

**Table 14.12-- COST OF LIVING ANALYSES FOR HONOLULU AND THE UNITED STATES AVERAGE: JULY 1, 2012**

[This formulation assumed consumption patterns vary according to earnings level. It compares the 'base city' to a the 'destination' using the same pattern but at the destination's prices. This profiles a cost-of-living model rental (approximates the rental equivalent of owner-occupied housing) situations for a family of 4, annual earnings of \$76,000, a 2,000 sq. ft. home, with 3 vehicles having a total value \$30,000 and driven a total of 30,000 miles annually. The Institute model may be considered as an evolution of the U.S. Department of Labor's "Urban Family of Four" model which the Bureau of Labor Statistics discontinued in 1981]

Category	Honolulu	Percent of total	U.S. average	Percent of total	Honolulu indexed to U.S. average
Total, earnings level #1	76,000	100.0	41,014	100.0	185.3
Goods and services	29,388	38.7	21,283	51.9	138.1
Consumables	20,850	27.4	14,212	34.7	146.7
Transportation	6,150	8.1	5,040	12.3	122.0
Health services	2,388	3.1	2,031	5.0	117.6
Rent, utilities, insurance	46,686	61.4	21,929	53.5	212.9
Income and payroll taxes	17,917	23.6	15,793	38.5	113.4
Miscellaneous 1/	-17,991	-23.7	-17,991	-43.9	100.0
Exhibit: monthly rent 2/	3,442	54.3	1,551	45.4	221.9
Total, earnings level #2	114,519	100.0	76,000	100.0	150.7
Goods and services	42,682	37.3	31,044	40.8	137.5
Consumables	29,031	25.4	19,722	26.0	147.2
Transportation	10,851	9.5	8,931	11.8	121.5
Health services	2,800	2.4	2,391	3.1	117.1
Rent, utilities, insurance	46,686	40.8	21,929	28.9	212.9
Income and payroll taxes	17,917	15.6	15,793	20.8	113.4
Miscellaneous	7,234	6.3	7,234	9.5	100.0
Exhibit: monthly rent 2/	3,442	36.1	1,551	24.5	221.9

1/ 'Miscellaneous' includes charitable contributions, tuition for dependents or child care, insurance premiums, personal savings, investments, credit card debt payments, vacations, etc. A negative value suggests that the spending pattern is 'too rich' for the earnings level.

2/ Percent of total is calculated based on annual rent.

Source: ERI Economic Research Institute, Relocation Assessor, "Relocation Analysis Report" (July 11, 2012) and calculations by Hawaii State Department of Business, Economic Development & Tourism.