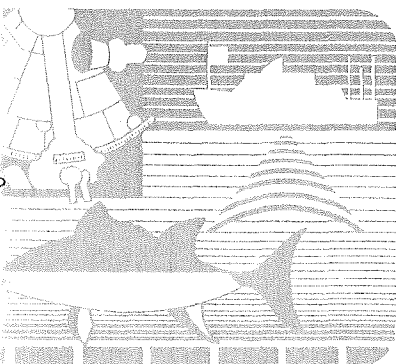
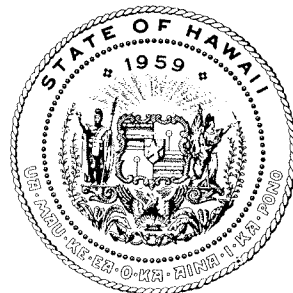
**DBEDT**

THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
STATE OF HAWAII

# QUARTERLY STATISTICAL & ECONOMIC REPORT



December 1997



This Quarterly Statistical and Economic Report has been prepared by the staff of the Research and Economic Analysis Division of the State Department of Business, Economic Development, and Tourism (DBEDT). The report provides concise statistical information and analyses on Employment, Income and Prices, Taxes, Tourism, and Construction, as well as an overview of the four Hawaii State Counties.

The department is headed by director, Dr. Seiji F. Naya. This report was prepared under the direction of the division administrator, Dr. Pearl Imada Iboshi.

Technical notes and source descriptions have been kept to a minimum. However, the staff of the Research and Economic Analysis Division would be happy to respond to any inquiries of a technical nature that readers may have (586-2466). The information contained in this report reflects data received by the Research Division on or before December 1997.

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## STATE OF THE ECONOMY

Through the third quarter of 1997 Hawaii's economy remained fragile. While certain labor market indicators, such as civilian employment and the unemployment rate, showed improvement, the number of nonagricultural wage and salary jobs continued to fall slowly. Personal income growth was modest but respectable, yet tax revenues were down. Visitor arrivals grew by a small amount, but construction activity declined.

Since the third quarter of 1995, civilian employment and nonagricultural wage and salary jobs have moved in opposite directions. Through the third quarter, civilian employment grew by 1.4 percent while nonagricultural jobs fell by 0.1 percent (table 1). Preliminary evidence suggests that the difference may be due to increases in the number of self-employed individuals. Whatever the case, the unemployment rate continues to fall; through September 1997, the unemployment rate stood at 6.0 percent, 0.4 percentage points lower than in the first three quarters of 1996.

Last quarter's issue of the *Quarterly Statistical and Economic Report* noted a rapid rise in personal income for the first quarter of 1997. Since then, the U.S. Bureau of Economic Analysis has revised downward its estimate of personal income growth for the first quarter to 2.2 percent relative to the year-earlier quarter (table B-2). For the second quarter, the BEA estimated personal income growth at 2.1 percent over the second quarter of 1996. The wages and salaries component of personal income increased at rates of 2.5 percent and 1.7 percent in

the first two quarters, respectively (table B-3).

General fund tax revenues were down 2.9 percent in the first three quarters of 1997 relative to the same period in 1996 (table 1). Both general excise tax (GET) revenues and individual income tax receipts, together comprising 88 percent of the general fund, were down from the first three quarters of 1996. GET revenues fell 3.1 percent and net individual income tax revenue was lower by 3.6 percent.

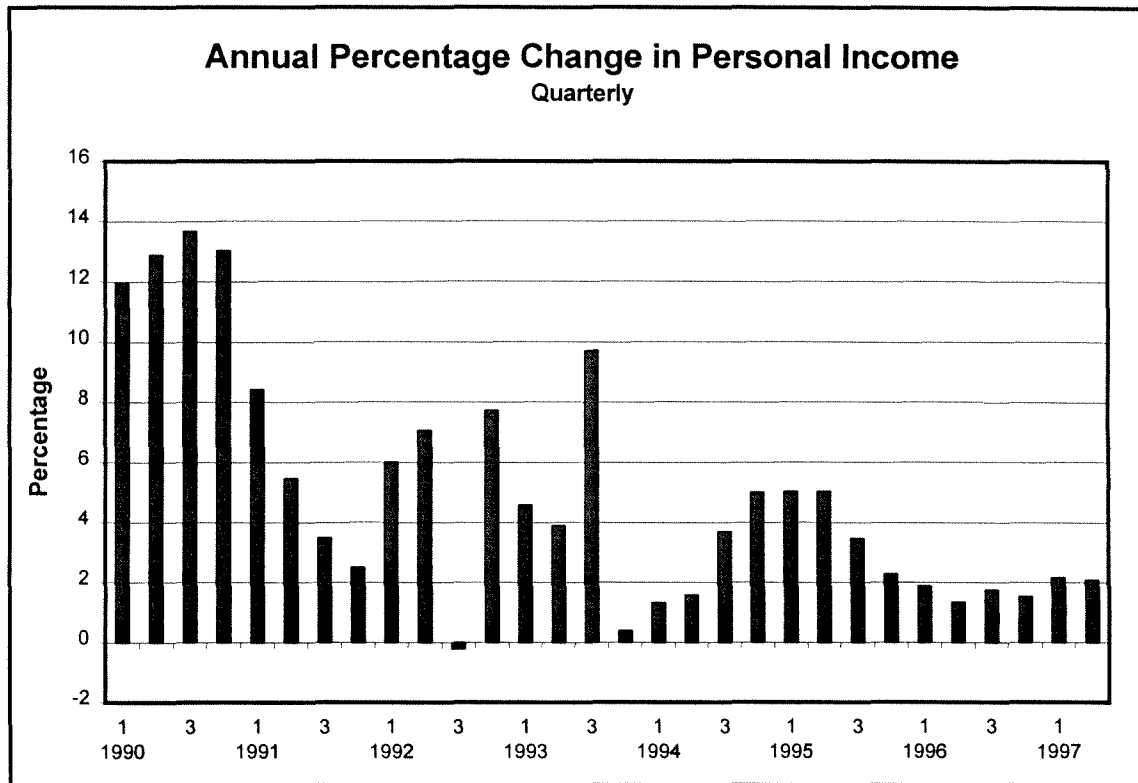
However, much of this decrease was due to technical factors. GET revenues in 1996 were inflated by an acceleration of receipts associated with the move to electronic funds transfers. This made 1997 revenues look unusually low by comparison. Income tax revenues were lower in 1997 due to a reduction in the maximum withholding rate from 10 to 8 percent. That these factors influenced recent growth rates is suggested by calculating annual compounded growth rates from the first nine months of 1995 through the first nine months of 1997: general fund revenues grew by 2.9 percent, GET revenues grew by 1.9 percent, and net individual income tax revenue grew by 4.1 percent, all at annual rates.

The decline in visitor arrivals that characterized the first half of 1997 reversed itself moderately in the third quarter. Total visitor arrivals grew by 0.9 percent in the third quarter of 1997 over the year-earlier quarter (table 1). However, for the year through September, arrivals were down 0.4 percent

compared to the same period in 1996. Westbound arrivals grew at 2.1 percent in the third quarter compared to the same quarter in 1996, while eastbound arrivals fell slightly by 0.7 percent. The relative strength of westbound arrivals in recent years is unusual and may reflect the initial effects of the recent economic difficulties in Asia.

Construction activity slowed in the third quarter of 1997 relative to the third quarter of 1996. The value of construction completed declined by 8.5 percent (table E-2), the value of total building

authorizations fell by 24.5 percent, the numbers of both single family and multi-family unit authorizations declined (tables E-3 and E-4), and both government contract awards and capital improvement project spending were lower (tables E-2 and E-8). However, on a year-to-date basis, comparing the first three quarters of 1997 with the same period in 1996, many of these indicators remained higher. This was true for the value of total building authorizations, the number of multi-family unit authorizations, and CIP expenditures.



## OUTLOOK OF THE ECONOMY

The prospects for economic growth in Hawaii are less bright than DBEDT expected as of the last issue of the *Quarterly Statistical and Economic Report*. While DBEDT continues to expect modest growth, financial and economic events in Southeast Asia and Japan suggest lower rates of forecast growth.

Economic growth on the U.S. Mainland continues to be robust. The Blue Chip Economic Indicators (as of December 10, 1997), representing the consensus of approximately 50 economic forecasters, projected real gross domestic product (GDP) growth of 3.7 percent for 1997 and 2.5 percent for 1998. The Blue Chip Indicators forecast inflation, as measured by the GDP deflator, at 2.0 percent in 1997 and 2.1 percent in 1998. Unemployment should remain low at 5.0 percent in 1997 and 4.9 percent in 1998.

The UCLA Anderson Business School forecasts real economic growth in California to expand by 4.8 percent in 1997 and by 3.3 percent in 1998. Unemployment is expected to be at 6.38 percent in 1997, down from 7.22 percent in 1996. The 1998 forecast for unemployment is 5.85 percent. Employment in nonagricultural establishments is expected to rise by 3.3 percent in 1997 and by 2.9 percent in 1998.

Blue Chip forecasts for real economic growth in the Japanese economy were lowered to 1.3 percent in 1997 and 2.0 percent in 1998. These rates reflect

drops of 0.9 and 0.7 percentage points, respectively, from the forecasts reported in September. Inflation is expected to remain low at 1.6 percent and 1.3 percent in 1997 and 1998, respectively. The Blue Chip consensus forecast for the average yen-dollar exchange rate in 1997 is 123 and in 1998 the forecast rate is 120.6. As of this writing, the exchange rate stands at approximately 130 yen per dollar.

Although Hawaii's economic relations with the other Asian economies are not as strong, it is worth noting that the Blue Chip Indicators have significantly lowered its expected real economic growth rates in 1998 for several Asian countries: South Korea (-2.1 percentage points), Taiwan (-0.8 percentage points), Singapore (-1.1 percentage points), Hong Kong (-1.4 percentage points), and China (-1.2 percentage points).

Combined, these considerations and DBEDT's projections lead to the forecasts presented in the accompanying table. We continue to expect modest visitor arrival growth in 1997 and growth of 1.6 percent in 1998. Growth rates for real gross state product have been lowered to just over 1 percent through 2000. Job growth should turn slightly positive next year and expand slowly in 1999 and 2000. Inflation is forecast to remain near 1 percent through 1998 and to accelerate modestly thereafter.

**ACTUAL AND FORECAST KEY ECONOMIC INDICATORS  
FOR HAWAII: 1995 TO 2000**

<i>Economic Indicators</i>	<i>1995 (actual)</i>	<i>1996 (actual)</i>	<i>1997 (forecast)</i>	<i>1998 (forecast)</i>	<i>1999 (forecast)</i>	<i>2000 (forecast)</i>
TOTAL POPULATION (in thousands)	1,179.2	1,183.7	1,190.9	1,197.9	1,205.2	1,212.9
VISITOR ARRIVALS (in thousands)	6,629.2	6,823.1	6,857.2	6,966.9	7,078.4	7,220.0
HONOLULU CPI-U (1982-84=100)	168.1	170.7	172.4	174.5	177.1	180.6
PERSONAL INCOME (in million dollars)	29,592.5	30,072.0	30,673.4	31,317.6	32,100.5	33,063.5
PERSONAL INCOME (in \$1987 million)	20,224.8	20,241.8	20,442.2	20,624.0	20,827.2	21,031.4
TOTAL WAGE & SALARY JOBS (in thousands)	540.2	536.7	536.7	538.8	542.1	547.5
GROSS STATE PRODUCT (in million dollars)	32,723.7	33,509.1	34,179.3	34,931.2	35,839.4	36,914.6
REAL GROSS STATE PRODUCT (in \$1987 million)	23,290.9	23,498.7	23,752.1	24,007.7	24,297.9	24,577.0
GROSS STATE PRODUCT DEFLATOR (1987=100)	140.5	142.6	143.9	145.5	147.5	150.2
<b>Annual Percentage Growth</b>						
TOTAL POPULATION	0.6	0.4	0.6	0.6	0.6	0.6
VISITOR ARRIVALS	3.2	2.9	0.5	1.6	1.6	2.0
HONOLULU CPI-U (1982-84=100)	2.2	1.5	1.0	1.2	1.5	2.0
PERSONAL INCOME (in million dollars)	3.9	1.6	2.0	2.1	2.5	3.0
PERSONAL INCOME (in \$1987 million)	1.7	0.1	1.0	0.9	1.0	1.0
TOTAL WAGE & SALARY JOBS	(0.7)	(0.6)	0.0	0.4	0.6	1.0
GROSS STATE PRODUCT (in million dollars)	2.4	2.4	2.0	2.2	2.6	3.0
REAL GROSS STATE PRODUCT (in \$1987 million)	0.5	0.9	1.1	1.1	1.2	1.1
GROSS STATE PRODUCT DEFLATOR (1987=100)	1.9	1.5	0.9	1.1	1.4	1.8



## COUNTY ECONOMIC CONDITIONS

Economic conditions by county continue to indicate that the Neighbor Island counties are performing somewhat better than Honolulu. Among the Neighbor Islands, Hawaii and Maui seem to be doing best.

Civilian employment expanded in all counties in the third quarter and for the year to date. The largest third quarter percentage increases (relative to the third quarter of 1996) came in Maui County (2.5 percent) and Hawaii County (2.3 percent) (tables 4 and 3, respectively). For the year through September, these counties have each seen civilian employment rise by 3.4 percent over the same period in 1996.

The unemployment rate also fell in most counties. The only exception was Hawaii County where the third quarter unemployment rate remained at the same level (10.7 percent) as in the third quarter of 1996. Year-to-date, Hawaii County's unemployment rate was down 0.2 percentage points from the first three quarters of 1996. All other counties also experienced a year-to-date decline in the unemployment rate.

Honolulu and Kauai counties saw a year-to-year decline in nonagricultural wage and salary jobs in the third quarter of 1997. Honolulu nonagricultural jobs fell by 0.4 percent (table 2), while Kauai nonagricultural jobs declined by 1.0 percent (table 5). Both Hawaii and Maui counties saw increases in such jobs over the same period.

Contract construction jobs continued to post large percentage declines in all

four counties for the third quarter of 1997 compared to one year earlier. This also held true for the year-to-date, except for Hawaii County where contract construction job increases in the second quarter moderated the decline.

Service sector jobs expanded in all counties in the third quarter, except Kauai. As a part of services, hotel jobs grew in both Honolulu and Hawaii counties, but hotel jobs declined in Maui and Kauai.

Kauai was the only county to see agricultural wage and salary jobs grow in the third quarter. However, for the year through September, Kauai agricultural jobs were 5.3 percent lower than in the same period in 1996 (table 5). Only Maui County saw an increase in agricultural wage and salary jobs for the first nine months of 1997 relative to the previous year.

Third-quarter visitor arrivals grew in all counties over the third quarter of 1996. Maui County saw the largest percentage increase at 4.2 percent, followed by Hawaii County with an increase of 3.7 percent. However, year-to-date, only the counties of Hawaii and Kauai experienced increases in visitor arrivals. Eastbound visitors were the primary source of strength in Honolulu and Hawaii counties, while westbound visitors were the main source in Maui and Kauai. Occupancy rates were lower in all counties for the year through September, except for Hawaii County where the average occupancy rate rose by 1.4 percentage points.

Table 1  
**SELECTED ECONOMIC ACTIVITIES: STATE**

SERIES	UNIT	3rd QUARTER 1997		YEAR-TO-DATE	
			% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
CIVILIAN LABOR FORCE 1/	1,000	598.4	0.9	595.0	0.9
Civilian Employment	1,000	560.2	1.2	559.0	1.4
Civilian Unemployment	1,000	38.2	-3.1	36.0	-3.1
UNEMPLOYMENT RATE 2/	%	6.4	-0.3	6.0	-0.4
TOTAL JOBS	1,000				
TOTAL NON-AGR. WAGE & SALARY JOBS 1/	1,000	522.6	-0.1	528.2	-0.1
Contract Construction	1,000	21.3	-11.0	21.4	-9.9
Manufacturing	1,000	16.3	-2.1	16.4	-1.9
Trans., Comm., Utilities	1,000	40.8	-0.1	41.0	0.5
Trade	1,000	133.9	-0.5	134.4	-0.4
Retail	1,000	112.1	-1.0	112.8	-0.6
Finance, Insur., & Real Estate	1,000	35.8	-2.8	35.9	-2.6
Services & Miscellaneous	1,000	168.6	1.4	168.4	1.7
Hotels	1,000	38.7	0.6	39.2	2.3
Government	1,000	105.9	1.9	110.7	0.6
State	1,000	57.1	3.7	62.9	1.7
Federal	1,000	30.8	-2.2	30.7	-2.4
AGRICULTURE WAGE AND SALARY JOBS 1/	1,000	7.2	-4.9	6.9	-4.8
AGRICULTURE SELF-EMPLOYED	1,000				
NON-AGR. SELF-EMPLOYED	1,000				
STATE GENERAL FUND TAX REVENUES	\$MILL	704.7	-4.6	2,069.7	-2.9
TRANS. ACCOM. TAX REVENUES	\$MILL	31.9	-1.5	97.7	1.0
GENERAL EXCISE & USE TAX BASE	\$MILL	11,620.7	-7.3	35,327.7	-3.6
Retailing Tax Base	\$MILL	3,855.5	-9.2	11,799.5	-3.9
Services Tax Base	\$MILL	1,332.2	-10.0	4,069.7	-5.1
Contracting Tax Base	\$MILL	718.5	-14.3	2,142.1	-13.5
Hotel Rental Tax Base	\$MILL	490.5	-10.5	1,559.7	-1.6
Producing Tax Base	\$MILL	135.6	24.5	381.5	6.8
VISITOR ARRIVALS 3/	PERSONS	1,826,490	0.9	5,209,340	-0.4
Westbound Visitors	PERSONS	1,043,510	2.1	3,078,240	-0.2
Eastbound Visitors	PERSONS	782,980	-0.7	2,131,100	-0.7
HOTEL OCCUPANCY RATES 2/	%	76.2	-2.3	75.3	-2.4

Notes: 1/ Labor force and jobs averages are based on monthly rounded data. Labor force data were also rebenchmarked in February of 1997. Self-employed data are no longer published by DLIR.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Preliminary data. HVCB revised arrival data for 1995 on 9/30/97 and for 1996 on 8/29/97.

Sources: Hawaii Dept. of Labor & Industrial Relations; Dept. of Taxation; Hawaii Visitors and Convention Bureau; and PKF-Hawaii. Compiled by Economic Planning Information System, READ, DBEDT.

Table 2  
**SELECTED ECONOMIC ACTIVITIES: CITY AND COUNTY OF HONOLULU**

SERIES	UNIT	3rd QUARTER 1997		YEAR-TO-DATE	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
CIVILIAN LABOR FORCE 1/	1,000	429.3	0.6	428.1	0.2
Civilian Employment	1,000	406.6	0.9	406.9	0.5
Civilian Unemployment	1,000	22.7	-4.3	21.3	-5.1
UNEMPLOYMENT RATE 2/	%	5.3	-0.3	5.0	-0.2
TOTAL NON-AGR. WAGE & SALARY JOBS 1/	1,000	395.9	-0.4	400.9	-0.7
Contract Construction	1,000	16.1	-10.5	16.1	-11.2
Manufacturing	1,000	12.5	-2.1	12.6	-1.0
Trans., Comm., Utilities	1,000	33.0	-0.2	33.2	0.4
Trade	1,000	98.8	-2.0	99.3	-1.8
Retail	1,000	80.5	-2.9	81.2	-2.4
Finance, Insur., & Real Estate	1,000	28.9	-3.0	29.0	-3.4
Services & Miscellaneous	1,000	122.2	1.6	121.8	1.2
Hotels	1,000	18.3	0.5	18.5	1.2
Government	1,000	84.4	1.7	88.9	0.8
State	1,000	42.8	3.6	48.2	1.8
Federal	1,000	29.0	-2.0	28.9	-1.7
AGRICULTURE WAGE AND SALARY JOBS	1,000	2.0	-3.2	1.9	-5.5
TRANS. ACCOM. TAX REVENUES	\$MILL	25.7	6.7	75.0	6.5
GENERAL EXCISE & USE TAX BASE	\$MILL	10,484.7	-0.7	31,621.1	0.3
Retailing Tax Base	\$MILL	3,512.4	-0.8	10,669.4	1.4
Services Tax Base	\$MILL	1,141.3	-7.8	3,473.8	-4.0
Contracting Tax Base	\$MILL	628.1	-11.0	1,837.1	-12.4
Hotel Rental Tax Base	\$MILL	415.6	0.5	1,272.4	7.8
Producing Tax Base	\$MILL	107.4	38.1	295.6	17.5
VISITOR ARRIVALS 3/	PERSONS	1,354,660	1.0	3,792,250	-0.5
Westbound Visitors	PERSONS	584,890	-4.8	1,728,680	-5.2
Eastbound Visitors	PERSONS	769,770	5.9	2,063,570	3.8
HOTEL OCCUPANCY RATES 2/	%	80.9	-4.0	79.9	-3.0

Notes: 1/ Labor force and jobs averages are based on monthly rounded data. Labor force data were also rebenchmarked in February of 1997. Self-employed data are no longer published by DLIR.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Preliminary data. 1996 arrival data revised by HVCB on 8/29/97.

Sources: Hawaii Dept. of Labor & Industrial Relations; Dept. of Taxation; Hawaii Visitors and Convention Bureau; and PKF-Hawaii. Compiled by Economic Planning Information System, READ, DBEDT.

Table 3  
**SELECTED ECONOMIC ACTIVITIES: HAWAII COUNTY**

SERIES	UNIT	3rd QUARTER 1997		YEAR-TO-DATE	
			% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
CIVILIAN LABOR FORCE 1/	1,000	69.6	2.3	68.3	3.1
Civilian Employment	1,000	62.2	2.3	61.6	3.4
Civilian Unemployment	1,000	7.4	2.5	6.7	0.9
UNEMPLOYMENT RATE 2/	%	10.7	0.0	9.8	-0.2
TOTAL NON-AGR. WAGE & SALARY JOBS 1/	1,000	48.4	1.5	48.6	2.6
Contract Construction	1,000	2.1	-10.6	2.3	-3.8
Manufacturing	1,000	1.6	-4.1	1.6	-3.1
Trans., Comm., Utilities	1,000	2.6	1.9	2.6	1.7
Trade	1,000	12.9	3.9	13.0	4.2
Retail	1,000	11.3	5.1	11.3	5.2
Finance, Insur., & Real Estate	1,000	2.5	-6.3	2.5	0.4
Services & Miscellaneous	1,000	16.6	2.2	16.5	4.2
Hotels	1,000	6.5	8.4	6.5	9.0
Government	1,000	10.0	2.7	10.2	1.4
State	1,000	6.9	4.0	7.1	1.3
Federal	1,000	0.9	-1.9	0.9	0.0
AGRICULTURE WAGE AND SALARY JOBS	1,000	2.3	-8.0	2.3	-11.3
TRANS. ACCOM. TAX REVENUES	\$MILL	1.8	1.2	5.8	-2.3
GENERAL EXCISE & USE TAX BASE	\$MILL	465.9	-4.4	1,499.8	-9.3
Retailing Tax Base	\$MILL	136.2	-5.9	436.0	-15.9
Services Tax Base	\$MILL	82.0	-5.1	259.3	-6.5
Contracting Tax Base	\$MILL	37.8	-13.3	127.8	-10.9
Hotel Rental Tax Base	\$MILL	11.7	-25.5	47.5	-26.9
Producing Tax Base	\$MILL	21.5	11.3	63.7	-10.1
VISITOR ARRIVALS 3/	PERSONS	324,870	3.7	952,610	5.9
Westbound Visitors	PERSONS	219,270	2.3	688,420	3.2
Eastbound Visitors	PERSONS	105,600	6.6	264,190	13.4
HOTEL OCCUPANCY RATES 2/	%	65.2	-1.3	66.9	1.4

Notes: 1/ Labor force and jobs averages are based on monthly rounded data. Labor force data were also rebenchmarked in February of 1997. Self-employed data are no longer published by DLIR.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Preliminary data. 1996 arrival data revised by HVCB on 8/29/97.

Sources: Hawaii Dept. of Labor & Industrial Relations; Dept. of Taxation; Hawaii Visitors and Convention Bureau; and PKF-Hawaii. Compiled by Economic Planning Information System, READ, DBEDT.

Table 4  
**SELECTED ECONOMIC ACTIVITIES: MAUI COUNTY**

SERIES	UNIT	3rd QUARTER 1997		YEAR-TO-DATE	
			% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
CIVILIAN LABOR FORCE 1/	1,000	70.3	2.3	69.7	3.3
Civilian Employment	1,000	65.4	2.5	64.8	3.4
Civilian Unemployment	1,000	5.0	-1.0	4.9	1.6
UNEMPLOYMENT RATE 2/	%	7.1	-0.2	7.1	-0.1
TOTAL NON-AGR. WAGE & SALARY JOBS 1/	1,000	55.2	1.7	55.3	2.6
Contract Construction	1,000	2.0	-12.6	1.9	-10.3
Manufacturing	1,000	1.8	1.0	1.7	-1.6
Trans., Comm., Utilities	1,000	3.5	-4.1	3.7	1.4
Trade	1,000	15.4	4.3	15.4	3.8
Retail	1,000	14.0	4.2	14.0	3.8
Finance, Insur., & Real Estate	1,000	3.0	2.8	3.0	2.3
Services & Miscellaneous	1,000	21.8	1.6	22.0	3.4
Hotels	1,000	10.8	-0.9	10.9	0.0
Government	1,000	7.7	3.6	7.6	2.8
State	1,000	4.9	3.9	5.1	2.6
Federal	1,000	0.5	0.0	0.5	0.0
AGRICULTURE WAGE AND SALARY JOBS	1,000	2.0	-10.0	2.0	1.1
TRANS. ACCOM. TAX REVENUES	\$MILL	3.2	-19.8	13.5	-14.0
GENERAL EXCISE & USE TAX BASE	\$MILL	467.2	-22.3	1,599.8	-18.9
Retailing Tax Base	\$MILL	141.5	-28.2	499.9	-23.4
Services Tax Base	\$MILL	77.8	-3.7	249.1	2.0
Contracting Tax Base	\$MILL	36.5	-17.7	122.6	-11.6
Hotel Rental Tax Base	\$MILL	45.8	-42.3	190.5	-27.0
Producing Tax Base	\$MILL	5.7	-5.5	18.4	-12.3
VISITOR ARRIVALS 3/	PERSONS	618,510	4.2	1,784,520	-0.6
Westbound Visitors	PERSONS	485,900	4.7	1,433,540	1.6
Eastbound Visitors	PERSONS	132,610	2.7	350,980	-8.5
HOTEL OCCUPANCY RATES 2/ 4/	%	73.2	-0.8	72.8	-2.9

Notes: 1/ Labor force and jobs averages are based on monthly rounded data. Labor force data were also rebenchmarked in February of 1997. Self-employed data are no longer published by DLIR.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Preliminary data. 1996 arrival data revised by HVCB on 8/29/97.

4/ Data represents Maui island only.

Sources: Hawaii Dept. of Labor & Industrial Relations; Dept. of Taxation; Hawaii Visitors and Convention Bureau; and PKF-Hawaii. Compiled by Economic Planning Information System, READ, DBEDT.

Table 5  
**SELECTED ECONOMIC ACTIVITIES: KAUAI COUNTY**

SERIES	UNIT	3rd QUARTER 1997		YEAR-TO-DATE	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
CIVILIAN LABOR FORCE 1/	1,000	29.2	-0.2	28.9	-0.5
Civilian Employment	1,000	26.1	1.1	25.8	0.9
Civilian Unemployment	1,000	3.0	-10.8	3.1	-11.4
UNEMPLOYMENT RATE 2/	%	10.4	-1.2	10.6	-1.3
TOTAL NON-AGR. WAGE & SALARY JOBS 1/	1,000	23.3	-1.0	23.4	0.0
Contract Construction	1,000	1.0	-18.4	1.1	-15.0
Manufacturing	1,000	0.5	3.5	0.5	-3.3
Trans., Comm., Utilities	1,000	1.5	-1.1	1.5	0.4
Trade	1,000	6.9	4.3	6.8	3.2
Retail	1,000	6.4	4.6	6.4	3.6
Finance, Insur., & Real Estate	1,000	1.4	-5.6	1.4	0.8
Services & Miscellaneous	1,000	8.1	-2.4	8.1	0.0
Hotels	1,000	3.3	-4.8	3.3	-2.9
Government	1,000	3.9	1.3	4.0	0.1
State	1,000	2.4	2.9	2.5	1.1
Federal	1,000	0.4	0.0	0.4	0.0
AGRICULTURE WAGE AND SALARY JOBS	1,000	0.9	12.8	0.8	-4.0
TRANS. ACCOM. TAX REVENUES	\$MILL	1.2	12.6	3.4	5.8
GENERAL EXCISE & USE TAX BASE	\$MILL	202.9	-4.4	606.9	-13.7
Retailing Tax Base	\$MILL	65.3	1.0	194.2	-12.1
Services Tax Base	\$MILL	31.1	-6.2	87.5	-14.4
Contracting Tax Base	\$MILL	16.0	-11.6	54.6	-20.6
Hotel Rental Tax Base	\$MILL	17.5	11.4	49.4	1.0
Producing Tax Base	\$MILL	1.1	-66.7	3.7	-60.4
VISITOR ARRIVALS 3/	PERSONS	254,430	0.3	753,330	2.1
Westbound Visitors	PERSONS	221,820	2.8	648,640	2.4
Eastbound Visitors	PERSONS	32,610	-13.5	104,690	0.2
HOTEL OCCUPANCY RATES 2/	%	78.4	7.4	70.0	-0.1

Notes: 1/ Labor force and jobs averages are based on monthly rounded data. Labor force data were also rebenchmarked in February of 1997. Self-employed data are no longer published by DLIR.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Preliminary data. 1996 arrival data revised by HVCB on 8/29/97.

Sources: Hawaii Dept. of Labor & Industrial Relations; Dept. of Taxation; Hawaii Visitors and Convention Bureau; and PKF-Hawaii. Compiled by Economic Planning Information System, READ, DBEDT.

## LABOR FORCE AND JOBS

Hawaii's labor market persists in displaying conflicting trends. On the positive side, the civilian labor force and civilian employment continue to gradually rise while the number of unemployed declines. On the negative side, the number of nonagricultural wage and salary jobs keeps falling slowly.

The civilian labor force grew 0.9 percent from the third quarter of 1996 through the third quarter of 1997 (table A-1). Civilian employment grew 1.2 percent over the same period (table A-2). Both indicators have grown steadily since the second half of 1995.

The other side of this "good news" coin is that the number of unemployed fell by 3.1 percent in the third quarter of 1997 relative to the year-earlier quarter (table A-3). Indeed, unemployment has fallen in each quarter thus far in 1997. This has translated into reductions in the unemployment rate in each quarter, with the third quarter rate of 6.4 percent lower by 0.2 percentage points than in the third quarter of 1996 (table A-4).

However, the number of nonagricultural jobs has continued the nearly uninterrupted decline it began in the fourth quarter of 1992. These jobs were down 0.1 percent in the third quarter of 1997 relative to the year-earlier period. For the third quarter, the 522,600 jobs are slightly below the level reached in 1990 and well below the third-quarter peak of 1992.

As in the past, the largest declines in jobs came in the construction industry. Construction jobs fell 11.0 percent in the third quarter from the same quarter in 1996 (table A-6). Construction jobs have fallen in every quarter since the fourth quarter of 1993.

Other industries showing job declines from the third quarter of 1996 to the third quarter of 1997 include: manufacturing (-2.1 percent, table A-7), communications (-2.4 percent, table A-9), utilities (-3.2 percent, table A-10), retail trade (-1.0 percent, table A-11), and finance, insurance and real estate (-2.8 percent, table A-13). With the exception of manufacturing, these job declines have coincided with the period of slow growth in recent years. By contrast, manufacturing jobs have been declining in Hawaii since the late 1980s, probably reflecting the secular shift toward services in the economy.

Industries showing job growth from the third quarter of 1996 to the third quarter of 1997 include: transportation jobs (0.7 percent, table A-8), wholesale trade (1.9 percent, table A-12), services and miscellaneous (1.4 percent, table A-14), and hotels (0.6 percent, table A-15).

Federal government jobs fell by 2.2 percent in the third quarter relative to the year-earlier quarter (table A-16). However, both state and local government jobs increased over the period by 3.7 percent and 3.5 percent, respectively (tables A-17 and A-18).

Table A-1  
**CIVILIAN LABOR FORCE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	475.3	477.2	478.5	485.0	479.0
1986	485.3	488.9	493.9	499.9	492.0
1987	506.0	513.0	516.3	520.8	514.0
1988	515.4	519.4	519.0	518.2	518.0
1989	519.4	526.7	521.9	528.0	524.0
1990	532.0	539.8	544.6	551.7	542.0
1991	568.7	573.0	576.1	577.1	573.7
1992	579.2	582.9	585.4	588.7	584.1
1993	587.0	588.0	585.1	583.8	586.0
1994	581.5	581.9	580.1	577.1	580.2
1995	574.2	577.1	577.8	579.3	577.1
1996	585.1	590.7	592.9	594.8	590.9
1997	593.2	593.5	598.4	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	0.7	0.7	1.6	2.8	1.5
1986	2.1	2.4	3.2	3.1	2.7
1987	4.3	4.9	4.5	4.2	4.5
1988	1.9	1.2	0.5	-0.5	0.8
1989	0.8	1.4	0.6	1.9	1.2
1990	2.4	2.5	4.4	4.5	3.4
1991	6.9	6.2	5.8	4.6	5.9
1992	1.8	1.7	1.6	2.0	1.8
1993	1.3	0.9	0.0	-0.8	0.3
1994	-0.9	-1.0	-0.9	-1.1	-1.0
1995	-1.3	-0.8	-0.4	0.4	-0.5
1996	1.9	2.4	2.6	2.7	2.4
1997	1.4	0.5	0.9	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.



Table A-2  
**CIVILIAN EMPLOYMENT**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	449.2	450.4	449.8	458.6	452.0
1986	461.8	464.8	468.2	477.2	468.0
1987	484.3	492.2	494.7	504.9	494.0
1988	500.7	501.3	502.3	503.8	502.0
1989	505.2	512.2	511.8	514.8	511.0
1990	517.3	523.1	529.1	538.5	527.0
1991	553.9	557.1	559.4	560.6	557.8
1992	557.4	555.7	556.3	560.4	557.8
1993	560.6	563.0	560.6	559.4	560.9
1994	549.2	545.2	541.6	544.0	545.0
1995	541.7	542.8	541.9	546.6	543.3
1996	549.0	552.0	553.5	558.3	553.2
1997	560.0	556.9	560.2	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	0.7	0.8	1.6	3.3	1.6
1986	2.8	3.2	4.1	4.0	3.5
1987	4.9	5.9	5.7	5.8	5.6
1988	3.4	1.9	1.5	-0.2	1.6
1989	0.9	2.2	1.9	2.2	1.8
1990	2.4	2.1	3.4	4.6	3.1
1991	7.1	6.5	5.7	4.1	5.8
1992	0.6	-0.3	-0.6	0.0	0.0
1993	0.6	1.3	0.8	-0.2	0.6
1994	-2.0	-3.2	-3.4	-2.7	-2.8
1995	-1.4	-0.4	0.1	0.5	-0.3
1996	1.4	1.7	2.1	2.1	1.8
1997	2.0	0.9	1.2	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-3  
**CIVILIAN UNEMPLOYMENT**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	26.1	26.8	28.7	26.4	27.0
1986	23.5	24.1	25.7	22.7	24.0
1987	21.7	20.8	21.6	15.9	20.0
1988	14.7	18.1	16.7	14.4	16.0
1989	14.2	14.5	10.1	13.3	13.0
1990	14.7	16.7	15.6	13.1	15.0
1991	14.8	15.9	16.7	16.5	16.0
1992	21.8	27.3	29.1	28.3	26.6
1993	26.4	25.0	24.5	24.4	25.1
1994	32.3	36.7	38.6	33.1	35.2
1995	32.6	34.4	35.9	32.5	33.9
1996	36.1	38.8	39.4	36.5	37.7
1997	33.2	36.6	38.2	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.4	0.7	3.0	-5.0	0.0
1986	-10.1	-10.2	-10.2	-14.0	-11.1
1987	-7.6	-13.4	-16.2	-30.0	-16.7
1988	-32.1	-13.0	-22.6	-9.2	-20.0
1989	-3.8	-20.3	-39.7	-7.9	-18.8
1990	3.4	15.2	54.4	-1.2	15.4
1991	0.9	-4.4	7.3	25.8	6.5
1992	47.7	71.4	74.3	71.4	66.7
1993	21.0	-8.4	-15.9	-13.7	-5.8
1994	22.4	46.6	57.5	35.6	40.2
1995	0.7	-6.0	-7.0	-1.9	-3.7
1996	10.9	12.7	9.9	12.4	11.4
1997	-7.9	-5.6	-3.1	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-4  
**CIVILIAN UNEMPLOYMENT RATE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
Percent of the Civilian Labor Force					
1985	5.5	5.6	6.0	5.4	5.6
1986	4.8	4.9	5.2	4.5	4.9
1987	4.3	4.1	4.2	3.1	3.9
1988	2.9	3.5	3.2	2.8	3.1
1989	2.7	2.7	1.9	2.5	2.5
1990	2.8	3.1	2.9	2.4	2.8
1991	2.6	2.8	2.9	2.9	2.8
1992	3.8	4.7	5.0	4.8	4.6
1993	4.5	4.3	4.2	4.2	4.3
1994	5.6	6.3	6.6	5.7	6.1
1995	5.7	6.0	6.2	5.6	5.9
1996	6.2	6.6	6.6	6.1	6.4
1997	5.6	6.2	6.4	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-5

**NON-AGRICULTURAL WAGE AND SALARY JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	420.0	423.7	426.9	432.4	425.7
1986	432.8	435.8	438.2	447.5	438.6
1987	451.9	459.0	458.4	470.5	460.0
1988	470.4	476.9	476.8	488.2	478.1
1989	495.4	503.1	504.0	519.3	505.5
1990	520.0	528.6	525.7	539.2	528.4
1991	537.9	537.3	536.1	545.2	539.1
1992	543.1	544.7	538.7	544.7	542.8
1993	540.1	543.4	532.3	539.8	538.9
1994	535.5	538.0	530.5	540.7	536.2
1995	536.0	536.2	526.0	533.2	532.9
1996	531.2	531.6	523.0	531.3	529.3
1997	531.1	530.7	522.6	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	2.4	2.2	4.0	4.0	3.2
1986	3.1	2.9	2.6	3.5	3.0
1987	4.4	5.3	4.6	5.2	4.9
1988	4.1	3.9	4.0	3.8	3.9
1989	5.3	5.5	5.7	6.4	5.7
1990	5.0	5.1	4.3	3.8	4.5
1991	3.4	1.6	2.0	1.1	2.0
1992	1.0	1.4	0.5	-0.1	0.7
1993	-0.6	-0.2	-1.2	-0.9	-0.7
1994	-0.9	-1.0	-0.3	0.2	-0.5
1995	0.1	-0.3	-0.8	-1.4	-0.6
1996	-0.9	-0.9	-0.6	-0.3	-0.7
1997	0.0	-0.2	-0.1	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-6  
**CONSTRUCTION JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	16.0	17.0	17.9	17.9	17.2
1986	17.4	17.6	19.4	20.2	18.6
1987	20.6	21.2	21.5	21.5	21.2
1988	21.7	23.0	24.0	24.9	23.4
1989	26.5	28.6	30.2	31.5	29.2
1990	30.9	31.4	32.9	34.0	32.3
1991	33.5	33.8	34.0	33.0	33.6
1992	31.2	31.0	31.3	32.6	31.5
1993	32.7	32.7	32.5	31.5	32.3
1994	29.5	29.3	29.5	28.5	29.2
1995	26.5	26.2	26.7	25.8	26.3
1996	23.8	23.7	23.9	22.5	23.5
1997	21.9	21.1	21.3	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-5.6	0.0	13.9	31.9	8.8
1986	8.6	3.5	8.5	13.2	8.5
1987	18.6	20.9	10.8	6.4	13.8
1988	5.2	8.5	11.7	16.0	10.4
1989	22.3	24.3	25.6	26.5	24.7
1990	16.6	9.9	9.2	7.8	10.7
1991	8.2	7.5	3.1	-2.9	3.8
1992	-6.8	-8.2	-7.8	-1.2	-6.0
1993	4.7	5.3	3.8	-3.4	2.5
1994	-9.8	-10.3	-9.1	-9.7	-9.7
1995	-10.1	-10.8	-9.8	-9.3	-9.9
1996	-10.4	-9.6	-10.3	-12.8	-10.8
1997	-7.9	-10.8	-11.0	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-7  
**MANUFACTURING JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	21.4	22.0	22.4	22.0	21.9
1986	21.8	22.3	22.3	21.8	22.0
1987	21.8	21.9	22.0	21.8	21.9
1988	21.8	22.2	22.2	21.7	22.0
1989	21.6	21.4	21.6	21.4	21.5
1990	21.1	21.0	21.1	21.0	21.1
1991	20.6	20.4	20.6	20.3	20.5
1992	19.7	19.6	20.0	19.4	19.7
1993	19.3	19.3	19.4	18.7	19.2
1994	17.8	18.0	17.9	17.4	17.8
1995	16.8	16.9	17.2	17.1	17.0
1996	16.7	16.7	16.7	16.5	16.6
1997	16.4	16.4	16.3	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-0.7	-0.1	-0.6	2.3	0.2
1986	1.7	1.7	-0.4	-0.8	0.6
1987	0.4	-1.9	-1.2	0.2	-0.6
1988	-0.3	1.4	0.8	-0.5	0.3
1989	-0.7	-3.6	-2.9	-1.6	-2.2
1990	-2.4	-1.9	-1.9	-1.9	-2.0
1991	-2.5	-3.1	-2.4	-3.3	-2.8
1992	-4.3	-3.5	-3.0	-4.4	-3.8
1993	-2.0	-2.0	-3.3	-3.4	-2.6
1994	-7.5	-6.6	-7.7	-7.2	-7.2
1995	-5.8	-6.3	-3.7	-1.9	-4.3
1996	-0.6	-1.2	-3.2	-3.5	-2.4
1997	-1.9	-1.7	-2.1	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-8  
**TRANSPORTATION JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	22.8	23.4	23.5	23.9	23.4
1986	24.1	24.4	24.6	25.2	24.5
1987	26.0	26.8	27.2	27.6	26.9
1988	27.5	27.8	27.8	28.1	27.8
1989	29.0	29.7	29.9	31.0	29.9
1990	30.9	31.4	31.9	33.2	31.8
1991	32.8	32.4	33.0	33.3	32.9
1992	32.9	33.0	33.1	32.6	32.9
1993	31.5	31.4	31.2	31.1	31.3
1994	31.9	32.3	31.7	31.7	31.9
1995	30.6	30.8	30.7	30.7	30.7
1996	30.8	30.7	30.9	31.3	30.9
1997	31.4	31.2	31.1	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	6.1	6.6	5.5	5.3	5.9
1986	5.6	4.2	4.5	5.5	4.9
1987	8.1	9.8	10.9	9.7	9.7
1988	5.6	3.8	1.9	1.8	3.2
1989	5.6	6.9	7.6	10.1	7.6
1990	6.4	5.7	7.0	7.3	6.6
1991	6.2	3.2	3.2	0.2	3.2
1992	0.3	1.9	0.4	-1.9	0.2
1993	-4.1	-4.9	-5.6	-4.6	-4.8
1994	1.1	2.7	1.3	1.9	1.8
1995	-4.0	-4.7	-3.0	-3.4	-3.7
1996	0.7	-0.3	0.5	2.1	0.7
1997	1.8	1.6	0.7	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-9  
**COMMUNICATION JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	7.4	7.3	7.3	7.3	7.3
1986	7.1	7.1	7.1	7.1	7.1
1987	7.2	7.3	7.2	7.4	7.3
1988	7.6	7.5	7.5	7.6	7.6
1989	7.3	7.3	7.3	7.3	7.3
1990	7.3	7.4	7.4	7.4	7.4
1991	7.5	7.4	7.3	7.2	7.3
1992	7.0	7.0	6.9	6.8	6.9
1993	6.7	6.5	6.3	6.2	6.4
1994	6.3	6.2	6.2	6.3	6.3
1995	6.2	6.3	6.3	6.3	6.3
1996	6.3	6.3	6.4	6.4	6.4
1997	6.3	6.2	6.2	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-1.1	-3.1	-1.6	-2.0	-1.9
1986	-5.2	-2.5	-3.4	-2.1	-3.3
1987	1.9	2.3	1.4	3.7	2.4
1988	6.3	3.0	4.4	2.0	3.9
1989	-4.6	-3.3	-2.7	-2.9	-3.4
1990	0.2	1.8	1.6	1.4	1.3
1991	2.5	-0.2	-1.3	-3.1	-0.6
1992	-6.7	-5.4	-6.2	-5.1	-5.8
1993	-3.6	-7.4	-8.5	-9.5	-7.2
1994	-5.9	-4.1	-1.6	2.4	-2.4
1995	-2.9	0.8	1.9	-0.5	-0.2
1996	2.4	0.8	0.8	0.8	1.6
1997	-0.8	-1.3	-2.4	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.



Table A-10  
**UTILITIES JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	2.4	2.5	2.5	2.5	2.5
1986	2.4	2.6	2.6	2.6	2.6
1987	2.6	2.7	2.7	2.7	2.6
1988	2.7	2.7	2.7	2.7	2.7
1989	2.7	2.8	2.8	2.8	2.8
1990	3.0	3.0	3.0	3.0	3.0
1991	3.0	3.1	3.2	3.2	3.1
1992	3.3	3.4	3.5	3.5	3.4
1993	3.5	3.6	3.6	3.6	3.6
1994	3.6	3.6	3.7	3.7	3.7
1995	3.7	3.8	3.8	3.8	3.8
1996	3.8	3.8	3.7	3.6	3.7
1997	3.6	3.6	3.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.4	2.1	4.2	4.2	3.0
1986	0.0	4.1	4.0	5.3	3.4
1987	6.9	3.2	2.6	0.6	3.3
1988	1.9	0.0	1.9	1.9	1.4
1989	1.9	5.0	4.3	4.9	4.1
1990	9.9	9.0	6.5	4.1	7.3
1991	2.2	1.6	4.4	7.9	4.0
1992	9.9	10.3	10.1	10.0	10.0
1993	5.0	4.9	3.3	1.9	3.8
1994	2.9	1.9	1.9	4.2	2.7
1995	2.8	3.2	2.7	2.2	2.7
1996	1.4	0.0	-2.7	-5.3	-1.3
1997	-4.0	-4.5	-3.2	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-11  
**RETAIL TRADE JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	95.1	95.9	96.1	97.3	96.1
1986	96.6	96.5	99.4	101.2	98.4
1987	100.8	102.4	103.9	106.4	103.4
1988	104.7	106.8	107.0	108.5	106.7
1989	109.0	110.1	110.6	113.3	110.7
1990	112.0	113.0	113.7	115.3	113.5
1991	113.8	112.5	114.3	114.3	113.7
1992	113.6	113.2	113.7	112.4	113.2
1993	110.0	110.7	111.2	112.4	111.1
1994	110.4	110.1	111.8	114.9	111.8
1995	113.7	113.2	114.5	115.7	114.3
1996	114.4	113.0	113.2	114.7	113.8
1997	113.7	112.6	112.1	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	5.9	4.9	3.5	1.6	3.9
1986	1.6	0.6	3.4	4.0	2.4
1987	4.3	6.2	4.6	5.1	5.0
1988	3.9	4.3	2.9	2.0	3.3
1989	4.1	3.0	3.3	4.4	3.7
1990	2.7	2.6	2.8	1.8	2.5
1991	1.6	-0.4	0.5	-0.8	0.2
1992	-0.1	0.6	-0.5	-1.6	-0.4
1993	-3.2	-2.2	-2.2	0.0	-1.9
1994	0.3	-0.6	0.5	2.2	0.6
1995	3.0	2.8	2.4	0.7	2.2
1996	0.6	-0.2	-1.2	-0.9	-0.4
1997	-0.6	-0.4	-1.0	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-12

**WHOLESALE TRADE JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	19.3	19.5	19.8	19.7	19.6
1986	19.2	19.4	19.7	20.0	19.6
1987	20.0	20.4	20.5	20.7	20.4
1988	20.2	20.6	21.1	21.1	20.7
1989	21.5	21.9	21.9	22.2	21.9
1990	21.9	22.3	22.8	22.9	22.5
1991	22.7	22.6	22.7	22.9	22.7
1992	22.7	22.6	22.4	22.4	22.5
1993	22.0	22.1	21.8	21.8	21.9
1994	21.5	21.5	21.6	21.5	21.5
1995	21.6	21.5	21.5	21.6	21.6
1996	21.5	21.4	21.5	21.6	21.5
1997	21.5	21.6	21.9	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	3.0	2.6	4.0	3.1	3.2
1986	-0.5	-0.7	-0.3	1.4	0.0
1987	4.3	5.0	3.8	3.8	4.2
1988	1.1	0.9	2.9	2.0	1.7
1989	6.3	6.4	4.1	4.9	5.4
1990	2.3	2.0	4.1	3.5	3.0
1991	3.5	1.3	-0.6	-0.1	1.0
1992	-0.1	0.1	-1.4	-2.3	-0.9
1993	-3.2	-2.1	-2.6	-2.7	-2.6
1994	-2.0	-2.6	-1.1	-1.4	-1.9
1995	0.4	-0.2	-0.2	0.5	0.1
1996	-0.5	-0.5	-0.2	-0.2	-0.5
1997	-0.2	0.9	1.9	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-13

**FINANCE, INSURANCE AND REAL ESTATE JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	31.5	31.9	32.0	32.2	31.9
1986	32.6	32.8	33.5	33.8	33.2
1987	33.5	33.8	33.8	33.8	33.7
1988	34.0	34.3	34.6	34.8	34.4
1989	34.7	34.9	35.2	36.2	35.2
1990	35.9	36.8	37.3	37.3	36.8
1991	37.3	37.3	37.5	37.5	37.4
1992	37.2	37.7	38.3	38.6	37.9
1993	38.3	38.8	39.5	39.2	39.0
1994	38.7	38.6	38.5	37.8	38.4
1995	37.2	37.0	37.3	37.1	37.2
1996	37.0	36.9	36.9	36.6	36.8
1997	36.1	35.9	35.8	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-1.5	-0.1	0.5	1.6	0.1
1986	3.5	2.7	4.4	5.0	3.9
1987	2.7	3.1	1.1	-0.1	1.7
1988	1.6	1.5	2.4	3.1	2.2
1989	1.9	1.9	1.6	3.9	2.3
1990	3.6	5.3	5.9	3.0	4.4
1991	3.7	1.3	0.6	0.6	1.5
1992	-0.2	1.3	2.0	2.8	1.5
1993	3.1	2.8	3.3	1.6	2.7
1994	1.0	-0.6	-2.6	-3.5	-1.4
1995	-3.9	-4.0	-3.2	-1.9	-3.3
1996	-0.7	-0.3	-1.1	-1.3	-0.9
1997	-2.2	-2.8	-2.8	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-14

**SERVICES AND MISCELLANEOUS JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	110.7	110.5	113.8	115.7	112.6
1986	117.3	118.4	118.8	120.4	118.7
1987	123.6	125.2	126.8	130.6	126.5
1988	130.8	131.4	133.6	137.3	133.3
1989	141.5	143.4	146.6	150.0	145.4
1990	152.4	153.3	154.9	157.0	154.4
1991	157.4	157.1	160.2	161.7	159.1
1992	162.9	163.1	164.9	163.4	163.6
1993	163.1	163.1	161.9	162.1	162.6
1994	162.6	163.4	164.2	165.3	163.9
1995	165.1	164.6	164.1	164.4	164.5
1996	165.4	165.3	166.2	167.5	166.1
1997	168.4	168.3	168.6	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	2.9	1.7	6.2	6.6	4.3
1986	6.0	7.1	4.5	4.1	5.4
1987	5.4	5.7	6.7	8.4	6.6
1988	5.8	5.0	5.4	5.1	5.3
1989	8.2	9.2	9.8	9.3	9.1
1990	7.7	6.9	5.6	4.6	6.2
1991	3.3	2.5	3.4	3.0	3.0
1992	3.5	3.8	2.9	1.0	2.8
1993	0.1	0.0	-1.8	-0.8	-0.6
1994	-0.3	0.2	1.4	2.0	0.8
1995	1.5	0.7	-0.1	-0.6	0.4
1996	0.2	0.4	1.3	1.9	1.0
1997	1.8	1.8	1.4	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-15  
**HOTEL JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	29.4	28.9	28.8	28.9	29.0
1986	29.1	29.2	29.6	29.2	29.2
1987	30.5	30.5	31.2	32.8	31.3
1988	33.7	33.5	34.4	35.7	34.3
1989	36.8	36.7	37.1	37.5	37.0
1990	37.6	38.5	38.8	40.2	38.8
1991	40.5	39.8	41.3	41.5	40.8
1992	41.5	41.3	40.8	40.2	41.0
1993	38.6	38.1	37.7	37.6	38.0
1994	37.7	37.9	38.1	38.3	38.0
1995	38.2	37.5	37.7	37.7	37.8
1996	38.2	38.1	38.5	39.0	38.5
1997	39.6	39.1	38.7	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	4.1	1.5	3.0	1.5	2.5
1986	-1.0	1.0	2.8	0.8	0.9
1987	4.8	4.7	5.5	12.5	6.9
1988	10.3	9.9	10.1	9.0	9.8
1989	9.4	9.3	8.0	4.9	7.9
1990	2.0	5.0	4.6	7.2	4.7
1991	7.8	3.5	6.4	3.4	5.2
1992	2.4	3.8	-1.2	-3.2	0.4
1993	-6.8	-7.9	-7.7	-6.6	-7.3
1994	-2.4	-0.6	1.2	2.1	0.1
1995	1.1	-1.0	-1.2	-1.7	-0.7
1996	0.1	1.6	2.3	3.4	1.9
1997	3.7	2.7	0.6	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-16  
**FEDERAL GOVERNMENT JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	32.3	32.3	32.4	32.5	32.4
1986	32.1	32.0	32.0	32.2	32.1
1987	32.0	32.7	32.9	33.4	32.8
1988	33.8	33.7	33.8	34.1	33.8
1989	33.8	33.9	34.0	34.2	34.0
1990	33.9	35.0	34.1	33.7	34.1
1991	33.4	33.5	34.4	34.1	33.9
1992	33.7	33.5	33.0	32.9	33.3
1993	31.8	32.0	31.9	31.7	31.8
1994	31.3	31.6	31.2	30.9	31.3
1995	31.0	31.2	31.2	30.9	31.1
1996	31.3	31.5	31.5	30.9	31.3
1997	30.6	30.7	30.8	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.7	1.2	0.7	-0.3	0.8
1986	-0.4	-1.0	-1.3	-0.8	-0.9
1987	-0.3	2.2	3.0	3.6	2.1
1988	5.4	2.9	2.5	2.0	3.2
1989	0.2	0.7	0.6	0.4	0.5
1990	0.1	3.1	0.2	-1.5	0.5
1991	-1.3	-4.2	1.1	1.3	-0.8
1992	0.7	0.0	-4.0	-3.6	-1.8
1993	-5.6	-4.5	-3.6	-3.7	-4.3
1994	-1.4	-1.3	-2.0	-2.3	-1.7
1995	-1.1	-1.2	-0.3	-0.3	-0.7
1996	1.0	1.0	1.0	0.2	0.6
1997	-2.4	-2.5	-2.2	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-17  
**STATE GOVERNMENT JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	48.5	48.8	43.3	48.9	47.4
1986	49.8	50.2	44.5	50.0	48.6
1987	50.9	51.7	45.5	51.4	49.9
1988	52.4	53.5	47.8	53.7	51.8
1989	54.3	55.3	49.0	55.6	53.5
1990	56.9	59.9	51.3	60.2	57.1
1991	61.8	62.8	53.4	63.0	60.3
1992	64.4	65.7	55.5	64.8	62.6
1993	66.0	68.0	56.8	66.1	64.2
1994	66.5	68.2	58.0	67.3	65.0
1995	67.6	68.7	55.8	63.8	64.0
1996	64.3	66.1	55.1	63.5	62.3
1997	65.1	66.5	57.1	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.5	1.3	2.4	2.3	1.8
1986	2.6	2.7	2.8	2.3	2.6
1987	2.3	3.1	2.1	2.8	2.6
1988	2.8	3.4	5.1	4.6	3.9
1989	3.6	3.4	2.5	3.5	3.3
1990	4.8	8.3	4.8	8.1	6.6
1991	8.6	4.9	4.1	4.7	5.6
1992	4.2	4.5	3.9	2.8	3.8
1993	2.6	3.6	2.3	2.0	2.7
1994	0.7	0.2	2.2	1.8	1.2
1995	1.6	0.7	-3.9	-5.2	-1.6
1996	-4.8	-3.7	-1.3	-0.4	-2.7
1997	1.2	0.7	3.7	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.



Table A-18  
**LOCAL GOVERNMENT JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	12.7	12.6	16.0	12.7	13.5
1986	12.6	12.7	14.4	12.9	13.1
1987	12.8	13.0	14.5	13.4	13.4
1988	13.4	13.5	14.8	13.7	13.9
1989	13.6	13.8	15.1	13.9	14.1
1990	13.9	14.1	15.2	14.4	14.4
1991	14.3	14.5	15.6	14.7	14.8
1992	14.7	14.9	16.2	15.3	15.3
1993	15.2	15.3	16.2	15.4	15.5
1994	15.4	15.4	16.3	15.4	15.6
1995	16.3	16.3	17.1	16.2	16.5
1996	16.3	16.4	17.5	16.5	16.7
1997	16.4	16.8	18.1	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.2	-0.1	8.6	-1.1	2.4
1986	-0.9	0.1	-9.8	1.6	-2.7
1987	1.7	2.7	0.3	3.6	2.0
1988	4.7	4.1	2.1	2.6	3.3
1989	1.6	1.9	2.1	0.9	1.6
1990	2.0	2.0	1.3	3.7	2.2
1991	3.2	3.0	2.0	2.4	2.6
1992	2.4	2.7	4.0	4.3	3.4
1993	3.4	2.6	0.0	0.6	1.6
1994	1.3	0.8	0.8	-0.2	0.7
1995	5.8	5.6	4.6	5.2	5.4
1996	0.3	0.9	2.3	1.5	1.2
1997	0.7	2.2	3.5	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

Table A-19

**AGRICULTURE WAGE AND SALARY JOBS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	9.8	10.5	11.2	10.1	10.4
1986	9.8	9.9	10.8	10.0	10.1
1987	10.0	10.5	11.3	10.4	10.5
1988	9.7	9.7	10.5	10.0	10.0
1989	9.2	9.7	10.2	9.4	9.6
1990	8.8	9.4	10.4	9.5	9.5
1991	8.8	9.4	10.2	9.9	9.6
1992	9.2	9.3	9.7	9.0	9.3
1993	8.8	8.3	8.8	8.4	8.6
1994	8.0	8.0	8.5	7.6	8.0
1995	7.1	7.0	7.4	7.8	7.3
1996	7.2	7.2	7.6	7.7	7.4
1997	6.8	6.8	7.2	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.8	-5.0	-5.9	-4.5	-3.6
1986	0.3	-5.7	-4.0	-1.2	-2.7
1987	1.6	5.7	4.7	3.6	3.9
1988	-2.5	-7.2	-6.9	-3.7	-5.2
1989	-5.2	-0.5	-3.4	-5.4	-3.6
1990	-4.3	-3.3	2.6	1.1	-0.9
1991	-0.4	-0.1	-2.4	3.8	0.2
1992	4.5	-0.3	-5.0	-9.4	-2.8
1993	-4.8	-10.6	-8.8	-7.0	-7.8
1994	-8.5	-4.0	-3.8	-9.4	-6.4
1995	-11.4	-13.1	-13.2	2.4	-8.9
1996	0.7	2.9	2.7	-0.6	1.4
1997	-4.7	-4.9	-4.9	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Labor and Industrial Relations.

## INCOME AND PRICES

The previous issue of the *Quarterly Statistical and Economic Report* noted significant growth in Hawaii's personal income in the first quarter of the year. Since then, the U.S. Bureau of Economic Analysis (BEA) revised its estimate of first quarter personal income growth downward to 2.2 percent and estimated growth in the second quarter at 2.1 percent over the second quarter of 1996 (table B-2). Nevertheless, the evidence that growth is distributed more widely across income categories continues to hold.

Overall, Hawaii personal income rose 2.1 percent in the first half of 1997 relative to the first half of 1996 (table B-1). While modest, these rates of growth exceed those experienced by the state in each quarter of last year.

The wage and salary component of personal income was 2.5 percent higher in first quarter 1997 over first quarter of 1996 (table B-3). Second-quarter wages and salaries were 1.7 percent higher than in the year-earlier period. These two quarters appear to reverse the relatively low rates of growth in this important component since the third quarter of 1993.

Other components of personal income showing growth include dividends, interest, and rent—up 4.5 percent in the second quarter of 1997 over the year-earlier quarter—and transfer payments—

up 3.7 percent over the same period (tables B-6 and B-7).

Other labor income (including employer contributions to private benefit plans and certain fees) fell by 2.6 percent in the second quarter, continuing a trend from the first quarter of 1995 (table B-4). Proprietors' income also fell slightly by 0.7 percent from the second quarter of 1996 to the second quarter of 1997 (table B-5). Growth in this source of income has been essentially flat since the fourth quarter of 1995.

By sector, farm earnings grew by 3.3 percent in the second quarter relative to the second quarter of 1996, whereas nonfarm income grew by 1.0 percent. For the first half of 1997, farm earnings were 2.7 percent higher than in the previous year and nonfarm earnings were 1.4 percent higher (table B-1).

In the nonfarm sector, the highest growth rates for the first half of 1997 came in services (4.1 percent) and transportation, communications, and utilities (3.7 percent). The largest declines in earnings came in mining (-17.9 percent), construction (-7.6 percent), and manufacturing (-3.2 percent). Earnings growth also appeared in the government sector, led by federal military (3.1 percent) and federal civilian (3.1 percent) earnings.

Table B-1  
**PERSONAL INCOME FOR HAWAII BY MAJOR SOURCES**

Series	1996	1st Half 1997	Percentage Change from Previous Year	
			1996	1st Half 1997
<b>Derivation of Personal Income</b>				
Wage and salary disbursements	16,974	17,245	0.9	2.1
Plus: Other labor income	1,804	1,772	-3.7	-2.4
Plus: Proprietors' income	2,466	2,464	0.5	-0.6
Total earnings	21,243	21,481	0.5	1.4
Less: Personal contrib. for social insur.	1,366	1,381	0.2	1.2
Net earnings	19,877	20,100	0.5	1.4
Plus: Dividends, interest, rent	5,321	5,495	4.2	3.8
Plus: Transfer payments	4,874	5,027	3.6	3.3
<b>Personal income</b>	<b>30,072</b>	<b>30,622</b>	<b>1.6</b>	<b>2.1</b>
<b>Total Earnings by Industry</b>	<b>21,243</b>	<b>21,481</b>	<b>0.5</b>	<b>1.4</b>
Farm	184	188	14.1	2.7
Nonfarm	21,059	21,293	0.4	1.4
Private	15,742	15,860	0.5	1.0
Agriculture forestry, fish., other	142	147	-7.6	1.4
Mining	19	16	-14.7	-17.9
Construction	1,460	1,374	-13.0	-7.6
Manufacturing	793	765	-0.6	-3.2
Transp., comm., utilities	1,746	1,804	1.8	3.7
Wholesale trade	791	775	-1.5	-1.6
Retail trade	2,621	2,648	-1.2	1.0
Finance, insur., real estate	1,757	1,702	10.5	-2.8
Services	6,415	6,630	2.7	4.1
Government & govt. enterprises	5,317	5,434	0.2	2.6
Federal civilian	1,221	1,257	0.2	3.1
Federal military	1,584	1,636	5.0	3.3
State and local	2,512	2,542	-2.7	1.9

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-1

## PERSONAL INCOME FOR HAWAII BY MAJOR SOURCES

Series	1996	1st Half 1997	Percentage Change from Previous Year	
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State and local	2,512	2,542	-2.7	1.9

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-2  
**PERSONAL INCOME**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	14,796	14,961	15,181	15,475	15,103
1986	15,810	16,015	16,343	16,593	16,190
1987	16,851	17,186	17,534	18,068	17,410
1988	18,558	19,076	19,379	20,028	19,260
1989	20,482	20,992	21,444	22,078	21,249
1990	22,936	23,698	24,376	24,956	23,992
1991	24,869	24,995	25,226	25,580	25,168
1992	26,365	26,762	25,169	27,558	26,464
1993	27,575	27,804	27,619	27,666	27,666
1994	27,941	28,243	28,639	29,054	28,469
1995	29,352	29,669	29,633	29,716	29,593
1996	29,902	30,067	30,150	30,169	30,072
1997	30,549	30,694	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	9.3	7.4	7.4	8.3	7.4
1986	6.9	7.0	7.7	7.2	7.2
1987	6.6	7.3	7.3	8.9	7.5
1988	10.1	11.0	10.5	10.8	10.6
1989	10.4	10.0	10.7	10.2	10.3
1990	12.0	12.9	13.7	13.0	12.9
1991	8.4	5.5	3.5	2.5	4.9
1992	6.0	7.1	-0.2	7.7	5.1
1993	4.6	3.9	9.7	0.4	4.5
1994	1.3	1.6	3.7	5.0	2.9
1995	5.0	5.0	3.5	2.3	3.9
1996	1.9	1.3	1.7	1.5	1.6
1997	2.2	2.1	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-3  
**TOTAL WAGES AND SALARIES**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	8,987	9,122	9,275	9,455	9,210
1986	9,557	9,668	9,882	10,158	9,816
1987	10,382	10,632	10,882	11,166	10,766
1988	11,420	11,712	11,922	12,273	11,832
1989	12,548	12,903	13,245	13,612	13,077
1990	13,935	14,349	14,703	15,084	14,518
1991	15,141	15,253	15,481	15,693	15,392
1992	16,167	16,341	16,404	16,727	16,410
1993	16,601	16,851	16,608	16,525	16,646
1994	16,691	16,701	16,778	16,871	16,760
1995	16,784	16,891	16,810	16,787	16,818
1996	16,814	16,978	17,051	17,052	16,974
1997	17,227	17,263	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	7.0	5.9	7.2	8.5	6.7
1986	6.3	6.0	6.5	7.4	6.6
1987	8.6	10.0	10.1	9.9	9.7
1988	10.0	10.2	9.6	9.9	9.9
1989	9.9	10.2	11.1	10.9	10.5
1990	11.1	11.2	11.0	10.8	11.0
1991	8.7	6.3	5.3	4.0	6.0
1992	6.8	7.1	6.0	6.6	6.6
1993	2.7	3.1	1.2	-1.2	1.4
1994	0.5	-0.9	1.0	2.1	0.7
1995	0.6	1.1	0.2	-0.5	0.3
1996	0.2	0.5	1.4	1.6	0.9
1997	2.5	1.7	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-4  
**OTHER LABOR INCOME**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	826	827	841	859	838
1986	885	923	960	991	940
1987	998	1,013	1,013	1,040	1,016
1988	1,058	1,078	1,096	1,132	1,091
1989	1,164	1,220	1,274	1,323	1,245
1990	1,367	1,420	1,476	1,541	1,451
1991	1,566	1,612	1,660	1,690	1,632
1992	1,742	1,758	1,779	1,789	1,767
1993	1,889	1,893	1,889	1,870	1,885
1994	1,955	1,935	1,952	1,952	1,949
1995	1,899	1,892	1,862	1,840	1,873
1996	1,815	1,814	1,802	1,783	1,804
1997	1,776	1,767	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	11.0	7.0	8.4	10.6	5.6
1986	7.1	11.6	14.1	15.4	12.1
1987	12.8	9.8	5.5	4.9	8.1
1988	6.0	6.4	8.2	8.8	7.4
1989	10.0	13.2	16.2	16.9	14.1
1990	17.4	16.4	15.9	16.5	16.5
1991	14.6	13.5	12.5	9.7	12.5
1992	11.2	9.1	7.2	5.9	8.3
1993	8.4	7.7	6.2	4.5	6.7
1994	3.5	2.2	3.3	4.4	3.4
1995	-2.9	-2.2	-4.6	-5.7	-3.9
1996	-4.4	-4.1	-3.2	-3.1	-3.7
1997	-2.1	-2.6	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.



Table B-5

**PROPRIETORS' INCOME**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	1,131	1,126	1,127	1,148	1,133
1986	1,187	1,193	1,265	1,265	1,228
1987	1,264	1,301	1,353	1,403	1,330
1988	1,582	1,758	1,724	1,820	1,721
1989	1,789	1,772	1,794	1,875	1,808
1990	2,041	2,095	2,158	2,168	2,116
1991	2,055	2,083	2,063	2,036	2,059
1992	2,172	2,200	1,954	2,277	2,151
1993	2,289	2,280	2,313	2,367	2,312
1994	2,300	2,347	2,384	2,422	2,363
1995	2,447	2,464	2,449	2,450	2,453
1996	2,472	2,484	2,456	2,450	2,466
1997	2,462	2,466	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	13.3	2.7	-2.6	-2.8	18.8
1986	5.0	6.0	12.2	10.2	8.3
1987	6.5	9.1	7.0	10.9	8.4
1988	25.2	35.1	27.4	29.7	29.4
1989	13.1	0.8	4.1	3.0	5.0
1990	14.1	18.2	20.3	15.6	17.0
1991	0.7	-0.6	-4.4	-6.1	-2.7
1992	5.7	5.6	-5.3	11.8	4.4
1993	5.4	3.6	18.4	4.0	7.5
1994	0.5	2.9	3.1	2.3	2.2
1995	6.4	5.0	2.7	1.2	3.8
1996	1.0	0.8	0.3	0.0	0.5
1997	-0.4	-0.7	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-6  
**DIVIDENDS, INTEREST, AND RENT**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	2,533	2,551	2,572	2,634	2,573
1986	2,754	2,774	2,770	2,730	2,757
1987	2,748	2,770	2,824	2,992	2,834
1988	3,011	3,030	3,122	3,276	3,110
1989	3,431	3,545	3,522	3,569	3,517
1990	3,715	3,851	4,016	4,083	3,916
1991	4,055	4,053	4,074	4,146	4,082
1992	4,128	4,209	2,640	4,188	3,791
1993	4,270	4,184	4,135	4,142	4,183
1994	4,224	4,402	4,592	4,785	4,501
1995	5,017	5,103	5,109	5,197	5,107
1996	5,298	5,287	5,339	5,361	5,321
1997	5,464	5,525	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	21.0	18.4	14.7	15.3	6.6
1986	8.7	8.7	7.7	3.6	7.2
1987	-0.2	-0.1	1.9	9.6	2.8
1988	9.6	9.4	10.6	9.5	9.7
1989	13.9	17.0	12.8	8.9	13.1
1990	8.3	8.6	14.0	14.4	11.4
1991	9.2	5.2	1.4	1.5	4.2
1992	1.8	3.8	-35.2	1.0	-7.1
1993	3.4	-0.6	56.6	-1.1	10.3
1994	-1.1	5.2	11.1	15.5	7.6
1995	18.8	15.9	11.3	8.6	13.5
1996	5.6	3.6	4.5	3.2	4.2
1997	3.1	4.5	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-7  
**TRANSFER PAYMENTS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	2,016	2,033	2,066	2,083	2,050
1986	2,155	2,188	2,208	2,205	2,189
1987	2,238	2,261	2,269	2,289	2,264
1988	2,373	2,402	2,433	2,471	2,420
1989	2,543	2,572	2,652	2,766	2,633
1990	2,985	3,108	3,180	3,263	3,134
1991	3,270	3,213	3,180	3,260	3,231
1992	3,448	3,555	3,695	3,869	3,642
1993	3,870	3,930	3,985	4,052	3,959
1994	4,133	4,204	4,285	4,381	4,251
1995	4,567	4,689	4,765	4,801	4,706
1996	4,862	4,872	4,872	4,889	4,874
1997	5,002	5,052	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	6.0	6.3	7.4	6.8	6.7
1986	6.9	7.6	6.9	5.9	6.8
1987	3.9	3.3	2.8	3.8	3.4
1988	6.0	6.2	7.2	8.0	6.9
1989	7.2	7.1	9.0	11.9	8.8
1990	17.4	20.8	19.9	18.0	19.0
1991	9.5	3.4	0.0	-0.1	3.1
1992	5.4	10.6	16.2	18.7	12.7
1993	12.2	10.5	7.8	4.7	8.7
1994	6.8	7.0	7.5	8.1	7.4
1995	10.5	11.5	11.2	9.6	10.7
1996	6.5	3.9	2.2	1.8	3.6
1997	2.9	3.7	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-8

**CONTRIBUTION TO SOCIAL INSURANCE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	696	698	700	705	700
1986	727	731	741	756	739
1987	778	792	808	822	800
1988	886	905	919	944	914
1989	993	1,020	1,044	1,068	1,031
1990	1,106	1,126	1,157	1,183	1,143
1991	1,218	1,218	1,232	1,244	1,228
1992	1,293	1,301	1,302	1,292	1,297
1993	1,343	1,334	1,311	1,289	1,319
1994	1,361	1,345	1,352	1,358	1,354
1995	1,363	1,370	1,362	1,359	1,364
1996	1,360	1,368	1,370	1,366	1,366
1997	1,382	1,380	n/a	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	15.0	12.2	12.5	14.1	8.2
1986	4.5	4.7	5.9	7.2	5.6
1987	7.0	8.3	9.0	8.7	8.3
1988	13.9	14.3	13.7	14.8	14.2
1989	12.1	12.7	13.6	13.1	12.9
1990	11.4	10.4	10.8	10.8	10.8
1991	10.1	8.2	6.5	5.2	7.4
1992	6.2	6.8	5.7	3.9	5.6
1993	3.9	2.5	0.7	-0.2	1.7
1994	1.3	0.8	3.1	5.4	2.6
1995	0.1	1.9	0.7	0.1	0.7
1996	-0.2	-0.1	0.6	0.5	0.2
1997	1.6	0.9	n/a	n/a	n/a

Note: n/a = not available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Table B-9

**CONSUMER PRICE INDEX, ALL URBAN CONSUMERS (CPI-U), AND SELECTED  
ITEMS, FOR U.S. AND HONOLULU: 1985 to 1996**

[1982-84=100]

Period	U.S.	Honolulu						
		All Items	Food & Beverages	Housing	Apparel & Upkeep	Transportation	Medical Care	Entertainment
1985	107.6	106.8	107.8	106.0	99.6	104.9	113.2	111.9
1986	109.6	109.4	110.0	108.4	99.8	105.2	122.3	113.2
1987	113.6	114.9	114.1	115.0	102.5	109.7	127.9	118.6
1988	118.3	121.7	120.3	123.0	106.8	116.1	132.5	122.9
1989	124.0	128.7	128.1	131.1	104.3	123.9	139.3	124.3
1990	130.7	138.1	137.8	141.5	107.0	131.1	154.2	128.4
1991	136.2	148.0	145.9	152.8	110.5	139.3	171.3	134.3
1992	140.3	155.1	148.5	161.7	114.2	147.4	182.6	136.3
1993	144.5	160.1	152.9	166.6	116.5	150.5	197.4	138.4
1994	148.2	164.5	153.4	177.6	118.7	156.4	206.0	142.3
1995	152.4	168.1	156.8	174.7	117.5	162.4	209.8	144.2
1996	156.9	170.7	156.6	176.8	118.5	167.0	215.0	147.8
1st half	155.8	170.5	156.9	176.8	120.0	166.3	214.9	147.9
2nd half	157.9	171.0	156.3	176.8	116.9	167.7	215.0	147.7
1997								
1st Half	159.9	172.1	159.4	177.3	119.8	167.8	215.6	148.3
Percentage Change from the Same Period in Previous Year								
1985	3.6	3.2	4.1	2.8	-0.6	1.9	5.5	7.3
1986	1.9	2.4	2.0	2.3	0.2	0.3	8.0	1.2
1987	3.6	5.0	3.7	6.1	2.7	4.3	4.6	4.8
1988	4.1	5.9	5.4	7.0	4.2	5.8	3.6	3.6
1989	4.8	5.8	6.5	6.6	-2.3	6.7	5.1	1.1
1990	5.4	7.3	7.6	7.9	2.6	5.8	10.7	3.3
1991	4.2	7.2	5.9	8.0	3.3	6.3	11.1	4.6
1992	3.0	4.8	1.8	5.8	3.3	5.8	6.6	1.5
1993	3.0	3.2	3.0	3.0	2.0	2.1	8.1	1.5
1994	2.6	2.7	0.3	6.6	1.9	3.9	4.4	2.8
1995	2.8	2.2	2.2	1.8	-1.0	3.8	1.8	1.3
1996	2.9	1.5	-0.1	1.2	0.8	2.8	2.5	2.5
1st half	2.8	2.2	0.3	2.0	1.6	3.9	3.4	3.5
2nd half	3.1	0.9	-0.5	0.5	0.0	1.7	1.5	1.5
1997								
1st Half	2.6	0.9	1.6	0.3	-0.2	0.9	0.3	0.3

Note: Honolulu CPI is normally released twice a year in February and August.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

## TAX BASE AND REVENUES

General fund tax revenue declined in the third quarter of 1997 relative to the year earlier. To a large degree, this decline is explained by technical factors that affected the two major revenue sources: the general excise tax and the individual income tax.

General fund tax revenues fell 4.6 percent in the third quarter of 1997 relative to the third quarter of 1996 (table C-2). Through September 1997, general fund revenues were 2.9 percent lower than in the same period in 1996. As discussed below, two technical factors raised the revenues in 1996, thereby lowering the current year's growth rates. In the absence of these factors, it is estimated that tax revenues would have been flat over the period.

The general excise tax (GET) accounts for more than half of general fund revenues. GET revenues were 5.9 percent lower in the third quarter of 1997 compared with the third quarter of 1996 (table C-3). However, in 1996 GET revenues were unusually large due to the conversion to electronic fund transfers—approximately \$30 million according to the Department of Taxation. This makes 1997 levels look small by comparison.

Individual income tax receipts, the second-largest component of general fund revenues, fell by 2.6 percent in the third quarter of 1997 from the same period in 1996 (table C-4). The pattern of individual income tax receipts has been negatively affected by the reduction in the maximum withholding rate from 10 to 8 percent that began in October 1996. After this point, year-to-year compari-

sons will be more meaningful because they will be on similar bases.

Third quarter net corporate income tax revenues expanded by 6.9 percent over the third quarter of 1997 (table C-5). This marks the fourth consecutive quarter of revenue expansion from this source. However, as in other states, corporate income tax revenues are a relatively small share of general fund revenue.

The change to electronic filing for the GET also affects the data for the associated tax bases. In general, 1997 growth rates are negative because the 1996 levels were inflated by the technical change. Thus, the GET base fell 7.3 percent from the third quarter of 1996 to the third quarter of 1997 (table C-7). A rough assessment of the technical change's impact can be made by excluding 1996 data and calculating the annual, compound growth from 1995 through 1997. On this basis, looking at the first three months each year, the GET base grew at a 1.4 percent annual compound rate from 1995 through 1997.

This adjustment also affects the components of the GET base. For example, the retailing base declined 9.2 percent from the third quarter of 1996 to the third quarter of 1997 (table C-8), but the base has grown at a 1.9 percent annual compound rate from the first nine months of 1995 through the same period in 1997. Similarly, the hotel base shows a 10.5 percent drop from the third quarter of 1996 to the third quarter of 1997 (table C-11), but the base has grown at an annual compound rate of 7.1 percent

from the first nine months of 1995 through the same period in 1997.

On the other hand, other components of the GET base have not expanded. The services component was down by 10 percent in the third quarter of 1997 relative to the year earlier quarter, and it has grown at just over 0.5 percent on an an-

nual compounded basis from the first three quarters of 1995 through the first three quarters of 1997 (table C-9). Similarly, the contracting base fell 14.3 percent in the third quarter of 1997 compared to the same period in 1996 and the first nine months of 1997 is lower than the first nine months of 1995 (table C-10).

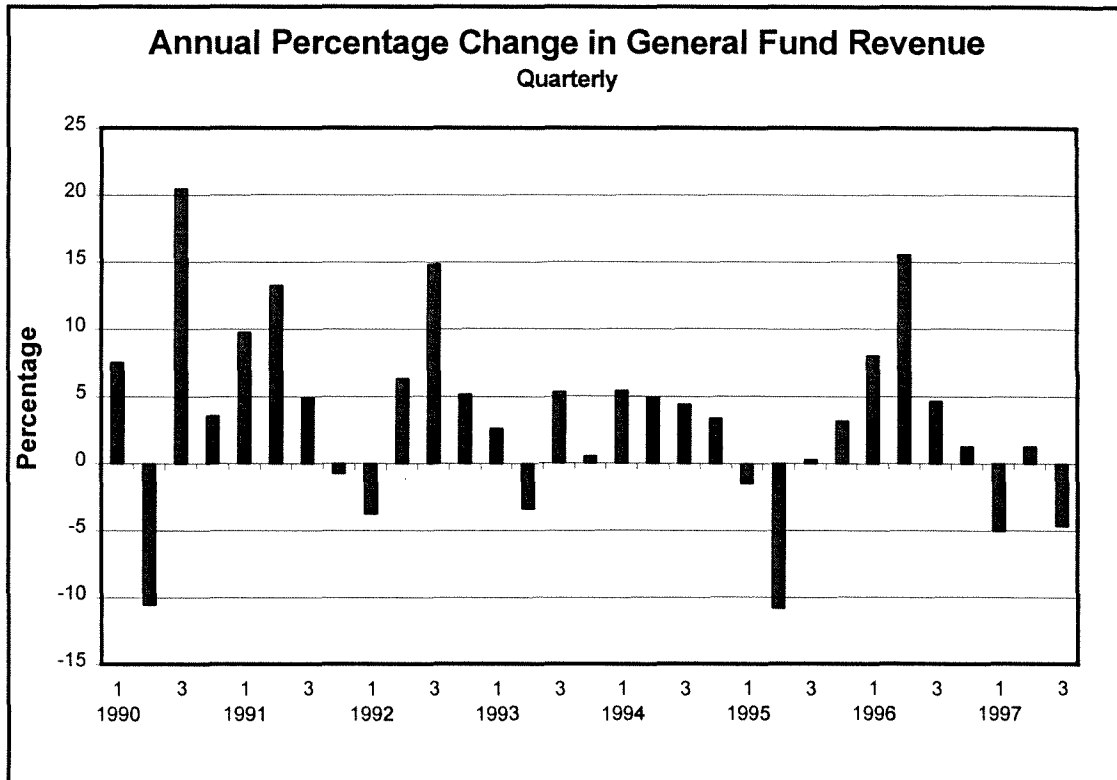


Table C-1

**GENERAL FUND TAX REVENUES AND MAJOR COMPONENTS**

<i>Year</i>	<i>General Excise and Use Tax</i>	<i>Net Individual Income Tax 1/</i>	<i>Net Corporate Income Tax 2/</i>	<i>Tax Revenues Distributed to State General Fund</i>
In Thousands of Dollars				
1990	1,250,204	743,114	86,268	2,246,752
1991	1,287,818	900,963	70,568	2,397,289
1992	1,299,813	922,205	42,736	2,523,672
1993	1,308,798	951,403	22,237	2,555,914
1994	1,347,943	1,003,477	34,226	2,672,293
1995	1,386,685	918,809	37,337	2,614,713
1996	1,469,766	995,456	51,243	2,799,972
1997				
1 Qtr.	365,069	227,409	18,055	688,683
2 Qtr.	366,563	213,468	32,330	676,222
3 Qtr.	356,533	269,597	10,594	704,749
Percentage Change from the Same Period in Previous Year				
1991	3.0	21.2	-18.2	6.7
1992	0.9	2.4	-39.4	5.3
1993	0.7	3.2	-48.0	1.3
1994	3.0	5.5	53.9	4.6
1995	2.9	-8.4	9.1	-2.2
1996	6.0	8.3	37.2	7.1
1997				
1 Qtr.	-5.6	-6.1	16.9	-5.0
2 Qtr.	2.6	-2.0	14.1	1.3
3 Qtr.	-5.9	-2.6	6.9	-4.6

Notes: This series represents data as reported by the Department of Taxation, without adjustment.

1/ Declaration of estimated taxes, plus payments with returns, plus withholding tax on wages, less refunds.

2/ Declaration of estimated taxes, plus payments with returns, less refunds.

Source: Hawaii State Department of Taxation.



Table C-2  
**STATE GENERAL FUND TAX REVENUES**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	315.1	344.4	344.7	321.6	1,325.8
1986	347.1	393.2	377.6	368.6	1,486.5
1987	400.6	461.7	430.0	438.9	1,731.2
1988	466.1	514.6	483.6	484.9	1,949.2
1989	554.2	593.1	441.0	568.7	2,157.0
1990	596.0	530.5	531.3	589.0	2,246.8
1991	654.2	600.8	557.6	584.7	2,397.3
1992	629.7	638.9	640.3	614.8	2,523.7
1993	646.2	617.4	674.2	618.1	2,555.9
1994	681.3	648.0	703.9	639.1	2,672.3
1995	671.4	577.8	706.0	659.5	2,614.7
1996	725.3	667.7	739.0	668.0	2,800.0
1997	688.7	676.2	704.7	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	7.4	9.8	8.6	1.8	6.9
1986	10.2	14.2	9.6	14.6	12.1
1987	15.4	17.4	13.9	19.1	16.5
1988	16.4	11.4	12.5	10.5	12.6
1989	18.9	15.3	-8.8	17.3	10.7
1990	7.5	-10.6	20.5	3.6	4.2
1991	9.8	13.3	5.0	-0.7	6.7
1992	-3.7	6.3	14.8	5.2	5.3
1993	2.6	-3.4	5.3	0.5	1.3
1994	5.4	5.0	4.4	3.4	4.6
1995	-1.5	-10.8	0.3	3.2	-2.2
1996	8.0	15.6	4.7	1.3	7.1
1997	-5.0	1.3	-4.6	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-3  
**GENERAL EXCISE & USE TAX REVENUES**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	174.1	178.7	176.8	177.9	707.4
1986	192.0	200.0	198.3	187.6	778.0
1987	216.7	214.9	219.3	218.1	869.0
1988	240.5	242.0	241.3	242.2	966.0
1989	270.8	270.7	272.6	282.3	1096.5
1990	313.1	308.6	314.3	314.2	1250.2
1991	346.0	304.2	335.7	301.9	1287.8
1992	338.3	318.8	325.3	317.3	1299.8
1993	332.7	327.5	332.7	315.9	1308.8
1994	353.4	330.3	345.8	318.5	1347.9
1995	363.1	335.9	348.0	339.6	1386.7
1996	386.7	357.4	379.0	346.6	1469.8
1997	365.1	366.6	356.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	5.4	2.8	6.7	7.6	5.6
1986	10.3	11.9	12.2	5.5	10.0
1987	12.9	7.4	10.6	16.2	11.7
1988	11.0	12.6	10.0	11.0	11.2
1989	12.6	11.9	13.0	16.6	13.5
1990	15.6	14.0	15.3	11.3	14.0
1991	10.5	-1.4	6.8	-3.9	3.0
1992	-2.2	4.8	-3.1	5.1	0.9
1993	-1.7	2.7	2.3	-0.5	0.7
1994	6.2	0.8	3.9	0.8	3.0
1995	2.8	1.7	0.7	6.6	2.9
1996	6.5	6.4	8.9	2.1	6.0
1997	-5.6	2.6	-5.9	n/a	n/a

Notes: Manufactured goods shipped out of state have been exempted from the general excise tax by Act 239, SLH 1987, effective January 1, 1988.

n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-4  
**NET INDIVIDUAL INCOME TAX REVENUES**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	108.6	100.3	125.7	111.8	446.4
1986	125.7	99.8	129.1	135.6	490.2
1987	134.4	143.6	138.8	157.9	574.7
1988	159.3	170.0	169.0	182.5	680.8
1989	205.1	211.0	176.7	209.2	802.0
1990	201.6	107.6	216.0	217.9	743.1
1991	252.6	186.2	240.4	221.7	901.0
1992	228.8	216.0	244.0	233.4	922.2
1993	233.9	211.7	263.0	242.9	951.4
1994	236.4	220.3	281.5	265.3	1,003.5
1995	224.6	154.3	277.1	262.8	918.8
1996	242.3	217.8	276.9	258.5	995.5
1997	227.4	213.5	269.6	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-3.2	23.3	12.3	3.1	7.8
1986	15.8	-0.5	2.7	21.2	9.8
1987	6.9	43.8	7.5	16.5	17.2
1988	18.5	18.4	21.8	15.6	18.5
1989	28.7	24.1	4.6	14.6	17.8
1990	-1.7	-49.0	22.2	4.2	-7.3
1991	25.3	73.1	11.3	1.7	21.2
1992	-9.4	16.0	1.5	5.3	2.4
1993	2.2	-2.0	7.8	4.1	3.2
1994	1.1	4.1	7.0	9.2	5.5
1995	-5.0	-30.0	-1.6	-0.9	-8.4
1996	7.9	41.1	-0.1	-1.6	8.3
1997	-6.1	-2.0	-2.6	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-5

**NET CORPORATE INCOME TAX REVENUES**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	7.5	21.9	11.6	3.1	44.1
1986	7.8	17.2	14.9	6.4	46.2
1987	13.6	26.6	17.9	9.2	67.3
1988	18.1	20.8	16.2	7.9	63.1
1989	23.5	24.7	18.8	5.7	72.7
1990	22.5	27.9	29.1	6.8	86.3
1991	23.7	36.4	11.1	-0.6	70.6
1992	17.4	15.9	11.2	-1.7	42.7
1993	6.5	13.4	13.5	-11.2	22.2
1994	10.5	26.2	9.1	-11.6	34.2
1995	12.9	19.8	12.0	-7.4	37.3
1996	15.5	28.3	9.9	-2.5	51.2
1997	18.1	32.3	10.6	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-21.5	49.2	10.7	-37.7	11.1
1986	3.5	-21.7	29.0	105.8	4.9
1987	75.3	55.0	19.8	43.9	45.6
1988	32.9	-21.6	-9.1	-14.1	-6.2
1989	29.7	18.5	15.6	-27.8	15.2
1990	-4.3	12.9	55.0	19.2	18.7
1991	5.4	30.3	-61.9	-109.0	-18.2
1992	-26.5	-56.4	0.6	-181.7	-39.4
1993	-62.5	-15.7	21.1	-549.9	-48.0
1994	59.9	96.0	-32.4	-3.5	53.9
1995	23.1	-24.4	31.7	36.2	9.1
1996	20.1	43.0	-17.6	66.7	37.2
1997	16.9	14.1	6.9	n/a	n/a

Notes: Declaration of estimated taxes plus payments with returns less refunds.

n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-6

**TRANSIENT ACCOMMODATION TAX REVENUES**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1987	7.2	16.3	16.2	13.6	53.2
1988	18.5	19.1	17.9	15.2	70.7
1989	20.8	22.0	18.4	19.7	81.0
1990	22.4	21.9	21.3	17.9	83.5
1991	20.9	19.1	20.0	17.9	77.9
1992	20.9	21.2	19.4	19.4	80.8
1993	20.9	20.7	17.2	16.7	75.4
1994	22.9	19.8	22.3	21.6	86.5
1995	27.2	27.0	26.6	24.8	105.6
1996	34.2	30.1	32.4	27.2	124.0
1997	32.0	33.8	31.9	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1988 1/	155.9	17.2	10.7	12.4	32.8
1989	12.7	15.3	3.1	29.4	14.6
1990	7.4	-0.4	15.5	-9.3	3.0
1991	-6.4	-12.8	-6.0	-0.1	-6.6
1992	-0.1	10.8	-3.3	8.6	3.7
1993	0.0	-2.5	-11.4	-13.9	-6.7
1994	9.6	-4.4	29.7	29.2	14.7
1995	18.8	36.6	19.5	15.0	22.1
1996	25.6	11.7	21.8	9.9	17.4
1997	-6.4	12.1	-1.5	n/a	n/a

Notes: n/a = not available.

1/ Tax collection for this category began in 1987.

Source: Hawaii State Department of Taxation.

Table C-7  
**GENERAL EXCISE & USE TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	6,071	6,169	6,004	6,081	24,325
1986	6,476	6,689	6,742	6,384	26,291
1987	7,063	7,035	7,050	7,163	28,311
1988	7,900	7,831	7,782	8,045	31,558
1989	8,875	8,802	8,823	9,276	35,776
1990	10,099	9,933	10,089	10,340	40,461
1991	11,532	10,125	11,285	10,190	43,132
1992	11,223	10,650	10,869	10,507	43,249
1993	11,177	11,596	11,014	10,500	44,287
1994	11,539	10,859	11,346	10,774	44,518
1995	11,876	11,012	11,448	11,241	45,577
1996	12,324	11,777	12,536	11,700	48,337
1997	11,977	11,730	11,621	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	4.5	2.0	1.5	4.6	3.1
1986	6.7	8.4	12.3	5.0	8.1
1987	9.1	5.2	4.6	12.2	7.7
1988	11.9	11.3	10.4	12.3	11.5
1989	12.3	12.4	13.4	15.3	13.4
1990	13.8	12.8	14.3	11.5	13.1
1991	14.2	1.9	11.9	-1.5	6.6
1992	-2.7	5.2	-3.7	3.1	0.3
1993	-0.4	8.9	1.3	-0.1	2.4
1994	3.2	-6.4	3.0	2.6	0.5
1995	2.9	1.4	0.9	4.3	2.4
1996	3.8	6.9	9.5	4.1	6.1
1997	-2.8	-0.4	-7.3	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-8  
**RETAILING TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	2,148.0	2,102.0	2,137.0	2,112.0	8,499.0
1986	2,371.0	2,337.0	2,330.0	2,202.0	9,240.0
1987	2,393.0	2,277.0	2,374.0	2,405.0	9,449.0
1988	2,654.0	2,613.0	2,573.0	2,545.0	10,385.0
1989	3,017.0	2,814.0	2,884.0	2,893.0	11,608.0
1990	3,320.0	3,123.0	3,169.0	3,214.0	12,826.0
1991	3,659.0	3,068.0	3,525.0	3,146.0	13,398.0
1992	3,668.0	3,282.0	3,484.0	3,411.0	13,845.0
1993	3,617.0	3,395.0	3,594.0	3,370.0	13,976.0
1994	3,848.0	3,527.0	3,697.0	3,496.0	14,568.0
1995	3,932.0	3,576.0	3,846.0	3,697.0	15,051.0
1996	4,206.5	3,826.8	4,247.4	3,810.8	16,091.4
1997	4,027.0	3,917.0	3,855.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	5.6	2.7	7.8	3.1	4.8
1986	10.4	11.2	9.0	4.3	8.7
1987	0.9	-2.6	1.9	9.2	2.3
1988	10.9	14.8	8.4	5.8	9.9
1989	13.7	7.7	12.1	13.7	11.8
1990	10.0	11.0	9.9	11.1	10.5
1991	10.2	-1.8	11.2	-2.1	4.5
1992	0.2	7.0	-1.2	8.4	3.3
1993	-1.4	3.4	3.2	-1.2	0.9
1994	6.4	3.9	2.9	3.7	4.2
1995	2.2	1.4	4.0	5.7	3.3
1996	7.0	7.0	10.4	3.1	6.9
1997	-4.3	2.4	-9.2	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-9  
**SERVICES TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	592.6	646.4	627.9	614.7	2,481.7
1986	660.3	703.9	714.2	705.9	2,784.2
1987	713.4	725.8	732.6	724.4	2,896.2
1988	774.0	837.2	813.6	862.9	3,287.7
1989	905.0	937.7	918.8	937.5	3,699.0
1990	1,020.6	1,106.7	1,061.9	1,087.6	4,276.9
1991	1,235.4	1,229.7	1,253.6	1,169.5	4,888.2
1992	1,260.6	1,279.8	1,284.8	1,207.5	5,032.7
1993	1,233.4	1,316.7	1,300.4	1,242.1	5,092.7
1994	1,359.6	1,300.7	1,413.4	1,197.2	5,270.8
1995	1,371.0	1,312.0	1,342.2	1,325.8	5,351.1
1996	1,372.4	1,433.6	1,480.3	1,331.7	5,618.0
1997	1,344.7	1,392.7	1,332.2	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	5.7	4.4	4.7	4.3	4.8
1986	11.4	8.9	13.7	14.8	12.2
1987	8.0	3.1	2.6	2.6	4.0
1988	8.5	15.4	11.1	19.1	13.5
1989	16.9	12.0	12.9	8.6	12.5
1990	12.8	18.0	15.6	16.0	15.6
1991	21.1	11.1	18.0	7.5	14.3
1992	2.0	4.1	2.5	3.3	3.0
1993	-2.2	2.9	1.2	2.9	1.2
1994	10.2	-1.2	8.7	-3.6	3.5
1995	0.8	0.9	-5.0	10.7	1.5
1996	0.1	9.3	10.3	0.4	5.0
1997	-2.0	-2.9	-10.0	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.



Table C-10  
**CONTRACTING TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	257.7	311.7	364.4	434.0	1,367.7
1986	394.2	468.0	497.4	448.4	1,808.0
1987	450.9	484.5	521.3	546.4	2,003.1
1988	544.8	587.3	601.1	754.4	2,487.6
1989	640.6	757.8	795.7	918.6	3,112.8
1990	870.0	922.3	1,108.7	1,102.7	4,003.7
1991	1,126.1	1,043.7	1,164.5	999.7	4,334.1
1992	1,023.1	1,051.5	977.6	960.4	4,012.7
1993	964.9	960.8	965.2	912.7	3,803.6
1994	827.5	837.9	838.5	818.5	3,322.3
1995	776.6	760.6	751.3	845.1	3,133.5
1996	824.5	814.4	838.6	807.6	3,285.1
1997	674.0	749.6	718.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-17.4	-13.8	13.7	74.5	10.0
1986	53.0	50.1	36.5	3.3	32.2
1987	14.4	3.5	4.8	21.8	10.8
1988	20.8	21.2	15.3	38.1	24.2
1989	17.6	29.0	32.4	21.8	25.1
1990	35.8	21.7	39.3	20.0	28.6
1991	29.4	13.2	5.0	-9.3	8.3
1992	-9.1	0.7	-16.0	-3.9	-7.4
1993	-5.7	-8.6	-1.3	-5.0	-5.2
1994	-14.2	-12.8	-13.1	-10.3	-12.7
1995	-6.2	-9.2	-10.4	3.2	-5.7
1996	6.2	7.1	11.6	-4.4	4.8
1997	-18.3	-8.0	-14.3	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-11

**HOTEL RENTAL TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	295.5	326.2	246.6	254.0	1,122.3
1986	275.5	359.9	297.8	279.5	1,212.8
1987	353.2	361.8	346.0	308.4	1,369.4
1988	400.6	361.7	328.3	318.2	1,408.9
1989	374.6	419.1	341.7	369.7	1,505.1
1990	419.8	417.0	377.2	359.0	1,573.0
1991	403.5	366.8	395.9	346.7	1,513.0
1992	409.1	424.2	406.8	381.6	1,621.8
1993	398.4	419.2	355.3	354.0	1,527.0
1994	436.8	417.7	421.3	390.6	1,666.4
1995	478.4	447.1	434.3	416.7	1,776.5
1996	518.0	518.2	548.1	473.5	2,057.8
1997	533.8	535.4	490.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	27.0	18.6	0.1	10.3	14.0
1986	-6.8	10.3	20.8	10.1	8.1
1987	28.2	0.5	16.2	10.3	12.9
1988	13.4	0.0	-5.1	3.2	2.9
1989	-6.5	15.9	4.1	16.2	6.8
1990	12.1	-0.5	10.4	-2.9	4.5
1991	-3.9	-12.0	5.0	-3.4	-3.8
1992	1.4	15.6	2.8	10.1	7.2
1993	-2.6	-1.2	-12.7	-7.2	-5.8
1994	9.6	-0.4	18.6	10.3	9.1
1995	9.5	7.0	3.1	6.7	6.6
1996	8.3	15.9	26.2	13.6	15.8
1997	3.0	3.3	-10.5	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-12  
**PRODUCING TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	77.2	67.5	60.8	57.3	262.8
1986	64.6	61.8	63.8	60.9	251.0
1987	75.0	70.2	61.4	67.6	274.2
1988	81.3	74.3	71.9	70.7	298.3
1989	90.8	78.7	75.3	81.6	326.4
1990	87.6	79.8	69.5	80.4	317.3
1991	84.1	79.0	76.3	62.5	301.9
1992	127.5	93.7	87.7	99.8	408.7
1993	124.9	133.3	117.0	99.7	474.9
1994	127.7	118.5	116.2	104.7	467.2
1995	122.3	106.7	120.0	108.5	457.5
1996	124.2	124.1	108.9	121.8	479.0
1997	134.7	111.1	135.6	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	34.1	6.9	-4.0	-2.2	8.3
1986	-16.3	-8.6	4.8	6.3	-4.5
1987	16.2	13.8	-3.8	11.1	9.3
1988	8.5	5.8	17.2	4.5	8.8
1989	11.6	5.9	4.7	15.4	9.4
1990	-3.5	1.4	-7.7	-1.5	-2.8
1991	-4.0	-1.0	9.7	-22.3	-4.9
1992	51.5	18.6	14.9	59.7	35.4
1993	-2.0	42.2	33.5	-0.1	16.2
1994	2.3	-11.1	-0.6	5.0	-1.6
1995	-4.2	-10.0	3.3	3.6	-2.1
1996	1.5	16.3	-9.2	12.3	4.7
1997	8.5	-10.4	24.5	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.

Table C-13  
**4% USE TAX BASE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Millions of Dollars					
1985	88.0	80.9	107.7	78.9	355.4
1986	71.0	72.7	73.4	62.6	279.6
1987	88.8	72.2	78.5	78.3	317.8
1988	100.4	90.4	144.4	114.3	449.5
1989	101.8	168.2	97.1	110.1	477.1
1990	124.1	134.4	132.3	111.1	501.9
1991	108.2	120.2	121.3	96.3	446.0
1992	104.4	97.9	98.1	119.0	419.5
1993	113.0	128.3	94.5	101.0	436.7
1994	143.3	106.0	129.9	105.1	484.2
1995	130.6	117.2	109.2	104.2	461.2
1996	127.2	110.9	109.1	131.2	478.4
1997	153.9	123.2	99.7	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	-7.8	-9.1	46.5	-18.4	0.2
1986	-19.3	-10.1	-31.9	-20.7	-21.3
1987	25.1	-0.6	7.0	25.0	13.6
1988	13.0	25.2	84.0	46.1	41.5
1989	1.4	86.0	-32.8	-3.7	6.1
1990	21.9	-20.1	36.3	0.9	5.2
1991	-12.8	-10.5	-8.4	-13.3	-11.1
1992	-3.5	-18.6	-19.1	23.5	-6.0
1993	8.2	31.0	-3.7	-15.2	4.1
1994	26.8	-17.4	37.5	4.1	10.9
1995	-8.8	10.6	-15.9	-0.9	-4.8
1996	-2.6	-5.4	-0.2	26.0	3.7
1997	21.0	11.1	-8.6	n/a	n/a

Note: n/a = not available.

Source: Hawaii State Department of Taxation.



## TOURISM

Hawaii's tourism industry began to show signs of growth in the third quarter of 1997 compared to the first half of the year. Reversing relative trends of the last few years, much of this growth came from the westbound market, rather than the eastbound market.

Visitor arrivals grew by a modest 0.9 percent from the third quarter of 1996 through the third quarter of 1997 (table D-2). This modest growth reversed three consecutive quarters of year-to-year declines in total arrivals. Through the third quarter, however, total arrivals were still down 0.4 percent relative to the first three quarters of 1996.

Westbound arrivals, about 57 percent of the total, grew 2.1 percent in the third quarter of 1997 relative to the year-earlier quarter (table D-3). This growth also follows three consecutive quarters of westbound visitor arrival declines on a year-to-year basis.

Eastbound arrivals, by contrast, fell 0.7 percent from the third quarter of 1996 to the third quarter of 1997 (table D-4). It may be too soon to attribute this decline to the recent financial and economic problems in southeast Asia. Nevertheless, it is unusual that westbound growth exceeded eastbound growth.

The average daily visitor census, the number of visitors in Hawaii on any given day, grew slightly by 0.6 percent in the third quarter of 1997 (table D-5). Most of the increase came from westbound visitors, but there was also a slight increase in the number of eastbound visitors (table D-6). Given the decline in eastbound arrivals, this may indicate that recent reductions in the length of stay of eastbound visitors are slowing.

The modest growth in tourism is also reflected in other data. Hotel jobs increased slowly at 0.6 percent in the third quarter of 1997 relative to the third quarter of 1996 (table A-15). Although transient accommodation tax revenues fell by 1.5 percentage points, these revenues were affected by the technical change to electronic filing in 1996 (table C-6). For the first nine months of the year, transient accommodations tax revenue has grown at a 10.0 percent annual, compound rate from 1995 through 1997.

On average, the hotel occupancy rate stood at 76.2 percent in the third quarter of 1997 (table D-7). This was more than 2 percentage points lower than the third quarter of 1996. The year-to-year decline in hotel occupancy rates began in the second quarter of 1996.

Table D-1  
**VISITOR ARRIVALS AND AVERAGE DAILY VISITOR CENSUS**

Year	Visitors Staying Overnight or Longer			Average Number of Visitors Present Daily		
	Westbound	Eastbound	Total	Westbound	Eastbound	Total
1985	3,708,610	1,175,500	4,884,110	103,857	12,880	116,737
1986	4,256,390	1,350,590	5,606,980	118,152	14,800	132,952
1987	4,204,010	1,595,820	5,799,830	116,868	17,490	134,358
1988	4,264,730	1,877,690	6,142,420	115,739	25,650	141,389
1989	4,705,320	1,936,500	6,641,820	128,173	34,190	162,363
1990	4,719,730	2,251,450	6,971,180	125,626	36,441	162,067
1991	4,584,460	2,289,430	6,873,890	121,172	36,158	157,330
1992	3,980,120	2,533,760	6,513,880	113,806	39,526	153,332
1993	3,764,520	2,359,710	6,124,230	108,122	40,613	148,735
1994	3,997,820	2,432,480	6,430,300	115,281	43,966	159,247
1995	3,933,110	2,696,070	6,629,180	113,090	44,109	157,199
1996	4,004,450	2,831,490	6,835,940	114,161	44,682	158,843
1997 1 Qtr.	1,038,490	690,210	1,728,700	127,203	43,277	170,480
2 Qtr.	996,240	657,910	1,654,150	109,350	39,003	148,353
3 Qtr.	1,043,510	782,980	1,826,490	111,363	48,823	160,186
Percentage Change from the Same Period in Previous Year						
1985	-0.3	3.6	0.6	-2.3	3.9	-1.6
1986	14.8	14.9	14.8	13.8	14.9	13.9
1987	-1.2	18.2	3.4	-1.1	18.2	1.1
1988	1.4	17.7	5.9	-1.0	46.7	5.2
1989	10.3	3.1	8.1	10.7	33.3	14.8
1990	0.3	16.3	5.0	-2.0	6.6	-0.2
1991	-2.9	1.7	-1.4	-3.5	-0.8	-2.9
1992	-13.2	10.7	-5.2	-6.1	9.3	-2.5
1993	-5.4	-6.9	-6.0	-5.0	2.8	-3.0
1994	6.2	3.1	5.0	6.6	8.3	7.1
1995	-1.6	10.8	3.1	-1.9	0.3	-1.3
1996	1.8	5.0	3.1	0.9	1.3	1.1
1997 1 Qtr.	-1.1	-1.1	-1.1	-0.8	-6.8	-2.4
2 Qtr.	-1.4	-0.1	-0.9	1.7	-5.6	-0.3
3 Qtr.	2.1	-0.7	0.9	1.3	0.1	1.0

Note: Visitor arrivals for 1995 and 1996 revised by Hawaii Visitors and Convention Bureau on August 29, 1997.

Sources: Department of Business, Economic Development & Tourism, *State of Hawaii Data Book*, 1987;  
*State of Hawaii Data Book*, 1993-94; Hawaii Visitors and Convention Bureau.

Table D-2  
**TOTAL VISITOR ARRIVALS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	1,301.5	1,129.6	1,266.9	1,186.2	4,884.1
1986	1,393.2	1,421.2	1,450.9	1,341.8	5,607.0
1987	1,448.9	1,370.0	1,555.2	1,425.8	5,799.8
1988	1,484.9	1,488.2	1,635.6	1,533.7	6,142.4
1989	1,683.7	1,605.1	1,754.8	1,598.3	6,641.8
1990	1,714.8	1,724.4	1,879.9	1,652.2	6,971.2
1991	1,509.5	1,727.2	1,958.3	1,678.9	6,873.9
1992	1,622.2	1,598.0	1,703.6	1,590.1	6,513.9
1993	1,559.6	1,476.3	1,588.9	1,499.5	6,124.2
1994	1,615.6	1,527.7	1,692.7	1,594.2	6,430.3
1995	1,609.4	1,593.0	1,788.4	1,638.5	6,629.2
1996	1,748.2	1,669.4	1,810.8	1,607.5	6,835.9
1997	1,728.7	1,654.2	1,826.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	6.8	-6.4	3.6	-1.8	0.6
1986	7.0	25.8	14.5	13.1	14.8
1987	4.0	-3.6	7.2	6.3	3.4
1988	2.5	8.6	5.2	7.6	5.9
1989	13.4	7.9	7.3	4.2	8.1
1990	1.8	7.4	7.1	3.4	5.0
1991	-12.0	0.2	4.2	1.6	-1.4
1992	7.5	-7.5	-13.0	-5.3	-5.2
1993	-3.9	-7.6	-6.7	-5.7	-6.0
1994	3.6	3.5	6.5	6.3	5.0
1995	-0.4	4.3	5.6	2.8	3.1
1996	8.6	4.8	1.3	-1.9	3.1
1997	-1.1	-0.9	0.9	n/a	n/a

Notes: n/a = not available.

Visitor arrivals for 1995 and 1996 revised by Hawaii Visitors and Convention Bureau on August 29, 1997.

Source: Hawaii Visitors and Convention Bureau.



Table D-3  
**WESTBOUND VISITORS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	1,011.8	840.2	957.8	898.9	3,708.6
1986	1,087.6	1,094.3	1,073.1	1,001.4	4,256.4
1987	1,084.1	999.9	1,102.4	1,017.6	4,204.0
1988	1,047.4	1,028.8	1,088.1	1,100.4	4,264.7
1989	1,198.6	1,145.6	1,213.7	1,147.4	4,705.3
1990	1,179.4	1,189.3	1,245.3	1,105.7	4,719.7
1991	1,066.9	1,175.7	1,255.0	1,087.0	4,584.5
1992	995.8	976.5	1,004.6	1,003.3	3,980.1
1993	979.8	924.5	937.1	923.1	3,764.5
1994	1,019.3	979.1	1,009.8	989.6	3,997.8
1995	1,010.7	971.4	985.0	966.1	3,933.1
1996	1,050.1	1,010.6	1,022.4	921.3	4,004.5
1997	1,038.5	996.2	1,043.5	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	6.0	-9.0	3.8	-2.4	-0.3
1986	7.5	30.2	12.0	11.4	14.8
1987	-0.3	-8.6	2.7	1.6	-1.2
1988	-3.4	2.9	-1.3	8.1	1.4
1989	14.4	11.4	11.5	4.3	10.3
1990	-1.6	3.8	2.6	-3.6	0.3
1991	-9.5	-1.1	0.8	-1.7	-2.9
1992	-6.7	-16.9	-19.9	-7.7	-13.2
1993	-1.6	-5.3	-6.7	-8.0	-5.4
1994	4.0	5.9	7.8	7.2	6.2
1995	-0.8	-0.8	-2.5	-2.4	-1.6
1996	3.9	4.0	3.8	-4.6	1.8
1997	-1.1	-1.4	2.1	n/a	n/a

Notes: n/a = not available.

Visitor arrivals for 1995 and 1996 revised by Hawaii Visitors and Convention Bureau on August 29, 1997.

Source: Hawaii Visitors and Convention Bureau.

Table D-4  
**EASTBOUND VISITORS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1985	289.7	289.4	309.1	287.3	1,175.5
1986	305.5	326.9	377.7	340.4	1,350.6
1987	364.8	370.1	452.8	408.2	1,595.8
1988	437.5	459.4	547.5	433.3	1,877.7
1989	485.1	459.6	541.0	450.9	1,936.5
1990	535.3	535.1	634.6	546.5	2,251.5
1991	442.6	551.5	703.3	592.0	2,289.4
1992	626.4	621.5	699.0	586.9	2,533.8
1993	579.8	551.7	651.7	576.4	2,359.7
1994	596.3	548.6	682.9	604.6	2,432.5
1995	598.7	621.6	803.4	672.4	2,696.1
1996	698.2	658.8	788.4	686.2	2,831.5
1997	690.2	657.9	783.0	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	9.6	2.0	3.0	0.4	3.6
1986	5.5	13.0	22.2	18.5	14.9
1987	19.4	13.2	19.9	19.9	18.2
1988	19.9	24.1	20.9	6.2	17.7
1989	10.9	0.0	-1.2	4.0	3.1
1990	10.4	16.4	17.3	21.2	16.3
1991	-17.3	3.1	10.8	8.3	1.7
1992	41.5	12.7	-0.6	-0.9	10.7
1993	-7.4	-11.2	-6.8	-1.8	-6.9
1994	2.8	-0.6	4.8	4.9	3.1
1995	0.4	13.3	17.6	11.2	10.8
1996	16.6	6.0	-1.9	2.1	5.0
1997	-1.1	-0.1	-0.7	n/a	n/a

Notes: n/a = not available.

Visitor arrivals for 1995 and 1996 revised by Hawaii Visitors and Convention Bureau on August 29, 1997.

Source: Hawaii Visitors and Convention Bureau.

Table D-5

**AVERAGE DAILY VISITOR CENSUS**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
In Thousands of Persons					
1990	168.4	155.4	170.2	154.4	162.1
1991	150.0	161.2	171.4	146.7	157.3
1992	160.9	146.1	155.0	151.3	153.3
1993	157.5	137.7	151.8	148.0	148.7
1994	174.6	143.5	157.4	161.4	159.2
1995	166.4	146.8	160.2	155.4	157.2
1996	174.7	148.9	159.2	152.6	158.8
1997	170.4	148.4	160.2	n/a	n/a
Average Daily Westbound Visitors					
1990	132.9	122.4	127.7	119.5	125.6
1991	119.4	127.2	127.4	110.8	121.2
1992	123.1	108.4	110.0	113.7	113.8
1993	119.9	101.8	103.2	107.6	108.1
1994	127.6	106.3	109.7	117.6	115.3
1995	124.4	106.4	107.8	113.8	113.1
1996	128.3	107.5	110.5	110.4	114.2
1997	127.2	109.4	111.4	n/a	n/a
Average Daily Eastbound Visitors					
1990	35.4	33.0	42.5	34.9	36.4
1991	30.6	34.1	44.0	35.9	36.2
1992	37.7	37.7	45.1	37.6	39.5
1993	37.6	35.9	48.6	40.4	40.6
1994	47.0	37.2	47.7	43.9	44.0
1995	42.0	40.4	52.4	41.6	44.1
1996	46.4	41.3	48.8	42.2	44.7
1997	43.2	39.0	48.8	n/a	n/a

Note: n/a = not available.

Source: Hawaii Visitors and Convention Bureau.

Table D-6

**AVERAGE DAILY VISITOR CENSUS**  
(percentage change from the same period in previous year)

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
<b>Total Daily Visitors</b>					
1991	-10.9	3.8	0.7	-4.9	-2.9
1992	7.3	-9.4	-9.5	3.1	-2.5
1993	-2.1	-5.8	-2.1	-2.2	-3.0
1994	10.9	4.2	3.7	9.1	7.1
1995	-4.7	2.3	1.7	-3.7	-0.6
1996	5.0	1.4	-0.6	-1.8	1.1
1997	-2.5	-0.3	0.6	n/a	n/a
<b>Average Daily Westbound Visitors</b>					
1991	-10.2	3.9	-0.3	-7.2	-3.5
1992	3.2	-14.7	-13.7	2.6	-6.1
1993	-2.6	-6.1	-6.1	-5.4	-5.0
1994	6.4	4.4	6.3	9.3	6.6
1995	-2.5	0.1	-1.8	-3.2	-1.9
1996	3.1	1.0	2.5	-3.0	0.9
1997	-0.8	1.7	0.8	n/a	n/a
<b>Average Daily Eastbound Visitors</b>					
1991	-13.7	3.4	3.7	3.0	-0.8
1992	23.3	10.6	2.4	4.7	9.3
1993	-0.3	-4.8	7.8	7.4	2.8
1994	25.2	3.7	-1.8	8.6	8.3
1995	-10.7	8.6	9.8	-5.3	0.3
1996	10.5	2.3	-6.9	1.6	1.3
1997	-7.0	-5.6	0.1	n/a	n/a

Note: n/a = not available.

Source: Hawaii Visitors and Convention Bureau.

Table D-7  
**HOTEL OCCUPANCY RATE**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
Percentage					
1985	88.1	69.1	75.0	72.5	76.2
1986	87.0	78.8	79.9	76.8	80.6
1987	88.0	77.1	82.1	77.8	81.2
1988	81.7	75.1	81.3	75.1	78.3
1989	85.9	73.9	81.0	75.7	79.1
1990	83.9	75.5	81.0	74.3	78.7
1991	68.2	70.7	79.7	72.5	72.8
1992	75.3	68.6	75.5	75.2	73.6
1993	75.3	67.9	73.8	72.5	72.4
1994	80.9	72.7	79.1	74.8	76.9
1995	80.2	72.6	80.4	75.4	77.2
1996	82.1	72.5	78.5	71.0	76.0
1997	79.3	70.3	76.2	n/a	n/a

Note: n/a = not available.

Source: PKF-Hawaii.

## CONSTRUCTION

Most indicators in the construction industry turned down in the third quarter of 1997 relative to the third quarter of 1996. However for the year-to-date, many of these indicators remained at higher levels than in the first three quarters of 1996.

The value of construction completed, which is estimated as a one-month lag of the value of construction subject to the general excise tax, fell 8.5 percent in the third quarter of 1997 relative to the year-earlier quarter (table E-2). Unfortunately, this is one of the indicators that also showed a year-to-date decline at -11.5 percent.

The value of private building authorizations, an indicator of future construction activity, declined by 24.5 percent in the third quarter of 1997 from the same quarter in 1996. But for the year through September, the value of private authorizations was 5.6 percent higher than in 1996. Most of this increase on a year-to-date basis was provided by the value of residential building authorizations which rose 11.7 percent between the first three quarters of 1996 and the same period in 1997.

The *number* of building authorizations also declined in the third quarter of 1997. The number of single family units authorized fell 10.9 percent from the third quarter of 1996 (table E-3). Year-to-date, single family authorizations dropped 8.5 percent from the first three quarters of 1996. The number of multi-family units authorized fell by 67.6 percent in the third quarter, but the large increase in second quarter of 1997 meant that for the first three quarters of 1997,

multi-family unit authorizations expanded by 13.4 percent compared to the first three quarters of 1996.

The slower pace of construction activity may be affecting measures of cost. The Honolulu construction cost index for single family residences rose slightly by 0.7 percent from the third quarter of 1996 to the third quarter of 1997 (table E-5). This is the lowest rate of increase since the cost declines recorded in 1995. The Honolulu construction cost index for high-rise buildings grew at a more rapid 2.1 percent in the third quarter, but even this pace is relatively low by historical standards (table E-6).

The third quarter decline in the value of private building authorizations was spread across the counties, with Kauai County seeing the largest decline (55.3 percent) and Hawaii County seeing the smallest decline (1.2 percent) (table E-7). Year-to-date, the story is somewhat different. Honolulu County experienced a 12.6 percent rise in the value of private building authorizations from the first three quarters of 1996 through the same period in 1997. By contrast, the Neighbor Islands have experienced year-to-date declines in this measure of construction activity.

Government contract awards fell both in the third quarter (-37.9 percent) and year-to-date (-30.1 percent) relative to the respective year-earlier periods (tables E-1 and E-2). While capital improvement projects (CIP) spending fell by 28.2 percent in the third quarter, such spending was 9.5 percent higher on a year-to-date basis.

Table E-1

**ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE  
BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED**

Year	Value of Construction Completed 1/	Private Building Authorization			Government Contracts Awarded	
		Total Private Authorizations	Residential	Commercial and Industrial 2/		Additions and Alterations
In Millions of Dollars						
1985	1,429.6	888.4	500.1	208.8	180.1	248.9
1986	1,802.1	1,025.2	455.5	267.4	302.3	422.7
1987	2,145.5	1,161.9	507.0	344.4	310.5	370.9
1988	2,529.0	1,546.5	689.2	541.2	316.1	665.0
1989	3,193.1	1,882.4	910.7	561.8	409.9	725.2
1990	4,121.6	2,101.8	952.3	698.0	451.5	825.5
1991	4,305.3	2,151.8	1,192.0	556.2	403.7	729.4
1992	3,950.4	1,751.9	811.1	532.3	408.5	1,159.1
1993	3,785.4	1,496.5	734.7	306.3	455.5	651.8
1994	3,317.3	1,612.9	849.3	370.3	393.4	693.0
1995	3,153.4	1,531.3	745.5	368.3	417.5	490.2
1996	3,241.5	1,117.8	487.0	252.8	378.0	885.5
1996 1Qtr.	803.0	280.5	118.3	78.5	83.7	319.5
2 Qtr.	824.1	268.2	99.2	62.5	106.4	78.0
3 Qtr.	809.9	352.3	178.1	64.4	109.8	323.6
4 Qtr.	804.5	216.7	91.3	47.3	78.1	164.4
1997 1Qtr.	680.8	258.9	88.4	72.8	97.8	181.8
2 Qtr.	734.3	425.6	220.8	93.6	111.2	121.6
3 Qtr.	741.0	266.0	132.8	46.8	86.3	200.9

Notes: 1/ Value of construction subject to State excise tax, adjusted to reflect reporting delay of about one month.

2/ Includes hotels.

Source: Hawaii State Department of Taxation; F. W. Dodge; County building departments; and First Hawaiian Bank.

Table E-2

**ESTIMATED VALUE OF COMPLETED CONSTRUCTION, NEW PRIVATE  
BUILDING AUTHORIZATIONS, AND GOVERNMENT CONTRACTS AWARDED**

Year	Value of Construction Completed 1/	Private Building Authorization				Government Contracts Awarded
		Total Private Authorizations	Residential	Commercial and Industrial 2/	Additions and Alterations	
Percentage Change from the Same Period in Previous Year						
1985	16.5	52.8	52.6	100.8	20.1	-36.0
1986	26.1	15.4	-8.9	28.1	67.9	69.8
1987	19.1	13.3	11.3	28.8	2.7	-12.3
1988	17.9	33.1	35.9	57.1	1.8	79.3
1989	26.3	21.7	32.1	3.8	29.7	9.1
1990	29.1	11.7	4.6	24.2	10.1	13.8
1991	4.5	2.4	25.2	-20.3	-10.6	-11.6
1992	-8.2	-18.6	-32.0	-4.3	1.2	58.9
1993	-4.2	-14.6	-9.4	-42.5	11.5	-43.8
1994	-12.4	7.8	15.6	20.9	-13.6	6.3
1995	-4.9	-5.1	-12.2	-0.5	6.1	-29.3
1996	2.8	-27.0	-34.7	-31.4	-9.5	80.7
1996 1Qtr.	6.0	-33.6	-47.0	-23.6	-13.3	113.9
2 Qtr.	9.0	-43.6	-42.7	-58.9	-29.1	-29.3
3 Qtr.	-0.2	-7.3	-19.8	2.6	15.2	207.5
4 Qtr.	-2.9	-14.4	-28.1	-6.7	3.6	31.3
1997 1 Qtr.	-15.2	-7.7	-25.3	-7.3	16.8	-43.1
2 Qtr.	-10.9	58.7	122.5	49.6	4.5	56.0
3 Qtr.	-8.5	-24.5	-25.4	-27.4	-21.3	-37.9

Notes: 1/ Value of construction subject to State excise tax, adjusted to reflect reporting delay of about one month.

2/ Includes hotels.

Source: Hawaii State Department of Taxation; F. W. Dodge; County building departments; and First Hawaiian Bank.



Table E-3  
**NUMBER OF SINGLE FAMILY UNITS AUTHORIZED**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
1985	802	1,236	1,644	1,269	4,951
1986	925	1,226	1,354	1,195	4,700
1987	1,523	1,639	1,429	1,475	6,066
1988	1,323	1,767	2,096	1,114	6,290
1989	1,474	1,620	1,993	1,777	6,858
1990	1,922	1,476	1,132	1,472	6,002
1991	1,094	1,010	1,303	1,419	4,826
1992	1,317	1,058	1,388	816	4,576
1993	1,147	1,311	1,064	1,228	4,750
1994	961	963	1,426	1,226	4,576
1995	796	1,138	1,180	778	3,892
1996	756	630	880	540	2,806
1997	533	757	784	n/a	n/a
<b>Percentage Change from the Same Period in Previous Year</b>					
1985	-26.6	-6.6	47.4	39.3	11.5
1986	15.3	-0.8	-17.6	-5.8	-5.1
1987	64.6	33.7	5.5	23.4	29.1
1988	-13.1	7.8	46.7	-24.5	3.7
1989	11.4	-8.3	-4.9	59.5	9.0
1990	30.4	-8.9	-43.2	-17.2	-12.5
1991	-43.1	-31.6	15.1	-3.6	-19.6
1992	20.4	4.8	6.5	-42.5	-5.2
1993	-12.9	23.9	-23.3	50.5	3.8
1994	-16.2	-26.5	34.0	-0.2	-3.7
1995	-17.2	18.2	-17.3	-36.5	-14.9
1996	-5.0	-44.6	-25.4	-30.6	-27.9
1997	-29.5	20.2	-10.9	n/a	n/a

Note: n/a = not available.

Sources: F. W. Dodge; County building departments.

Table E-4  
**NUMBER OF MULTI-FAMILY UNITS AUTHORIZED**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
1985	1,151	696	291	312	2,450
1986	1,247	299	509	424	2,479
1987	488	567	99	305	1,459
1988	428	702	528	935	2,593
1989	309	1,501	664	457	2,931
1990	495	690	349	1,138	2,672
1991	2,330	973	764	736	4,803
1992	520	484	1,219	517	2,740
1993	272	556	1,120	476	2,424
1994	427	974	630	774	2,805
1995	1,290	290	874	192	2,646
1996	220	108	469	312	1,109
1997	97	655	152	n/a	n/a
<b>Percentage Change from the Same Period in Previous Year</b>					
1985	1786.9	110.3	117.2	-37.0	140.0
1986	8.3	-57.0	74.9	35.9	1.2
1987	-60.9	89.6	-80.6	-28.1	-41.1
1988	-12.3	23.8	433.3	206.6	77.7
1989	-27.8	113.8	25.8	-51.1	13.0
1990	60.2	-54.0	-47.4	149.0	-8.8
1991	370.7	41.0	118.9	-35.3	79.8
1992	-77.7	-50.3	59.6	-29.8	-43.0
1993	-47.7	14.9	-8.1	-7.9	-11.5
1994	57.0	75.2	-43.8	62.6	15.7
1995	202.1	-70.2	38.7	-75.2	-5.7
1996	-82.9	-62.8	-46.3	62.5	-58.1
1997	-55.9	506.5	-67.6	n/a	n/a

Note: n/a = not available.

Sources: F. W. Dodge; County building departments.

Table E-5

**HONOLULU CONSTRUCTION COST INDEX:  
1985-1997, SINGLE FAMILY RESIDENCE (Jan. 1992=100)**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
1985	76.1	75.7	77.6	77.2	76.6
1986	78.5	78.1	79.1	81.5	79.3
1987	80.9	81.3	82.5	83.6	82.1
1988	86.7	85.4	86.6	88.0	86.7
1989	89.5	90.5	90.3	91.5	90.5
1990	91.6	92.5	97.3	99.0	95.1
1991	98.6	97.7	98.3	99.1	98.4
1992	101.5	102.7	103.1	103.3	102.7
1993	108.2	114.9	112.2	110.6	111.5
1994	118.4	124.3	121.6	120.5	121.2
1995	117.6	117.8	118.3	119.3	118.2
1996	120.7	122.5	129.3	129.6	125.5
1997	128.1	129.2	130.2	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.9	1.9	4.2	2.9	2.7
1986	3.2	3.2	1.9	5.6	3.5
1987	3.1	4.1	4.3	2.6	3.5
1988	7.2	5.0	5.0	5.3	5.6
1989	3.2	6.0	4.3	4.0	4.4
1990	2.3	2.2	7.8	8.2	5.1
1991	7.6	5.6	1.0	0.1	3.5
1992	2.9	5.1	4.9	4.2	4.4
1993	6.6	11.9	8.8	7.1	8.6
1994	9.4	8.2	8.4	9.0	8.7
1995	-0.7	-5.2	-2.7	-1.0	-2.4
1996	2.7	4.0	9.3	8.7	6.1
1997	6.1	5.4	0.7	n/a	n/a

Note: n/a = not available.

Source: First Hawaiian Bank.

Table E-6

**HONOLULU CONSTRUCTION COST INDEX:  
1985-1997, HIGH-RISE BUILDING (Jan. 1992=100)**

<i>Year</i>	<i>First Quarter</i>	<i>Second Quarter</i>	<i>Third Quarter</i>	<i>Fourth Quarter</i>	<i>Annual</i>
1985	76.2	75.0	76.7	76.8	76.2
1986	78.5	77.4	78.1	79.5	78.4
1987	80.3	81.0	81.3	81.3	81.0
1988	84.7	83.4	84.3	86.0	84.6
1989	88.1	89.1	89.2	91.0	89.4
1990	90.8	92.0	98.5	100.2	95.4
1991	99.6	98.7	99.6	99.0	99.2
1992	99.7	98.5	99.6	100.0	99.4
1993	102.7	103.3	104.0	105.8	103.9
1994	107.7	109.1	109.6	113.2	109.9
1995	113.5	113.5	114.2	115.3	114.1
1996	115.8	116.0	117.4	118.3	116.9
1997	118.3	119.8	119.8	n/a	n/a
Percentage Change from the Same Period in Previous Year					
1985	1.6	1.5	3.5	2.9	2.4
1986	3.0	3.2	1.8	3.5	2.9
1987	2.3	4.7	4.1	2.3	3.3
1988	5.5	3.0	3.7	5.8	4.4
1989	4.0	6.8	5.8	5.8	5.7
1990	3.1	3.3	10.4	10.1	6.7
1991	9.7	7.3	1.1	-1.2	4.0
1992	0.1	-0.2	0.0	1.0	0.2
1993	3.0	4.9	4.4	5.8	4.5
1994	4.9	5.6	5.4	7.0	5.8
1995	5.4	4.1	4.2	1.8	3.9
1996	2.0	2.1	2.7	2.6	2.4
1997	2.1	3.3	2.1	n/a	n/a

Note: n/a = not available.

Source: First Hawaiian Bank.

Table E-7  
**ESTIMATED VALUE OF PRIVATE BUILDING CONSTRUCTION  
 AUTHORIZATIONS, BY COUNTY: 1985 TO 1997**

<i>Year</i>	<i>State</i>	<i>City &amp; County of Honolulu</i>	<i>Hawaii County</i>	<i>Kauai County</i>	<i>Maui County</i>
In Thousands of Dollars					
1985	888,436	524,823	121,345	63,889	178,933
1986	1,025,195	546,375	231,404	93,199	154,120
1987	1,161,897	749,472	145,157	103,481	163,786
1988	1,546,474	743,056	181,228	213,678	408,508
1989	1,882,397	1,047,747	338,060	178,689	317,364
1990	2,101,767	998,921	429,964	238,968	433,916
1991	2,151,849	1,462,676	369,454	118,547	201,174
1992	1,751,871	1,060,700	379,158	111,098	200,916
1993	1,496,483	959,043	248,239	86,010	203,179
1994	1,612,899	1,073,264	181,059	164,681	193,894
1995	1,532,732	980,757	267,108	80,279	204,588
1996	1,117,760	698,697	171,017	101,981	146,065
1996 1 Qtr	280,480	193,018	27,283	23,487	36,691
2 Qtr.	268,220	146,189	65,975	23,486	32,570
3 Qtr.	352,321	228,620	36,385	39,484	47,833
4 Qtr.	216,740	130,871	41,375	15,523	28,971
1997 1 Qtr	258,945	161,998	46,425	18,804	31,718
2 Qtr	425,581	304,938	37,857	39,815	42,972
3 Qtr	265,962	172,276	35,952	17,637	40,098

Source: County building permits.

Table E-7 (cont.)

**ESTIMATED VALUE OF PRIVATE BUILDING CONSTRUCTION  
AUTHORIZATIONS, BY COUNTY: 1985 TO 1997**

<i>Year</i>	<i>State</i>	<i>City &amp; County of Honolulu</i>	<i>Hawaii County</i>	<i>Kauai County</i>	<i>Maui County</i>
Percentage Change From The Same Period in Previous Year					
1985	52.8	38.7	34.3	20.5	199.0
1986	15.4	4.1	90.7	45.9	-13.9
1987	13.3	37.2	-37.3	11.0	6.3
1988	33.1	-0.9	24.8	106.5	149.4
1989	21.7	41.0	86.5	-16.4	-22.3
1990	11.7	-4.7	27.2	33.7	36.7
1991	2.4	46.4	-14.1	-50.4	-53.6
1992	-18.6	-27.5	2.6	-6.3	-0.1
1993	-14.6	-9.6	-34.5	-22.6	1.1
1994	7.8	11.9	-27.1	91.5	-4.6
1995	-5.0	-8.6	47.5	-51.3	5.5
1996	-27.0	-28.8	-36.0	27.0	-28.6
1996 1 Qtr.	-33.6	-29.1	-73.1	82.7	2.3
2 Qtr.	-43.6	-46.4	-1.2	1.0	-71.1
3 Qtr.	-7.3	-19.8	-16.7	103.0	49.9
4 Qtr.	-14.9	-13.1	-25.0	-37.2	20.5
1997 1 Qtr.	-7.7	-16.1	70.2	-19.9	-13.6
2 Qtr.	58.7	108.6	-42.6	69.5	31.9
3 Qtr.	-24.5	-24.6	-1.2	-55.3	-16.2

Source: County building permits.

Table E-8  
**STATE GOVERNMENT CAPITAL IMPROVEMENT PROJECT  
EXPENDITURES: 1986 to 1997**

Year	Total Expenditures	General Obligation Bond 1/	Revenue Bond 2/	General Fund (Cash)	Special Fund	Federal Fund 3/
In Thousands of Dollars						
1986	n/a	159,320	92,491	n/a	n/a	n/a
1987	n/a	169,979	89,342	n/a	n/a	n/a
1988	n/a	150,460	60,572	n/a	n/a	n/a
1989	n/a	210,757	127,083	n/a	n/a	n/a
1990	995,163	248,379	368,502	133,529	79,998	164,755
1991	1,027,189	210,022	326,414	121,108	164,915	204,730
1992	1,323,450	331,720	512,432	138,867	124,605	215,826
1993	1,188,315	472,515	225,431	89,917	147,351	253,101
1994	1,214,487	492,048	327,980	56,662	135,440	202,357
1995	822,327	342,423	77,560	19,672	169,901	212,772
1996	720,580	286,472	66,625	6,719	165,426	195,338
1 Qtr.	137,754	38,512	27,497	1,592	30,358	39,794
2 Qtr.	245,839	133,694	16,626	2,480	40,695	52,345
3 Qtr.	176,195	54,642	10,163	1,915	54,990	54,485
4 Qtr.	160,792	59,625	12,339	732	39,382	48,714
1997						
1 Qtr.	212,152	115,239	14,839	1,006	35,590	45,477
2 Qtr.	274,739	161,702	19,047	939	40,334	52,717
3 Qtr.	125,971	34,096	9,137	648	49,823	32,267
Percentage Change From Corresponding Period in Previous Year						
1987	n/a	6.7	-3.4	n/a	n/a	n/a
1988	n/a	-11.5	-32.2	n/a	n/a	n/a
1989	n/a	40.1	109.8	n/a	n/a	n/a
1990	n/a	17.9	190.0	n/a	n/a	n/a
1991	3.2	-15.4	-11.4	-9.3	106.1	24.3
1992	28.8	57.9	57.0	14.7	-24.4	5.4
1993	-10.2	42.4	-56.0	-35.2	18.3	17.3
1994	2.2	4.1	45.5	-37.0	-8.1	-20.0
1995	-32.3	-30.4	-76.4	-65.3	25.4	5.1
1996	-12.4	-16.3	-14.1	-65.8	-2.6	-8.2
1 Qtr.	-21.2	-41.0	139.8	-73.6	-28.5	-19.9
2 Qtr.	-15.9	-20.1	-4.5	-58.9	6.6	-17.4
3 Qtr.	5.2	11.1	-38.9	-55.3	17.7	7.4
4 Qtr.	-14.2	-1.5	-61.5	-78.0	-7.5	-0.5
1997						
1 Qtr.	54.0	199.2	-46.0	-36.8	17.2	14.3
2 Qtr.	11.8	20.9	14.6	-62.1	-0.9	0.7
3 Qtr.	-28.5	-37.6	-10.1	-66.2	-9.4	-40.8

Notes: This table is not directly comparable to Contracts Awarded data in Table E-1.

n/a = not available.

1/ Consists of general obligation bonds and reimbursable general obligation bonds.

2/ Consists of revenue bonds and special purpose revenue bonds.

3/ Includes special federal aid interstate; special federal aid primary; special federal aid secondary and federal funds.

Source: Department of Accounting and General Services, Report 300S.

## TERMS AND DEFINITIONS

**Agricultural wage and salary jobs** – Full- and part-time jobs for which payment was made by the employer in the survey week containing the 12<sup>th</sup> of the month. Includes farm jobs and machinery operators. Closely related management and services jobs are included for sugar and pineapple but are excluded for other types of agriculture.

**Average Daily Visitor Census** – Average number of visitors present daily in the state. Figures are computed monthly by the Hawaii Visitors and Convention Bureau, based on arrival and departure dates from inflight questionnaires.

**Civilian Employment** – Persons 16 years of age or older who, during the survey week containing the 12th of the month, were either at work for pay or profit, or worked without pay for 15 hours or more on a family farm or business, or were with a job but not at work. Both permanent and temporary employees and those who are working either full- or part-time are included.

**Civilian Labor Force** – Total of employed and unemployed persons, excluding those in the armed forces and 16 years of age or under. Surveys are done by U.S. Census Bureau for the U.S. Bureau of Labor Statistics.

**Civilian Unemployment** – Persons 16 years of age or older who (1) did not work at all during the survey week but were actively seeking work and were available for work; or (2) did not work at all, were available for work, and were waiting to be called back from lay-off or were waiting to report to a new wage or salary job within 30 days.

**Construction Jobs** – Jobs held by any person engaged in construction, repairing, erecting, or improving buildings or structures of any type or description, and any installations therein. Such construction includes not only residential and non-residential building projects, both private and public, but also highway and road construction, street and sidewalk construction, repair, excavations,

bridges, docks, and other heavy construction projects.

**Contracting** – Includes building contractors, land developers, architects, engineers, and pest control operators.

**Contracting Tax Base** – The total receipts of businesses engaged in contracting to erect, construct, repair, or improve buildings or structures of any kind or description, or to make any installation therein. Attributed to every business engaging in the practice of architecture, engineering, land surveying, landscape architecture, and the practice of pest control or fumigation.

**Contribution to Social Insurance** – Funds paid out to the federal government to satisfy FICA (social security) requirements.

**Dividends, Interest, and Rent** – Income derived from corporate earnings, bank accounts, real estate activity, other rental activity, and any other income based on investments.

**Eastbound Visitors** – Visitors who stayed in Hawaii for at least one night but less than one year (if students, less than six months), from Asia, Australia, and the Pacific. Since the Hawaii Visitors and Convention Bureau does not have a visitor profile encompassing the entire eastbound travel market, this figure is obtained by subtracting the westbound overnight or longer visitors from the total visitor arrivals.

**General Excise (Gross Income) Tax** – Tax charged to businesses on gross sales or gross income. The tax rate is 1/2 of 1% on wholesaling and intermediary services, blind vendors, producing, manufacturing, sugar processing and pineapple canning; all other activities (retailing, business and professional services, contracting, theater, amusement, radio, interest, commissions, rentals) are taxed at 4%, except insurance commissions received by general agents, subagents and solicitors, who are taxed at .15%.



**General Excise and Use Tax Base** – Taxable sales of all goods and services. One of the most comprehensive measures of business activity in the state.

**General Fund Tax Revenues** – The general government fund used to account for all financial resources except those required to be accounted for in another fund, such as the highway fund, capital improvement fund, or airport fund.

**Government, State and Local** – Includes activities or expenditures of the legislative and judicial branches, and some functions of the executive branch of government. It also includes expenditures for staff agencies such as the accounting, budget, purchasing, tax, and data processing offices.

**Honolulu Consumer Price Index** – Measure of the average change in prices over time for a fixed market basket of goods and services published by the U.S. Bureau of Labor Statistics. The index measures price changes from a designated reference date (i.e., 1982-84), which equals 100.0. An increase of 7 percent, for example, is shown as 107.0. Data are updated twice per year.

**Hotel Jobs** – All jobs contained on a hotel payroll. The count varies among hotels depending on the reporting method.

**Hotel Occupancy** – The percentage of occupied rooms in a hotel. Hotel occupancy rates depend not only on the number of visitors and their length of stay, but also on the hotel room inventory, e.g., a large increase in new hotel units results in a drop in occupancy rates, until such time as visitor traffic builds up enough to fill them. Rates are obtained from a sample survey conducted on a monthly basis.

**Hotel Rental Tax Base** – The value of economic activity subject to hotel taxes. Includes the furnishing of temporary accommodations in a hotel, or other place in which lodgings are regularly furnished to transients for compensation.

**Hotel Rentals** – Includes gross income from the furnishing of temporary accommodations in

a hotel, or other place in which lodgings are regularly furnished to transients for compensation.

**Insurance Commissions** – Includes commissions received by a licensed solicitor, general agent, or sub-agent that is subject to the Hawaii insurance law.

**Interest** – Includes interest and any gross income in the nature of interest received or derived from a business activity or from the investment of the capital of a business.

**Labor Force** – See Civilian Labor Force.

**Manufacturing** – Activities by any person or establishment that buys materials, performs work on such materials, and changes such materials into a finished or semi-finished product. Includes compounding, canning, preserving, packing, printing, publishing, mailing, processing, refining, or preparing for sale, profit, or commercial use, either directly or through the activity of others, in whole or in part, any article, substance, or commodity.

**Manufacturing Jobs** – Jobs in manufacturing industries, such as textiles, apparel, printing, publishing, food processing, and durable goods.

**Manufacturing Tax Base** – Tax base on all manufacturing activities, excluding sugar processing and pineapple canning. Direct wholesale and retail sales by manufacturers are not included in manufacturing tax sales.

**Net Income Tax** – Tax revenue derived from either the individual or corporate income tax. Net individual income tax revenue calculated as declared estimated taxes plus payments with returns plus withholding tax on wages less refunds. Net corporate income tax revenue calculated as declared estimated taxes plus payments with returns less refunds. The tax rate for individuals as well as estates and trusts, ranges from 2.0% to 10.0% of taxable income. The allowable standard deduction amounts vary by filing status—\$1900 for married filing joint return or surviving spouse with dependent child; \$1500 for single; \$1650 for head of household, and \$950

for married filing separately. Tax rates for corporations are 4.4% up to \$25,000; 5.4% for \$25,000 to \$100,000; and 6.4% over \$100,000.

**Non-Agricultural Wage and Salary Jobs –**

Derived monthly from a sample survey of employers reporting the number of persons who received pay for any part of the pay period containing the 12th of the month. Includes all full- and part-time non-agricultural workers, permanent and temporary workers, and workers on paid sick leave and paid vacation.

**Other Labor Income –** Labor income other than wages and salaries, such as employer contributions to private benefit plans, fees paid to corporate directors, and miscellaneous fees.

**Other Rentals –** Rental income from real or personal property except the furnishing of transient accommodations in a hotel or other place in which lodgings are regularly furnished to transients for compensation.

**Personal Income –** Income received by all individuals in an economy from all sources, made up of wages and salaries, other labor income, and the difference between transfer payments and personal contributions for social insurance. This figure is compiled by the Bureau of Economic Analysis (BEA).

**Price Index –** A weighted average of prices for a particular set of goods and services in the economy at any given time, divided by the prices of the same goods in a base year. For example, the Consumer Price Index is the ratio of an average of the prices of certain consumer goods in each month to the average prices of the same goods in 1982-84, the base period.

**Producing –** Includes fishing, raising, or producing of agricultural, animal, or poultry products in their natural state (or butchered, dressed, or natural resource products). Also includes the sale of geothermal resources or electrical energy produced by geothermal resources.

**Proprietors' Income –** Earnings of unincorporated businesses, (proprietorships, partner-

ships, and producers' cooperatives), from their current business operations. It includes both farm and non-farm businesses, but excludes capital gains and losses.

**Retailing –** Sales of tangible personal property to the customer for use or consumption and not for resale.

**Retailing Tax Base –** Includes the general excise tax base on retailing, the tax base on the use tax, and the tax base on sales by blind vendors. Retail sales include sales for consumption or use by the purchaser and not for resale.

**Services –** Activities engaged in for other persons for a consideration which involve the rendering of a service as distinguished from the sale of tangible property or the production and sale of tangible property. Includes all professional services.

**Services Tax Base –** Value of gross sales or receipts on which the general excise tax is assessed. Includes gross sales or receipts of establishments primarily engaged in providing a wide variety of services for individuals, business and government establishments, and other organizations; hotels and other lodging places; establishments providing personal, business, repair, and amusement services; health, legal, engineering, and other professional services; educational institutions; membership organizations and other miscellaneous services.

**Tax Base –** The monetary value of goods or services on which a tax is assessed.

**Total Visitors –** All persons who stayed in Hawaii for at least one night but less than one year (if students, less than six months). It includes both westbound arrivals (traveling from North America) and eastbound arrivals (traveling from Asia, Australia, and Oceania).

**Transfer Payments –** Payments for which no goods or services are produced in return. Examples are welfare and social security.

**Transient Accommodations Tax –** Tax levied on the furnishing of a room, apartment, suite

or the like which is customarily occupied by a person or group for less than 180 consecutive days for each letting by a hotel, apartment, motel, horizontal property regime or cooperative apartment, rooming house, or other place in which lodgings are generally furnished to transients for consideration. The tax is imposed at the rate of 6%. The registration fee for transient accommodations operators is a one-time fee of \$5 for each registration consisting of 1 to 5 units and \$15 for 6 or more units.

**Unemployment Rate** – Ratio of unemployed persons to the civilian labor force expressed as a percentage.

**Use Tax** – Excise tax levied on tangible personal property which is imported or purchased from an unlicensed seller for use in the state.

The tax is based upon the purchase price or value of the tangible personal property purchased or imported, whichever is applicable. Rates: 1/2 of 1%, if for resale at retail; 4%, if for use or consumption.

**Wages and Salaries** – Income received for employment services rendered.

**Westbound Visitors** – Visitors who stayed in Hawaii for at least one night but less than one year (if students, less than six months), who traveled from North America (Mainland U.S.).

**Wholesaling** – Sales of tangible personal property to licensed persons for resale or incorporation into a product or project, and sales to certain leasing companies.